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Re: Rio Rico Utilities / Rates
WS-02676A-09-0257
Volumes I through V, Concluded
March 10 through 30, 2010

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A-1 through A-28

Residential Utility Consumer Office (R Exhibits)

R-1 through R-5, R-7 through R-15, R-17, R-18, R-19

Staff (S Exhibits)

S-1 through S-14

EXHIBITS NOT OFFERED BY DESIGN OR OVERSIGHT

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R-6
R-16 Returned to RUCO

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I-2

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EXHIBIT
tabbies R-18
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RIO RICO UTILITIES, INC.

DOCKET NO. WS-02676A-08-09-0257

SURREBUTTAL TESTIMONY

OF

WILLIAM A. RIGSBY, CRRA

ON BEHALF OF

THE

RESIDENTIAL UTILITY CONSUMER OFFICE

FEBRUARY 24, 2010

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ATTACHMENT A

INTRODUCTION

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

A. My name is William A. Rigsby. I am a Public Utilities Analyst V employed by the Residential Utility Consumer Office ("RUCO") located at 1110 W. Washington, Suite 220, Phoenix, Arizona 85007.

Q. Please state the purpose of your surrebuttal testimony.

A. The purpose of my testimony is to respond to Rio Rico Utilities, Inc.'s ("RRUI" or "Company") rebuttal testimony on RUCO's recommended rate of return on invested capital (which includes RUCO's recommended capital structure, cost of long-term debt and cost of common equity) for the Company's water and wastewater operations in Santa Cruz County, Arizona.

Q. Have you filed any prior testimony in this case on behalf of RUCO?

A. Yes, on December 15, 2009, I filed direct testimony with the Arizona Corporation Commission ("ACC" or "Commission") on the cost of capital issues associated with this case.

Q. How is your surrebuttal testimony on cost of capital organized?

A. My surrebuttal testimony contains seven parts: the introduction that I have just presented; a summary of RRUI's rebuttal testimony; a section on my sample utilities; a section on my CAPM analysis; a section on my

recommended capital structure; a section on my recommended cost of debt; and, a section on my DCF analysis.

SUMMARY OF RRUI's REBUTTAL TESTIMONY

Q. Have you reviewed RRUI's rebuttal testimony?

A. Yes. I have reviewed the rebuttal testimony of Company witnesses Thomas J. Bourassa, filed on February 1, 2010, which addresses the cost of capital issues in this case.

Q. Please summarize the Company's rebuttal testimony.

A. In his rebuttal testimony, Mr. Bourassa argues that my cost of equity figure should not be adopted by the Commission because he believes that it is too low for a "small" utility such as RRUI. Mr. Bourassa is critical of the utilities used in my proxy groups and the CAPM analysis that I conducted in order to arrive at my recommended cost of common equity for RRUI in this case. Mr. Bourassa also takes issue with my recommended hypothetical capital structure, my hypothetical cost of debt and the internal sustainable growth estimates used in my DCF analysis.

Q. Has RUCO revised its recommended cost of common equity based on your review of the Company's rebuttal testimony?

A. No.

Q. Has Mr. Bourassa made any changes to his recommended cost of equity capital?

A. Yes. Mr. Bourassa has decreased his original recommended return on common equity from 12.40 percent to 11.70 percent.

Q. What costs of equity capital are the parties to the case recommending?

A. The costs of common equity presently being recommended by RRUI, ACC Staff and RUCO are as follows:

RRUI	11.70%
ACC Staff	9.20%
RUCO	9.00%

Q. What are the weighted average costs of capital ("WACC") presently being recommended by the Company, ACC Staff and RUCO?

A. The WACC presently being recommended by the RRUI, ACC Staff and RUCO are as follows:

RRUI	11.70%
ACC Staff	9.20%
RUCO	7.90%

As can be seen above, there is presently a 380 basis point difference between the Company-proposed 11.70 percent WACC and RUCO's recommended WACC of 7.90 percent. The difference between ACC Staff witness Juan C. Manrique's recommended WACC and my recommendation is 130 basis points.

Q. Has there been any recent activity in regard to interest rates?

A. Yes. On January 27, 2010, the Federal Reserve decided not to increase or decrease the federal funds rate and kept it between zero and 0.25 percent. According to an article[1] that appeared in The Wall Street Journal on Wednesday, January 27, 2010, the Federal Reserve affirmed its plan to keep interest rates near zero for an extended period, possibly meaning several more months.

SAMPLE UTILITIES

Q. Do you believe, as Mr. Bourassa does, that Southwest Water Company ("SWWC") should have been excluded from your sample based on its percentage of revenues from water utility services as pointed out by Company witness Bourassa?

A. No. I disagree with Mr. Bourassa's assertion that my estimates are biased downward because I have included SWWC. While it is true that Value Line suspended SWWC from its water industry segment for a period of

[1] Hilsenrath, Jon, "More Upbeat Fed Keeps Rates Low," The Wall Street Journal, January 27, 2010.

time while it restated its financials for prior operating periods, Value Line is now including SWWC in its regular quarterly updates. The fact that SWWC is not doing as well financially as the other companies in my proxy is not a valid reason to ignore it, since all companies vary to some degree in their ability to generate earnings. In fact, SWWC's higher beta actually contributes to a higher expected return in the CAPM model. SWWC's revenues and earnings from its non-regulated services group are derived from activities that are closely related to the provision of regulated water and wastewater services (i.e. equipment maintenance and repair, sewer pipeline cleaning, billing and collection services, and state-certified water and wastewater laboratory analysis on a contract basis) as opposed to highly speculative activities that are totally unrelated to the water and wastewater industry. It should be pointed out that American States Water Company, which Mr. Bourassa and I included in our water company samples, is not a pure water provider either. American States Water Company not only provides electric service in California's Big Bear area, but also provides unregulated contract water and wastewater services to various military installations around the country.

Q. Do you still believe that your use of a sample of natural gas LDC's is appropriate despite Mr. Bourassa's arguments to the contrary?

Y. Yes.

Q. Please explain why you believe it is appropriate to use a sample group of natural gas LDC's to estimate the cost of equity capital in a water utility rate case proceeding.

A. For the most part, natural gas LDC's have very similar operating and distribution characteristics with water companies such as RRUI and are therefore a good proxy for water and wastewater utility cost of capital studies. Their inclusion also provides a larger sample to obtain an estimate from.

Q. Have other analysts used natural gas LDC's as proxies in water utility rate case proceedings before the ACC?

A. Yes, in the Arizona-American Water Company (Arizona-American) rate case that is now pending before the Commission, the cost of capital witness for Arizona-American also relied on a sample group of natural gas LDC's.

Q. Do you believe that an upward adjustment is needed for your recommended cost of equity given your use of a sample group of LDC's that have a lower average beta than the one calculated for your sample group of water utilities?

A. No. Given the current state of the economy (an issue which Mr. Bourassa also believes justifies higher rates of return) I believe that my recommended 9.00 percent cost of equity is actually generous.

Q. Please explain why you believe that your recommended 9.00 percent cost of equity is actually generous.

A. It is no secret that since the recent downturn in the economy has occurred there has been a "flight to quality" by investors who have pulled their funds out of the equity markets and have put them into U.S. Treasury instruments, which are yielding next to nothing, in order to avoid any further loss of capital. If investors are willing to accept lower yields on Treasury instruments that are ranging from 0.06 percent, on a 91-day T-bill, to 4.26 percent, on a long-term 30-year Treasury bond (Attachment A), then Mr. Bourassa's proposed 12.40 percent cost of equity figure is clearly excessive given that water utilities and natural gas LDC's are currently being viewed as safe investments for income oriented investors.

Q. Can you back up your statement that water utilities and natural gas LDC's are currently being viewed as safe investments during an economic downturn that is just now showing signs of recovery?

A. Yes. In the October 23, 2009 Value Line update on the water utility industry, analyst Andre J. Costanza had this to say:

> This industry is a good place for cautious investors looking to park themselves until a sustained market recovery is evident. Water utility stocks are historically more recession proof than the broader market, with their steady dividend growth reducing turbulence in share price and padding returns.

...

Q. What is Value Line's view on natural gas LDC's?

A. Value Line analyst Richard Gallagher had this to say in the September 11, 2009 natural gas utility update:

> Still, risk-averse investors may want to consider this group if the economic recovery stalls. Natural gas utilities tend to be a solid defensive play when the stock market is faltering.

While it is true that some investors will look for higher returns as the economy improves, utility stocks will still remain attractive to income-oriented investors who place more importance on dividends over capital appreciation.

Q. Are there other reasons you can cite as to why you think that a higher return is not needed to attract investors?

A. Yes. One has to take into consideration that the investment community at large is well aware of the fact that regulated utilities, such as RRUI, are indeed different from non-regulated entities in terms of how they recover their costs. This information is taken into account when institutions and individual investors make their decisions on where to place their funds. The best example of this can be seen in an MSN Money/CNBC article[2] authored by Jon D. Markman, a weekly columnist for CNBC (Attachment B). In his article, Mr. Markman pitched his suggestions for investing in

[2] Markman, Jon D, "Invest in the Coming Global Water Shortage," MSN.com, January 12, 2005, http://moneycentral.msn.com/content/P102152.asp.

what some believe to be a coming global water shortage. In regard to domestic utilities, Markman had this to say:

> "Virtually all of the U.S. water utility stocks are regulated by states and counties, which makes them pretty dull. Governmental entities typically give utilities a monopoly in a geographic region, then set their profit margin a smidge above costs. Just about the only distinguishing factor among them are the growth rates of their regions and their ability to efficiently manage their underground pipe and pumping infrastructure."

CAPM ANALYSIS

Q. Please respond to Mr. Bourassa's criticism of your reliance on geometric means in the CAPM model.

A. As I stated in my direct testimony there is an on-going debate over which is the better average to rely on. However, it is important to recognize that the information on both means, published by Morningstar, is widely available to the investment community. For this reason alone I believe that the use of both means in a CAPM analysis is appropriate.

The best argument in favor of the geometric mean is that it provides a truer picture of the effects of compounding on the value of an investment when return variability exists. This is particularly relevant in the case of the return on the stock market, which has had its share of ups and downs over the 1926 to 2008 observation period used in my CAPM analysis.

Q. Can you provide an example to illustrate the differences between the two averages?

A. Yes. The following example may help. Suppose you invest $100 and realize a 20.0 percent return over the course of a year. So at the end of year 1, your original $100 investment is now worth $120. Now let's say that over the course of a second year you are not as fortunate and the value of your investment falls by 20.0 percent. As a result of this, the $120 value of your original $100 investment falls to $96. An arithmetic mean of the return on your investment over the two-year period is zero percent calculated as follows:

(year 1 return + year 2 return) ÷ number of periods =

(20.0% + -20.0%) ÷ 2 =

(0.0%) ÷ 2 = <u>0.0%</u>

The arithmetic mean calculated above would lead you to believe that you didn't gain or lose anything over the two-year investment period and that your original $100 investment is still worth $100. But in reality, your original $100 investment is only worth $96. A geometric mean on the other hand calculates a compound return of negative 2.02 percent as follows:

$$(\text{year 2 value} \div \text{original value})^{1/\text{number of periods}} - 1 =$$

$$(\$96 \div \$100)^{1/2} - 1 =$$

$$(0.96)^{1/2} - 1 =$$

$$(0.9798) - 1 =$$

$$-0.0202 = \underline{\underline{-2.02\%}}$$

The geometric mean calculation illustrated above provides a truer picture of what happened to your original $100 over the two-year investment period.

As can be seen in the preceding example, in a situation where return variability exists, a geometric mean will always be lower than an arithmetic mean, which probably explains why utility consultants typically put up a strenuous argument against the use of a geometric mean.

Q. Has the Commission authorized rates of return that were derived through the use of both arithmetic and geometric means in prior decisions?

A. Yes. A case that specifically comes to mind involved another UniSource Energy subsidiary, UNS Gas Inc., in which Decision No. 70011, dated November 27, 2007, stated the following:

> "We agree with the Staff and RUCO witnesses that it is appropriate to consider the geometric returns in calculating a comparable company CAPM because to do otherwise would fail to give recognition to the fact that many investors have access to such information for purposes of making investment decisions."

In the UNS Gas, Inc. case, the ACC Staff witness was Mr. David C. Parcell, who, as I do, consistently relies on both arithmetic and geometric means in our CAPM analyses.

Q. Can you cite any other evidence that supports your use of both a geometric and an arithmetic mean?

A. Yes. In the third edition of their book, Valuation: Measuring and Managing the Value of Companies, authors Tom Copeland, Tim Koller and Jack Murrin ("CKM") make the point that, while the arithmetic mean has been regarded as being more forward-looking in determining market risk premiums, a true market risk premium may lie somewhere between the arithmetic and geometric averages published in Morningstar's SBBI yearbook.

Q. Please explain.

A. In order to believe that the results produced by the arithmetic mean are appropriate, you have to believe that each return possibility included in the calculation is an independent draw. However research conducted by CKM demonstrates that year-to-year returns are not independent and are actually auto correlated (i.e. a relationship that exists between two or more returns, such that when one return changes, the other, or others, also change), meaning that the arithmetic mean has less credence. CKM also explains two other factors that would make the Morningstar arithmetic

mean too high. The first factor deals with the holding period. The arithmetic mean depends on the length of the holding period and there is no "law" that says that holding periods of one year are the "correct" measure. When longer periods (e.g. 2 years, 3 years etc.) are observed, the arithmetic mean drops about 100 basis points. The second factor deals with a situation known as survivor bias. According to CKM, this is a well-documented problem with the Morningstar historical return series in that it only measures the returns of successful firms. That is, those firms that are listed on stock exchanges. The Morningstar historical return series does not measure the failures, of which there are many. Therefore, the return expectations in the future are likely to be lower than the Morningstar historical averages. After conducting their analysis, CKM conclude that 4.0 percent to 5.5 percent is a reasonable forward-looking market risk premium. Adding my 2.26 percent risk free yield on a 5-year Treasury instrument to these two estimates indicate a cost of equity of 6.26 percent to 7.76 percent which is lower than my recommended cost of equity of 9.00 percent. Given the fact that utilities generally exhibit less risk than industrials, a return in the low end of this range could be considered reasonable.

...

Q. Is Mr. Bourassa correct in his assertion that you did not use the appropriate inputs to calculate a market risk premium in your CAPM model?

A. No. Despite Mr. Bourassa's assertion, I have used an appropriate Treasury instrument to calculate the risk premium in my CAPM model. The risk premium that I have calculated has also been calculated in the same manner by both ACC Staff and other cost of capital witnesses whose cost of capital recommendations have been adopted by the Commission. Mr. Bourassa's assertion that I should not have used total returns in the market risk premium component of the CAPM is unfounded. While it is true that investors are typically attracted to utility stocks for their income needs, it is simply not rational to think that they would not expect some capital gains as well. The use of income returns totally ignores the fact that bond prices do indeed fluctuate as a result of interest rate changes – as do interest sensitive utility stock prices. For this reason I believe Mr. Bourassa's reliance on income returns is unrealistic at best.

Q. Please address Mr. Bourassa's criticism of your use of a 5-year Treasury yields and intermediate-term securities in your CAPM analysis.

A. Mr. Bourassa believes that long-term treasury instruments, with higher yields, should be used in the CAPM. However, Utilities do not apply for rate relief every thirty years and regulators do not set rates for thirty-year periods. The simple fact is that utilities generally apply for rate relief every

three to five years and utility investors are aware of this fact. For this reason I believe the use of long-term treasury yields overstate the cost of equity capital.

Q. Please comment on Mr. Bourassa's argument that you have ignored the current risk premium?

A. The fact that we are now experiencing an improving economy and a resurgence in the equity markets pretty much makes this argument passé. As I have argued in prior cases, the historical market risk premium that I have relied on takes into account a wide range of economic conditions from 1926 through 2008. In short, the economy is slowly getting back to normal and there is no good reason to believe that the excessive market risk premium of 13.1 percent that Mr. Bourassa is proposing is realistic for setting rates in this case. As I stated earlier, the analysis conducted by CKM concluded that 4.0 percent to 5.5 percent is a reasonable forward-looking market risk premium.

Q. Can you name any other sources that support CKM's conclusion that 4.0 percent to 5.5 percent is a reasonable market risk premium on a forward-looking basis?

A. Yes. During the 39th annual Financial Forum of the Society of Utility and Regulatory Financial Analysts, which was held at Georgetown University in Washington D.C. on April 19 and 20, 2007, I had the opportunity to hear

the views of Aswarth Damodaran, Ph. D. and Felicia C. Marston, Ph. D., professors of finance from New York University and the University of Virginia respectively, who have conducted empirical research on this subject. Dr. Damodaran and Dr. Marston supported CKM's 4.0 to 5.5 percent estimates during a panel discussion that provided both professors with the opportunity to explain their research on the equity risk premium and to answer questions from other financial analysts in attendance. Each of the panelists[3] stated that they believed that a reasonable market risk premium fell between 4.0 percent and 5.0 percent when asked to provide estimates based on their research.

Q. If market risk premiums of 4.0 percent to 5.0 percent were used in your CAPM model what would the results be?

A. Using market risk premiums (r_m - r_f) of 4.0 percent to 5.0 percent in my CAPM model, using a proxy of water companies, produces the following expected returns (k):

<u>Water Company Sample using 4.0 percent</u>

$$k = r_f + [\,ß\,(r_m - r_f)\,]$$

$$k = 2.26\% + [\,0.83\,(4.0\%)\,]$$

$$k = 5.58\%$$

[3] Other analysts taking part in the panel discussion included Stephen G. Hill, CRRA, Principal, Hill Associates and moderator Farris M. Maddox, Principal Financial Analyst, Virginia State Corporation Commission.

Water Company Sample using 5.0 percent

$$k = r_f + [\, ß\, (r_m - r_f)\,]$$

$$k = 2.26\% + [\, 0.83\, (5.0\%)\,]$$

$$k = 6.41\%$$

As can be seen above, my CAPM model, using a water company sample average beta (ß) of 0.83 and the yield on a 5-year Treasury instrument of 2.26 percent for the risk free rate of return (r_f), produces an expected return (k) of 5.58 percent to 6.41 percent. My LDC sample, using an average beta of 0.67, produces expected returns of 4.94 percent to 5.61 percent. All of which makes my recommended 9.00 percent cost of common equity appear to be more than generous.

Q. Do you have any data that supports a 4.00 percent to 5.0 percent equity risk premium during the market crises which unfolded in September of 2008?

A. Yes. In September 2008 Dr. Damodaran, who I noted earlier in my testimony, presented a paper titled Equity Risk Premium (ERP): Determinants, Estimation and Implications, which contained an October update that presented data on the swings in implied equity risk premium that occurred between September 12, 2008 and October 16, 2008. During that time frame, implied equity risk premiums ranged from 4.20 percent to 6.39 percent. The 5.30 percent mean average of that range is only 15

basis points higher than the 5.15 percent average of my market risk premium using both geometric and arithmetic means.

Q. Please respond to Mr. Bourasssa's argument that your overall CAPM results are below the current yields on Baa/BBB debt instruments.

A. I am not recommending that the Commission adopt my CAPM results but I am not recommending that the Commission ignore my CAPM results either. What I am recommending is a cost of common equity of 9.00 percent which is 202 to 269 basis points over the most recent yields of 6.34 percent to 5.80 percent for Baa/BBB-rated and A-rated utility bonds respectively. The results of my CAPM analyses (using both arithmetic and geometric means) are simply reflecting the current environment of low interest rates which cannot be ignored. From the perspective that public utilities have traditionally been viewed as safe investments, and all things being equal, it is not reasonable to believe that their costs of equity capital should be at the 11.70 percent level advocated by Mr. Bourassa.

Q. Isn't it also true that common shareholders bear a higher risk than bond holders and expect a higher return than the yields of utility debt instruments?

A. Yes. I do not disagree on this point. However, the question is how much more of a risk premium is merited for a low risk regulated monopoly such as RRUI, particularly at a time when interest rates are still at historic lows.

CAPITAL STRUCTURE

Q. Have you made any changes to your recommended hypothetical capital structure?

A. No. For the reasons explained in my direct testimony, I am still recommending that the Commission adopt my recommended hypothetical capital structure for RRUI.

Q. Please compare the capital structure recommendations of RRUI, ACC Staff and RUCO.

A. A comparison of RRUI, ACC Staff and RUCO's capital structures are as follows:

	RRUI	ACC Staff	RUCO
Long-Term Debt	0.00%	0.00%	40.00%
Common Equity	100.00%	100.00%	60.00%

...

Q. Has Mr. Bourassa's rebuttal testimony persuaded you to change your recommended hypothetical capital structure?

A. No.

Q. Why are you recommending a hypothetical capital structure as opposed to using the Hamada method used by ACC Staff?

A. Because the Hamada adjustment fails to produce a weighted cost of debt that can be used in an interest synchronization calculation to determine an appropriate level of income tax expense. As a result of this situation, ratepayers will pay for income taxes that do not recognize any of the benefits of debt financing.

Q. Please explain why you believe that income tax expense should reflect the effects of hypothetical debt?

A. I believe it is a question of fairness to ratepayers. The use of the Hamada methodology does not produce an appropriate interest deduction that is reflective of a capital structure that contains debt. The use of debt to reduce income taxes is often referred to as a tax shield and one of the reasons that firms assume debt is because of the tax advantages associated with debt financing. By being able to deduct the interest associated with debt, firms are able to lower their income tax liabilities and increase their earnings. This is something that cannot be done with dividend payments on shares of common stock, because dividends cannot

be deducted from income taxes. While the Hamada methodology produces a recommended cost of equity that theoretically reflects a capital structure comprised of both debt and equity, the use of the Company-proposed 100 percent capital structure has no real impact on the level of income taxes that are calculated for ratemaking purposes. Again, this is because the Hamada methodology does not produce a weighted cost of debt that is used to calculate an appropriate interest expense deduction to income taxes. As a result of this, the Company benefits from additional cash flows associated with a higher level of income tax expense calculated for ratemaking purposes which does not accurately reflect a balanced capital structure that contains debt. Consequently, ratepayers are harmed from the standpoint that they will have to pay higher rates to cover a level of income tax expense that should be lower as a result of a more balanced capital structure.

Q. You stated that you believe that the use of a hypothetical capital structure would be fair to the Company's ratepayers. Can you explain how a regulated utility can also benefit from the adoption of a hypothetical capital structure?

A. Yes. The best example involved Tucson Electric Power Company ("TEP"). According to information contained on pages 28 through 31 in Decision No. 67454, dated January 4, 2005, the Commission decided it was in the public interest to adopt a hypothetical capital structure to

improve TEP's financial condition as a result of poor management decisions which almost resulted in bankruptcy. Decision No. 58497 adopted a hypothetical capital structure for TEP comprised of 56 percent debt and 44 percent equity. At the time of the Decision, TEP had an actual capital structure comprised of 100 percent debt. The Commission subsequently adopted another hypothetical capital structure comprised of 62.5 percent debt and 37.5 percent equity in Decision No. 59594, dated March 26, 1996. In these two cases, TEP benefited from the hypothetical capital structures because they contained more equity than what TEP actually had. Thus, the inclusion of higher cost equity capital in the aforementioned capital structures provided TEP with higher operating income in both cases. In addition to the higher levels of operating income, TEP also received higher levels of income tax expense, which provided it with additional cash since the levels of income tax expense resulting from the hypothetical capital structures were higher than what they would have been had the interest deductions on the actual levels of debt been deducted in the income tax calculations that were made for ratemaking purposes. As a result of this, ratepayers paid higher rates that allowed TEP to recover the higher levels of operating income and higher levels of income tax expense that were calculated for ratemaking purposes.

...

Q. But isn't the example you've cited different because TEP was financially stressed?

A. No, not at all. TEP's distressed condition was ultimately the result of imprudent decisions made by its management to finance assets with large amounts of debt. In this case a reverse situation exists. RRUI's management has made the imprudent decision to finance the Company's assets with nothing but equity. As a result of RRUI's management's decision to finance with 100 percent equity, the Company's ratepayers will pay higher rates to cover higher levels of operating income and income tax expense.

Q. Would the adoption of your recommended capital structure deny RRUI of an appropriate level of income tax expense because of the interest deduction that is associated with your recommended weighted cost of debt.

A. No. The fact is that RRUI will be granted an appropriate level of income tax expense that is the result of the capital structure that the Commission chooses to adopt. In this respect, the appropriate level of income tax expense calculated for ratemaking purposes in this case is no different than a situation in which a specific operating expense is found to be imprudent and is denied recovery in rates.

Q. Can you provide an example that compares the disallowance of an imprudent operating expense to the appropriate level of income tax expense for ratemaking purposes that RRUI should be entitled to in this case?

A. Yes. The situation in this case is no different than if a utility were to seek recovery of an operating expense, associated with a legally binding contract requiring specified annual payments, which has been found to be imprudent by a regulator. Even though the recovery of the imprudent operating expense in rates has been denied by the regulator, the utility is still legally obligated to make the payments under the contract that it entered into. The actions of the regulator results in lower profits to the utility, because the payments associated with the contract must now be paid as an unrecoverable below-the-line expense.

Again, RRUI's ratepayers are being harmed by the Company's imprudent decision to finance assets with nothing but high cost equity capital when the opportunity existed to obtain lower cost capital through debt financing. As in the example just given, RRUI would have to cover any unrecoverable taxes calculated for ratemaking purposes as a below the line expense.

...

Q. Do you agree with Mr. Bourassa's characterization of RRUI as a small water and sewer Company?

A. No. As I stated in my direct testimony RRUI is a subsidiary of the Algonquin Power Income Fund, a large publicly traded firm that has direct access to the capital markets. RRUI cannot, on the one hand, say that the allocated overhead costs from its ultimate parent benefits its ratepayers and then, on the other hand, act as if that large publicly traded parent doesn't even exist and then make the argument that it is a "small" utility when it comes to the issue of obtaining lower cost debt financing that would benefit to ratepayers in the form of lower rates.

COST OF DEBT

Q. Have you made any changes to your recommended hypothetical cost of long-term debt?

A. No.

Q. Do you agree with Mr. Bourassa's position that RRUI could not raise debt in the capital markets because of the Company's size?

A. No. As I stated above RRUI's ultimate parent has access to the capital markets and could obtain debt financing if it wanted to much the same way that American Water obtains debt financing for its Arizona subsidiaries.

DCF ANALYSIS

Q. Please Comment on Mr. Bourassa's position that the results of your DCF analysis should be rejected by the Commission because of the method that you used to determine the internal growth rates in your DCF model.

A. The method that I have used to determine internal sustainable growth in the DCF model is identical to the DCF analysis performed by ACC Staff witness Stephen Hill, whose cost of equity recommendation was adopted by the Commission in a prior Southwest Gas proceeding that I cited in my direct testimony. The method is also consistent with the DCF analysis that I performed in a prior Gold Canyon Sewer Company proceeding in which the Commission adopted my recommended cost of capital. I am not aware of any proceeding before the ACC in which Mr. Bourassa's recommended costs of capital or the methods by which he arrived at those recommendations were adopted by the Commission.

Q. Does your silence on any of the issues or positions addressed in the rebuttal testimony of the Mr. Bourassa or any of the Company's other witnesses constitute acceptance?

A. No, it does not.

Q. Does this conclude your surrebuttal testimony on RRUI?

A. Yes, it does.

ATTACHMENT A

Jon Markman

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Posted 1/12/2005

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Invest in the coming global water shortage

Fresh water's getting scarce, and it has no substitutes. For investors in companies that can supply our increasingly thirsty planet, that spells opportunity.

By Jon D. Markman

Ten years ago next Monday, a massive earthquake rolled under the Japanese city of Kobe at dawn, toppling 140,000 buildings, causing 300 major fires, killing more than 5,000 people and leaving 300,000 homeless.

To help cover the story for the L.A. Times, I left my wife to care for our 10-day-old daughter and 2-year-old son and flew into the city with a small team of Los Angeles-based trauma doctors and nurses. We found a surreal, smoking ruin of a city with roads twisted like coils of rope, high-rises tilted at Dr. Seuss angles and thousands of middle-class families jammed into dingy, ice-cold rooms in the few public buildings left standing.

Just as in the tsunami zone of South Asia this month, the immediate health danger, besides a possible outbreak of disease, was a lack of fresh water. More than 75% of the city's water supply was destroyed when underground pipes fractured. As much as they desired pallets of drugs, food, blankets and tents sent from throughout Japan and abroad, the Kobe survivors coveted -- and needed -- clean, bottled water for cooking, drinking and bathing.

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Both incidents are a stark reminder that water is our most precious resource. Because it is seemingly ubiquitous in the United States, it is taken for granted. Massive snowstorms in California this month have loaded up the snowpack that provides water there, and rains in the Southeast are filling reservoirs in that part of the country.

The rest of the world, however, is not so fortunate.

Not making any more water

There is no more fresh water on Earth today than there was a million years ago. Yet today, 6 billion people share it. Since 1950, the world population has doubled, but water use has tripled, notes John Dickerson, an analyst and fund manager based in San Diego. Unlike petroleum, he adds, no technological innovation can ever replace water.

China, which is undergoing a vast rural-to-urban population migration, is emblematic of the places where water has become scarce. It has about as much

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water as Canada but 100 times more people. Per-capita water reserves are only about a fourth the global average, according to experts. Of its 669 cities, 440 regularly suffer moderate to critical water shortages.

Although not widely appreciated, water has been recognized by conservative investors as an investment opportunity -- and it has rewarded them. Over the past 10 years, the Media General water utilities index is up 133%, double the return of the **Dow Jones Utilities Index** ($UTIL). Over the past five years, water utilities are up 32% -- clobbering the flat returns of both the Dow Jones Utilities and the **Dow Industrials** ($INDU). One of water's key long-term value drivers as an investment, according to Dickerson: Demand is not affected by inflation, recession, interest rates or changing tastes.

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Virtually all of the U.S. water utility stocks are regulated by states and counties, which makes them pretty dull. Governmental entities typically give utilities a monopoly in a geographic region, then set their profit margin a smidge above costs. Just about the only distinguishing factor among them are the growth rates of their regions and their ability to efficiently manage their underground pipe and pumping infrastructure. Among the best are **Aqua America** (WTR, news, msgs) of Philadelphia, **Southwest Water** (SWWC, news, msgs) of Los Angeles; **California Water Service Group** (CWT, news, msgs), based in San Jose, Calif.; and **American States Water** (AWR, news, msgs) of San Dimas, Calif.

In a moment, I'll offer a couple of potentially more impactful ways to invest in water, but first let's look a little more broadly at world demand.

Aquifers in India are being sucked dry

The tsunami has focused attention on water demand in South Asia -- and it's a good thing, as it was already reaching critical status in rural areas. Several decades ago, farmers in the Indian state of Gujarat used oxen to haul water in buckets from a few feet below the surface. Now they pump it from 1,000 feet below the surface. That may sound good, but they have been drawing water from the earth to feed a mushrooming population at such a terrific rate that ancient aquifers have been sucked dry -- turning once-fertile fields slowly into sand.

According to New Scientist magazine, farmers using crude oilfield technology in India have drilled 21 million "tube wells" into the strata beneath the fields, and every year millions more wells throughout the region -- all the way to Vietnam -- are being dug to service water-needy crops like rice and sugar cane. The magazine quoted research from the annual Stockholm Water Symposium that the pumps that transformed Indian farming are drawing 200 cubic kilometers of water to the surface each year, while only a fraction is replaced by monsoon

rains. At this rate, the research suggested, groundwater supplies in some areas will be exhausted in five to 10 years, and millions of Indians will see their farmland turned to desert.

In China, the magazine reported, 30 cubic kilometers more water is being pumped to the surface each year than is replaced by rain -- one of the reasons that the country has become dependent on grain imports from the West. This is not just an issue for agriculture. Earlier this year, the Indian state of Kerala ordered the **PepsiCo** (PEP, news, msgs) and **Coca-Cola** (KO, news, msgs) bottling plants closed due to water shortages, costing the companies millions of dollars.

In this country, shareholder activists already are lobbying companies to share water-dependency concerns worldwide with their stakeholders in their financial statements.

Water, water everywhere, but . . .

The central problem is that less than 2% of the world's ample store of water is fresh. And that amount is bombarded by industrial pollution, disease and cyclical shifts in rain patterns. Its increasing scarcity has impelled private companies and countries to attempt to lock up rights to key sources. In an article last month, the Christian Science Monitor suggested that the next decade may see a cartel of water-exporting countries rivaling the Organization of Petroleum Exporting Countries for dominance in the world economy.

"Water is blue gold; it's terribly precious," Maude Barlow, chair of the Council of Canadians, told the Monitor. "Not too far in the future, we're going to see a move to surround and commodify the world's fresh water. Just as they've divvied up the world's oil, in the coming century, there's going to be a grab."

Besides the domestic water utilities listed above -- and similarly plodding foreign utilities such as **United Utilities** (UU, news, msgs) of the United Kingdom, which sports a 6.9% dividend yield, and **Suez** (SZE, news, msgs) of France -- investors interested in the sector can consider a number of variant plays. None are extremely exciting, but my guess is that, over the next few years, some more interesting purification technologies will emerge, along with, perhaps, a vibrant attempt at worldwide industry consolidation.

One current idea is Tennessee-based copper pipe and valve maker **Mueller Industries** (MLI, news, msgs), a $1 billion business with a trailing price/earnings multiple of 15 that is still not expensive despite a 47% run-up in the past year. Its leading outside investor is **Berkshire Hathaway** (BRK.A, news, msgs), the

investment vehicle of legendary investor Warren Buffett.

Another is flow-control products maker **Watts Water Technologies** (WTS, news, msgs), which is a little richer at a $975 million market cap and a trailing P/E multiple of 19, but is still owned by several leading value managers, including Mario Gabelli.

And possibly the most interesting is **Consolidated Water** (CWCO, news, msgs), a $160 million company based in the Cayman Islands that specializes in developing and operating ocean-water desalinization plants and water-distribution systems in areas where natural supplies of drinking water are scarce, such as the Caribbean and South America. It currently supplies water to Belize, Barbados, the British Virgin Islands and the Bahamas, and it has expansion plans. It is the most expensive, but it may also have the greatest growth prospects. Of all of these, it is up the most over the past five years, a relatively steady 355%.

Of course, there is one other benefit to water investing: When these companies say they're going to do a dilutive deal, it's not something to worry about.

Fine Print

Dickerson runs a hedge fund in San Diego strictly focused on water investing, the Summit Water Equity Fund. . . To learn more about Southwest Water, click here. . . . To learn more about California Water Service Group, which runs systems in New Mexico, Hawaii and Washington State, as well as California, click here. . . . To learn more about American States Water, click here. . . To learn more about Mueller, click here, and, for Consolidated Water, click here. . . . Seems like talk is cheap. Since mid-December, the value of the company radio personality Howard Stern is leaving, **Viacom** (VIA.B, news, msgs), has risen 9% while the value of the company he's headed to, **Sirius Satellite Radio** (SIRI, news, msgs), is down 13.5%. . . . For background on the Kobe earthquake, approaching its 10th anniversary, click here and here.

Jon D. Markman is publisher of StockTactics Advisor, an independent weekly investment newsletter, as well as senior strategist and portfolio manager at Pinnacle Investment Advisors. While he cannot provide personalized investment advice or recommendations, he welcomes column critiques and comments at jon.markman@gmail.com; put COMMENT in the subject line. At the time of publication he held positions in the following stocks mentioned in this column: Coca-Cola.

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BEFORE THE ARIZONA CORPORATION COMMISSION

EXHIBIT
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ADMITTED

Arizona Corporation Commission
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COMMISSIONERS

MARC SPITZER, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

IN THE MATTER OF THE APPLICATION OF RIO RICO UTILITIES INC. FOR PERMANENT INCREASES FOR WATER AND WASTEWATER UTILITY SERVICE.

DOCKET NO. WS-02676A-03-0434

DECISION NO. 67279

OPINION AND ORDER

DATE OF HEARING: June 3 and 4, 2004

PLACE OF HEARING: Tucson, Arizona

DATE OF PUBLIC COMMENT: September 21, 2004

PLACE OF PUBLIC COMMENT Rio Rico, Arizona

ADMINISTRATIVE LAW JUDGE: Jane L. Rodda

IN ATTENDANCE: Marc Spitzer, William Mundell

APPEARANCES: Mr. Jay Shapiro, Fennemore Craig, on behalf of Rio Rico Utilities Inc.;

Mr. Daniel Pozefsky, Attorney for the Residential Utility Consumer Office; and

Mr. David Ronald, Staff Attorney, Legal Division, on behalf of the Utilities Division of the Arizona Corporation Commission.

BY THE COMMISSION:

Rio Rico Utilities Inc. ("Rio Rico" or "Company") provides utility service to approximately 4,200 water and 1,500 wastewater customers in the community of Rio Rico in Santa Cruz County, Arizona.

On June 25, 2003, Rio Rico filed an application with the Arizona Corporation Commission ("Commission") to raise the rates for both water and wastewater service. On July 25, 2003, the Commission's Utilities Division Staff ("Staff") notified the Company that its application was not sufficient under A.A.C. R14-2-103. On August 4, 2003, Rio Rico provided additional information in

Cost of Capital

Position of the Parties

The Company has a capital structure composed of 100 percent equity. The Company proposes a cost of capital of 10.0 percent based on the actual, authorized and projected returns on equity of substantially larger publicly traded water utilities and cost of equity estimates produced by the discounted cash flow ("DCF") model. Rio Rico Brief at 11. Kozoman Rejoinder (A-3) at 12. Rio Rico asserts that its recommended return is well supported by recent projections from *Value Line* (April 30, 2004) for the water utility industry which are 9.5 percent for 2005 and 10 percent for 2007-2009. Kozoman Rej (A-3) at 12. Similarly, Rio Rico states, current interest rates on treasury notes and investment grade bonds have increased and are forecasted to increase. (A-4) and (A-5). The Company also claims that while Rio Rico has less financial risk than the publicly traded utilities due to the lack of debt, it has more business and regulatory risk due to its small size, limited revenue and cash flow, small customer base, lack of diversification, and lack of liquidity because its stock is not publicly traded and cannot be sold easily. Kozoman Rej (A-3) at 13. Rio Rico asserts that as a small business, the risks associated with an equity investment in Rio Rico is greater than an investment in the sample of publicly traded water companies. Kozoman Reb (A-2) at 49-58; Kozoman Rejoinder (A-3) at 30-35.

Rio Rico claims the cost of equity recommended by Staff and RUCO are extremely low and patently unreasonable. Staff's witness testified that he was aware of only one other authorized rate of return, by this or from other jurisdictions, lower than Staff's proposed 8 percent (West Virginia-American Water Company was authorized a 7.0 percent return on equity). TR at 222-23; Kozoman Rejoinder (A-3) at 16. Rio Rico believes that the Staff and RUCO recommendations fail to take into account all of the business and regulatory risks Rio Rico faces in operating a small water and wastewater utility in southern Arizona, including revenue erosion or the ability of the Company to pay dividends. TR 253, 243-245. Rio Rico believes it is not realistic to consider only financial risk as Staff and RUCO have done.

Staff recommends an 8.0 percent weighted cost of capital. Reiker Sur (S-6) at 2. Staff relied on two market-based models—the DCF and the Capital Asset Pricing Model ("CAPM"). Staff

applied the DCF and CAPM to six publicly traded water utilities. Reiker Sur (S-6) at 29. Staff's analysis produced a cost of equity of 9.0 percent using the DCF method and 8.2 percent under the CAPM. The average of these methods is 8.6 percent. However, based on Rio Rico's capital structure, which includes no debt, Staff recommends a cost of equity of 8.0 percent. Reiker Sur (S-6) at 2. Because Rio Rico has no debt, Staff argued that its investors bear no financial risk and thus its cost of equity is significantly lower that the cost of equity of the sample water utilities which had an average debt/equity ratio of 50 percent. Reiker Dir. (S-5) at 25.

Rio Rico criticizes the CAPM method as becoming distorted when interest rates are abnormally low.. Kozoman Reb (A-2) at 47. Staff claims that this argument suggests that the markets are in a "state of dis-equilibrium" which Staff believes is very unlikely and not consistent with the concept of a reasonable efficient market. Reiker Sur (S-6) at 2.

Staff criticizes the Company's reliance solely on the comparative earnings method to determine its weighted cost of capital. Mr. Rieker testified that the comparative earnings method is the practice of examining the previously authorized, actual and forecasted book/accounting earnings. Because the cost of equity is a market return, it cannot be observed by examining the book/accounting returns and authorized return on equity of other companies in Arizona. Reiker Dir. (S-5) at 26-32.

Staff states that the cost of equity depends only on the market risk of an investment and not the numerous firm-specific or unique risks associated with a firm. Staff claims the only type of risk that affects investors' required return is market risk, which is the risk related to economy-wide factors affecting all stocks. Reiker Dir (S-5) at 33. Staff argued that firm-specific risks affect the cash flow of the firm and the price investors are willing to pay for its stock, but do not affect the rate at which investors discount the expected future cash flows of a firm. Reiker Dir. (S-5) at 37. Staff notes that although firm-specific risks may be of interest to investors, these risks can be diversified away at no cost to the investor. Thus, Staff argues investors should not receive returns for unnecessarily choosing to take firm-specific risks.

RUCO recommends a weighted cost of capital of 8.83 percent. RUCO believes this rate is appropriate given the current environment of low inflation and low interest rates. RUCO's DCF

analysis yielded a cost of 9.04 percent, while its CAPM analysis resulted in a range of 7.25 percent to 8.62 percent. Mr. Rigsby averaged his DCF results with the high end of the CAPM range to derive his recommended cost of 8.83 percent. Rigsby Dir (R-3) at 27. RUCO believes its recommended return is reasonable when the Company's equity-heavy capital structure is taken into consideration and when RUCO's discounted cash flow growth rate estimates are compared with the growth estimates of other independent analysts. (R-3) at 17-21, Schedule WAR-5, 6.

Resolution

The DCF and CAPM are respected, sound and oft relied upon models for determining a firm's cost of equity. We believe that the analyses performed by Staff and RUCO relying upon these models are comprehensive and produce reasonable estimates of Rio Rico's cost of equity. Based on the entirety of the record, we find that Rio Rico's cost of equity to be 8.7 percent which is approximately the midpoint between Staff's updated estimate (8.6 percent) and RUCO's recommendation (8.83 percent). However, the Company's capital structure is comprised entirely of equity, at a time when the cost of debt is low. As a result, ratepayers are penalized by the Company's choice of a capital structure consisting entirely of higher cost equity. Although we are not using a hypothetical capital structure in this case, we believe that recognition of this imbalance should be reflected in the authorized rates of return for the wastewater division, which experienced an operating loss during the test year. We note that the 8.7 cost of equity we adopt is on the high side of the range of estimates, however, we believe it is fair and reasonable considering all of the circumstances in this case, including the need to implement the wastewater revenue increase in steps as recognized by the Company.

Revenue Requirement

Water Division

For the water division, the adjusted test year operating income is $31,354. The 8.7 percent cost of capital translates into an 8.7 percent fair value rate of return on FVRB of $2,462,446 as authorized herein. Multiplying the 8.7 percent rate of return by FVRB produces required operating income of $214,232. Multiplying the deficiency by the gross revenue conversion factor of 1.68448 results in an increase in revenues of $308,081. This yields a Total Revenue Requirement of

EXHIBIT
S1
ADMITTED

WASTEWATER TREATMENT SERVICES AGREEMENT
BETWEEN
CITY OF NOGALES
AND
RIO RICO UTILITIES INC.

THIS AGREEMENT is made and entered into this 20th day of November, 1996, between the CITY OF NOGALES, an Arizona municipal corporation (hereinafter "Nogales"), and RIO RICO UTILITIES INC., an Arizona corporation, (hereinafter "Utilities");

WITNESSETH:

WHEREAS, Utilities owns and operates a public utility wastewater (sewer) system located within and in the vicinity of unincorporated Rio Rico, Santa Cruz County, Arizona, pursuant to a Certificate of Convenience and Necessity ("CC&N") granted by the Arizona Corporation Commission ("ACC") for the service area described on Exhibit "A" attached hereto and made a part hereof by this reference; and

WHEREAS, Nogales owns or controls approximately 7.3 million gallons per day of treatment capacity in the Nogales International Wastewater Treatment Plant ("NIWTP) located adjacent to Rio Rico, which facility is currently operated by the United States Section of the International Boundary and Water Commission ("USIBWC") pursuant to that certain Contract No. IBM96-31 dated September 4, 1996, between Nogales and The United States, a copy of which is attached hereto as Appendix A (the "Nogales-USIBWC Contract"); and

WHEREAS, a substantial portion of Utilities' wastewater from Rio Rico is currently treated at the NIWTP, and Utilities desires to have Nogales continue to provide wastewater treatment services for Utilities' CC&N as part of the wastewater treatment provided for Nogales at the NIWTP by virtue of Nogales' ownership interest in the NIWTP and pursuant to agreements between Nogales and USIBWC;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein contained, the parties hereby agree as follows:

Section 1 - Utilities' Wastewater Treatment Service

1.1 **Use of Base Capacity.** Nogales shall continue to make available to Utilities a portion of Nogales' wastewater treatment capacity in the NIWTP, in the amount of 250,000 gallons per day annual average daily flow ("GPD") (the "Base Capacity"), for treatment of wastewater from Utilities' sewer CC&N in accordance

with the rates and other terms and conditions of this Agreement. Utilities shall have no ownership interest in the NIWTP by virtue of the Base Capacity provided to Utilities under this Subsection 1.1.

1.2 **Utilities' Purchase of Excess Capacity.** As provided by Nogales City Code § 19-127(1), Utilities shall be entitled to purchase additional portions of Nogales' capacity in the NIWTP ("Excess Capacity") over and above the 250,000 GPD Base Capacity. To purchase such Excess Capacity, Utilities shall notify Nogales in writing at least fifteen (15) days prior to, and shall pay Nogales (Three Dollars) $3.00 per GPD of Excess Capacity being purchased on or before, the effective date of the purchase. An initial purchase of Excess Capacity in the amount of 100,000 GPD annual average daily flow shall be made by Utilities effective upon the Effective Date of this Agreement as defined herein. At any time or times on or before the second anniversary of the Effective Date of this Agreement, Utilities may, at its sole option, purchase additional Excess Capacity in increments of 100,000 GPD annual average daily flow each, not to exceed a total of 300,000 GPD annual average daily flow of Excess Capacity over and above the Base Capacity of 250,000 GPD.

1.3 **Right of First Refusal for Excess Capacity.** In the event Nogales receives an offer by a third party to acquire or contractually utilize any amount of Nogales' excess capacity in the NIWTP for treatment of wastewater sources outside Nogales' service area (also herein "Excess Capacity"), having terms and conditions acceptable to Nogales, then prior to acceptance of such third party offer, Nogales shall first make a matching offer in writing to Utilities of that amount of Excess Capacity on the same terms and conditions as the third party offer; and Utilities shall have the right, but not the obligation, to purchase, on those same terms and conditions, that amount of Excess Capacity that would have been sold and/or utilized pursuant to that third party offer. Utilities may exercise such right by giving Nogales written notice, no later than fifteen (15) days after Utilities' receipt of the matching offer from Nogales, of Utilities' acceptance of the matching offer; and the purchase shall be consummated in accordance with the terms and conditions of the matching offer and/or as otherwise mutually agreed upon in good faith by Utilities and Nogales as necessary to close the transaction.

1.4 **Option to Purchase Base Capacity.** Utilities may also elect from time to time, at its sole option, to purchase all or a portion of the Base Capacity using the same procedure and at the same price as the purchase(s) of Excess Capacity under Subsection 1.2 hereinabove, in which case the Nogales Capital Charge otherwise applicable to Base Capacity pursuant to Section 5 hereinbelow shall not apply after the date of such purchase(s) to the portion(s) of Base Capacity so purchased by Utilities.

1.5 **Purchase Documentation.** With each purchase by Utilities of capacity under this Section 1, Nogales shall, no later than the effective date of each purchase, give Utilities a bill of sale and such other necessary or appropriate documentation reasonably satisfactory to the parties evidencing (i) the transfer from Nogales to Utilities of an ownership interest in the NIWTP commensurate with the amount of capacity purchased and (ii) a guarantee by Nogales of the availability of such capacity to Utilities.

1.6 **Cooperation With Respect To NIWTP and USIBWC.** Nogales shall cooperate with Utilities to reasonably ensure that USIBWC maintains and operates the NIWTP so as to provide continuous wastewater treatment services to Nogales and Utilities utilizing facilities which are in, and which are operated in, compliance with all federal, state, county and local health and governmental laws, rules, regulations, decisions and policies and in accordance with the agreements between Nogales and USIBWC. The purchase by Utilities of a portion of Nogales' capacity in the NIWTP shall constitute a corresponding and commensurate ownership position in the NIWTP on the part of Utilities separate from and in addition to such position of Nogales. Utilities shall have full standing and participation, in reasonable coordination with Nogales, in all discussions and dealings with USIBWC with respect to ownership, operation, modification and disposition of the NIWTP, and shall be entitled to receipt of Utilities' share, based upon the proportion of total NIWTP capacity actually purchased by Utilities, of the proceeds and benefits of any sales or other dispositions of any interest in the NIWTP. Any sale or other disposition of Nogales' interest in the NIWTP shall be subject to Utilities' rights to receive reasonable prior notice of, and participate in, all relevant negotiations and to either (i) continue use of and own NIWTP capacity pursuant to this Agreement, or (ii) receive, proportionately, the proceeds and benefits from such sale or other disposition, to be diligently and timely applied by Utilities to the development of alternative wastewater treatment facilities, and to continued use of NIWTP capacity for a reasonable period of time thereafter, no shorter than 5 (five) years unless shortened at Utilities' option, until alternative treatment facilities have been constructed and are physically and legally available for use by Utilities.

Section 2 - Effective Date and Term

2.1 This Agreement shall become fully effective upon the first day of the month following satisfaction of the conditions precedent contained in Section 7 hereof (the "Effective Date".) This Agreement shall, thereafter, continue in full force and effect until terminated by mutual agreement of the parties.

2.2 Until the Effective Date, and retroactive to October 1, 1996, Nogales shall invoice Utilities, and Utilities shall timely pay, for treatment charges computed using a good faith estimate of the charges applicable under the provisions of Section 5 of this Agreement, treating all of Utilities' metered flows as Base Capacity not yet purchased by Utilities. Upon the Effective Date, the rates and resulting charges provided by this Agreement shall be deemed retroactive to October 1, 1996, and a reconciliation shall be made, using actual monthly metered flows, between the charges actually paid and the charges that would have been due under the new rates for the period from October 1, 1996 until the Effective Date; and the resulting credit or additional charge due, as the case may be, shall be applied to the next monthly invoice(s) due from Utilities after the Effective Date until fully reconciled.

Section 3 - Alternative Sewage Treatment

3.1 Except as required to ensure the performance of Section 1 hereof, nothing in this Agreement shall be construed to prohibit Utilities or Nogales from entering into any wastewater treatment agreement with any other person, corporation, firm, municipality, utility or other entity, or to require Utilities to deliver to the NIWTP any minimum quantity of wastewater.

Section 4 - Wastewater Delivery and Ownership

4.1 Utilities' wastewater deliveries to the NIWTP shall be deemed to occur at the single Interconnection Point between the Nogales sewer system and the Utilities sewer system, as more specifically described on Exhibit "B" attached hereto and made a part hereof by this reference.

4.2 Utilities shall be solely responsible for the construction, operation and maintenance of Utilities' sewage delivery system and the Interconnection Point, and Nogales shall have sole responsibility for the delivery system from the Interconnection Point to the NIWTP. Any changes to the Interconnection Point facility shall be first approved by Nogales and then made by Utilities at the sole cost and expense of Utilities.

4.3 All wastewater delivered by Utilities to Nogales pursuant to this Agreement and all effluent and other products and by-products thereof shall become the property and responsibility of Nogales to the extent permitted by law; provided however, that Utilities, and its successors and assigns, shall be expressly and solely entitled to the use, free of charge by Nogales or USIBWC, of all or any portion of the effluent and/or the credits that may accrue from the recharge of any such effluent the source of which was within Utilities' CC&N, subject to the following:

(A) Utilities shall be solely responsible for the cost of constructing, operating and maintaining any facilities required to (i) treat effluent used by or credited to Utilities beyond any level required by a National Pollution Discharge Elimination System Permit or Aquifer Protection Permit then applicable to the NIWTP for the discharge and/or reuse of effluent, or (ii) deliver treated effluent used by or credited to Utilities to any location outside the boundaries of the NIWTP; and

(B) Utilities shall pay to Nogales a reasonable amount, based upon a pro rata share, along with all other parties discharging into the NIWTP, based upon flows, of any and all costs incurred by Nogales to obtain a permit for the recharge of effluent produced by the NIWTP, such costs including, but not limited to, legal fees, the costs of studies to quantify the amount of effluent recharged, the costs of permits, the costs of water quality monitoring required by a recharge permit, and any other cost directly or indirectly attributable to the use of effluent claimed by Utilities for recharge, but also taking fairly into account all such costs and fees that Utilities shall have incurred and expended specifically in such efforts inuring to the benefit of both Utilities and Nogales with respect to effluent recharge and/or reuse.

Section 5 - Rates, Charges, Billing and Payment

5.1 For the treatment of wastewater pursuant to this Agreement, Utilities shall pay Nogales a charge based on Utilities' pro rata share of Nogales' costs of treatment, using the percentage that the volume of Utilities' wastewater constitutes of the total volume of wastewater treated pursuant to Nogales' ownership share of the NIWTP capacity. For the purpose of computing the charges to Utilities:

(A) The "Nogales Operating Expense" shall be Nogales' share of the expense of operation and maintenance of the NIWTP as paid by Nogales pursuant to Section III of the Nogales-USIBWC Contract.

(B) The "Nogales Capital Charge" shall be the amounts set forth on Exhibit B attached hereto and made a part hereof by this reference. The Nogales Capital Charge is based upon Nogales' retirement of the capital cost of the NIWTP exclusive of all costs associated with Nogales' collection system and other facilities not used for the collection or treatment of Utilities' wastewater. The Nogales Capital Charge may be increased to the extent Nogales is required to and does make or contribute to major capital improvements to the NIWTP in the future.

(C) The relative percentages of the three components of the total volume of wastewater treated for Nogales at the NIWTP shall be computed, based on metered flows, to arrive at:

(i) the " Base Capacity Percentage" of treatment attributable to the portion of the Base Capacity actually used by Utilities, but not yet purchased and owned by Utilities, under this Agreement;

(ii) the "Excess Capacity Percentage" of treatment, if any, attributable to the Excess Capacity purchased and owned by Utilities (including any portion of original Base Capacity that has been subsequently purchased by Utilities); and

(iii) the remaining percentage attributable to the remaining capacity of the NIWTP actually used by Nogales to treat Nogales' own wastewater.

The charge to Utilities shall be the sum of:

(D) the product of multiplying the Base Capacity Percentage times the sum of the Nogales Operating Expense and the Nogales Capital Charge; plus

(E) the product of multiplying the Excess Capacity Percentage times the Nogales Operating Expense.

5.2 Utilities' monthly invoice amount for treatment services shall be established upon the Effective Date and then adjusted once annually effective as of each October 1 thereafter, using an estimated charge of one twelfth (1/12) of the charge computed using the projected flows, based upon prior twelve months' actual metered flows, and the projected Nogales Operating Expense, using the expenses established by the USIBWC, for the ensuing operating year. No later than November 15 of each year a reconciliation shall be performed by determining Utilities' exact treatment services charges due for the prior operating year using actual metered flows and actual Nogales Operating Expenses actually paid during that prior operating year. Nogales shall credit Utilities for any overpayment that has resulted from the monthly estimated charge invoices, such credits to be reflected on the next monthly invoice (and immediately subsequent invoices if the credit exceeds one month's invoice); and, accordingly, any underpayment by Utilities shall be added to the next monthly invoice to Utilities. Utilities reserves the right to challenge the determination of the NIWTP operating expenses to the same extent and manner as Nogales.

5.3 The above-provided formula for rates and charges for wastewater treatment shall apply to Utilities in lieu of Nogales' current or future wastewater treatment rate ordinances. If Nogales at any time resumes the physical operation and

maintenance of the NIWTP, vis a vis USIBWC, then the Nogales Operating Expense for purposes of this Section 5 shall be Nogales' actual cost of the operation and maintenance of the NIWTP based on the percentage of wastewater treatment capacity actually used by Nogales as compared to the percentage of wastewater treatment capacity actually used by USIBWC.

5.4 During the term of this Agreement Utilities shall pay to Nogales the treatment charges as calculated and invoiced pursuant to this Section 5. Nogales shall invoice Utilities on or before the 1st day of each month for treatment provided during the prior month, and Utilities shall pay the invoiced amount to Nogales by check or wire transfer within twenty-five (25) days of receipt of each monthly invoice.

5.5 If an invoice amount is deemed incorrect by Utilities, Utilities shall provide Nogales, in writing, the basis upon which Utilities claims the invoice is incorrect. If the invoice amount remains in dispute thirty (30) days after written notice of a disputed invoice, Utilities shall pay the disputed amount under protest. If it is subsequently determined by agreement of the parties or in an appropriate legal proceeding that Utilities has paid Nogales any amount in excess of what should have been properly charged by Nogales to Utilities pursuant to this Agreement, Nogales shall promptly refund that amount to Utilities together with interest thereon at the rate per annum from time to time applicable to judgments rendered by Arizona superior courts from the date of payment by Utilities to the date of refund by Nogales.

Section 6 - Measurement of Wastewater Quantities

6.1 Utilities and Nogales, respectively, have installed and will maintain at their respective expense, meters at mutually agreeable locations to measure the gross volume of wastewater being delivered to the NIWTP by Nogales, and the portion thereof being delivered from the Utilities' sewer CC&N via the Interconnection Point.

6.2 If a meter fails to register, or there is a dispute about the accuracy of any meter readings, Nogales and Utilities shall establish the duration during which the meter failed to register or the meter readings were inaccurate, and the estimated quantity of wastewater delivered through such meter during such period, and that quantity shall be the basis of charges for wastewater treatment service for the period the meter failed to register flows correctly. The prior year's average flows during the corresponding period at issue shall be the initial reference basis upon which volumes of wastewater are estimated, taking into account any differences between the prior year and the current year that are reflected by comparison of flows during other corresponding periods both before and after the period of meter

failure.

6.3 It shall be the sole expense of the party owning the meter to maintain, and replace if necessary, any meter. The meter shall be repaired or replaced in the event any test shows the meter to be registering in excess of three (3) percent, plus or minus, of the quantity asserted by either party to be flowing through the meter. The meter shall be tested at the owner's expense, at least once each year, and copies of any meter tests made by or on behalf of the owner shall be furnished to the other party within ten (10) working days of receipt of meter test results. Either party may test any meter more frequently, at that party's sole expense.

Section 7 - Conditions Precedent

7.1 This Agreement is expressly subject to and conditioned upon the following approvals, and Utilities and Nogales shall cooperate to obtain all such approvals that have not already been obtained upon execution of this Agreement:

(A) The approval of this Agreement by the ACC, if required by law or the ACC, for the treatment of Utilities' wastewater by Nogales.

(B) The approval by the ACC, if required by law or the ACC, of a surcharge and/or related tariffs for recovery of all costs under this Agreement which, in Utilities' sole judgment, will enable Utilities to recover from its customers and ratepayers all the costs imposed on Utilities by Nogales resulting from this Agreement.

(C) The approval of this Agreement by the Mayor and Board of Alderman of the City of Nogales.

(D) The approval of this Agreement, if required by law or any agreement between Nogales and USIBWC, by the Commissioner of the U.S. Section of USIBWC.

(E) All legally required approvals, if any, of the United States Environmental Protection Agency, the Arizona Department of Environmental Quality, the Santa Cruz County Health Department, and any other agency or entity of the federal or state government with authority to approve or regulate the actions contemplated by this Agreement.

7.2 In the event any approval by the ACC of a surcharge and/or related tariffs for recovery of the costs under this Agreement is waived by Utilities, Utilities shall furnish Nogales a written statement, which shall be annexed to and be made a part of this Agreement, constituting a waiver of that condition precedent, and Utilities shall be solely liable for all costs and

consequences thereof.

7.3 Waiver of approval of this Agreement, in writing, by the Commissioner of the U.S. Section of USIBWC, the United States Environmental Protection Agency, the Arizona Department of Environmental Quality, and the Santa Cruz County Health Department, shall satisfy the condition precedent as to that agency or entity.

Section 8 - Access to Facilities

8.1 Authorized representatives of Nogales shall be allowed access to Utilities' wastewater flow metering station and all other Utilities' facilities connected to the NIWTP, and authorized representatives of Utilities shall be allowed access to the NIWTP (to the same extent that such access is allowed to authorized representatives of Nogales pursuant to its agreements with USIBWC and/or the operators), at all reasonable times during normal business hours upon such advance notice as is reasonable under the circumstances. Each party shall designate its "authorized representatives" in writing to the other.

Section 9 - Liability

9.1 Each party shall indemnify and hold harmless the other party and their respective elected officials, officers, directors, shareholders, employers, agents and consultants, from and against all claims and liabilities of any kind or nature (including without limitation unjustified or frivolous claims), actions or expenses, including without limitation penalties, assessments and consequential damages, to which they or any of them may be subjected by reason of:

(A) the failure by the indemnifying party, its agents, servants, employees, contractors, or subcontractors, to comply with any local, state or federal law, rules or regulation, or order of any agency or court, which the indemnifying party is obligated to obey;

(B) the negligence of the indemnifying party or that of its agents, servants, employees, contractors or subcontractors in the use of NIWTP;

(C) the discharge of any prohibited waste, substance or material into the NIWTP in violation of local, state or federal laws, rules or regulations that the indemnifying party may be subject to or have authority or responsibility to enforce upon its customers.

9.2 Any penalty, fine, assessment, legal expense or civil damage assessed against either party for any violation of any local, state or federal law, rule or regulation, or order of any

agency or court, associated with the other party's use of the NIWTP shall be borne solely by the violating party, and the violating party shall hold the other party, its officers, directors, shareholders, employees, elected officials, agents, contractors and subcontractors free and harmless of any and all costs or liabilities of any nature whatsoever arising therefrom; provided, however, that neither party shall be obligated to indemnify or hold harmless any of such parties from or against the negligence or wilful misconduct of any of such parties.

9.3 Notwithstanding Utilities' purchase of an ownership interest in Nogales' share of capacity in the NIWTP, Utilities shall have no responsibility or liability for the operation of the NIWTP or, except as provided by Section 4 of this Agreement, the disposal of any effluent, sludge or other products or byproducts thereof.

Section 10 - General Provisions

10.1 **Notices:**

Notices shall be given, in writing, by first class mail, postage prepaid, as follows:

To: Rio Rico Utilities
Attn: Don Baker
1060 Yavapai Drive, Suite 3
Rio Rico, Arizona 85648

with a copy to:

Rio Rico Utilities Inc.
c/o Avatar Holdings, Inc.
255 Alhambra Circle
Coral Gables, Florida 33134
Attn: General Counsel

To: City of Nogales
Attn: Wastewater Superintendent
City of Nogales
777 N. Grand Avenue
Nogales, Arizona 85621

with copy to:

City Attorney
City of Nogales
777 N. Grand Avenue
Nogales, Arizona 85621

10.2 **Other Provisions:**

(A) This Agreement may not be modified or amended except by a writing signed by both parties and approved in the same manner as required hereinabove.

(B) This Agreement shall be governed by the laws of the State of Arizona.

(C) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and expressly supersedes and revokes all other prior agreements between the parties with respect to the subject matter hereof.

(D) This Agreement may be executed in several counterparts, each of which shall be an original but all of which shall constitute one instrument.

(E) Time is of the essence of this Agreement.

(F) In the event any provision of this Agreement is for any reason adjudicated deficient, unenforceable, irregular and/or invalid, the parties hereto, and each of them, will promptly, and to the extent reasonably possible, take such action or proceeding as may be necessary to correct such deficiency or otherwise validate that provision. If any provision of this Agreement is declared void and unenforceable, such provision of this Agreement is declared void and unenforceable, such provision shall be deemed severed from this Agreement, which shall otherwise remain in full force and effect.

(G) No waiver by Nogales or Utilities of any breach by the other party of any provision of this Agreement nor any failure by Nogales or Utilities to insist on strict performance by the other party of any provision of this Agreement shall in any way be construed to be a waiver of any future or subsequent breach or bar the right to insist on strict performance by the other party of any provision of this Agreement in the future.

(H) Each party hereto agrees to do all such things and take all such actions, to make, execute and deliver such other documents and instruments as the other party shall reasonably request to carry out the provisions, intent and purpose of this Agreement.

10.3 **Pretreatment Enforcement**

Nogales shall be responsible for enforcement of all provisions of the Santa Cruz County Pretreatment Ordinance as from the time of its adopting and as it may be amended from time to time, directly against those customers of Utilities which are subject to the Pretreatment Ordinance. Nogales shall issue the

permits, make the inspections, collect the permit fees, require the posting of bonds, and take such other actions as the Pretreatment Ordinance requires and are permitted to be done by Nogales pursuant to an Intergovernmental Agreement between Nogales and Santa Cruz County. Utilities shall reasonably cooperate with Nogales in connection with the Pretreatment Ordinance but shall not be responsible for the failure of any customer of Utilities to comply therewith. Nothing herein shall prohibit Nogales or Santa Cruz County from charging separate permit fees to the individual sewer customers of Rio Rico Utilities Inc. who need pretreatment permits for implementation of the Santa Cruz County pretreatment ordinance.

IN WITNESS WHEREOF, the City of Nogales, and Rio Rico Utilities Inc. have caused this Agreement to be signed by their respective officers and attested by their respective officials all as of the date first hereinabove set forth.

CITY OF NOGALES
an Arizona
municipal corporation

By _____
Louie Valdez
Its Mayor

RIO RICO UTILITIES INC.
an Arizona corporation

By _____
Dennis J. Getman
Its Executive Vice President

APPROVED AS TO FORM:

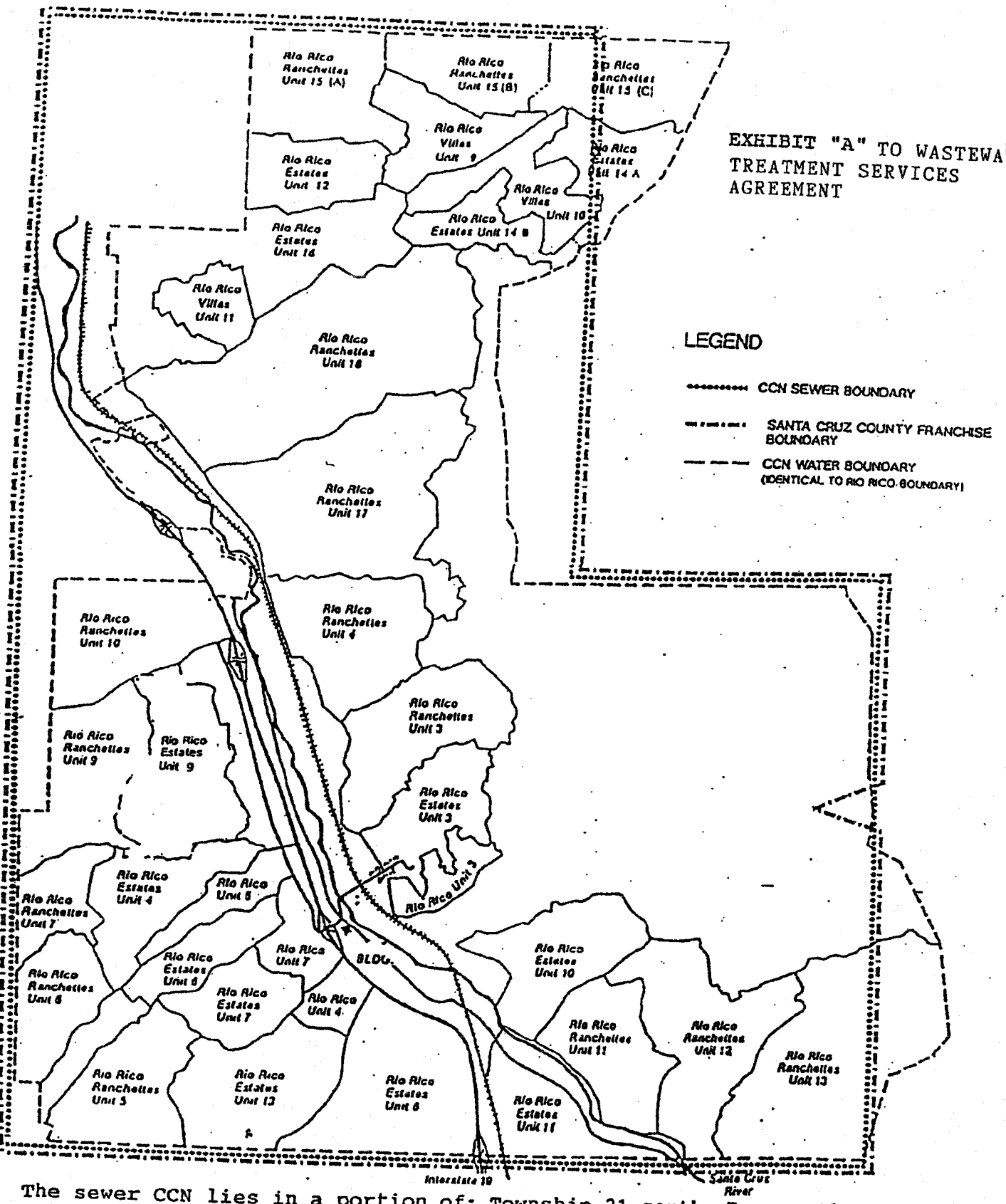
Office of the City Attorney

By _____

ATTEST:

By _____
City Clerk

EXHIBIT "A" TO WASTEWATER TREATMENT SERVICES AGREEMENT



The sewer CCN lies in a portion of: Township 21 south, Ranges 13 east and 14 east, and Township 22 south, Ranges 13 east and 14 east, and Township 23 south, Ranges 13 east and 14 east

EXHIBIT B TO

WASTEWATER TREATMENT SERVICES AGREEMENT

BETWEEN

CITY OF NOGALES AND RIO RICO UTILITIES INC.

CALCULATION OF "NOGALES CAPITAL CHARGE"

TOTAL CITY OF NOGALES MDA DEBT: $15,680,000

PERCENTAGE OF DEBT FOR NIWTP: 26.9562%

PORTION OF DEBT FOR NOGALES' SHARE OF NIWTP: $4,226,737

FISCAL YEAR	DEBT SERVICE PAYMENT	NIWTP PERCENTAGE	NOGALES CAPITAL CHARGE
1997	1798715	26.9562%	$ 484,865.21
1998	1799025	26.9562%	$ 484,948.78
1999	1797265	26.9562%	$ 484,474.35
2000	1762145	26.9562%	$ 475,007.33
2001	1845385	26.9562%	$ 497,445.67
2002	1778385	26.9562%	$ 479,385.02
2003	1755385	26.9562%	$ 473,185.09
2004	1803280	26.9562%	$ 486,095.76
2005	1799400	26.9562%	$ 485,049.86
2006	1799760	26.9562%	$ 485,146.91
2007	1803640	26.9562%	$ 486,192.81
2008	1800320	26.9562%	$ 485,297.86
2009	824800	26.9562%	$ 222,334.74
2010	821560	26.9562%	$ 221,461.36
2011	820080	26.9562%	$ 221,062.40

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (this "Memorandum") is made and entered into the 8 day of December, 2006 by and between the City of Nogales, Arizona, an Arizona municipal corporation (hereinafter "City") and Rio Rico Utilities Inc., an Arizona public service corporation (hereinafter "RRUI").

WHEREAS, the City and RRUI have an existing agreement dated November 20, 1996 whereby the City has guaranteed RRUI the right to 550,000 gallons per day (GPD) of wastewater treatment capacity at the Nogales International Wastewater Treatment Plant (NIWTP) which is within the wastewater treatment capacity owned by the City in the NIWTP; and

WHEREAS, in order to comply with state and federal wastewater treatment and discharge standards the NIWTP is undergoing a major upgrade at a cost currently projected to be approximately $60 million; and

WHEREAS, the City and RRUI agree that RRUI shall be responsible for a proportionate share of the costs of the upgrade of the NIWTP, based on the GPD capacity upgrade of 740,000 GPD; and

WHEREAS, RRUI desires to acquire an additional one hundred ninety thousand gallons (190,000) gallons of wastewater treatment capacity as part of the NIWTP expansion and upgrade for its use and benefit;

NOW THEREFORE the parties agree as follows:

(1) The City shall instruct its Design-Build contractor responsible for the design and construction of the upgrade to the NIWTP to expand the upgrade of the NIWTP from its current planned capacity of 14 million gallons per day by the amount of 550,000 gallons per day to accommodate RRUI's existing capacity entitlement to the NIWTP, and by an additional amount of 190,000 gallons per day to accommodate RRUI's projected wastewater treatment capacity needs (the "Project").

(2) In consideration of the City's upgrade and expansion of the capacity of the upgrade of the NIWTP for the benefit of RRUI, RRUI agrees to:

(A) In accordance with the amounts set forth Paragraph 5 below, pay to the City 100% of the design and construction costs for the upgrade of its existing 550,000 gallons of wastewater treatment capacity at the NIWTP based upon an agreed upon allocation of the total cost of the upgrade of the NIWTP to 14,550,000 gallons per day of wastewater treatment capacity divided by the total cost of the design and construction of the upgrade to achieve the actual cost per gallon of the upgrade of RRUI's existing capacity; and

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(B) Pay to the City one million five hundred twenty thousand dollars ($1,520,000) ($8 per gallon times 190,000) for the cost of the expansion of the wastewater treatment capacity of the NIWTP by an additional amount of 190,000 gallons per day.

(3) Upon execution of this Memorandum, the City shall instruct its Design-Build contractor to design and construct the upgrade of the NIWTP to a total capacity of 14,740,000 gallons per day of which 550,000 gallons per day shall be the upgrade of RRUI's existing capacity share in the NIWTP and 190,000 gallons per day shall be the additional capacity in the NIWTP allocated to and for the benefit of RRUI.

(4) RRUI agrees to pay to the City RRUI's cost allocation for the expansion of the NIWTP's capacity in the amount of one million five hundred twenty thousand dollars ($1,520,000) (190,000 gallons times $8.00 per gallon). Of this amount, one hundred fifty two thousand dollars ($152,000) will be paid by RRUI to City on or before January 2, 2007 in order to provide City with funds to cover RRUI's proportionate share of the costs of the design of the NIWTP expansion.

(5) RRUI agrees to pay to the City RRUI's cost allocation for the upgrade of the existing capacity in the NIWTP in the amount of two million seven hundred fifty thousand dollars ($2,750,000) (550,000 gallons times $5.00 per gallon). Of this amount, two hundred seventy-five thousand dollars ($275,000) (the "Deposit") will be paid by RRUI to City on or before January 2, 2007 in order to provide City with funds to cover RRUI's proportionate share of the costs of the design of the upgrade to the existing capacity in the NIWTP. If the City does not proceed with or complete the design of the upgrades for the Project, then the Deposit shall be refunded to RRUI without deduction or off-set. Upon completion of the upgrade of the NIWTP and determination of the final cost of said upgrade the Actual Cost of the upgrade of RRUI's existing 555,000 gallons per day of wastewater treatment capacity shall be determined. If the actual cost is less than the estimated cost of $5.00 per gallon for the 550,000 gallons per day of existing capacity, the City shall refund the unused balance of RRUI's deposit for existing capacity upgrade to RRUI within thirty (30) days of the determination of the Actual Cost. The City shall provide RRUI the final determination of the Actual Cost in writing with supporting documentation. In the event the Actual Cost of the upgrade of RRUI's 550,000 gallons of existing wastewater treatment capacity exceeds $5.00 per gallon, RRUI shall pay to the City the shortfall within 180 days of the determination and notice of the Actual Cost. For purposes of this Memorandum, "Actual Costs" shall mean the direct costs of labor and supplies provided by the Design-Build Contractor.

(6) The remaining amounts to be paid by RRUI to the City under this Memorandum after payment of the Deposit shall be paid from time to time upon receipt and approval by RRUI of proper construction invoices issued by the Design-Build contractor associated with the Project. All funds paid by RRUI to the City shall

be used exclusively to pay RRUI's for the design and construction cost of the upgrade of the existing capacity and the design and construction of the additional capacity of the NIWTP for the benefit of RRUI. RRUI shall be entitled to a full accounting of the use and disposition of funds paid by it to the City for these purposes.

(7) Within 90 days of the City's approval of this Memorandum, the parties agree to negotiate in good-faith and enter into a separate agreement to further memorialize the terms of this Memorandum, to address additional necessary terms such as allocation of the operational and maintenance costs of the upgraded and expanded NIWTP, maintenance obligations of RRUI to the RRUI system, and to modify the November 20,1996 agreement between them, It is the premise and understanding of the parties that RRUI shall be liable for its prorated share of the operational and maintenance costs of the NIWTP under the current formula provided for in the November 20, 1996 agreement.

(8) Upon mutual execution of this Memorandum and upon completion of the Project, RRUI shall be allocated and entitled to 190,000 gallons of additional capacity in the now existing City share of the NIWTP and the City shall reflect that additional capacity in all sewer capacity assurance documentation provided by the City to the Arizona Department of Environmental Quality (ADEQ) for the benefit of RRUI. If existing assured treatment capacity cannot accommodate the increased capacity, the existing available capacity shall be shared pro-rata between RRUI and City until completion of treatment upgrades.

(9) This Memorandum shall be binding on the successors and assigns of the parties hereto. This Memorandum shall not be modified except by written instrument executed by both parties. Time is of the essence of this Memorandum. Arizona law shall apply to this Memorandum.

(10) This Memorandum may be subject to approval by the United States Environmental Protection Agency (USEPA), the United States Section of the International Boundary and Water Commission (USIBWC), and the North American Development Bank (NADBank). The City shall forthwith provide copies of this Memorandum to the three agencies named herein and take all reasonable and necessary steps to obtain approval, if required, of this Memorandum. RRUI shall be entitled to participate in any an all approval efforts of the City.

(11) RRUI agrees that this Memorandum is subject to approval by the Nogales City Council. RRUI has executed this Memorandum in advance of City Council consideration.. Once and if approved by the City Council and executed by the appropriate City Authority, it shall be fully enforceable and binding on all parties. If any required approval set out in Paragraph 11 is not obtained, the parties may unwind this agreement and return all consideration, less any unrecoverable

expenses associated therewith. Failure to make timely payments by RRUI as set out herein shall be cause to forthwith terminate this Memorandum.

THIS MEMORANDUM of Agreement has been executed and ratified by the parties as provided below.

CITY OF NOGALES
An Arizona municipal corporation

By: _____
Jaime M. Fontes, City Manager

Date: 12/5/06

RIO RICO UTILITIES INC.

By: Robert Dodds

Its: President

Date: Dec. 8, 2006

Attest:

By _____
Leticia Robinson, City Clerk

Approved as to form:

By _____
P. Lawrence Klose, City Attorney

1863717.2

Guidelines for Cost Allocations and Affiliate Transactions:

The following Guidelines for Cost Allocations and Affiliate Transactions (Guidelines) are intended to provide guidance to jurisdictional regulatory authorities and regulated utilities and their affiliates in the development of procedures and recording of transactions for services and products between a regulated entity and affiliates. The prevailing premise of these Guidelines is that allocation methods should not result in subsidization of non-regulated services or products by regulated entities unless authorized by the jurisdictional regulatory authority. These Guidelines are not intended to be rules or regulations prescribing how cost allocations and affiliate transactions are to be handled. They are intended to provide a framework for regulated entities and regulatory authorities in the development of their own policies and procedures for cost allocations and affiliated transactions. Variation in regulatory environment may justify different cost allocation methods than those embodied in the Guidelines.

The Guidelines acknowledge and reference the use of several different practices and methods. It is intended that there be latitude in the application of these guidelines, subject to regulatory oversight. The implementation and compliance with these cost allocations and affiliate transaction guidelines, by regulated utilities under the authority of jurisdictional regulatory commissions, is subject to Federal and state law. Each state or Federal regulatory commission may have unique situations and circumstances that govern affiliate transactions, cost allocations, and/or service or product pricing standards. For example, The Public Utility Holding Company Act of 1935 requires registered holding company systems to price "at cost" the sale of goods and services and the undertaking of construction contracts between affiliate companies.

The Guidelines were developed by the NARUC Staff Subcommittee on Accounts in compliance with the Resolution passed on March 3, 1998 entitled "Resolution Regarding Cost Allocation for the Energy Industry" which directed the Staff Subcommittee on Accounts together with the Staff Subcommittees on Strategic Issues and Gas to prepare for NARUC's consideration, "Guidelines for Energy Cost Allocations." In addition, input was requested from other industry parties. Various levels of input were obtained in the development of the Guidelines from the Edison Electric Institute, American Gas Association, Securities and Exchange Commission, the Federal Energy Regulatory Commission, Rural Utilities Service and the National Rural Electric Cooperatives Association as well as staff of various state public utility commissions.

In some instances, non-structural safeguards as contained in these guidelines may not be sufficient to prevent market power problems in strategic markets such as the generation market. Problems arise when a firm has the ability to raise prices above market for a sustained period and/or impede output of a product or service. Such concerns have led some states to develop codes of conduct to govern relationships between the regulated utility and its non-regulated affiliates. Consideration should be given to any "unique" advantages an incumbent utility would have over competitors in an emerging market such as the retail energy market. A code of conduct should be used in conjunction with guidelines on cost allocations and affiliate transactions.

A. DEFINITIONS

1. Affiliates - companies that are related to each other due to common ownership or control.

2. Attestation Engagement - one in which a certified public accountant who is in the practice of public accounting is contracted to issue a written communication that expresses a conclusion about the reliability of a written assertion that is the responsibility of another party.

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3. Cost Allocation Manual (CAM) - an indexed compilation and documentation of a company's cost allocation policies and related procedures.

4. Cost Allocations - the methods or ratios used to apportion costs. A cost allocator can be based on the origin of costs, as in the case of cost drivers; cost-causative linkage of an indirect nature; or one or more overall factors (also known as general allocators).

5. Common Costs - costs associated with services or products that are of joint benefit between regulated and non-regulated business units.

6. Cost Driver - a measurable event or quantity which influences the level of costs incurred and which can be directly traced to the origin of the costs themselves.

7. Direct Costs - costs which can be specifically identified with a particular service or product.

8. Fully Allocated costs - the sum of the direct costs plus an appropriate share of indirect costs.

9. Incremental pricing - pricing services or products on a basis of only the additional costs added by their operations while one or more pre-existing services or products support the fixed costs.

10. Indirect Costs - costs that cannot be identified with a particular service or product. This includes but not limited to overhead costs, administrative and general, and taxes.

11. Non-regulated - that which is not subject to regulation by regulatory authorities.

12. Prevailing Market Pricing - a generally accepted market value that can be substantiated by clearly comparable transactions, auction or appraisal.

13. Regulated - that which is subject to regulation by regulatory authorities.

14. Subsidization - the recovery of costs from one class of customers or business unit that are attributable to another.

B. COST ALLOCATION PRINCIPLES

The following allocation principles should be used whenever products or services are provided between a regulated utility and its non-regulated affiliate or division.

1. To the maximum extent practicable, in consideration of administrative costs, costs should be collected and classified on a direct basis for each asset, service or product provided.

2. The general method for charging indirect costs should be on a fully allocated cost basis. Under appropriate circumstances, regulatory authorities may consider incremental cost, prevailing market pricing or other methods for allocating costs and pricing transactions among affiliates.

3. To the extent possible, all direct and allocated costs between regulated and non-regulated services and products should be traceable on the books of the applicable regulated utility to the applicable Uniform System of Accounts. Documentation should be made available to the appropriate regulatory authority upon request regarding transactions between the regulated utility and its affiliates.

4. The allocation methods should apply to the regulated entity's affiliates in order to prevent

subsidization from, and ensure equitable cost sharing among the regulated entity and its affiliates, and vice versa.

5. All costs should be classified to services or products which, by their very nature, are either regulated, non-regulated, or common to both.

6. The primary cost driver of common costs, or a relevant proxy in the absence of a primary cost driver, should be identified and used to allocate the cost between regulated and non-regulated services or products.

7. The indirect costs of each business unit, including the allocated costs of shared services, should be spread to the services or products to which they relate using relevant cost allocators.

C. COST ALLOCATION MANUAL (NOT TARIFFED)

Each entity that provides both regulated and non-regulated services or products should maintain a cost allocation manual (CAM) or its equivalent and notify the jurisdictional regulatory authorities of the CAM's existence. The determination of what, if any, information should be held confidential should be based on the statutes and rules of the regulatory agency that requires the information. Any entity required to provide notification of a CAM(s) should make arrangements as necessary and appropriate to ensure competitively sensitive information derived therefrom be kept confidential by the regulator. At a minimum, the CAM should contain the following:

1. An organization chart of the holding company, depicting all affiliates, and regulated entities.

2. A description of all assets, services and products provided to and from the regulated entity and each of its affiliates.

3. A description of all assets, services and products provided by the regulated entity to non-affiliates.

4. A description of the cost allocators and methods used by the regulated entity and the cost allocators and methods used by its affiliates related to the regulated services and products provided to the regulated entity.

D. AFFILIATE TRANSACTIONS (NOT TARIFFED)

The affiliate transactions pricing guidelines are based on two assumptions. First, affiliate transactions raise the concern of self-dealing where market forces do not necessarily drive prices. Second, utilities have a natural business incentive to shift costs from non-regulated competitive operations to regulated monopoly operations since recovery is more certain with captive ratepayers. Too much flexibility will lead to subsidization. However, if the affiliate transaction pricing guidelines are too rigid, economic transactions may be discouraged.

The objective of the affiliate transactions' guidelines is to lessen the possibility of subsidization in order to protect monopoly ratepayers and to help establish and preserve competition in the electric generation and the electric and gas supply markets. It provides ample flexibility to accommodate exceptions where the outcome is in the best interest of the utility, its ratepayers and competition. As with any transactions, the burden of proof for any exception from

the general rule rests with the proponent of the exception.

1. Generally, the price for services, products and the use of assets provided by a regulated entity to its non-regulated affiliates should be at the higher of fully allocated costs or prevailing market prices. Under appropriate circumstances, prices could be based on incremental cost, or other pricing mechanisms as determined by the regulator.

2. Generally, the price for services, products and the use of assets provided by a non-regulated affiliate to a regulated affiliate should be at the lower of fully allocated cost or prevailing market prices. Under appropriate circumstances, prices could be based on incremental cost, or other pricing mechanisms as determined by the regulator.

3. Generally, transfer of a capital asset from the utility to its non-regulated affiliate should be at the greater of prevailing market price or net book value, except as otherwise required by law or regulation. Generally, transfer of assets from an affiliate to the utility should be at the lower of prevailing market price or net book value, except as otherwise required by law or regulation. To determine prevailing market value, an appraisal should be required at certain value thresholds as determined by regulators.

4. Entities should maintain all information underlying affiliate transactions with the affiliated utility for a minimum of three years, or as required by law or regulation.

E. AUDIT REQUIREMENTS

1. An audit trail should exist with respect to all transactions between the regulated entity and its affiliates that relate to regulated services and products. The regulator should have complete access to all affiliate records necessary to ensure that cost allocations and affiliate transactions are conducted in accordance with the guidelines. Regulators should have complete access to affiliate records, consistent with state statutes, to ensure that the regulator has access to all relevant information necessary to evaluate whether subsidization exists. The auditors, not the audited utilities, should determine what information is relevant for a particular audit objective. Limitations on access would compromise the audit process and impair audit independence.

2. Each regulated entity's cost allocation documentation should be made available to the company's internal auditors for periodic review of the allocation policy and process and to any jurisdictional regulatory authority when appropriate and upon request.

3. Any jurisdictional regulatory authority may request an independent attestation engagement of the CAM. The cost of any independent attestation engagement associated with the CAM, should be shared between regulated and non-regulated operations consistent with the allocation of similar common costs.

4. Any audit of the CAM should not otherwise limit or restrict the authority of state regulatory authorities to have access to the books and records of and audit the operations of jurisdictional utilities.

5. Any entity required to provide access to its books and records should make arrangements as necessary and appropriate to ensure that competitively sensitive information derived therefrom be kept confidential by the regulator.

F. REPORTING REQUIREMENTS

1. The regulated entity should report annually the dollar amount of non-tariffed transactions

associated with the provision of each service or product and the use or sale of each asset for the following:

a. Those provided to each non-regulated affiliate.

b. Those received from each non-regulated affiliate.

c. Those provided to non-affiliated entities.

2. Any additional information needed to assure compliance with these Guidelines, such as cost of service data necessary to evaluate subsidization issues, should be provided.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Journal Entry	Series	TRX Date	Account Number String	Category	Natural	Account Description	Document Number	Debit Amount	Credit Amount	Total	Originating Master ID	Originating Master Name	Reference
2														
3	128438	Purchasing	1/21/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3529	$3,060.00	$0.00	$3,060.00	1100ACCSOU	AccuSource Inc.	
4	129834	Purchasing	1/31/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3561	$6,030.00	$0.00	$6,030.00	1100ACCSOU	AccuSource Inc.	SERVICES D TAYLOR DEC17-DEC28
5	129701	Purchasing	2/1/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0130	$3,112.50	$0.00	$3,112.50	1100CONCON	Contract Control Services Inc.	D TAYLOR JAN14-JAN25.08
6	130258	Purchasing	2/13/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0212	$5,062.50	$0.00	$5,062.50	1100CONCON	Contract Control Services Inc.	CONSULTING JAN21-23 28-30,08
7	131356	Purchasing	2/25/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3567	$5,715.00	$0.00	$5,715.00	1100ACCSOU	AccuSource Inc.	CONSULTING FEB 4,5-11-12,08
8	131502	Purchasing	2/28/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0227	$7,125.00	$0.00	$7,125.00	1100CONCON	Contract Control Services Inc.	SERVICES D TAYLOR JAN28-FEB8.8
9	132181	Purchasing	3/11/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3574	$5,265.00	$0.00	$5,265.00	1100ACCSOU	AccuSource Inc.	CONSULTING FEB19-21, 25-27
10	132556	Purchasing	3/14/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0312	$6,750.00	$0.00	$6,750.00	1100CONCON	Contract Control Services Inc.	SERVICES D TAYLOR FEB11-22.08
11	132557	Purchasing	3/14/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3583	$5,310.00	$0.00	$5,310.00	1100ACCSOU	AccuSource Inc.	CONSULTING MARCH 3-5TH
12	133936	Purchasing	3/31/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0331	$6,825.00	$0.00	$6,825.00	1100CONCON	Contract Control Services Inc.	SERVICED D TAYLOR FEB25-MAR07
13	134280	Purchasing	4/4/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3592	$4,365.00	$0.00	$4,365.00	1100ACCSOU	AccuSource Inc.	CONSULTING SERV MAR17-31,08
14	135568	Purchasing	4/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0423	$5,850.00	$0.00	$5,850.00	1100CONCON	Contract Control Services Inc.	SERVICES D TAYLOR MAR10-MAR21
15	135566	Purchasing	4/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3616	$5,760.00	$0.00	$5,760.00	1100ACCSOU	AccuSource Inc.	CONSULTING APR1,8,17,18,21,23
16	136473	Purchasing	5/9/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0507	$6,500.00	$0.00	$6,500.00	1100CONCON	Contract Control Services Inc.	SERVICES D TAYLOR APR7-APR18
17	136589	Purchasing	5/21/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3625	$3,060.00	$0.00	$3,060.00	1100ACCSOU	AccuSource Inc.	CONSULTING APR28-30
18	136911	Purchasing	5/26/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0523	$4,387.50	$0.00	$4,387.50	1100CONCON	Contract Control Services Inc.	SERVICES-PREPARE ICFR-LUISA P
19	137999	Purchasing	5/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3634	$5,535.00	$0.00	$5,535.00	1100ACCSOU	AccuSource Inc.	CONSULTING FEES MAY08
20	138270	Purchasing	6/5/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0604	$6,525.00	$0.00	$6,525.00	1100CONCON	Contract Control Services Inc.	SERVICES FOR PREPARATION-ICFR
21	138444	Purchasing	6/12/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3642	$4,815.00	$0.00	$4,815.00	1100ACCSOU	AccuSource Inc.	CONSLTING FEES
22	138832	Purchasing	6/20/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0618	$5,550.00	$0.00	$5,550.00	1100CONCON	Contract Control Services Inc.	SERVICES-PREPARATION-ICFR
23	139283	Purchasing	6/23/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3652	$5,625.00	$0.00	$5,625.00	1100ACCSOU	AccuSource Inc.	CONSULTING JUNE 2008
24	140435	Purchasing	7/3/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0702	$6,450.00	$0.00	$6,450.00	1100CONCON	Contract Control Services Inc.	SERVICE FOR ICFR JUN13/08
25	141186	Purchasing	7/14/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3672	$4,230.00	$0.00	$4,230.00	1100ACCSOU	AccuSource Inc.	CONSULTING FEES JUN2008
26	141187	Purchasing	7/14/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3663	$3,690.00	$0.00	$3,690.00	1100ACCSOU	AccuSource Inc.	SERVICE JUN30-JUL11/08
27	141260	Purchasing	7/16/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0715	$5,437.50	$0.00	$5,437.50	1100CONCON	Contract Control Services Inc.	SERVIC-ICFR JUN16-JUN27/08
28	142777	Purchasing	7/31/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0730	$9,525.00	$0.00	$9,525.00	1100CONCON	Contract Control Services Inc.	CONSULTING JUL7-9 2008
29	143532	Purchasing	8/15/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3680	$2,610.00	$0.00	$2,610.00	1100ACCSOU	AccuSource Inc.	CONSULTING JUL16TH-30TH 2008
30	143533	Purchasing	8/15/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3688	$2,790.00	$0.00	$2,790.00	1100ACCSOU	AccuSource Inc.	SERVICE-ICFR JUL08
31	144198	Purchasing	8/21/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0820	$3,312.50	$0.00	$3,312.50	1100CONCON	Contract Control Services Inc.	SERVICE-ICFR AUG08
32	145770	Purchasing	9/8/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0903	$4,725.00	$0.00	$4,725.00	1100CONCON	Contract Control Services Inc.	CONSULTING AUG 18-20 2008
33	147399	Purchasing	9/25/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-0924	$10,425.00	$0.00	$10,425.00	1100CONCON	Contract Control Services Inc.	CONSULTING AUG21-SEP3
34	147701	Purchasing	9/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3716	$5,040.00	$0.00	$5,040.00	1100ACCSOU	AccuSource Inc.	CONSULTING SEP4-24'08
35	147702	Purchasing	9/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3705	$1,350.00	$0.00	$1,350.00	1100ACCSOU	AccuSource Inc.	SERVICE FOR CERTIFICATION ICFR
36	148043	Purchasing	10/8/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3696	$4,005.00	$0.00	$4,005.00	1100ACCSOU	AccuSource Inc.	SERVICE-PREPARATION ICFR
37	148044	Purchasing	10/8/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3726	$5,805.00	$0.00	$5,805.00	1100ACCSOU	AccuSource Inc.	SERVICE FOR PREPARATION ICFR
38	148064	Purchasing	10/9/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-1008	$6,300.00	$0.00	$6,300.00	1100CONCON	Contract Control Services Inc.	SERVICE-PREPARATION ICFR
39	149516	Purchasing	10/27/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-1022	$5,962.50	$0.00	$5,962.50	1100CONCON	Contract Control Services Inc.	CONSULTING SEP 30TH-OCT8TH
40	150353	Purchasing	11/5/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3734	$4,680.00	$0.00	$4,680.00	1100ACCSOU	AccuSource Inc.	CONSULTING OCT16-OCT22
41	150579	Purchasing	11/7/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-1105	$7,237.50	$0.00	$7,237.50	1100CONCON	Contract Control Services Inc.	SERVICE-DIANNA TAYLOR
42	151305	Purchasing	11/24/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3743	$5,670.00	$0.00	$5,670.00	1100ACCSOU	AccuSource Inc.	CONSULTING OCT27-NOV05'2008
43	153287	Purchasing	11/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3753	$5,625.00	$0.00	$5,625.00	1100ACCSOU	AccuSource Inc.	SERVICE BY TIANNA TAYLOR
44	153286	Purchasing	11/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3764	$5,715.00	$0.00	$5,715.00	1100ACCSOU	AccuSource Inc.	SERVICE BY DIANNA TAYLOR
45	153081	Purchasing	11/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-1127	$9,075.00	$0.00	$9,075.00	1100CONCON	Contract Control Services Inc.	SERVICE BY DIANNA TAYLOR
46	153844	Purchasing	12/11/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-1210	$6,150.00	$0.00	$6,150.00	1100CONCON	Contract Control Services Inc.	CONSULTING NOV08
47	154323	Purchasing	12/16/2008	1100-1-0000-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	SALES4076	$4,224.56	$0.00	$4,224.56	1100APIF	Algonquin Power Income Fund	CONSULTING DEC1-10'08
48	154326	Purchasing	12/16/2008	1100-1-0000-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	SALES4086	$4,762.50	$0.00	$4,762.50	1100APIF	Algonquin Power Income Fund	KPMGQ208 REVIEW 43208818
49	155127	Purchasing	12/22/2008	1100-1-0000-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	SALES4104	$3,858.23	$0.00	$3,858.23	1100APIF	Algonquin Power Income Fund	KPMG 1ST INT08 AUDIT43208904
50	155837	Purchasing	12/29/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	3775	$5,985.00	$0.00	$5,985.00	1100ACCSOU	AccuSource Inc.	KPMG INV43263453 CB
51	155886	Purchasing	12/30/2008	1100-1-9820-75-7350-0000	Audit	7350	Accounting/Audit Services - AP Trust	08-1222	$2,850.00	$0.00	$2,850.00	1100CONCON	Contract Control Services Inc.	SERVICE ICFR
52														CONSULTING DEC17-22
53														
54					Total Audit Cost						$259,717.79			
55	129977	Purchasing	1/31/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	1257	$3,623.19	$0.00	$3,623.19	1000CIBC	CIBC Mellon Trust Company	DEC01,07-DEC31.07
56	131624	Purchasing	2/28/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	2154	$3,777.86	$0.00	$3,777.86	1000CIBC	CIBC Mellon Trust Company	SERVICE FEE
57	131625	Purchasing	2/28/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	1932	$200.00	$0.00	$200.00	1000CIBC	CIBC Mellon Trust Company	TRANSACTION FEE
58	133632	Purchasing	3/27/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	4284	$420.23	$0.00	$420.23	1000CIBC	CIBC Mellon Trust Company	FEB1,08-FEB29,08
59	134284	Purchasing	4/4/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	4436	$4,157.05	$0.00	$4,157.05	1000CIBC	CIBC Mellon Trust Company	SERVICE FEE
60	135140	Purchasing	4/17/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	4722	$3,823.56	$0.00	$3,823.56	1000CIBC	CIBC Mellon Trust Company	SERVICE FEES
61	136909	Purchasing	5/26/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	6738	$15,644.68	$0.00	$15,644.68	1000CIBC	CIBC Mellon Trust Company	ADDITIONAL SERVIES FEES
62	136910	Purchasing	5/26/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	6784	$8.49	$0.00	$8.49	1000CIBC	CIBC Mellon Trust Company	EXPENSE-CMTTORCTENG_552
63	140266	Purchasing	6/30/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	8007	$4,037.65	$0.00	$4,037.65	1000CIBC	CIBC Mellon Trust Company	MONTHLY SERVICES FEE JUN'2008
64	141199	Purchasing	7/14/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	7948	$2,002.73	$0.00	$2,002.73	1000CIBC	CIBC Mellon Trust Company	TRANSACTION FEES
65	142732	Purchasing	7/30/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	9359	$406.72	$0.00	$406.72	1000CIBC	CIBC Mellon Trust Company	TRANSACTION FEES
66	143168	Purchasing	7/31/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	10066	$4,306.04	$0.00	$4,306.04	1000CIBC	CIBC Mellon Trust Company	SERVICE FEE 060108-073008
67	144197	Purchasing	8/21/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	10572	$3,837.21	$0.00	$3,837.21	1000CIBC	CIBC Mellon Trust Company	07108-073108
68	146356	Purchasing	9/17/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	12256	$400.22	$0.00	$400.22	1000CIBC	CIBC Mellon Trust Company	AUG01-AUG31'08
69	146557	Purchasing	9/17/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	12023	$3,787.54	$0.00	$3,787.54	1000CIBC	CIBC Mellon Trust Company	AUG1-SEP04'08
70	149836	Purchasing	10/28/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	14585	$6.50	$0.00	$6.50	1000CIBC	CIBC Mellon Trust Company	TRANSACTION FEE
71	149837	Purchasing	10/28/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	14584	$9.49	$0.00	$9.49	1000CIBC	CIBC Mellon Trust Company	EXPENSE SEP01'2008
72	150407	Purchasing	11/5/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	13460	$4,280.98	$0.00	$4,280.98	1000CIBC	CIBC Mellon Trust Company	TRANSACTION&SERVICE FEE OCT08
73	151301	Purchasing	11/24/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	14977	$3,738.44	$0.00	$3,738.44	1000CIBC	CIBC Mellon Trust Company	SERVICE FEE 100108-103108
74	152772	Purchasing	11/28/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	CSS00000180	$2,623.28	$0.00	$2,623.28	1000OLYTRA	Olympia Transfer Services Inc.	CONVERSION FROM UNITS TO C/S
75	152773	Purchasing	11/28/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	CSS00000210	$1,797.21	$0.00	$1,797.21	1000OLYTRA	Olympia Transfer Services Inc.	CONVERSION FROM UNITS TO C/S
76	153905	Purchasing	12/15/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	CSS00000214	$4,348.98	$0.00	$4,348.98	1000OLYTRA	Olympia Transfer Services Inc.	EXCHANGE AGENCY AGREEMENT
77	155928	Purchasing	12/31/2008	1000-1-0000-75-7705-0000	Escrow & Tra	7705	Escrow & Transfer Agent Fees	16426	$4,128.27	$0.00	$4,128.27	1000CIBC	CIBC Mellon Trust Company	SERVICE 110108-113008
78														
79														
80					Total Escrow & Transfer Agent Fees						$71,366.32			
81														
82	40320	Purchasing	1/14/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	112321 JAD	$242.69	$0.00	$242.69	5000MRT	Menter, Rudin Trivelpiece P.C.	PROFESSIONAL SERVICES

EXHIBIT
S4
ADMITTED

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
83	40391	Purchasing	1/18/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2007100495	$615.47	$0.00	$615.47	5000MCLAN	McLane, Graf, Raulerson & Middleton	SERIVCES
84	40396	Purchasing	1/23/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	113601 JAD	$150.00	$0.00	$150.00	5000MRT	Menter, Rudin Trivelpiece P.C.	DUE DILIGENCE-INT OF BANKOFAME
85	25365	Purchasing	1/29/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828 JAN08	$3,794.50	$0.00	$3,794.50	8010SNELL	Snell & Wilmer	ATTORNEY SERVICES
86	129659	Purchasing	1/30/2008	1100-1-9810-75-7360-0000	Legal	7360	Legal - AP Trust	269608	$7,466.21	$0.00	$7,466.21	1100MATDIN	Mathews Dinsdale	SERVICES NOV1-NOV30,07
87	129659	Purchasing	1/30/2008	1100-1-9810-75-7360-0000	Legal	7360	Legal - AP Trust	269608	$933.27	$0.00	$933.27	1100MATDIN	Mathews Dinsdale	SERVICES NOV1-NOV30,07
88	129659	Purchasing	1/30/2008	1100-1-9810-75-7360-0000	Legal	7360	Legal - AP Trust	269608	$933.27	$0.00	$933.27	1100MATDIN	Mathews Dinsdale	SERVICES NOV1-NOV30,07
89	40750	Purchasing	2/14/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	112971 JAD	$752.06	$0.00	$752.06	5000MRT	Menter, Rudin Trivelpiece P.C.	PROFESSIONAL SERVICES
90	40760	Purchasing	2/20/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2007100495	$0.00	$615.47	($615.47)	5000MCLAN	McLane, Graf, Raulerson & Middleton	Void Open Trx
91	40780	Purchasing	2/27/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	114785 JAD	$62.00	$0.00	$62.00	5000MRT	Menter, Rudin Trivelpiece P.C.	BEAVER FALLS HYDRO
92	41018	Purchasing	3/12/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2116754	$18,700.00	$0.00	$18,700.00	5000DLAPIP	DLA Piper US LLP	CROSSROADS -LEGAL JAN31,08
93	25407	Purchasing	3/12/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828 FEB08	$1,069.50	$0.00	$1,069.50	8010SNELL	Snell & Wilmer	GENERAL LEGAL
94	135634	Purchasing	3/27/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	2008030262	$7,432.67	$0.00	$7,432.67	1100MCLANE	McLane, Graf, Raulerson & Middleton	SERVICES
95	41204	Purchasing	3/31/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2127852	$2,262.00	$0.00	$2,262.00	5000DLAPIP	DLA Piper US LLP	PROFESSIONAL SERV
96	25415	Purchasing	3/31/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828.0012 MAR08	$500.00	$0.00	$500.00	8010SNELL	Snell & Wilmer	GENERAL LEGAL
97	135121	Purchasing	4/10/2008	1100-1-0000-75-7360-0000	Legal	7360	Legal - AP Trust	4672395	$1,658.55	$0.00	$1,658.55	1100STIELL	Stikeman Elliott	PROFESSIONAL SERVICES
98	135472	Purchasing	4/29/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	2003901372-00	$101.61	$0.00	$101.61	1000CTC	CT Corporation System	REGISTRATION OF SECURITIES
99	135464	Purchasing	4/29/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	SERV MAR08	$3,204.43	$0.00	$3,204.43	1100DANTOB	Dan Tobias & Associates Inc.	SERVICES MAR08
100	41471	Purchasing	4/29/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2008030234	$1,068.00	$0.00	$1,068.00	5000MCLAN	McLane, Graf, Raulerson & Middleton	SERVICES-ALONGQUIN P CORP-GEN
101	41472	Purchasing	4/29/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2008040227	$154.50	$0.00	$154.50	5000MCLAN	McLane, Graf, Raulerson & Middleton	ALGONQUIN POWER CORP GEN
102	25464	Purchasing	5/12/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828 MMD APR08	$1,104.50	$0.00	$1,104.50	8010SNELL	Snell & Wilmer	ATTORNEY SERVICES
103	136929	Purchasing	5/26/2008	1100-1-0000-75-7360-0000	Legal	7360	Legal - AP Trust	4685101	$685.47	$0.00	$685.47	1100STIELL	Stikeman Elliott	INVESTMENT EOLIENS,112054-1003
104	41684	Purchasing	5/28/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2008050120	$3,694.42	$0.00	$3,694.42	5000MCLAN	McLane, Graf, Raulerson & Middleton	PROFESSIONAL SERVICES
105	138440	Purchasing	6/12/2008	2000-1-0000-75-7360-0000	Legal	7360	Legal - APFC	251930	$6,509.17	$0.00	$6,509.17	2000DEVMLL	Devine, Millimet & Branch	PROFESSIONAL SERVICES
106	139831	Purchasing	6/25/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	388288.0012 MMD	$3,731.12	$0.00	$3,731.12	1000SNEL	Snell & Wilmer	ATTORNEY SERVICE 4/30/08
107	41940	Purchasing	6/26/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	200805121	$49.50	$0.00	$49.50	5000MCLAN	McLane, Graf, Raulerson & Middleton	SFR HYDRO CORP-GENERAL CORP.
108	25488	Purchasing	6/30/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828-06/20/2008	$750.00	$0.00	$750.00	8010SNELL	Snell & Wilmer	ATTORNEY SERVICES 05/31/08
109	42126	Purchasing	7/16/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2008061418	$1,427.54	$0.00	$1,427.54	5000MCLAN	McLane, Graf, Raulerson & Middleton	SERVICE, EXPENSE
110	141261	Purchasing	7/16/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	118069 MJK	$17,640.26	$0.00	$17,640.26	1000MRT	Menter, Rudin Trivlpiece	TPI LITIGATION
111	142102	Purchasing	7/22/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	2008070422	$21,181.02	$0.00	$21,181.02	1100MCLANE	McLane, Graf, Raulerson & Middleton	SERVICE
112	142632	Purchasing	7/28/2008	2000-1-0000-75-7360-0000	Legal	7360	Legal - APFC	28060165	$90.58	$0.00	$90.58	2000LAPR	Lapointe Rosenstein	LEGAL FEES
113	42374	Purchasing	7/31/2008	5000-2-0000-75-7360-0000	Legal	7360	Legal - APFA	2008071104	$983.60	$0.00	$983.60	5000MCLAN	McLane, Graf, Raulerson & Middleton	LEGAL FEE JUL08
114	142780	Purchasing	7/31/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	117793 JAD	$126.07	$0.00	$126.07	1000MRT	Menter, Rudin Trivlpiece	LEGAL SERVICE
115	142781	Purchasing	7/31/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	162466	$40,239.00	$0.00	$40,239.00	1000BSTVAL	BST Valuation & Litigation Advisors, LLC	TPI LITIGATION
116	142782	Purchasing	7/31/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	161813	$17,546.78	$0.00	$17,546.78	1000BSTVAL	BST Valuation & Litigation Advisors, LLC	TPI LITIGATION
117	142978	Purchasing	7/31/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	152745	$4,030.33	$0.00	$4,030.33	1000RS&B	Rackemann, Sawyer & Brewster	TPI LITIGATION
118	142779	Purchasing	7/31/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	261119	$9,236.62	$0.00	$9,236.62	1100DEVMIL	Devine Millimet	LEGAL SERVICE
119	143066	Purchasing	7/31/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	12841	$5,168.25	$0.00	$5,168.25	1100GLESCH	Glen Schnarr & Associates Inc.	CONSULTANT FEE
120	25518	Purchasing	8/8/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828 JUL23'08	$12,720.70	$0.00	$12,720.70	8010SNELL	Snell & Wilmer	LEGAL EXPENSE-LAND OPTION
121	144261	Purchasing	8/22/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	014225003	$1,200.00	$0.00	$1,200.00	1100DAVWEB	Davis Webb LLP Barristers and Solicitors	GAS TURBINE
122	144262	Purchasing	8/22/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	014225002	$5,600.00	$0.00	$5,600.00	1100DAVWEB	Davis Webb LLP Barristers and Solicitors	PEEL-EFW
123	144315	Purchasing	8/25/2008	3030-1-0000-75-7360-0000	Legal	7360	Legal - Rattlebrook	81620612	$75.00	$0.00	$75.00	3030STEW	Stewart McKelvey Stirling	LOCAL REGISTERED OFFICE AUG08
124	144357	Purchasing	8/27/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	262726	$2,494.88	$0.00	$2,494.88	1100DEVMIL	Devine Millimet	LEGAL FEE-KEENE FLOODING
125	145397	Purchasing	8/30/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	1370697	$14,982.10	$0.00	$14,982.10	1000BLAK	Blake, Cassels & Graydon	GENERAL-PEARCE KENNETH JUL08
126	145231	Purchasing	8/31/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	1370699	$1,912.00	$0.00	$1,912.00	1000BLAK	Blake, Cassels & Graydon	LEGAL FEE AUG08
127	146551	Purchasing	9/17/2008	2000-1-0000-75-7360-0000	Legal	7360	Legal - APFC	28080604	$352.60	$0.00	$352.60	2000LAPR	Lapointe Rosenstein	DEMANDE D'INFORMATION
128	25543	Purchasing	9/23/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828.001 MMD	$1,860.00	$0.00	$1,860.00	8010SNELL	Snell & Wilmer	AWRA LAND OPTION AGREEMENT
129	147659	Purchasing	9/30/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	264011	$3,538.41	$0.00	$3,538.41	1100DEVMIL	Devine Millimet	KEENE FLOODING
130	147970	Purchasing	10/6/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	154819	$7,905.47	$0.00	$7,905.47	1000RS&B	Rackemann, Sawyer & Brewster	TRAFALGAR POWER V.AETNA LIFE I
131	148065	Purchasing	10/9/2008	1000-1-0000-75-7360-0000	Legal	7360	Legal Expenses - APIF	864495	$2,076.90	$0.00	$2,076.90	1000WHCAS	White & Case LP	PROJECT POWER
132	148892	Purchasing	10/17/2008	1100-1-9810-75-7360-0000	Legal	7360	Legal - AP Trust	3364629	$800.07	$0.00	$800.07	1100LITMEN	Littler Mendelson	GENERAL-SERVICE FEE
133	148893	Purchasing	10/17/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	1379114	$3,883.00	$0.00	$3,883.00	1100BLAK	Blake, Cassels & Graydon LLP	AIRSOURCE POWER FUND I LP REST
134	149512	Purchasing	10/24/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	2008100270	$5,700.78	$0.00	$5,700.78	1100MCLANE	McLane, Graf, Raulerson & Middleton	APS-HH, INC-ESTATE OF NICHOLAS
135	149515	Purchasing	10/27/2008	2000-1-0000-75-7360-0000	Legal	7360	Legal - APFC	28090463	$3,759.96	$0.00	$3,759.96	2000LAPR	Lapointe Rosenstein	DEMANDE D'INFORMATION
136	149830	Purchasing	10/28/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	014225003 SEP08	$2,444.00	$0.00	$2,444.00	1100DAVWEB	Davis Webb LLP Barristers and Solicitors	GAS TURBINE SEP29'08
137	149829	Purchasing	10/28/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	014225002 SEP08	$2,840.75	$0.00	$2,840.75	1100DAVWEB	Davis Webb LLP Barristers and Solicitors	PDEEL-EFW
138	149834	Purchasing	10/28/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	13049	$4,679.75	$0.00	$4,679.75	1100GLESCH	Glen Schnarr & Associates Inc.	PEEL POWER SITE EXTENSION 616-
139	149841	Purchasing	10/28/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	696413222	$9,458.00	$0.00	$9,458.00	1100BORLAD	Borden Ladner Gervais LLP	OPA CHP II RFP
140	149966	Purchasing	10/31/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	2008090216	$8,292.04	$0.00	$8,292.04	1100MCLANE	McLane, Graf, Raulerson & Middleton	ESTATE OF NICHOLAS LORETTE V.
141	150412	Purchasing	11/5/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	265566	$19,269.75	$0.00	$19,269.75	1100DEVMIL	Devine Millimet	KEENE FLOODING
142	25577	Purchasing	11/11/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828.0015 MMD KLEI	$37.00	$0.00	$37.00	8010SNELL	Snell & Wilmer	KLEPP L-1 VISA
143	25576	Purchasing	11/11/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828.0011 MMD-LPSC	$950.00	$0.00	$950.00	8010SNELL	Snell & Wilmer	LPSCO TRANSATION
144	151253	Purchasing	11/19/2008	2000-1-0000-75-7360-0000	Legal	7360	Legal - APFC	90002657	$125.00	$0.00	$125.00	2000STEW	Stewart McKelvey	APFC GENERAL LEGAL
145	151255	Purchasing	11/19/2008	1100-1-9810-75-7360-0000	Legal	7360	Legal - AP Trust	275021	$442.00	$0.00	$442.00	1100MATDIN	Mathews Dinsdale	LABOR RELATIONS& MATTERS-EFW
146	151255	Purchasing	11/19/2008	1100-1-9810-75-7360-0000	Legal	7360	Legal - AP Trust	275021	$1,192.50	$0.00	$1,192.50	1100MATDIN	Mathews Dinsdale	LABOR RELATIONS& MATTERS-EFW
147	151306	Purchasing	11/24/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	1387295	$1,075.00	$0.00	$1,075.00	1100BLAK	Blake, Cassels & Graydon LLP	GENERAL LEGAL
148	151308	Purchasing	11/24/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	2008110369	$12,595.79	$0.00	$12,595.79	1100MCLANE	McLane, Graf, Raulerson & Middleton	APS NH-ESTATE NICHOLAS LORE V/
149	25587	Purchasing	11/30/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	38828.0011 MMD LPSC	$160.46	$0.00	$160.46	8010SNELL	Snell & Wilmer	ATTORNEY SERV: LPSCO TRANSACTI
150	153072	Purchasing	11/30/2008	1100-1-0000-75-7360-0000	Legal	7360	Legal - AP Trust	SALES4024	$380.89	$0.00	$380.89	1100APIF	Algonquin Power Income Fund	LEGAL FEE CB
151	153078	Purchasing	11/30/2008	2000-1-0000-75-7360-0000	Legal	7360	Legal - APFC	SALES4023	$571.34	$0.00	$571.34	2000APIF	Algonquin Power Income Fund	LEGAL FEE CB
152	25588	Purchasing	11/30/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	SALES4022	$910.90	$0.00	$910.90	8010APIF	Algonquin Power Income Fund	AWRA LEGAL FEE CHARGEBACK
153	153276	Purchasing	11/30/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	696423476	$1,742.50	$0.00	$1,742.50	1100BORLAD	Borden Ladner Gervais LLP	OPA RENEWABLES III RFP
154	153309	Purchasing	11/30/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	JC38403	$1,858.55	$0.00	$1,858.55	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
155	153275	Purchasing	11/30/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	014225003 OCT08	$4,019.08	$0.00	$4,019.08	1100DAVWEB	Davis Webb LLP Barristers and Solicitors	COST FOR R. WEBB-GAS TURBINE
156	153271	Purchasing	11/30/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	014225002 OCT31'08	$4,520.00	$0.00	$4,520.00	1100DAVWEB	Davis Webb LLP Barristers and Solicitors	PROFESSIONAL FEE-PEEL-EFW
157	153273	Purchasing	11/30/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	13267	$6,505.45	$0.00	$6,505.45	1100GLESCH	Glen Schnarr & Associates Inc.	G.A. SCHNARR-PRINCIPAL
158	153277	Purchasing	11/30/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	696423475	$9,305.49	$0.00	$9,305.49	1100BORLAD	Borden Ladner Gervais LLP	OPA CHP RFP
159	153470	Purchasing	12/9/2008	1100-1-9850-75-7360-0000	Legal	7360	Legal - AP Trust	RETAINER FEE DEC08	$6,090.87	$0.00	$6,090.87	1100SERLAW	Serotte Law Firm LLC	RETAINER FEE
160	153885	Purchasing	12/15/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	T049108	$283.84	$0.00	$283.84	1100CANLAW	Canada Law Book	LEGAL SUBSCRIPTION
161	153883	Purchasing	12/15/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	4489634	$1,355.00	$0.00	$1,355.00	1100CARSWE	Carswell	COURSE DEV.RENEW.GEN NOV05'08
162	154318	Purchasing	12/16/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	65506	$616.95	$0.00	$616.95	1100KANTHU	Kanuka Thuringer LLP	LIMITED PARTNERSHIP REGISTRATI

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
163	154319	Purchasing	12/16/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	29535-0001	$998.12	$0.00	$998.12	1100KANTHU	Kanuka Thuringer LLP	CORPORATE MATTERS
164	155126	Purchasing	12/22/2008	1100-1-0000-75-7360-0000	Legal	7360	Legal - AP Trust	SALES4096	$98.49	$0.00	$98.49	1100APIF	Algonquin Power Income Fund	BLAK INV 1387289 CB
165	25602	Purchasing	12/22/2008	8010-2-0000-75-7360-0000	Legal	7360	Legal Expense	SALES4094	$229.09	$0.00	$229.09	8010APIF	Algonquin Power Income Fund	BLAK INVOICE1387289 CB
166	155565	Purchasing	12/23/2008	2000-1-0000-75-7360-0000	Legal	7360	Legal - APFC	SALES4093	$147.74	$0.00	$147.74	2000APIF	Algonquin Power Income Fund	BLAK INV1387289 CB
167	155839	Purchasing	12/29/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	696442647	$1,601.00	$0.00	$1,601.00	1100BORLAD	Borden Ladner Gervais LLP	OPA CHP II RFP
168	155888	Purchasing	12/30/2008	1100-1-9820-75-7360-0000	Legal	7360	Legal - AP Trust	1393361	$1,884.92	$0.00	$1,884.92	1100BLAK	Blake, Cassels & Graydon LLP	PROFESSIONA SERVICE GENERAL
169	155931	Purchasing	12/31/2008	1100-1-9810-75-7360-0000	Legal	7360	Legal - AP Trust	275514	$683.55	$0.00	$683.55	1100MATDIN	Mathews Dinsdale	LABOUR&EQUIP-MATTER EFW
170	155931	Purchasing	12/31/2008	1100-1-9810-75-7360-0000	Legal	7360	Legal - AP Trust	275514	$711.45	$0.00	$711.45	1100MATDIN	Mathews Dinsdale	LABOUR&EQUIP-MATTER EFW
171	156087	Purchasing	12/31/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	696436959	$1,970.87	$0.00	$1,970.87	1100BORLAD	Borden Ladner Gervais LLP	OPA CHP II RFP
172	156348	Purchasing	12/31/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	14225002 NOV30'08	$3,920.00	$0.00	$3,920.00	1100DAVWEB	Davis Webb LLP Barristers and Solicitors	PROFESSIONAL SERV: PEEL-EFW
173	156083	Purchasing	12/31/2008	1100-1-9840-75-7360-0000	Legal	7360	Legal - AP Trust	13380	$6,308.65	$0.00	$6,308.65	1100GLESCH	Glen Schnarr & Associates Inc.	FEES
174														
175					Total Legal						$373,818.14			
176														
177	128162	Purchasing	1/8/2008	1000-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APIF	200802	$375.00	$0.00	$375.00	1000WHIBLO	Whistleblower IR	LICENSE COST JAN08
178	128984	Purchasing	1/22/2008	2000-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFC	5551RC0002 OCT07	$82.84	$0.00	$82.84	2000RGC	Receiver General - GST	PENALTIES 872315551RC0002
179	40433	Purchasing	1/24/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	2003835370-00	$121.33	$0.00	$121.33	5000CTC	CT Corporation	DOMESTIC REPRESENTATION
180	40434	Purchasing	1/24/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	2003835371-00	$121.33	$0.00	$121.33	5000CTC	CT Corporation	DOMESTIC REPRESENTATION
181	129973	Purchasing	1/31/2008	1100-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - AP Trust	JC35249	$4,053.34	$0.00	$4,053.34	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
182	129950	Purchasing	2/4/2008	2000-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFC	TAXES PROVIN 2001	$381.51	$0.00	$381.51	2000MFC	Minister of Finance	2001 TAXES PROVINCES APFC
183	40740	Purchasing	2/13/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	2003855544-00	$208.00	$0.00	$208.00	5000CTC	CT Corporation	DOMESTIC REPRESENTATION
184	40739	Purchasing	2/13/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	2003696095-01	$66.39	$0.00	$66.39	5000CTC	CT Corporation	DOMESTIC REPRESENTATION
185	131558	Purchasing	2/25/2008	1000-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APIF	200805	$375.00	$0.00	$375.00	1000WHIBLO	Whistleblower IR	LICENSE COST FEB08
186	131639	Purchasing	2/29/2008	1100-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - AP Trust	JC35527	$26.60	$0.00	$26.60	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
187	132143	Purchasing	3/4/2008	1000-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APIF	200808	$375.00	$0.00	$375.00	1000WHIBLO	Whistleblower IR	LICENSE COST MAR08
188	133375	Purchasing	3/25/2008	1100-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - AP Trust	INV16880	$840.00	$0.00	$840.00	1100CERIDI	Ceridian Canada Ltd.	SERVICE FEE
189	133356	Purchasing	3/25/2008	1000-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APIF	A000018476	$421.20	$0.00	$421.20	1000CDS	CDS Inc. (Sedar)	ANNUAL SEDAR SUBSCRP FEE
190	133792	Purchasing	3/28/2008	1100-1-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - AP Trust	JC35813	$1,196.77	$0.00	$1,196.77	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
191	134589	Purchasing	4/15/2008	2000-1-0301-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - Belleterre	PENALTY APR08	$171.98	$0.00	$171.98	2000MRQ	Minister of Revenue Quebec QST	PENALTY/INTEREST
192	41560	Purchasing	5/15/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	980181512	$608.00	$0.00	$608.00	5000SNH	State of New Hampshire	PROGESTED CHECK FEE
193	41582	Purchasing	5/21/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	MAY20'08	$1,099.60	$0.00	$1,099.60	5000FRANTX	Franchise Tax Board	APFA Estimate Penalty 2006
194	41585	Purchasing	5/21/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	4331844-RI	$277.06	$0.00	$277.06	5000CTC	CT Corporation	DOMESTIC EFILING
195	41584	Purchasing	5/21/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	4331797-RI	$196.08	$0.00	$196.08	5000CTC	CT Corporation	DOMESTIC EFILING
196	41630	Purchasing	5/22/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	356192	$165.00	$0.00	$165.00	5000NATINF	Nationwide Information Services Inc.	REGISTERED AGENT FEE
197	41648	Purchasing	5/23/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	MAY23,08.1	$175.00	$0.00	$175.00	5000VERS	Vermont Secretary of State	ANNUAL FILING FEE
198	41649	Purchasing	5/23/2008	5000-2-0000-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - APFA	MAY23,08	$175.00	$0.00	$175.00	5000VERS	Vermont Secretary of State	ANNUAL FILING FEE
199	138436	Purchasing	6/12/2008	2000-1-0406-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - Ste Alban	LSB023352-LSB	$199.00	$0.00	$199.00	2000MFQE	Ministry of Environment, Quebec	BARRAGES-DROITS ANNUELS CLASSE
200	138434	Purchasing	6/12/2008	1100-1-0408-50-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees - Arthurville	LSB023751-LSB	$199.00	$0.00	$199.00	1100MFQE	Ministry of Environment, Quebec	BARRAGES-DROITS ANNUELS CLASS
201	138463	Purchasing	6/12/2008	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	3363725816	$32.00	$0.00	$32.00	1100REGENT	Registraire des entreprises Quebec	REGISTRAIRE FEE
202	138824	Purchasing	6/20/2008	2000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Fees and Permits	INCOME TAX 2007	$79.00	$0.00	$79.00	2000QUE	Minister of Revenue Quebec	QUEBEC INCOME TAX 2007
203	41936	Purchasing	6/23/2008	5000-2-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	4410557-RI	$198.10	$0.00	$198.10	5000CTS	CT Corporation System	ANNUAL REPORT-DOMESTIC EFILING
204	41937	Purchasing	6/23/2008	5000-2-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	4410558-RI	$198.10	$0.00	$198.10	5000CTS	CT Corporation System	ANNUAL REPORT-DE-DELAWARE
205	139922	Purchasing	6/27/2008	2000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Fees and Permits	QE INCOME TAX 2007	$79.00	$0.00	$79.00	2000QUE	Minister of Revenue Quebec	QUEBEC INCOME TAX 2007
206	42142	Purchasing	7/17/2008	5000-2-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	4465560-RI	$198.10	$0.00	$198.10	5000CTC	CT Corporation	ANNUAL REPORT-DOMESTIC eFILING
207	142912	Purchasing	7/31/2008	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	JC37171	$14,354.01	$0.00	$14,354.01	1100APS-CDN	Algonquin Power Systems Inc	WIND DEVELOPMENT
208	143447	Purchasing	8/13/2008	1000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	200811	$2,250.00	$0.00	$2,250.00	1000WHIBLO	Whistleblower IR	SOFTEWARE LICENSE APR-SEP2008
209	143448	Purchasing	8/13/2008	1000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	9345491 APR08	$3,136.48	$0.00	$3,136.48	1000MRQ	Minister of Revenue Quebec	QST 9345491 APR09'08
210	144199	Purchasing	8/21/2008	2000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Fees and Permits	LATE FEE'06 QE ANN	$39.50	$0.00	$39.50	2000MRQ	Minister of Revenue Quebec QST	ANNUAL QE DECLARATION06 LATE F
211	144200	Purchasing	8/21/2008	2000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Fees and Permits	LATE FEE'07 QE ANN	$39.50	$0.00	$39.50	2000MRQ	Minister of Revenue Quebec QST	ANNUAL QE DECLARATION07 LATE
212	25534	Purchasing	8/31/2008	8010-2-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	51274163	$254.00	$0.00	$254.00	8010CORSER	Corporation Service Company	ANNUAL REGISTERED AGENT FEE
213	145205	Purchasing	8/31/2008	1000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	INT PENALITIES AUG	$675.84	$0.00	$675.84	1000REC	Receiver General	INT PENALITIES W/H TAX
214	145723	Purchasing	8/31/2008	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	JC37473	$1,375.46	$0.00	$1,375.46	1100APS-CDN	Algonquin Power Systems Inc	WIND DEVELOPMENT
215	145728	Purchasing	8/31/2008	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	JC37475	$3,275.73	$0.00	$3,275.73	1100APS-CDN	Algonquin Power Systems Inc	APT-CIEL POT ACQ 110098400063
216	147655	Purchasing	9/30/2008	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	JC37841	$5,301.47	$0.00	$5,301.47	1100APS-CDN	Algonquin Power Systems Inc	APT-CIEL POT ACQ
217	147700	Purchasing	9/30/2008	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	JC37837	$371.57	$0.00	$371.57	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
218	148026	Purchasing	39728	1000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	PENALTY SEP08	$2,515.27	$0.00	2515.27	1000MRQ	Minister of Revenue Quebec	NOTICE ASSESSMENT #7050771
219	149964	Purchasing	39752	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	JC38129	$1,270.43	$0.00	1270.43	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
220	153269	Purchasing	39782	1000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	ANNUAL RETURN200	$40.00	$0.00	40	1000REC	Receiver General	ANNUAL RETURN08 CORP D'INVESTI
221	25326	Financial	39782	1000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees		$181.25	$0.00	181.25			NB Movable Hypothec
222	153309	Purchasing	39782	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	JC38403	$1,297.79	$0.00	1297.79	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
223	153280	Purchasing	39784	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	ANNUAL RETURN200	$0.00	$40.00	-40	1100RECGEN	Receiver General of Canada	Void Open Trx
224	153231	Purchasing	39784	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	ANNUAL RETURN200	$40.00	$0.00	40	1100RECGEN	Receiver General of Canada	ANNUAL RETURN'08-CORP D'INVEST
225	154335	Purchasing	39798	1000-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	A000019592	$421.20	$0.00	421.2	1000CDS	CDS Inc. (Sedar)	ANNUAL SEDAR SUBSCRIPTION FEE
226	156091	Purchasing	39813	1100-1-0000-75-7430-0000	Licenses/Fees	7430	Licenses, Permits & Fees	JC38599	$290.00	$0.00	290	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
227	124893	Purchasing	11/27/2007	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	DONATION NOV07	$13,350.00	$0.00	$13,350.00	1100CANCAN	Canadian Cancer Society	DONATION-STEP-BY-STEP
228	125542	Purchasing	11/28/2007	1100-1-9840-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	NOV 22, 2007	$25,000.00	$0.00	$25,000.00	1100BEACOR	Bearpaw Corporation Inc.	CONTRIBUTION
229	125519	Purchasing	11/28/2007	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	DONATION NOV07	$5,000.00	$0.00	$5,000.00	1100PRMAR	Princess Margaret Hospital	MULTI MYELOMA 5K WALK-DONATION
230	125816	Purchasing	11/30/2007	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	DONATION NOV07	$200.00	$0.00	$200.00	1100TORREH	The Toronto Rehab Foundation	DONATION- SEAN'S FATHER
231	126259	Purchasing	12/19/2007	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	DAIGA DEC07	$25,000.00	$0.00	$25,000.00	1100WORVIS	World Vision Canada	WTER PROJECT CONTRI IN KENYA A
232	134601	Purchasing	4/17/2008	1100-1-0000-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	DONATION 2008	$200.00	$0.00	$200.00	1100REGPEE	Region of Peel	DONATION-GOLF
233	136705	Purchasing	5/22/2008	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	MAY22/08-GOLF	$2,000.00	$0.00	$2,000.00	1100GOLTOU	Golf Tournament for the Arts	DONATION-GOLF TOURNAMENT
234	136706	Purchasing	5/22/2008	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	MAY22/08-CLARKSON	$1,000.00	$0.00	$1,000.00	1100CLA180	Clarkson 180B	DONATION-GOLF TOURNAMENT
235	139383	Purchasing	6/25/2008	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	JUN08 EXP	$150.00	$0.00	$150.00	1100YEUJAN	JANET YEUNG	JUN08 EXPENSE REPORT
236	140612	Purchasing	7/11/2008	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	GOLF ENTRY FEE JUL	$700.00	$0.00	$700.00	1100BIRBAB	Birdies For Babies 2008	GOLF TOURNAMENT ENTRY FEE-CHAR
237	141224	Purchasing	7/15/2008	1100-1-9860-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	DONATION JUL14, 20	$5,000.00	$0.00	$5,000.00	1100REGPEE	Region of Peel	DONATION
238	141225	Purchasing	7/15/2008	1100-1-9860-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	DONATION JUL14, 20	$7,800.00	$0.00	$7,800.00	1100EMIKOL	EMIL KOLB HOOTENANNY	DONATION
239	142273	Purchasing	7/25/2008	1100-1-9840-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	SPONSORSHIP JUL08	$5,000.00	$0.00	$5,000.00	1100TOWCAL	Town of Caledon	PLATINUM SPOSORSHIP
240	143070	Purchasing	7/31/2008	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	DONATION AUG2008	$150.00	$0.00	$150.00	1100COMLIV	Community Living Grimsby	IN MEMORY OF BRADLEY ANDERSON
241	144204	Purchasing	8/20/2008	1100-1-9820-75-7450-0000	Licenses/Fees	7450	Donations / Contributions - AP Trust	RIMS AUG08	$518.50	$0.00	$518.50	1100RISIN5	Risk and Insurance Management Society Inc.	RIMS-CORPORATE MEMBERSHIP
242														
243					Total Licenses/Fees and Permits						$140,852.33			
244														
245	130148	Purchasing	1/28/2008	1100-1-0000-75-7520-0000	Management Fi	7520	Management Cost Expense - APT	290-JAN08	$72,406.42	$0.00	$72,406.42	1100AMI	Algonquin Power Management Inc	Management Fee Jan 08

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
246	132112	Purchasing	2/28/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-FEB08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Feb 08
247	133958	Purchasing	3/28/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-MAR08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Mar 08
248	135878	Purchasing	4/28/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-APR08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Apr 08
249	138304	Purchasing	5/31/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	SALES000000000290	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	MANAGEMENT FEE-APRIL 2008
250	140414	Purchasing	6/30/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-JUN08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Jun08
251					Management Fees						($250,000.00)			Reduction for Ian
252	143141	Purchasing	7/30/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-JUL08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Jul08
253	145390	Purchasing	8/30/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-AUG08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Aug08
254	147889	Purchasing	9/30/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-SEP8	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Sep08
255	150415	Purchasing	10/30/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-OCT08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Oct08
256	153323	Purchasing	11/30/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-NOV08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Nov08
257	156511	Purchasing	12/30/2008	1100-1-0000-75-7520-0000	Management F	7520	Management Cost Expense - APT	290-DEC08	$74,578.61	$0.00	$74,578.61	1100AMI	Algonquin Power Management Inc	Management Fee Dec08
258					Total Management Fees						$642,771.13			
259														
260														
261	128312	Purchasing	1/9/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	20420897	$1,382.50	$0.00	$1,382.50	1100ACCTEM	Accountemps	DIXON ADRIS P 122107
262	128352	Purchasing	1/15/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JUL08-JUL2010	$249.78	$0.00	$249.78	1100HARBUS	Harvard Business Review	24 ISSUES RENEWAL JUL08-JUL10
263	129118	Purchasing	1/29/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0124336	$364.00	$0.00	$364.00	1100SHEFGI	Shepell FGI	PROFESSIONAL SERVICES
264	129111	Purchasing	1/29/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	1084466	$330.52	$0.00	$330.52	1100CITY	City Water International Inc.	ANNUAL RENTAL 010108-123108
265	129111	Purchasing	1/29/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	1084466	$121.34	$0.00	$121.34	1100CITY	City Water International Inc.	ANNUAL RENTAL 010108-123108
266	129115	Purchasing	1/29/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2789	$106.00	$0.00	$106.00	1100VIPARC	V.I. Parcel Express Ltd.	MAIL
267	129124	Purchasing	1/29/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	114303	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	RECYCLING
268	129666	Purchasing	1/30/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0126033	$1,456.00	$0.00	$1,456.00	1100SHEFGI	Shepell FGI	PROFESSIONAL SERVICES
269	129677	Purchasing	1/30/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	200824626	$1,295.00	$0.00	$1,295.00	1100WATWYA	Watson Wyatt Canada ULC.	POSITIONS REPORT COMPSOURCE ON
270	129651	Purchasing	1/30/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	20519978	$700.00	$0.00	$700.00	1100ACCTEM	Accountemps	DIXON ADRIS P 010708
271	129678	Purchasing	1/30/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	111034509	$687.96	$0.00	$687.96	1100MERCER	Mercer Human Resource Consulting	PROFESSIONAL ENGINEERS SURVEY
272	129667	Purchasing	1/30/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	DM10001226	$400.00	$0.00	$400.00	1100SHEFGI	Shepell FGI	PROFESSIONAL SERVICES
273	129658	Purchasing	1/30/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	1180	$399.00	$0.00	$399.00	1100WALINT	Walstreet International Inc.	CORPORATE COMMUNICATIONS
274	129668	Purchasing	1/30/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0125419	$364.00	$0.00	$364.00	1100SHEFGI	Shepell FGI	PROFESSIONAL SERVICES
275	129656	Purchasing	1/30/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	081001	$269.00	$0.00	$269.00	1100CANCOM	Canadian Compensation Resources ltd.	07 COMPENSATION OF INVESTER RE
276	130211	Purchasing	2/11/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	SI_1461660	$805.00	$0.00	$805.00	1100SPETEC	SPECIALTY TECHNICAL PUBLISHERS	EMPLOYMENT LAWCD-ROM & MANUAL
277	130206	Purchasing	2/11/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2800	$106.00	$0.00	$106.00	1100VIPARC	V.I. Parcel Express Ltd.	MAIL SERVICE
278	130365	Purchasing	2/19/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	114848	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	RECYLING
279	131628	Purchasing	2/28/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	200825126	$1,990.00	$0.00	$1,990.00	1100WATWYA	Watson Wyatt Canada ULC.	CANADA INFO SYS POSITION REPOR
280	131627	Purchasing	2/28/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0130021	$364.00	$0.00	$364.00	1100SHEFGI	Shepell FGI	PROFESSIONAL SERVICES
281	132257	Purchasing	3/12/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	115403	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	RECYCLING PROGRAM
282	132276	Purchasing	3/12/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	115403.CR	$0.00	$50.00	($50.00)	1100BLUPEN	Blue-Pencil	CREDIT
283	132345	Purchasing	3/13/2008	1100-1-9800-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	MAR08 EXP	$736.55	$0.00	$736.55	1100MOTBRI	Brian Mottershead	MAR08 EXPENSE REPORT
284	25411	Purchasing	3/20/2008	8610-2-0000-75-7100-0000	Office Costs	7100	Other Adminstrative Expense	4193452-RI	$230.00	$0.00	$230.00	8610CTCORP	CT Corporation	DOMESTIC EFILINGDELAWARE
285	133376	Purchasing	3/25/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	00012817	$135.00	$0.00	$135.00	1100PREPLU	Presentation Plus	SIGNAGE FEES LETTERING
286	133353	Purchasing	3/25/2008	1100-1-9860-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	B2837	$124.20	$0.00	$124.20	1100KENPRI	Kendall Printing	BUSINESS CARDS M LOU MACDONALD
287	133370	Purchasing	3/25/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2812	$106.00	$0.00	$106.00	1100VIPARC	V.I. Parcel Express Ltd.	MAIL SERVICE
288	133373	Purchasing	3/25/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	5612717	$81.75	$0.00	$81.75	1100CARSWE	Carswell	BEST PRACTICES EMPL POLICIES
289	133351	Purchasing	3/25/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	4419441	$76.50	$0.00	$76.50	1100CARSWE	Carswell	KNIGHT& WOODS ONT LABOUR
290	133374	Purchasing	3/25/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	5650957	$50.14	$0.00	$50.14	1100CARSWE	Carswell	BEST PRACTICES TRAINING & DEVE
291	133628	Purchasing	3/27/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0131972	$364.00	$0.00	$364.00	1100SHEFGI	Shepell FGI	PROFESSIONAL SERVICES
292	133651	Purchasing	3/27/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	83306	$205.00	$0.00	$205.00	1100YOUFIT	Young Fitness Inc.	ADVERTISEMENT
293	134272	Purchasing	4/4/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	115974	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	RECYCLING PROGRAM
294	134278	Purchasing	4/4/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	5975439	$23.14	$0.00	$23.14	1100CARSWE	Carswell	OH&S ACT & REGUATION
295	135128	Purchasing	4/17/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0138406	$364.00	$0.00	$364.00	1100SHEFGI	Shepell FGI	EMPLOYEE ASSIST PROG MAY08
296	135126	Purchasing	4/17/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2823	$106.00	$0.00	$106.00	1100VIPARC	V.I. Parcel Express Ltd.	MAIL SERVICES
297	135470	Purchasing	4/29/2008	1000-1-0000-75-7100-0000	Office Costs	7100	Other Administration Expenses - APIF	1414240	$603.72	$0.00	$603.72	1000CCHC	CCH Canadian Ltd.	CONTAX FORMMASTER GOLD CD
298	135471	Purchasing	4/29/2008	1000-1-0000-75-7100-0000	Office Costs	7100	Other Administration Expenses - APIF	1414241	$210.60	$0.00	$210.60	1000CCHC	CCH Canadian Ltd.	12 SPECIALIZED INSUSTRY MODULE
299	136485	Purchasing	5/9/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	43803	$195.00	$0.00	$195.00	1100IDEPER	Ideal Personnel	MORSON,ANGELA
300	136477	Purchasing	5/9/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2833	$112.36	$0.00	$112.36	1100VIPARC	V.I. Parcel Express Ltd.	MAY08 MAIL SERVICE
301	136487	Purchasing	5/9/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	116570	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	SHREDDING
302	136493	Purchasing	5/9/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	CR.REF4345425	$0.00	$68.00	($68.00)	1100CARSWE	Carswell	CREDIT NOTE:REF4345425
303	136884	Purchasing	5/21/2008	1100-1-9800-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	MAY08 EXP	$10.00	$0.00	$10.00	1100ELECHA	Charles Elefano	MAY08 EXPENSE REPORT
304	137751	Purchasing	5/27/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	34225	$1,728.00	$0.00	$1,728.00	1100MULMAR	Mulligan Marketing Group	SUNNICE
305	137741	Purchasing	5/27/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0140800	$364.00	$0.00	$364.00	1100SHEFGI	Shepell FGI	PROFESSIONAL SERVICES
306	137730	Purchasing	5/27/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	117184	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	RECYCLING PROGRAM
307	138169	Purchasing	5/31/2008	1100-1-9840-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JC36556	$20,000.00	$0.00	$20,000.00	1100APS-CDN	Algonquin Power Systems Inc	002-99908-3777
308	138155	Purchasing	5/31/2008	1100-1-9840-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JC36545	$7,188.62	$0.00	$7,188.62	1100APS-CDN	Algonquin Power Systems Inc	002-999907-3686 APT-CIEL POT.A
309	138152	Purchasing	5/31/2008	1100-1-9840-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JC36549	$438.94	$0.00	$438.94	1100APS-CDN	Algonquin Power Systems Inc	002-999907-3714 APT-PRO.DEV
310	138348	Purchasing	6/6/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	MAY08 EXP	$39.00	$0.00	$39.00	1100REAANN	Anne Reade	MAY08 EXPENSE REPORT
311	138456	Purchasing	6/12/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	5026-1	$277.79	$0.00	$277.79	1100PARPRO	Partners Promotional Group Inc.	RIESLING WINE SET
312	138445	Purchasing	6/12/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2845	$106.00	$0.00	$106.00	1100VIPARC	V.I. Parcel Express Ltd.	MAIL SERVICE
313	138757	Purchasing	6/16/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	9000959321	$717.12	$0.00	$717.12	1100PHIMED	Philips Medical Systems Canada	GUIDELINE 2005 UPDATE
314	138751	Purchasing	6/16/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	382212	$543.51	$0.00	$543.51	1100SPIRAL	Spiral Binding Company Inc	BINDER CLEAR
315	138746	Purchasing	6/16/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	184603-JUN2008	$224.36	$0.00	$224.36	1100ARMAIN	ARMA International	ARMA MEMBERSHIP FEES
316	139377	Purchasing	6/18/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JUN08 EXP	$672.25	$0.00	$672.25	1100MOTBRI	Brian Mottershead	JUN08 EXPENSE REPORT
317	139840	Purchasing	6/25/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0143013	$364.00	$0.00	$364.00	1100SHEFGI	Shepell FGI	EMPLOYEE ASSISTANCE JUL2008
318	139832	Purchasing	6/25/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	117829	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	SHREDDING JUN08
319	140313	Purchasing	6/30/2008	1100-1-9840-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JC36862	$5,675.00	$0.00	$5,675.00	1100APS-CDN	Algonquin Power Systems Inc	APT-BUSINESS DEVEL.OPPORTUNIT
320	140318	Purchasing	6/30/2008	1100-1-9840-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JC36854	$261.25	$0.00	$261.25	1100APS-CDN	Algonquin Power Systems Inc	APT-RED LILY PRE-CONSTR.ACTIV
321	140529	Purchasing	7/8/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JUN08 EXP.1	$102.16	$0.00	$102.16	1100GAO	Amy Gao	JUN08 EXPENSE REPORT
322	139650	Purchasing	7/8/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JUN08 EXP	$183.95	$0.00	$183.95	1100MCDMAR	Mary Lou McDonald	JUN08 EXPENSE REPORT
323	141197	Purchasing	7/14/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2857	$106.00	$0.00	$106.00	1100VIPARC	V.I. Parcel Express Ltd.	DELIVERY
324	141468	Purchasing	7/17/2008	1100-1-0000-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	144807 JUL2008	$198.26	$0.00	$198.26	1100AMEPAY	American Payroll Institute Inc. c/o APA	1 YEAR MEMBERSHIP DUES
325	142107	Purchasing	7/22/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0135527	$364.00	$0.00	$364.00	1100SHEFGI	Shepell FGI	EMPLOYEE ASSIST PROGRAM AUG08
326	142122	Purchasing	7/22/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	6281501	$81.64	$0.00	$81.64	1100CARSWE	Carswell	BEST PRACTICES: EMPLOYMENT POL
327	142617	Purchasing	7/28/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	RI_1106586	$819.81	$0.00	$819.81	1100SPETEC	SPECIALTY TECHNICAL PUBLISHERS	CD-ROM AND MANUAL UPDATE SERVI
328	142619	Purchasing	7/28/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	118468	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	SHREDDING
329	145525	Purchasing	8/15/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2868	$106.00	$0.00	$106.00	1100VIPARC	V.I. Parcel Express Ltd.	MAIL SERVICE PICK UP JUL08
330	144194	Purchasing	8/21/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	1001315	$91.43	$0.00	$91.43	1100ICEPES	ICE Pest Control	PEST CONTRO HOME SERVICE
331	144194	Purchasing	8/21/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	1001315	$33.57	$0.00	$33.57	1100ICEPES	ICE Pest Control	PEST CONTRO HOME SERVICE

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
332	144279	Purchasing	8/25/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	201299	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	SHREDDING
333	144354	Purchasing	8/26/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	4471393	$211.47	$0.00	$211.47	1100CARSWE	Carswell	PRACTITIONER'S IT ACT 34TH08
334	144352	Purchasing	8/26/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	5601-1	$187.42	$0.00	$187.42	1100PARPRO	Partners Promotional Group Inc.	COLLAPSIBLE FLYER
335	145100	Purchasing	8/27/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	45597	$136.50	$0.00	$136.50	1100IDEPER	Ideal Personnel	LABOUR COST
336	145104	Purchasing	8/27/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	45526	$136.50	$0.00	$136.50	1100IDEPER	Ideal Personnel	LABOUR COST
337	146797	Purchasing	9/1/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	AUG08 EXP	$107.99	$0.00	$107.99	1100BONCAR	Caroline Bonner	AUG08 EXPENSE REPORT
338	146552	Purchasing	9/17/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	202010	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	SHREDDING
339	147326	Purchasing	9/23/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22357403	$280.00	$0.00	$280.00	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
340	147327	Purchasing	9/23/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22357404	$525.00	$0.00	$525.00	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
341	147328	Purchasing	9/23/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0149789	$3,520.00	$0.00	$3,520.00	1100SHEFGI	Shepell FGI	EMPLOYEE ASSISTANCE PROGRAM
342	147332	Purchasing	9/23/2008	1100-1-9830-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	SEP25'08	$23.20	$0.00	$23.20	1100ARICOR	Arizona Corporate Commission (ACC)	COST OF CCN MAPS
343	147390	Purchasing	9/25/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2878	$106.00	$0.00	$106.00	1100VIPARC	V.I. Parcel Express Ltd.	MAIL SERVICE PICK UP
344	147423	Financial	9/26/2008	1100-1-9870-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust		$2,500.00	$0.00	$2,500.00			Waste Based Energy Conference
345	147555	Purchasing	9/29/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22422780	$1,190.00	$0.00	$1,190.00	1100ACCTEM	Accountemps	DIXON, ADRIS P. 09/19/2008
346	147700	Purchasing	9/30/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JC37827	$450.00	$0.00	$450.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
347	148077	Purchasing	10/10/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22471420	$542.50	$0.00	$542.50	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
348	148117	Purchasing	10/15/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	202679	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	SHREDDING
349	148115	Purchasing	10/15/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2887	$142.35	$0.00	$142.35	1100VIPARC	V.I. Parcel Express Ltd.	MAIL SERVICE SEP08
350	148118	Purchasing	10/15/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22520527	$262.50	$0.00	$262.50	1100ACCTEM	Accountemps	AUDITING
351	149509	Purchasing	10/24/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	6584324	$51.75	$0.00	$51.75	1100CARSWE	Carswell	STRATEGIC HR
352	149508	Purchasing	10/24/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	6612903	$57.50	$0.00	$57.50	1100CARSWE	Carswell	PERFORMANCE MGMT
353	149497	Purchasing	10/24/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22568011	$227.50	$0.00	$227.50	1100ACCTEM	Accountemps	OUTSIDE CONTRACTOR
354	149496	Purchasing	10/24/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22614514	$262.50	$0.00	$262.50	1100ACCTEM	Accountemps	OUTSIDE CONTRACTOR
355	149507	Purchasing	10/24/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	6660929	$595.85	$0.00	$595.85	1100CARSWE	Carswell	EMPLOYMENT STANDARD ACT ON ON
356	149964	Purchasing	10/31/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	JC38129	$18.76	$0.00	$18.76	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
357	149965	Purchasing	10/31/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	5931-1	$156.66	$0.00	$156.66	1100PARPRO	Partners Promotional Group Inc.	OFFICE SUPPLIES
358	149976	Purchasing	10/31/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22661244	$787.50	$0.00	$787.50	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
359	150410	Purchasing	11/5/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	NIF80082	$118.99	$0.00	$118.99	1100IROMOU	Iron Mountain Canada Corporation	STORAGE AND SERVICE
360	150409	Purchasing	11/5/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0152214	$3,675.44	$0.00	$3,675.44	1100SHEFGI	Shepell FGI	EMPLOYEE ASSISTANCE PROGRAM
361	150577	Purchasing	11/7/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	MX22951	$75.00	$0.00	$75.00	1100IROMOU	Iron Mountain Canada Corporation	HIGHGROUND STORAGE
362	150578	Purchasing	11/7/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	NN10465	$75.26	$0.00	$75.26	1100IROMOU	Iron Mountain Canada Corporation	HIGHGROUND STORAGE
363	150558	Purchasing	11/11/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	46867	$292.50	$0.00	$292.50	1100IDEPER	Ideal Personnel	LABOUR
364	150557	Purchasing	11/11/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	46969	$303.75	$0.00	$303.75	1100IDEPER	Ideal Personnel	LABOR
365	150564	Purchasing	11/11/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	111039817	$696.60	$0.00	$696.60	1100MERCER	Mercer Human Resource Consulting	ENGINEERS SURVEY
366	150682	Purchasing	11/14/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	203305	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	SHREDDING
367	150683	Purchasing	11/14/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22717492	$262.50	$0.00	$262.50	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
368	150684	Purchasing	11/14/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	47029	$303.75	$0.00	$303.75	1100IDEPER	Ideal Personnel	EXTERNAL CONTRACTOR
369	150685	Purchasing	11/14/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0154372	$918.86	$0.00	$918.86	1100SHEFGI	Shepell FGI	EMPLOYEE ASSISTANCE PROGRAM
370	151304	Purchasing	11/24/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	ALG08010	$52.29	$0.00	$52.29	1100TRAROB	Traductions Robert Lambert	TRANSLATION
371	151287	Purchasing	11/24/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2897	$201.40	$0.00	$201.40	1100VIPARC	V.I. Parcel Express Ltd.	MAIL SERVICE
372	151290	Purchasing	11/24/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	9139	$364.13	$0.00	$364.13	1100VIBCOR	Vibraclean Corporate Housekeeping	JANITORIAL SERVICE OCT08
373	151291	Purchasing	11/24/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	9198	$421.59	$0.00	$421.59	1100VIBCOR	Vibraclean Corporate Housekeeping	JANITORIAL SERVICE NOV08
374	151315	Purchasing	11/24/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	47126	$450.00	$0.00	$450.00	1100IDEPER	Ideal Personnel	LABOR
375	151298	Purchasing	11/24/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22753655	$525.00	$0.00	$525.00	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
376	151322	Purchasing	11/24/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	0876 NOV08	$570.74	$0.00	$570.74	1100PITWOR	Pitneyworks	POSTAGE BY PHONE REFILL
377	151290	Purchasing	11/24/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	9139	$991.87	$0.00	$991.87	1100VIBCOR	Vibraclean Corporate Housekeeping	JANITORIAL SERVICE OCT08
378	151296	Purchasing	11/24/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22794965	$1,050.00	$0.00	$1,050.00	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
379	151291	Purchasing	11/24/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	9198	$1,148.41	$0.00	$1,148.41	1100VIBCOR	Vibraclean Corporate Housekeeping	JANITORIAL SERVICE NOV08
380	152743	Purchasing	11/26/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	08-148	$1,926.72	$0.00	$1,926.72	1100REASEM	React Seminars	ONSITE AED M5066A-C0-1 PACKAGE
381	152776	Purchasing	11/28/2008	1100-1-0000-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22852580	$1,015.00	$0.00	$1,015.00	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
382	153457	Purchasing	12/4/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	08-153	$100.00	$0.00	$100.00	1100REASEM	React Seminars	1100REASEM
383	153950	Purchasing	12/15/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	ADJ B3232	$0.00	$1,755.00	($1,755.00)	1100KENPRI	Kendall Printing	AJUST
384	153951	Purchasing	12/15/2008	1100-1-0000-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22852580.1	$0.00	$1,029.00	($1,029.00)	1100ACCTEM	Accountemps	ADJUST
385	153899	Purchasing	12/15/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	204002	$60.00	$0.00	$60.00	1100BLUPEN	Blue-Pencil	SHREDDING
386	152895	Purchasing	12/15/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	6994776	$73.43	$0.00	$73.43	1100CARSWE	Carswell	HR FORMS TOOLKIT
387	152896	Purchasing	12/15/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	47323	$303.75	$0.00	$303.75	1100IDEPER	Ideal Personnel	LABOUR
388	152897	Purchasing	12/15/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	47224	$459.75	$0.00	$459.75	1100IDEPER	Ideal Personnel	LABOR
389	153951	Purchasing	12/15/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22852580.1	$1,029.00	$0.00	$1,029.00	1100ACCTEM	Accountemps	ADJUST
390	153901	Purchasing	12/15/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	B3232	$1,755.00	$0.00	$1,755.00	1100KENPRI	Kendall Printing	COLLECTIVE AGREEMENT
391	153950	Purchasing	12/15/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	ADJ B3232	$1,755.00	$0.00	$1,755.00	1100KENPRI	Kendall Printing	AJUST
392	154354	Purchasing	12/16/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	6910236	$48.30	$0.00	$48.30	1100CARSWE	Carswell	STRATEGIC HR 2008 RELEASE
393	154353	Purchasing	12/16/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	6759244	$75.06	$0.00	$75.06	1100CARSWE	Carswell	EMPLOYMENT POLICIES
394	154334	Purchasing	12/16/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	NN17765	$100.00	$0.00	$100.00	1100IROMOU	Iron Mountain Canada Corporation	MNTHLY MN STRG CHRG
395	154350	Purchasing	12/16/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	22882307	$980.00	$0.00	$980.00	1100ACCTEM	Accountemps	EXTERNAL CONTRACTOR
396	154357	Purchasing	12/16/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	2684	$1,096.36	$0.00	$1,096.36	1100KONAHR	Kona HR Consulting Group LLC	HUMAN RESOURCES CONSULTING
397	154333	Purchasing	12/16/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	9297	$1,570.00	$0.00	$1,570.00	1100VIBCOR	Vibraclean Corporate Housekeeping	JANITORIAL SERVICE DEC08
398	155831	Purchasing	12/29/2008	1100-1-9840-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	NOV08 EXP	$83.64	$0.00	$83.64	1100FAISEA	Sean Fairfield	OCT17-DEC04'08 EXPENSE REPORT
399	155831	Purchasing	12/29/2008	1100-1-9840-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	NOV08 EXP	$345.00	$0.00	$345.00	1100FAISEA	Sean Fairfield	OCT17-DEC04'08 EXPENSE REPORT
400	155930	Purchasing	12/31/2008	1100-1-9820-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	5276-1	$197.49	$0.00	$197.49	1100PARPRO	Partners Promotional Group Inc.	COLLAPSIBLE FLYER
401	155934	Purchasing	12/31/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0156779	$200.95	$0.00	$200.95	1100SHEFGI	Shenell FGI	ESCALATION BILLING
402	155934	Purchasing	12/31/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0156779	$315.90	$0.00	$315.90	1100SHEFGI	Shepell FGI	ESCALATION BILLING
403	155935	Purchasing	12/31/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP156979	$351.75	$0.00	$351.75	1100SHEFGI	Shepell FGI	EMPLOYEE ASSISTANCE PROGRAM
404	155934	Purchasing	12/31/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP0156779	$402.01	$0.00	$402.01	1100SHEFGI	Shepell FGI	ESCALATION BILLING
405	155935	Purchasing	12/31/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP156979	$552.75	$0.00	$552.75	1100SHEFGI	Shepell FGI	EMPLOYEE ASSISTANCE PROGRAM
406	155935	Purchasing	12/31/2008	1100-1-9810-75-7100-0000	Office Costs	7100	Other Administration Expenses - AP Trust	EAP156979	$703.50	$0.00	$703.50	1100SHEFGI	Shepell FGI	EMPLOYEE ASSISTANCE PROGRAM
407	147971	Purchasing	10/6/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LVW8299	$1,095.25	$0.00	$1,095.25	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
408	121558	Purchasing	10/4/2007	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-331818-02	$201.96	$0.00	$201.96	1100METAFO	Metafore LP	HP BITDIRECT
409	121557	Purchasing	10/4/2007	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-332032-01	$108.00	$0.00	$108.00	1100METAFO	Metafore LP	THINKPAD AND LENOVO 65W AC ADA
410	121559	Purchasing	10/4/2007	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-331818-03	$70.20	$0.00	$70.20	1100METAFO	Metafore LP	512MB MODULE
411	122528	Purchasing	10/22/2007	1100-1-0000-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	078810	$378.00	$0.00	$378.00	1100QUIET	Quiettouch Inc.	SERVICE CALL

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
412	123508	Purchasing	10/31/2007	1100-1 9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-338730-01	$1,541.16	$0.00	$1,541 16	1100METAFO	Metafore LP	THINKPAD
413	125808	Purchasing	11/30/2007	1100-1-0000-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	078814	$189.00	$0.00	$189.00	1100QUIET	Quiettouch Inc.	EMERGENCY SERVICES
414	127357	Purchasing	12/24/2007	1100-1-0000-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	079297	$756.00	$0.00	$756.00	1100QUIET	Quiettouch Inc.	SERVICE NOV07
415	129110	Purchasing	1/29/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	267219	$167.40	$0.00	$167.40	1100ITXC	I.T. XCHANGE	IBM HARDWARE DRIVE
416	129649	Purchasing	1/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-332843-01	$2,341.44	$0.00	$2,341.44	1100METAFO	Metafore LP	THINKPAD
417	129647	Purchasing	1/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-345310-01	$1,227.96	$0.00	$1,227.96	1100METAFO	Metafore LP	THINKCENTRE
418	129648	Purchasing	1/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-350390-01	$1,068.12	$0.00	$1,068.12	1100METAFO	Metafore LP	SMARTUPS 3000VA USB
419	129646	Purchasing	1/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-347216-01	$224.82	$0.00	$224.82	1100METAFO	Metafore LP	THINK PAD ESSENTIAL PORT
420	130204	Purchasing	2/11/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	10120892	$113.40	$0.00	$113.40	1100BDODUN	BDO Dunwoody	PROFESSIONAL SERVICES
421	131353	Purchasing	2/15/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	JAN08 EXP.1	$158.77	$0.00	$158.77	1100MOTBRI	Brian Mottershead	JAN08 EXPENSE REPORT
422	131352	Purchasing	2/15/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	JAN08 EXP	$145.78	$0.00	$145.78	1100MOTBRI	Brian Mottershead	JAN08 EXPENSE REPORT
423	130361	Purchasing	2/19/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	707010000799077	$2,429.96	$0.00	$2,429.96	1100DELL	DELL Computer Corporation	APC SMART UPS RT
424	130430	Purchasing	2/21/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-351468-01	$1,219.32	$0.00	$1,219.32	1100METAFO	Metafore LP	DVD-R XPP
425	130429	Purchasing	2/21/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-352497-01	$1,117.80	$0.00	$1,117.80	1100METAFO	Metafore LP	HIGH SPEED EIDE HD
426	130431	Purchasing	2/21/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-352016-01	$151.20	$0.00	$151.20	1100METAFO	Metafore LP	THINKPAD
427	131459	Purchasing	2/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	CN-353010-01	$0.00	$189.00	($189.00)	1100METAFO	Metafore LP	IBM POWER SUPPLY
428	133623	Purchasing	3/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-352234-02	$2,349.00	$0.00	$2,349.00	1100METAFO	Metafore LP	TERASTATION PRO II
429	133639	Purchasing	3/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	3725	$1,282.58	$0.00	$1,282.58	1100SCILOG	ScipLogic Corp	BRIDGETRAK STANDARD 1 TECH LIC
430	133641	Purchasing	3/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-353010-02.1	$578.00	$0.00	$578.00	1100METAFO	Metafore LP	IBM POWER SUPPLY REFURBISHED
431	133625	Purchasing	3/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-353010-01	$189.00	$0.00	$189.00	1100METAFO	Metafore LP	IBM POWER SUPPLY REFURBISHED
432	133626	Purchasing	3/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-350386-01	$84.02	$0.00	$84.02	1100METAFO	Metafore LP	THINKPAD 90W AC ADAPTER
433	133622	Purchasing	3/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-352234-01	$12.96	$0.00	$12.96	1100METAFO	Metafore LP	STARTECH MOLDED CAT UTP PATCH
434	133624	Purchasing	3/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-353010-02	$0.00	$189.00	($189.00)	1100METAFO	Metafore LP	CREDIT-IN351468-01
435	134267	Purchasing	4/4/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-353745-01	$907.20	$0.00	$907.20	1100METAFO	Metafore LP	DATA CARTRIDGE QUANTUM
436	134268	Purchasing	4/4/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-355195-01	$687.96	$0.00	$687.96	1100METAFO	Metafore LP	FUJITSU CACHE
437	134266	Purchasing	4/4/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-354314-01	$210.60	$0.00	$210.60	1100METAFO	Metafore LP	ESSENTIAL PORT REPLICATOR
438	135142	Purchasing	4/17/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	288999	$452.00	$0.00	$452.00	1100ITXC	I.T. XCHANGE	THINKPAD
439	136489	Purchasing	5/9/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-357055-01	$1,823.04	$0.00	$1,823.04	1100METAFO	Metafore LP	PENT.DUAL CORE
440	136488	Purchasing	5/9/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-358236-01	$1,753.92	$0.00	$1,753.92	1100METAFO	Metafore LP	TOPSELLER THINKPAD
441	136891	Purchasing	5/12/2008	1100-1-9850-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	APR08 EXP.1	$74.33	$0.00	$74.33	1100LIPTED	Ted Lipowicz	APR08 EXPENSE REPORT
442	136922	Purchasing	5/26/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	2064466	$70.20	$0.00	$70.20	1100IBMCDA	IBM Canada Ltd	TP 1YR IOR NBD
443	136922	Purchasing	5/26/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	2064466	$70.20	$0.00	$70.20	1100IBMCDA	IBM Canada Ltd	TP 1YR IOR NBD
444	137736	Purchasing	5/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-365571-01	$747.36	$0.00	$747.36	1100METAFO	Metafore LP	CROSSSOVER PATCH CABLE
445	137735	Purchasing	5/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-365571-02	$97.20	$0.00	$97.20	1100METAFO	Metafore LP	MEMORY MODULE
446	137737	Purchasing	5/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-365571-03	$17.28	$0.00	$17.28	1100METAFO	Metafore LP	CROSSOVER CALBE
447	138453	Purchasing	6/12/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-362731-01	$1,236.60	$0.00	$1,236.60	1100METAFO	Metafore LP	DVD-RXPP
448	138454	Purchasing	6/12/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-361061-01	$741.96	$0.00	$741.96	1100METAFO	Metafore LP	TFT MONITORS
449	139843	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-370563-01	$3,285.36	$0.00	$3,285.36	1100METAFO	Metafore LP	THINK PAD, MODULE
450	139844	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-371200-01	$1,510.92	$0.00	$1,510.92	1100METAFO	Metafore LP	TOPSELLER TP T612.2GHZ
451	139846	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-364536-01	$610.20	$0.00	$610.20	1100METAFO	Metafore LP	THINKCENTRE DVD-ROM XPP
452	139850	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-367408-01	$591.83	$0.00	$591.83	1100METAFO	Metafore LP	TOTAL SECURE VPN GATEWAY
453	139852	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-366068-01	$324.00	$0.00	$324.00	1100METAFO	Metafore LP	SUPPORT SONICWALL RPO2040
454	139842	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-370563-03	$192.24	$0.00	$192.24	1100METAFO	Metafore LP	THINKPLUS THINKPAD
455	139841	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-370563-02	$118.80	$0.00	$118.80	1100METAFO	Metafore LP	MODULE, THINKPAD
456	139851	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-367417-01	$86.40	$0.00	$86.40	1100METAFO	Metafore LP	STARTECH SNAGLESS PATCH CABLE
457	139845	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-370991-01	$81.00	$0.00	$81.00	1100METAFO	Metafore LP	SEAGATE SATA DRIVE BARRACUDA
458	139849	Purchasing	6/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	953612	$44.92	$0.00	$44.92	1100UNIDUS	Universal Services	MULTI W/001-WO
459	140631	Purchasing	7/8/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	JUN08 EXP.1	$107.97	$0.00	$107.97	1100MOTBRI	Brian Mottershead	JUN08 EXPENSE REPORT
460	142279	Purchasing	7/18/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	JUL08 EXP	$390.43	$0.00	$390.43	1100MOTBRI	Brian Mottershead	JUL08 EXPENSE REPORT
461	142281	Purchasing	7/18/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	JUL08 EXP.1	$431.95	$0.00	$431.95	1100MOTBRI	Brian Mottershead	JUL08 EXPENSE REPORT
462	142112	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-372430-01	$880.20	$0.00	$880.20	1100METAFO	Metafore LP	COMPUTER SUPPLIES
463	142113	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-372430-02	$700.92	$0.00	$700.92	1100METAFO	Metafore LP	COMPUTER SUPPLIES
464	142114	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-372785-01	$106.92	$0.00	$106.92	1100METAFO	Metafore LP	COMPUTER SUPPLIES
465	142115	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-373528-01	$1,151.28	$0.00	$1,151.28	1100METAFO	Metafore LP	COMPUTER SUPPLIES
466	142116	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-373325-01	$1,123.24	$0.00	$1,123.24	1100METAFO	Metafore LP	COMPUTER SUPPLIES
467	142117	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-369176-01	$2,257.76	$0.00	$2,257.76	1100METAFO	Metafore LP	COMPUTER SUPPLIES
468	142118	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-371864-01	$1,289.52	$0.00	$1,289.52	1100METAFO	Metafore LP	CONTENT FILTERING SERVICE
469	142119	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-367408-02	$202.23	$0.00	$202.23	1100METAFO	Metafore LP	COMPUTER SUPPLIES
470	142124	Purchasing	7/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	D02016620102	$77.94	$0.00	$77.94	1100TIGER	Tiger Direct.CA Inc	CONVERTER ADAPT CABLE
471	142620	Purchasing	7/28/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-372294-01	$1,509.84	$0.00	$1,509.84	1100METAFO	Metafore LP	COMPUTER SUPPLIES
472	142621	Purchasing	7/28/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-367999-01	$646.92	$0.00	$646.92	1100METAFO	Metafore LP	COMPUTER SUPPLIES
473	142624	Purchasing	7/28/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	P99380360001	$1,174.96	$0.00	$1,174.96	1100TIGER	Tiger Direct.CA Inc	COMPUTER SUPPLY
474	142633	Purchasing	7/28/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-372294-01	$0.00	$1,509.84	($1,509.84)	1100METAFO	Metafore LP	Void Open Trx
475	142634	Purchasing	7/28/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-367999-01	$0.00	$646.92	($646.92)	1100METAFO	Metafore LP	Void Open Trx
476	142775	Purchasing	7/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LBG0002	$802.24	$0.00	$802.24	1100CDWCAN	CDW Canada Inc.	BLINK 48 PORT L2 MANAGED SWITC
477	142776	Purchasing	7/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LDJ4532	$522.37	$0.00	$522.37	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
478	142983	Purchasing	7/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	081010	$189.00	$0.00	$189.00	1100QUIET	Quiettouch Inc.	ASSIST-CITRIX PERFORMANCE MONI
479	143061	Purchasing	7/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-371864-03	$290.52	$0.00	$290.52	1100METAFO	Metafore LP	COMPUTER SUPPLIES
480	143062	Purchasing	7/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LDQ6172	$348.44	$0.00	$348.44	1100CDWCAN	CDW Canada Inc.	FLUKE INTELLITONE TONER AND PR
481	143063	Purchasing	7/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LDW1675	$792.07	$0.00	$792.07	1100CDWCAN	CDW Canada Inc.	DATA CARTRIDGE
482	143064	Purchasing	7/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LDQ4669	$2,957.74	$0.00	$2,957.74	1100CDWCAN	CDW Canada Inc.	SUPPLIES
483	143430	Purchasing	8/12/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	NOV07-JUL08 EXP	$228.95	$0.00	$228.95	1100KERR	David Kerr	NOV07-JUL08 EXPENSE REPORT
484	145516	Purchasing	8/15/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	962854	$44.92	$0.00	$44.92	1100UNIDUS	Universal Services	COMPUTER SUPPLIES
485	144193	Purchasing	8/21/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LGT3654	$319.17	$0.00	$319.17	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
486	144280	Purchasing	8/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LJN5015	$551.25	$0.00	$551.25	1100CDWCAN	CDW Canada Inc.	PARTS
487	144282	Purchasing	8/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LKG2711	$1,056.81	$0.00	$1,056.81	1100CDWCAN	CDW Canada Inc.	PARTS
488	144281	Purchasing	8/25/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LJW9905	$545.73	$0.00	$545.23	1100CDWCAN	CDW Canada Inc.	PARTS
489	144355	Purchasing	8/26/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	965188	$44.92	$0.00	$44.92	1100UNIDUS	Universal Services	SUPPLIES
490	145395	Purchasing	8/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-371964-02	$1,996.92	$0.00	$1,996.92	1100METAFO	Metafore LP	NEWWORK SECURITY APPLIANE
491	145396	Purchasing	8/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	CN-370563-01	$0.00	$1,500.12	($1,500.12)	1100METAFO	Metafore LP	COMPUTER SUPPLIES
492	145401	Purchasing	8/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LLM4915	$57.16	$0.00	$57.16	1100CDWCAN	CDW Canada Inc.	PARTS
493	145402	Purchasing	8/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LLM7448	$1,272.23	$0.00	$1,272.23	1100CDWCAN	CDW Canada Inc.	SUPPLIES
494	145405	Purchasing	8/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LLV0018	$1,056.81	$0.00	$1,056.81	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
495	145404	Purchasing	8/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LMD2920	$1,056.81	$0.00	$1,056.81	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
496	145405	Purchasing	8/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LNB1185	$37.09	$0.00	$37.09	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
497	146799	Purchasing	9/1/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	AUG08 EXP.1	$5.00	$0.00	$5.00	1100MOTBRI	Brian Mottershead	AUG08 EXPNESE REPORT
498	146799	Purchasing	9/1/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	AUG08 EXP.1	$151.16	$0.00	$151.16	1100MOTBRI	Brian Mottershead	AUG08 EXPNESE REPORT

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
499	145787	Purchasing	9/10/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	IN-381118-01	$1,338.12	$0.00	$1,338.12	1100METAFO	Metafore LP	COMPUTER SUPPLIES
500	145838	Purchasing	9/11/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	967736	$44.92	$0.00	$44.92	1100UNIDUS	Universal Services	COMPUTER SUPPLIES
501	146502	Purchasing	9/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LQF6293	$35.11	$0.00	$35.11	1100CDWCAN	CDW Canada Inc.	SNOY STUDIO HEADPHONES
502	146503	Purchasing	9/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LQF6679	$0.00	$1,056.81	($1,056.81)	1100CDWCAN	CDW Canada Inc.	CREDIT NOTE
503	146511	Purchasing	9/22/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	970013	$44.92	$0.00	$44.92	1100UNIDUS	Universal Services	HARDWARE
504	147392	Purchasing	9/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	D02493150101	$23.87	$0.00	$23.87	1100TIGER	Tiger Direct.CA Inc	CLEANING CARTRIDGE
505	147393	Purchasing	9/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LRZ0745	$1,272.23	$0.00	$1,272.23	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
506	147394	Purchasing	9/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LSP7039	$25.24	$0.00	$25.24	1100CDWCAN	CDW Canada Inc.	NOTEBOOK CASE
507	147395	Purchasing	9/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LSP9106	$28.49	$0.00	$28.49	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
508	147396	Purchasing	9/25/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	707010002163290	$4,838.29	$0.00	$4,838.29	1100DELL	DELL Computer Corporation	COMPUTER SUPPLIES
509	147656	Purchasing	9/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	707010002427629	$4,008.69	$0.00	$4,008.69	1100DELL	DELL Computer Corporation	COMPUTER SUPPLIES
510	147664	Purchasing	9/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LSW1475	$0.00	$1,056.81	($1,056.81)	1100CDWCAN	CDW Canada Inc.	CREDIT
511	147699	Purchasing	9/30/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LNR4382	$31.73	$0.00	$31.73	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
512	148052	Purchasing	10/8/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LTV3833	$0.00	$911.89	($911.89)	1100CDWCAN	CDW Canada Inc.	CREDIT
513	148051	Purchasing	10/8/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LVP2307	$238.93	$0.00	$238.93	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
514	148050	Purchasing	10/8/2008	1100-1-9800-75-7123-0000	Office Costs	7122	Computer Supplies / Repairs	LTP2443	$1,414.29	$0.00	$1,414.29	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
515	148067	Purchasing	10/10/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	972604	$44.92	$0.00	$44.92	1100UNIDUS	Universal Services	SUPPLIES
516	148078	Purchasing	10/10/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LWZ3450	$149.03	$0.00	$149.03	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
517	149442	Purchasing	10/16/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	SEP08 EXP	$112.99	$0.00	$112.99	1100BRODAV	David Bronicheski	AUG23-SEP21'08 EXPENSE REPORT
518	148891	Purchasing	10/21/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LDH0924	$911.89	$0.00	$911.89	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLY
519	149499	Purchasing	10/24/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	975345	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	SUPPLIES
520	149500	Purchasing	10/24/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	975344	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	SUPPLIES
521	149499	Purchasing	10/24/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	975345	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	SUPPLIES
522	149500	Purchasing	10/24/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	975344	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	SUPPLIES
523	149504	Purchasing	10/24/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LXW3993	$32.88	$0.00	$32.88	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
524	149503	Purchasing	10/24/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LXX0846	$50.75	$0.00	$50.75	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
525	149847	Purchasing	10/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LZV3302	$57.16	$0.00	$57.16	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
526	149848	Purchasing	10/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LZV5241	$181.77	$0.00	$181.77	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
527	149846	Purchasing	10/27/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	LZV3976	$1,124.29	$0.00	$1,124.29	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
528	149970	Purchasing	10/31/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MDM4610	$202.18	$0.00	$202.18	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
529	149968	Purchasing	10/31/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MDF5551	$265.73	$0.00	$265.73	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
530	149969	Purchasing	10/31/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MDM6598	$357.80	$0.00	$357.80	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
531	149971	Purchasing	10/31/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MCW9423	$844.61	$0.00	$844.61	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
532	149973	Purchasing	10/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MFC7907	$2,537.61	$0.00	$2,537.61	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
533	149972	Purchasing	10/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MDM3884	$3,027.23	$0.00	$3,027.23	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
524	149967	Purchasing	10/31/2008	1100-1-9820-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MCP8665	$4,326.56	$0.00	$4,326.56	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
535	150352	Purchasing	11/5/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	OCT08 EXP	$34.55	$0.00	$34.55	1100GORLIS	Lisa Gortschnig	OCT08 EXPENSE REPORT
536	150397	Purchasing	11/5/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MFK5792	$94.76	$0.00	$94.76	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
537	150398	Purchasing	11/5/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MFC9853	$171.18	$0.00	$171.18	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
538	150396	Purchasing	11/5/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	707010002609730	$712.78	$0.00	$712.78	1100DELL	DELL Computer Corporation	COMPUTER SUPPLIES
539	150565	Purchasing	11/11/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MGB5259	$315.51	$0.00	$315.51	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
540	154349	Purchasing	12/16/2008	1100-1-9800-75-7123-0000	Office Costs	7122	Computer Supplies / Repairs	MLN3949	$212.35	$0.00	$212.35	1100CDWDIR	CDW Direct, LLC	COMPUTER SUPPLIES
541	156463	Purchasing	12/31/2008	1100-1-9800-75-7122-0000	Office Costs	7122	Computer Supplies / Repairs	MSN1097	$244.45	$0.00	$244.45	1100CDWCAN	CDW Canada Inc.	COMPUTER SUPPLIES
542	129655	Purchasing	1/30/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1632570	$1,341.90	$0.00	$1,341.90	1100SOFT	Softchoice Corporation	BRIGHTSTOR ARCERVE BACKUP
543	129657	Purchasing	1/30/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	3226	$1,023.84	$0.00	$1,023.84	1100SECURI	Securicore Inc.	ENERGIZE UPDATES
544	129650	Purchasing	1/30/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	IN-350386-02	$108.00	$0.00	$108.00	1100METAFO	Metafore LP	TOSHIBA
545	129982	Purchasing	1/31/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	CREDIT JAN08	$0.00	$1,956.33	($1,956.33)	1100SOFT	Softchoice Corporation	CREDIT
546	130205	Purchasing	2/11/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	707010000957478	$210.60	$0.00	$210.60	1100DELL	DELL Computer Corporation	SAN TECHINCIAN
547	131352	Purchasing	2/15/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	JAN08 EXP	$49.95	$0.00	$49.95	1100MOTBRI	Brian Mottershead	JAN08 EXPENSE REPORT
548	130562	Purchasing	2/19/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	707010001139446	$1,641.60	$0.00	$1,641.60	1100DELL	DELL Computer Corporation	ISA SVR STD ED
549	130434	Purchasing	2/21/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	10120930	$4,525.20	$0.00	$4,525.20	1100BDODUN	BDO Dunwoody	WORKPLACE ROLE BASED SECURITY
550	130428	Purchasing	2/21/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1571500	$308.11	$0.00	$308.11	1100SOFT	Softchoice Corporation	ADOBE ACROBAT PROVESS LICENSE
551	131363	Purchasing	2/25/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	JAN08 EXP.2	$58.30	$0.00	$58.30	1100MOTBRI	Brian Mottershead	JAN08 EXPENSE REPORT
552	131630	Purchasing	2/28/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	362396	$188.95	$0.00	$188.95	1100D&BCAN	D & B Canada	IMAGE SCOPE
553	132131	Purchasing	3/5/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	362396.1	$179.95	$0.00	$179.95	1100D&BCAN	D & B Canada	IMAGESCOPE
554	132130	Purchasing	3/5/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	362396.CR	$0.00	$188.95	($188.95)	1100D&BCAN	D & B Canada	IMAGESCOPE
555	132255	Purchasing	3/12/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1578724	$3,993.84	$0.00	$3,993.84	1100SOFT	Softchoice Corporation	ENDPOINT MULTI TIER
556	132256	Purchasing	3/12/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1573754	$2,225.88	$0.00	$2,225.88	1100SOFT	Softchoice Corporation	ADOBE ACROBAT PROFESSIONAL
557	132254	Purchasing	3/12/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1573767	$413.51	$0.00	$413.51	1100SOFT	Softchoice Corporation	ORGPLUS PROFESSIONAL
558	133377	Purchasing	3/20/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	FEB08 EXP	$102.02	$0.00	$102.02	1100MOTBRI	Brian Mottershead	FEB08 EXPENSE REPORT
559	133621	Purchasing	3/27/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	10121119	$7,313.56	$0.00	$7,313.56	1100BDODUN	BDO Dunwoody	PROFESSIONAL SERVICES - GREAT
560	135118	Purchasing	4/10/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	707010001543647	$3,866.94	$0.00	$3,866.94	1100DELL	DELL Computer Corporation	QUAD CORE XEON PROCESS
561	136492	Purchasing	5/9/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1668752	$3,248.10	$0.00	$3,248.10	1100SOFT	Softchoice Corporation	MS OFFICE PROFESSIONAL PLUS
562	136486	Purchasing	5/9/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	090285	$2,205.36	$0.00	$2,205.36	1100QUIET	Quiettouch Inc.	SERVICE ENG
563	136491	Purchasing	5/9/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1658632	$1,333.64	$0.00	$1,333.64	1100SOFT	Softchoice Corporation	MS OFFICE INFOPATH 2007 LICENS
564	136490	Purchasing	5/9/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1656655	$1,157.11	$0.00	$1,157.11	1100SOFT	Softchoice Corporation	MS OFFICE SHAREPOINT ENT CAL
565	136881	Purchasing	5/21/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	MAY08 EXP	$281.42	$0.00	$281.42	1100ORADAV	Dave Ornsby	MAY08 EXPENSE REPORT
566	138122	Purchasing	5/31/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	IC56386	$432.50	$0.00	$432.50	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
567	138451	Purchasing	6/12/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1673325	$209.43	$0.00	$209.43	1100SOFT	Softchoice Corporation	BRIGHTSTOR ARCSERVE BACKUP
568	138452	Purchasing	6/12/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1676844	$38.88	$0.00	$38.88	1100SOFT	Softchoice Corporation	MS OFFICE PROFESSIONAL
569	141247	Purchasing	7/15/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	10122145	$5,791.28	$0.00		1100BDODUN	BDO Dunwoody	PROFESSIONAL SERVICE
570	141248	Purchasing	7/15/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	10121802	$10,605.12	$0.00		1100BDODUN	BDO Dunwoody	PROFESSIONAL SERVICE
571	142767	Purchasing	7/31/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	707010002075970	$2,183.92	$0.00		1100DELL	DELL Computer Corporation	COMPUTER SUPPLIES
572	142773	Purchasing	7/31/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	707010002088634	$15,607.08	$0.00		1100DELL	DELL Computer Corporation	DELL SERVER PE2950
573	149845	Purchasing	10/27/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1851335	$2,838.40	$0.00	$2,838.40	1100SOFT	Softchoice Corporation	PRINT APP SERVER 64 BIT-CITRIX
574	149974	Purchasing	10/31/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	3012007641	$2,421.64	$0.00	$2,421.64	1100EMCCOR	EMC Corporation of Canada	ENHANCED SOFTWARE SUPPORT
575	150406	Purchasing	11/5/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	X585721	$154.26	$0.00	$154.26	1100GRATOY	Grand and Toy	OFFICE SUPPLIES
576	150404	Purchasing	11/5/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	X593448	$351.00	$0.00	$351.00	1100GRATOY	Grand and Toy	OFFICE SUPPLIES
577	150395	Purchasing	11/5/2008	1100-1-9800-75-7125-0000	Office Costs	7125	Computer Software	1868836	$4,810.97	$0.00	$4,810.97	1100SOFT	Softchoice Corporation	CITRIX PRESENTATION SERVER
578	150405	Purchasing	11/5/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	X585720	$11,976.01	$0.00	$11,976.01	1100GRATOY	Grand and Toy	OFFICE SUPPLIES
579	150403	Purchasing	11/5/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software.	X583719	$58,213.68	$0.00	$58,213.68	1100GRATOY	Grand and Toy	OFFICE SUPPLIES
580	151254	Purchasing	11/19/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	10123156	$6,252.04	$0.00	$6,252.04	1100BDODUN	BDO Dunwoody	PROFESSIONAL SERVICE

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
581	153342	Purchasing	11/30/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	10123436	$3,277.28	$0.00	$3,277.28	1100BDODUN	BDO Dunwoody	JOB COST IMPORT MODULE
582	153824	Purchasing	12/9/2008	1100-1-9820-75-7125-0000	Office Costs	7125	Computer Software	10123553	$8,962.17	$0.00	$8,962.17	1100BDODUN	BDO Dunwoody	SERVICE-DYNAMICS GP,WENNSOFT F
583	128066	Purchasing	1/4/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JAN08 EXP	$49.76	$0.00	$49.76	1100CASKEL	Kelly Castledine	JAN08 EXPENSE REPORT
584	129022	Purchasing	1/14/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEC07 EXP	$61.50	$0.00	$61.50	1100REAANN	Anne Reade	DEC07 EXPENSE REPORT
585	129023	Purchasing	1/14/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEC07 EXP.1	$58.25	$0.00	$58.25	1100LIPTED	Ted Lipowicz	NOV/DEC07 EXPENE REPORT
586	129023	Purchasing	1/14/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEC07 EXP.1	$22.38	$0.00	$22.38	1100LIPTED	Ted Lipowicz	NOV/DEC07 EXPENE REPORT
587	128375	Purchasing	1/17/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4063	$434.72	$0.00	$434.72	1100MINSTO	Mini Storage Place	WEEKLY RENTAL UNIT H1420
588	129025	Purchasing	1/21/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	NOV07 EXP	$225.18	$0.00	$225.18	1100ORMDAV	Dave Ormsby	NOV07 EXPENSE REPORT
589	129027	Purchasing	1/21/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JAN08 EXP	$75.59	$0.00	$75.59	1100ELSCHA	Charles Elefano	JAN08 EXPENSE REPORT
590	129024	Purchasing	1/21/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEC07 EXP	$58.51	$0.00	$58.51	1100RACSAN	Sandy Racinsky	DEC07 EXPENSE REPORT
591	128974	Purchasing	1/23/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JAN08 EXP	$16.39	$0.00	$16.39	1100COMDEA	Dean Comand	JAN08 EXPENSE REPORT
592	129063	Purchasing	1/25/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	OCT06-JAN08 EXP	$7,498.82	$0.00	$7,498.82	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
593	129063	Purchasing	1/25/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	OCT06-JAN08 EXP	$160.62	$0.00	$160.62	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
594	129063	Purchasing	1/25/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	OCT06-JAN08 EXP	$75.63	$0.00	$75.63	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
595	129063	Purchasing	1/25/2008	1100-1-9860-75-7147-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	OCT06-JAN08 EXP	$47.63	$0.00	$47.63	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
596	129115	Purchasing	1/29/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	70190	$706.02	$0.00	$706.02	1100FILEBANK	FileBank Record Centre Ltd	STORAGE
597	129112	Purchasing	1/29/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	70191	$114.25	$0.00	$114.25	1100FILEBANK	FileBank Record Centre Ltd	STORAGE
598	129652	Purchasing	1/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2152446	$2,225.71	$0.00	$2,225.71	1100CBSC	CBSC CAPITAL INC.	COPIER 020108-043008
599	129669	Purchasing	1/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4,076	$434.72	$0.00	$434.72	1100MINSTO	Mini Storage Place	FEB04,08 MAR03,08
600	129975	Purchasing	1/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	33780	$106.26	$0.00	$106.26	1100MULMAR	Mulligan Marketing Group	WATER BOTTLES
601	129972	Purchasing	2/5/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	IN122078	$29.26	$0.00	$29.26	1100CANNON	Cannon Hygiene Canada Ltd	SERVICE VISITS FEB08
602	129972	Purchasing	2/5/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	IN122078	$10.74	$0.00	$10.74	1100CANNON	Cannon Hygiene Canada Ltd	SERVICE VISITS FEB08
603	130267	Purchasing	2/13/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1452496	$157.50	$0.00	$157.50	1100CCH	CCH Canadian Limited	CANADIAN MASTER TAX GUIDE
604	130372	Purchasing	2/19/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	70955	$987.45	$0.00	$987.45	1100FILEBANK	FileBank Record Centre Ltd	STORAGE 010208-022908
605	130432	Purchasing	2/21/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4163	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	MAR03,08-MAR31,08 UNIT H1420
606	130433	Purchasing	2/21/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	70956	$114.75	$0.00	$114.75	1100FILEBANK	FileBank Record Centre Ltd	SERVICE 010108-013108
607	131363	Purchasing	2/25/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JAN08 EXP.2	$86.34	$0.00	$86.34	1100MOTBRI	Brian Mottershead	JAN08 EXPENSE REPORT
608	131414	Purchasing	2/27/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	US11615	$8,089.05	$0.00	$8,089.05	1100BIBFIN	Bibby Financial Services	MELTWATER 250408-250410
609	132149	Purchasing	3/6/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP	$53.99	$0.00	$53.99	1100CASKEL	Kelly Castledine	MAR08 EXPENSE REPORT
610	132180	Purchasing	3/11/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2194561	$4,471.31	$0.00	$4,471.31	1100CBSC	CBSC CAPITAL INC.	COPIER, FAX 030108-053108
611	132558	Purchasing	3/14/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	71097	$104.81	$0.00	$104.81	1100FILEBANK	FileBank Record Centre Ltd	SERVICES 020108-022908
612	133380	Purchasing	3/20/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEC07 EXP	$255.10	$0.00	$255.10	1100JANIS	Janis Valentine	DEC07 EXPENSE REPORT
613	133381	Purchasing	3/20/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP	$58.25	$0.00	$58.25	1100LIPTED	Ted Lipowicz	FEB-MAR08 EXPENSE REPORT
614	133381	Purchasing	3/20/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP	$53.97	$0.00	$53.97	1100LIPTED	Ted Lipowicz	FEB-MAR08 EXPENSE REPORT
615	133379	Purchasing	3/20/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	FEB08 EXP	$52.37	$0.00	$52.37	1100RACSAN	Sandy Racinsky	FEB08 EXPENSES REPORT
616	133381	Purchasing	3/20/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP	$35.95	$0.00	$35.95	1100LIPTED	Ted Lipowicz	FEB-MAR08 EXPENSE REPORT
617	133381	Purchasing	3/20/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP	$27.88	$0.00	$27.88	1100LIPTED	Ted Lipowicz	FEB-MAR08 EXPENSE REPORT
618	133380	Purchasing	3/20/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEC07 EXP	$7.92	$0.00	$7.92	1100JANIS	Janis Valentine	DEC07 EXPENSE REPORT
619	133359	Purchasing	3/25/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	71696	$765.32	$0.00	$765.32	1100FILEBANK	FileBank Record Centre Ltd	SERVICE
620	133355	Purchasing	3/25/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1473639	$651.24	$0.00	$651.24	1100CCH	CCH Canadian Limited	TAX PREP T3 SINGLE
621	133367	Purchasing	3/25/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4,254	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	WEEKLY RENTAL H1420
622	133313	Purchasing	3/25/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP	$44.60	$0.00	$44.60	1100BRODAV	David Bronicheski	Q1 2008 EXPENSE REPORT
623	133938	Purchasing	3/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1480886	$148.98	$0.00	$148.98	1100CCH	CCH Canadian Limited	CORP TAX RETURN 2008
624	134175	Purchasing	4/3/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APRIL 3, 2008	$609.25	$0.00	$609.25	1100AVEJOE	Average Joe Sports Club	PAYMENT:SOCIAL COMM.SOFBAL TEA
625	134270	Purchasing	4/4/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	10268	$430.40	$0.00	$430.40	1100CABTEK	Cabletek Systems Inc.	TELEPHONE SET CHARCOAL
626	135222	Purchasing	4/14/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP.2	$51.07	$0.00	$51.07	1100LIPTED	Ted Lipowicz	MAR08 EXPENSE REPORT
627	135222	Purchasing	4/14/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP.2	$46.26	$0.00	$46.26	1100LIPTED	Ted Lipowicz	MAR08 EXPENSE REPORT
628	135222	Purchasing	4/14/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP.2	$40.97	$0.00	$40.97	1100LIPTED	Ted Lipowicz	MAR08 EXPENSE REPORT
629	135222	Purchasing	4/14/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP.2	$26.08	$0.00	$26.08	1100LIPTED	Ted Lipowicz	MAR08 EXPENSE REPORT
630	135222	Purchasing	4/14/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP.2	$24.49	$0.00	$24.49	1100LIPTED	Ted Lipowicz	MAR08 EXPENSE REPORT
631	135221	Purchasing	4/14/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP	$18.18	$0.00	$18.18	1100REAANN	Anne Reade	MAR08 EXPENSE REPORT
632	134603	Purchasing	4/17/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	D178779	$707.38	$0.00	$707.38	1100ADDMOR	Addmore Office Furniture Inc.	TD ARM BLK/ DORAN
633	135133	Purchasing	4/17/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4,342	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	WEEKLY RENTAL OF NIT H1420
634	135133	Purchasing	4/17/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	72452	$105.52	$0.00	$105.52	1100FILEBANK	FileBank Record Centre Ltd	SERVICE/STORAGE/LABOUR
635	135227	Purchasing	4/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APR08 EXP	$107.97	$0.00	$107.97	1100MOTBRI	Brian Mottershead	APR08 EXPENSE REPORT
636	135226	Purchasing	4/24/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APR08 EXP	$96.14	$0.00	$96.14	1100LIPTED	Ted Lipowicz	APR08 EXPENSE REPORT
637	135226	Purchasing	4/24/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APR08 EXP	$63.50	$0.00	$63.50	1100LIPTED	Ted Lipowicz	APR08 EXPENSE REPORT
638	135226	Purchasing	4/24/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APR08 EXP	$31.32	$0.00	$31.32	1100LIPTED	Ted Lipowicz	APR08 EXPENSE REPORT
639	135226	Purchasing	4/24/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APR08 EXP	$30.23	$0.00	$30.23	1100LIPTED	Ted Lipowicz	APR08 EXPENSE REPORT
640	135226	Purchasing	4/24/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APR08 EXP	$6.25	$0.00	$6.25	1100LIPTED	Ted Lipowicz	APR08 EXPENSE REPORT
641	135465	Purchasing	4/29/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2261496	$2,225.71	$0.00	$2,225.71	1100CBSC	CBSC CAPITAL INC.	UPSTAIRS PHOTOCOPIER
642	135467	Purchasing	4/29/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	72451	$882.51	$0.00	$882.51	1100FILEBANK	FileBank Record Centre Ltd	STORAGE
643	136892	Purchasing	5/12/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APR08 EXP.1	$93.93	$0.00	$93.93	1100MOTBRI	Brian Mottershead	APR08 EXPENSE REPORT
644	136917	Purchasing	5/26/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2287699	$4,360.07	$0.00	$4,360.07	1100CBSC	CBSC CAPITAL INC.	RENTAL 06/01/08-08/31/08
645	136930	Purchasing	5/26/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	73191	$799.02	$0.00	$799.02	1100FILEBANK	FileBank Record Centre Ltd	STORAGE FROM 5/1/08-4/30/08
646	136914	Purchasing	5/26/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	10577	$703.48	$0.00	$703.48	1100CABTEK	Cabletek Systems Inc.	ADMINISTRATION FE-TECHNICAL
647	136935	Purchasing	5/26/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4,439	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	RENTA FROM 5/26/08-6/23/08
648	136931	Purchasing	5/26/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	73192	$53.49	$0.00	$53.49	1100FILEBANK	FileBank Record Centre Ltd	SERVICE FROM 04/1/08-04/30/08
649	136931	Purchasing	5/26/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	73192	$53.49	$0.00	$53.49	1100FILEBANK	FileBank Record Centre Ltd	SERVICE FROM 04/1/08-04/30/08
650	137477	Purchasing	5/27/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAY08 EXP	$1,250.00	$0.00	$1,250.00	1100MCCSTE	Stephen McCrodan	MAY08 EXPENSE REPORT
651	137975	Purchasing	5/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1503005	$740.00	$0.00	$740.00	1100CCH	CCH Canadian Limited	INTERNET
652	138170	Purchasing	5/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36554	$9,790.36	$0.00	$9,790.36	1100APS-CDN	Algonquin Power Systems Inc	002-999908-3765
653	138153	Purchasing	5/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36545	$6,172.95	$0.00	$6,172.95	1100APS-CDN	Algonquin Power Systems Inc	002-999907-3686 APT-CIEL POT-A
654	138122	Purchasing	5/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36386	$627.85	$0.00	$627.85	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
655	138122	Purchasing	5/31/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36386	$104.64	$0.00	$104.64	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
656	138122	Purchasing	5/31/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36386	$104.64	$0.00	$104.64	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
657	138154	Purchasing	5/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36550	$99.95	$0.00	$99.95	1100APS-CDN	Algonquin Power Systems Inc	002-999907-3722 APT-WINDY SUNS
658	138122	Purchasing	5/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36386	$69.76	$0.00	$69.76	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
659	138122	Purchasing	5/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36386	$69.76	$0.00	$69.76	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
660	138122	Purchasing	5/31/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36386	$69.76	$0.00	$69.76	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
661	138345	Purchasing	6/6/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAY08 EXP	$48.59	$0.00	$48.59	1100MOTBRI	Brian Mottershead	MAY08 EXPENSE REPORT
662	138348	Purchasing	6/6/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAY08 EXP	$10.00	$0.00	$10.00	1100REAANN	Anne Reade	MAY08 EXPENSE REPORT
663	138458	Purchasing	6/12/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2302673	$729.72	$0.00	$729.72	1100CBSC	CBSC CAPITAL INC.	RENTAL
664	138461	Purchasing	6/12/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4,541	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	WEEKLY RENTAL OF UNIT H1420
665	138457	Purchasing	6/12/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2297153	$355.77	$0.00	$355.77	1100CBSC	CBSC CAPITAL INC.	RENTAL
666	138754	Purchasing	6/16/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	73986	$1,043.30	$0.00	$1,043.30	1100FILEBANK	FileBank Record Centre Ltd	SERVICE 05/01/08-05/31/08

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
667	139375	Purchasing	6/18/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUN08 EXP	$118.66	$0.00	$118.66	1100REAANN	Anne Reade	JUN08 EXPENSE REPORT
668	139377	Purchasing	6/18/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUN08 EXP	$49.64	$0.00	$49.64	1100MOTBRI	Brian Mottershead	JUN08 EXPENSE REPORT
669	139829	Purchasing	6/25/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	011800	$3,488.80	$0.00	$3,488.80	1100CABTEK	Cabletek Systems Inc.	35%DEPOSIT FOR SALES# 010768
670	140309	Purchasing	6/30/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC56861	$15,055.96	$0.00	$15,055.96	1100APS-CDN	Algonquin Power Systems Inc	APT- WINDPRO SOFTWARE+TRAINING
671	140398	Purchasing	6/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36845	$2,466.62	$0.00	$2,466.62	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
672	140398	Purchasing	6/30/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36845	$411.10	$0.00	$411.10	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
673	140398	Purchasing	6/30/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36845	$411.10	$0.00	$411.10	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
674	140398	Purchasing	6/30/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36845	$274.07	$0.00	$274.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
675	140398	Purchasing	6/30/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36845	$274.07	$0.00	$274.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
676	140398	Purchasing	6/30/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC36845	$274.07	$0.00	$274.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
677	140425	Purchasing	7/3/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	10687	$3,249.40	$0.00	$3,249.40	1100CABTEK	Cabletek Systems Inc.	SUPPLIED INSTALLED&NEW DATA RA
678	140426	Purchasing	7/3/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	10688	$1,210.80	$0.00	$1,210.80	1100CABTEK	Cabletek Systems Inc.	SUPPLIED AND INSALLED MATERIAL
679	140631	Purchasing	7/8/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUN08 EXP.1	$79.27	$0.00	$79.27	1100MOTBRI	Briar Mottershead	JUN08 EXPENSE REPORT
680	140630	Purchasing	7/8/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUN08 EXP	$1,717.73	$0.00	$1,717.73	1100MCDMAR	Mary Lou McDonald	JUN08 EXPENSE REPORT
681	141193	Purchasing	7/14/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	74759	$105.75	$0.00	$105.75	1100FILEBANK	FileBank Record Centre Ltd	SERVICE-06/01/08-06/30/08
682	141194	Purchasing	7/14/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	74758	$893.35	$0.00	$893.35	1100FILEBANK	FileBank Record Centre Ltd	SERVICE-06/01/08-06/30/08
683	141195	Purchasing	7/14/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4.642	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	WEEKLY RENTAL-07/21/-08/18/08
684	141199	Purchasing	7/14/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JF-394	$7,129.08	$0.00	$7,129.08	1100STOTEC	Stor-Tec Ltd.	METRO MECHANICAL ASSIST
685	142281	Purchasing	7/18/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUL08 EXP.1	$15.63	$0.00	$15.63	1100MOTBRI	Brian Mottershead	JUL08 EXPENSE REPORT
686	142282	Purchasing	7/18/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUN08 EXP	$168.34	$0.00	$168.34	1100TURKAT	Kathy Turlinski	JUN08 EXPENSE REPORT
687	142103	Purchasing	7/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2341927	$5,048.88	$0.00	$5,048.88	1100CBSC	CBSC CAPITAL INC.	COPIER RENT 080108-103108
688	142104	Purchasing	7/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2341926	$354.45	$0.00	$354.45	1100CBSC	CBSC CAPITAL INC.	FAX-RENT 080108-103108
689	142123	Purchasing	7/22/2008	1100-1-9920-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	25667	$777.65	$0.00	$777.65	1100SOUCAN	SOUVENIR CANADA INC	COAL HARGOUR SPORT SHIRTS
690	142126	Purchasing	7/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	I916200J	$0.00	$357.04	($357.04)	1100STAPLES	Staples	CREDIT BALANLAN REFUND-CHEQUE
691	142127	Purchasing	7/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	I916200J	$357.04	$0.00	$357.04	1100STAPLES	Staples	Void Open Tex
692	142616	Purchasing	7/28/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	10802	$6,817.80	$0.00	$6,817.80	1100CABTEK	Cabletek Systems Inc.	SUPPLIED INSTALLED&PROGRAMMIED
693	142618	Purchasing	7/28/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	73981	$219.13	$0.00	$219.13	1100FILEBANK	FileBank Record Centre Ltd	STORAGE 050108-053108
694	142615	Purchasing	7/28/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUN08 EXP	$36.91	$0.00	$36.91	1100JANIS	Janis Valentine	MAY/JUN/08 EXPENSE REPORT
695	142629	Purchasing	7/28/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	N237292	$168.48	$0.00	$168.48	1100DYEDUR	Dye & Durham a division of The Cartwright Group Ltd	CORPORATE SUPPLIES PRODUCTS
696	142630	Purchasing	7/28/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	N240787	$330.48	$0.00	$330.48	1100DYEDUR	Dye & Durham a division of The Cartwright Group Ltd	CORPORATE SUPPLIES PRODUCTS
697	142913	Purchasing	7/31/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37169	$585.28	$0.00	$585.28	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
698	142912	Purchasing	7/31/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37169	$390.18	$0.00	$390.18	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
699	142766	Purchasing	7/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4,740	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	STORAGE,RENT08/1/08-09/15/08
700	142774	Purchasing	7/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JF-417	$754.68	$0.00	$754.68	1100STOTEC	Stor-Tec Ltd.	SUPPLY& INSTALL 6 NEW SHELVES
701	142913	Purchasing	7/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37169	$3,511.66	$0.00	$3,511.66	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
702	142947	Purchasing	7/31/2008	1100-1-9820-75-7162-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUL08 EXP	$210.74	$0.00	$210.74	1100CASKEL	Kelly Castledine	JUL08 EXPENSE REPORT
703	142948	Purchasing	7/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUL08 EXP	$1,020.60	$0.00	$1,020.60	1100MCDMAR	Mary Lou McDonald	JUL08 EXPENSE REPORT
704	143038	Purchasing	7/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	CREDIT JF-417	$0.00	$3.00	($3.00)	1100STOTEC	Stor-Tec Ltd.	CREDIT
705	142918	Purchasing	7/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37169	$390.18	$0.00	$390.18	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
706	142919	Purchasing	7/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37177	$1,750.28	$0.00	$1,750.28	1100APS-CDN	Algonquin Power Systems Inc	APT-ST.LEON EXP PRE-CON.ACTIV
707	142913	Purchasing	7/31/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37169	$585.28	$0.00	$585.28	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
708	142913	Purchasing	7/31/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37169	$390.18	$0.00	$390.18	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
709	144318	Purchasing	8/6/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUL08 EXP	$184.17	$0.00	$184.17	1100JRODAV	David Bronicheski	JUN, JUL 2008 EXPENSE REPORT
710	145514	Purchasing	8/15/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	3028 AUG08	$133.16	$0.00	$133.16	1100STAPLES	Staples	OFFICE SUPPLIES
711	144274	Purchasing	8/25/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2385959	$4,360.07	$0.00	$4,360.07	1100CBSC	CBSC CAPITAL INC.	COPIER-DIGITAL
712	144283	Purchasing	8/25/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	75514	$882.89	$0.00	$882.89	1100FILEBANK	FileBank Record Centre Ltd	STORAGE SERVICE 070108-073108
713	144284	Purchasing	8/25/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	75742	$0.00	$15.75	($15.75)	1100FILEBANK	FileBank Record Centre Ltd	STORAGE SERVICE
714	144359	Purchasing	8/26/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	N250338	$168.48	$0.00	$168.48	1100DYEDUR	Dye & Durham a division of The Cartwright Group Ltd	MINUTE BOOK INDENES
715	145097	Purchasing	8/27/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	AUG08 EXP	$62.46	$0.00	$62.46	1100TURKAT	Kathy Turlinski	AUG08 EXO
716	145408	Purchasing	8/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4,844	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	RENT SEP15-OCT13'08
717	145415	Purchasing	8/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	909687600	$237.75	$0.00	$237.75	1100OCTANN-US	O.C. Tanner Recognition Company	MAN'S FOSSIL WATCH
718	145731	Purchasing	8/31/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37471	$242.07	$0.00	$242.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
719	145731	Purchasing	8/31/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37471	$161.38	$0.00	$161.38	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
720	145731	Purchasing	8/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37471	$1,452.41	$0.00	$1,452.41	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
721	145731	Purchasing	8/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37471	$161.38	$0.00	$161.38	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
722	145731	Purchasing	8/31/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37471	$242.07	$0.00	$242.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
723	145731	Purchasing	8/31/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37471	$161.38	$0.00	$161.38	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
724	145783	Purchasing	9/10/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	84-40800	$86.40	$0.00	$86.40	1100BLUBIN	Blue Bins Unlimited	OFFICE SUPPLIES
725	145784	Purchasing	9/10/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	76268	$145.23	$0.00	$145.23	1100FILEBANK	FileBank Record Centre Ltd	SERVICE-STORAGE
726	146509	Purchasing	9/22/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	011995	$5,931.10	$0.00	$5,931.10	1100CABTEK	Cabletek Systems Inc.	35% DEPOSIT FOR SALES #010988
727	146500	Purchasing	9/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	474132	$496.79	$0.00	$496.79	1100ADDMOR	Addmore Office Furniture Inc.	OFFICE SUPPLIES
728	146504	Purchasing	9/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	76267	$858.65	$0.00	$858.65	1100FILEBANK	FileBank Record Centre Ltd	STORAGE 080901-080930
729	146505	Purchasing	9/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	76502	$0.00	$12.00	($12.00)	1100FILEBANK	FileBank Record Centre Ltd	CREDIT NOTE
730	146506	Purchasing	9/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	N256384	$330.48	$0.00	$330.48	1100DYEDUR	Dye & Durham a division of The Cartwright Group Ltd	MINUTE BOOK INDENES
731	146508	Purchasing	9/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	3028 SEP08	$51.54	$0.00	$51.54	1100STAPLES	Staples	OFFICE SUPPLIES
732	147225	Purchasing	9/23/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2008 OFFICE MOVE 1	$5,000.00	$0.00	$5,000.00	1100GRATOY	Grand and Toy	ADJUST
733	147374	Purchasing	9/23/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	909742344	$239.99	$0.00	$239.99	1100OCTANN-US	O.C. Tanner Recognition Company	MEN'S CITIZEN WATCH
734	147591	Purchasing	9/25/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	4,938	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	WEEKLY RENTAL OF UNIT H1420
735	147548	Purchasing	9/26/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	ADJ 011995	$0.00	$5,931.10	($5,931.10)	1100CABTEK	Cabletek Systems Inc.	ADJUST
736	147700	Purchasing	9/30/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37837	$148.53	$0.00	$148.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
737	147700	Purchasing	9/30/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37837	$99.02	$0.00	$99.02	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
738	147650	Purchasing	9/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37848	$3,910.00	$0.00	$3,910.00	1100APS-CDN	Algonquin Power Systems Inc	APT-OFFICE MOVE
739	147700	Purchasing	9/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37837	$891.19	$0.00	$891.19	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
740	147700	Purchasing	9/30/2008	1100-1-9830-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37837	$198.04	$0.00	$198.04	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
741	147700	Purchasing	9/30/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37837	$99.02	$0.00	$99.02	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
742	147700	Purchasing	9/30/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37837	$148.53	$0.00	$148.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
743	147700	Purchasing	9/30/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC37837	$99.02	$0.00	$99.02	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
744	148049	Purchasing	10/8/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	77010	$131.18	$0.00	$131.18	1100FILEBANK	FileBank Record Centre Ltd	STORAGE
745	148048	Purchasing	10/8/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	S094975	$330.48	$0.00	$330.48	1100DYEDUR	Dye & Durham a division of The Cartwright Group Ltd	DYE&DURHAM INDEX
746	148116	Purchasing	10/15/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	75515	$129.25	$0.00	$129.25	1100FILEBANK	FileBank Record Centre Ltd	STORAGE SERVICE
747	149446	Purchasing	10/16/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	SEP08 EXP	$102.44	$0.00	$102.44	1100TURKAT	Kathy Turlinski	SEP09-SEP25'08 EXPENSE REPORT
748	149501	Purchasing	10/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2473489	$345.45	$0.00	$345.45	1100CBSC	CBSC CAPITAL INC.	RENT FAX-DIGITAL 110108-013109
749	149506	Purchasing	10/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	77039	$891.47	$0.00	$891.47	1100FILEBANK	FileBank Record Centre Ltd	STORAGE 100108-103108
750	149849	Purchasing	10/27/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	5,047	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	WEEKLY RENTAL
751	149849	Purchasing	10/28/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2338	$4,400.00	$0.00	$4,400.00	1100WESINT	Westbury International	PAINTING-2401 BRISTOL CIRCLE
752	149964	Purchasing	10/31/2008	1100-1-9870-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38120	$49.51	$0.00	$49.51	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
753	149964	Purchasing	10/31/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38129	$99.01	$0.00	$99.01	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
754	149964	Purchasing	10/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38129	$99.01	$0.00	$99.01	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
755	149964	Purchasing	10/31/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38129	$99.01	$0.00	$99.01	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
756	149964	Purchasing	10/31/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38129	$148.52	$0.00	$148.52	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
757	149964	Purchasing	10/31/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38129	$148.52	$0.00	$148.52	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
758	149964	Purchasing	10/31/2008	1100-1-9830-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38129	$198.03	$0.00	$198.03	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
759	149985	Purchasing	10/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38135	$244.06	$0.00	$244.06	1100APS-CDN	Algonquin Power Systems Inc	APT-PROJ DEVPMT/AMHERST WIND
760	149975	Purchasing	10/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1535644	$411.00	$0.00	$411.00	1100CCH	CCH Canadian Limited	RENEWAL FOR TORONTO STOCK EXCH
761	149964	Purchasing	10/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38129	$891.13	$0.00	$891.13	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
762	149977	Purchasing	10/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2473490	$3,048.88	$0.00	$3,048.88	1100CBSC	CBSC CAPITAL INC.	UPSTAIRSPHOTO/FAX MACHINE
763	150408	Purchasing	11/5/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	23856	$741.66	$0.00	$741.66	1100SOUCAN	SOUVENIR CANADA INC	WEEKLY PLANNERS
764	150454	Purchasing	11/6/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEPOSIT	$0.00	$5,000.00	($5,000.00)	1100GRATOY	Grand and Toy	DEDUCT DEPOSIT
765	150566	Purchasing	11/11/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	77800	$833.52	$0.00	$833.52	1100FILEBANK	FileBank Record Centre Ltd	STORAGE
766	151309	Purchasing	11/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1502-366871	$37.79	$0.00	$37.79	1100ARAMAR	Aramark Refreshment Services	COOLER RENT
767	151310	Purchasing	11/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1502-366777	$41.35	$0.00	$41.35	1100ARAMAR	Aramark Refreshment Services	COFFEE JUICE POP
768	151294	Purchasing	11/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	23888	$311.28	$0.00	$311.28	1100SOUCAN	SOUVENIR CANADA INC	HALO MUGS WHITE WITH GREEN BAS
769	151313	Purchasing	11/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2528705	$337.83	$0.00	$337.83	1100CBSC	CBSC CAPITAL INC.	COPIER DIGITAL
770	151288	Purchasing	11/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	5,156	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	RENT STORAGE 120808-010509
771	151321	Purchasing	11/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	6059012	$831.61	$0.00	$831.61	1100CANON	Canon Canada Inc.	PRINTER SERVICE
772	151302	Purchasing	11/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2528706	$2,868.72	$0.00	$2,868.72	1100CBSC	CBSC CAPITAL INC.	COPIER DIGITAL
773	151292	Purchasing	11/24/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2513785	$4,360.07	$0.00	$4,360.07	1100CBSC	CBSC CAPITAL INC.	COPIER FAX DIGITAL
774	153309	Purchasing	11/30/2008	1100-1-9870-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38403	$123.38	$0.00	$123.38	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
775	153301	Purchasing	11/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2646195596776	$151.20	$0.00	$151.20	1100PITWOR	Pitneyworks	110108-013109
776	153306	Purchasing	11/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1549864	$232.20	$0.00	$232.20	1100CCH	CCH Canadian Limited	RENEWAL CD/ROM/INTERNET
777	153309	Purchasing	11/30/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38403	$246.76	$0.00	$246.76	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
778	153309	Purchasing	11/30/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38403	$246.76	$0.00	$246.76	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
779	153309	Purchasing	11/30/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38403	$246.76	$0.00	$246.76	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
780	153309	Purchasing	11/30/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38403	$370.14	$0.00	$370.14	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
781	153309	Purchasing	11/30/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38403	$370.14	$0.00	$370.14	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
782	153309	Purchasing	11/30/2008	1100-1-9830-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38403	$493.52	$0.00	$493.52	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
783	153307	Purchasing	11/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1549865	$652.32	$0.00	$652.32	1100CCH	CCH Canadian Limited	RENEWAL CD/ROM/INTERNET
784	153305	Purchasing	11/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1549863	$678.24	$0.00	$678.24	1100CCH	CCH Canadian Limited	RENEWAL CD/ROM/INTERNET
785	153334	Purchasing	11/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38412	$1,038.63	$0.00	$1,038.63	1100APS-CDN	Algonquin Power Systems Inc	APT OFFICE MOVE
786	153304	Purchasing	11/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1549862	$1,239.84	$0.00	$1,239.84	1100CCH	CCH Canadian Limited	RENEWAL CD/ROM/INTERNET
787	153309	Purchasing	11/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38403	$2,220.86	$0.00	$2,220.86	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
788	153975	Purchasing	12/8/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	OCT08 EXP	$25.73	$0.00	$25.73	1100FRAANN	Anne Francis	SEP24-OCT31'08 EXPENSE REPORT
789	153978	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	NOV08 EXP	$67.75	$0.00	$67.75	1100LIPTED	Ted Lipowicz	NOV08 EXPENSE REPORT
790	153451	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JUN08 EXP	$72.94	$0.00	$72.94	1100ROBE	Ian Robertson	JUN08 EXPENSE REPORT
791	153975	Purchasing	12/8/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	OCT08 EXP	$95.39	$0.00	$95.39	1100FRAANN	Anne Francis	SEP24-OCT31'08 EXPENSE REPORT
792	153455	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	AUG08 EXP	$109.71	$0.00	$109.71	1100ROBE	Ian Robertson	AUG08 EXPENSE REPORT
793	153448	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAR08 EXP	$126.04	$0.00	$126.04	1100ROBE	Ian Robertson	MAR08 EXPENSE REPORT
794	153449	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	APR08 EXP	$126.04	$0.00	$126.04	1100ROBE	Ian Robertson	APR08 EXPENSE REPORT
795	153444	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	NOV08 EXP	$126.06	$0.00	$126.06	1100ROBE	Ian Robertson	NOV07 EXPENSE REPORT
796	153454	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	SEP08 EXP	$329.75	$0.00	$329.75	1100ROBE	Ian Robertson	SEP08 EXPENSE REPORT
797	153447	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	FEB08 EXP	$437.67	$0.00	$437.67	1100ROBE	Ian Robertson	FEB08 EXPENSE REPORT
798	153445	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEC07 EXP	$454.84	$0.00	$454.84	1100ROBE	Ian Robertson	DEC07 EXPENSE REPORT
799	153450	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	MAY08 EXP	$466.63	$0.00	$466.63	1100ROBE	Ian Robertson	MAY08 EXPENSE REPORT
800	153446	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JAN08 EXP	$507.45	$0.00	$507.45	1100ROBE	Ian Robertson	JAN08 EXPENSE REPORT
801	153443	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	OCT07 EXP	$933.00	$0.00	$933.00	1100ROBE	Ian Robertson	OCT07 EXPENSE REPORT
802	153455	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	OCT08 EXP	$4,408.78	$0.00	$4,408.78	1100ROBE	Ian Robertson	OCT08 EXPENSE REPORT
803	153462	Purchasing	12/8/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	SEP07 EXP	$5,770.40	$0.00	$5,770.40	1100ROBE	Ian Robertson	EXPENSE REPORT SEP2007
804	154245	Purchasing	12/16/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	1502-367047	$38.99	$0.00	$38.99	1100ARAMAR	Aramark Refreshment Services	SUPPLIES
805	154241	Purchasing	12/16/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	78564	$116.70	$0.00	$116.70	1100FILEBANK	FileBank Record Centre Ltd	SERVICE
806	154355	Purchasing	12/16/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	IN27422	$135.00	$0.00	$135.00	1100LIGLAN	Lightland Inc.	CASE
807	154237	Purchasing	12/16/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	2365	$560.00	$0.00	$560.00	1100WESINT	Westbury International	SUPPLIES
808	155132	Purchasing	12/22/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	23958	$76.46	$0.00	$76.46	1100SOUCAN	SOUVENIR CANADA INC	ENGRAVED NAME PLATES
809	155624	Purchasing	12/29/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	DEC08 EXP	$301.05	$0.00	$301.05	1100MEYAPR	April Meyer	DEC08 EXPENSE REPORT
810	155892	Purchasing	12/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	78795	$0.00	$1.65	($1.65)	1100FILEBANK	FileBank Record Centre Ltd	CREDIT
811	155890	Purchasing	12/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	5,254	$447.76	$0.00	$447.76	1100MINSTO	Mini Storage Place	STORAGE
812	155891	Purchasing	12/30/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	78563	$924.72	$0.00	$924.72	1100FILEBANK	FileBank Record Centre Ltd	STORAGE
813	156359	Purchasing	12/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38610	$0.00	$63.05	($63.05)	1100APS-CDN	Algonquin Power Systems Inc	APT-TECH SERV MOVE
814	156474	Purchasing	12/31/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	12200891789	$23.99	$0.00	$23.99	1100MEDTOX	Medtox Laboratories inc	DRUGS OF ABUSE SCREEN
815	156369	Purchasing	12/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	79-0063307-2	$48.60	$0.00	$48.60	1100AMJCAM	AMJ CAMPBELL VAN LINES	SUPPLIES
816	156473	Purchasing	12/31/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	12200891789	$51.10	$0.00	$51.10	1100MEDTOX	Medtox Laboratories inc.	DRUGS OF ABUSE SCREEN
817	156474	Purchasing	12/31/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	12200891789	$52.45	$0.00	$52.45	1100MEDTOX	Medtox Laboratories inc.	DRUGS OF ABUSE SCREEN
818	155929	Purchasing	12/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	77807	$155.80	$0.00	$155.80	1100FILEBANK	FileBank Record Centre Ltd	STORAGE
819	155091	Purchasing	12/31/2008	1100-1-9870-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38599	$175.31	$0.00	$175.31	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
820	156368	Purchasing	12/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	79-0063307-1	$275.60	$0.00	$275.60	1100AMJCAM	AMJ CAMPBELL VAN LINES	SUPPLIES
821	156091	Purchasing	12/31/2008	1100-1-9810-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38599	$350.62	$0.00	$350.62	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
822	156091	Purchasing	12/31/2008	1100-1-9840-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38599	$350.62	$0.00	$350.62	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
823	156091	Purchasing	12/31/2008	1100-1-9860-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38599	$350.62	$0.00	$350.62	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
824	156472	Purchasing	12/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	00033882	$524.81	$0.00	$524.81	1100PRINY	Print Infinity	TONER
825	156091	Purchasing	12/31/2008	1100-1-9800-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38599	$525.93	$0.00	$525.93	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
826	156091	Purchasing	12/31/2008	1100-1-9850-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38599	$525.93	$0.00	$525.93	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
827	156091	Purchasing	12/31/2008	1100-1-9830-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38599	$701.24	$0.00	$701.24	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
828	156091	Purchasing	12/31/2008	1100-1-9820-75-7142-0000	Office Costs	7142	Office Supplies / Rentals / Repairs	JC38599	$3,155.60	$0.00	$3,155.60	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
829	159063	Purchasing	1/25/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	OCT06-JAN08 EXP	$14.29	$0.00	$14.29	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
830	159973	Purchasing	1/31/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	R755249	$1,190.44	$0.00	$1,190.44	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
831	129973	Purchasing	1/31/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC35249	$198.41	$0.00	$198.41	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
832	129973	Purchasing	1/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC35249	$198.41	$0.00	$198.41	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
833	129973	Purchasing	1/31/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC35249	$132.27	$0.00	$132.27	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
834	129973	Purchasing	1/31/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC35249	$132.27	$0.00	$132.27	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
835	129973	Purchasing	1/31/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC35249	$132.27	$0.00	$132.27	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
836	131639	Purchasing	2/29/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC35527	$1,103.98	$0.00	$1,103.98	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
837	131639	Purchasing	2/29/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC35527	$184.00	$0.00	$184.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
838	131639	Purchasing	2/29/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC35527	$184.00	$0.00	$184.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
839	131639	Purchasing	2/29/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC35527	$122.66	$0.00	$122.66	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
840	131639	Purchasing	2/29/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC35527	$122.66	$0.00	$122.66	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
841	131639	Purchasing	2/29/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC35527	$122.66	$0.00	$122.66	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
842	131638	Purchasing	2/29/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC35550	$35.56	$0.00	$35.56	1100APS-CDN	Algonquin Power Systems Inc	WIND DEVELOPMENT
843	133792	Purchasing	3/28/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC35813	$873.59	$0.00	$873.59	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
844	133792	Purchasing	3/28/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC35813	$145.60	$0.00	$145.60	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
845	133792	Purchasing	3/28/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC35813	$145.60	$0.00	$145.60	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
846	133792	Purchasing	3/28/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC35813	$97.07	$0.00	$97.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
847	133792	Purchasing	3/28/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC35813	$97.07	$0.00	$97.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
848	133792	Purchasing	3/28/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC35813	$97.07	$0.00	$97.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
849	134106	Purchasing	4/2/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	MAR08 EXP	$128.38	$0.00	$128.38	1100PANI	Luisa Paniconi	DEC07-MAR08 EXPENSE REPORT
850	135479	Purchasing	4/29/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC36160	$583.05	$0.00	$583.05	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
851	135479	Purchasing	4/29/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC36160	$97.18	$0.00	$97.18	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
852	135479	Purchasing	4/29/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC36160	$97.18	$0.00	$97.18	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
853	135479	Purchasing	4/29/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC36160	$64.78	$0.00	$64.78	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
854	135479	Purchasing	4/29/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC36160	$64.78	$0.00	$64.78	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
855	135479	Purchasing	4/29/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC36160	$64.78	$0.00	$64.78	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
856	138122	Purchasing	5/31/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC36386	$730.21	$0.00	$730.21	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
857	138122	Purchasing	5/31/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC36386	$121.70	$0.00	$121.70	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
858	138122	Purchasing	5/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC36386	$121.70	$0.00	$121.70	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
859	138122	Purchasing	5/31/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC36386	$81.13	$0.00	$81.13	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
860	138122	Purchasing	5/31/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC36386	$81.13	$0.00	$81.13	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
861	138122	Purchasing	5/31/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC36386	$81.13	$0.00	$81.13	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
862	140398	Purchasing	6/30/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC36845	$1,332.04	$0.00	$1,332.04	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
863	140398	Purchasing	6/30/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC36845	$222.01	$0.00	$222.01	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
864	140398	Purchasing	6/30/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC36845	$222.01	$0.00	$222.01	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
865	142913	Purchasing	7/31/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC37169	$128.29	$0.00	$128.29	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
866	142913	Purchasing	7/31/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC37169	$85.53	$0.00	$85.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
867	142913	Purchasing	7/31/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC37169	$769.74	$0.00	$769.74	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
868	142913	Purchasing	7/31/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC37169	$85.53	$0.00	$85.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
869	142917	Purchasing	7/31/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC37174	$27.46	$0.00	$27.46	1100APS-CDN	Algonquin Power Systems Inc	APT-WINDY SUNSHINE DEVELOPEMEN
870	142913	Purchasing	7/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC37169	$128.29	$0.00	$128.29	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
871	142913	Purchasing	7/31/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC37169	$85.53	$0.00	$85.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
872	145731	Purchasing	8/31/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC37471	$83.23	$0.00	$83.23	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
873	145731	Purchasing	8/31/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC37471	$55.49	$0.00	$55.49	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
874	145731	Purchasing	8/31/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC37471	$499.40	$0.00	$499.40	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
875	145731	Purchasing	8/31/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC37471	$55.49	$0.00	$55.49	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
876	145731	Purchasing	8/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC37471	$83.23	$0.00	$83.23	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
877	145731	Purchasing	8/31/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC37471	$55.50	$0.00	$55.50	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
878	145914	Purchasing	9/15/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	FAC09011213.1	$4,500.00	$0.00	$4,500.00	1100AAT	AAT Inc	6 CRATES AND LOAD ON A DEDICAT
879	147700	Purchasing	9/30/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC37837	$353.54	$0.00	$353.54	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
880	147700	Purchasing	9/30/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC37837	$235.69	$0.00	$235.69	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
881	147700	Purchasing	9/30/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC37837	$2,121.24	$0.00	$2,121.24	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
882	147700	Purchasing	9/30/2008	1100-1-9830-75-7150-0000	Office Costs	7150	Postage/Courier	JC37837	$471.39	$0.00	$471.39	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
883	147700	Purchasing	9/30/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC37837	$235.69	$0.00	$235.69	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
884	147700	Purchasing	9/30/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC37837	$353.54	$0.00	$353.54	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
885	147700	Purchasing	9/30/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC37837	$235.69	$0.00	$235.69	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
886	147700	Purchasing	9/30/2008	1100-1-9870-75-7150-0000	Office Costs	7150	Postage/Courier	JC37837	$117.85	$0.00	$117.85	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
887	149964	Purchasing	10/31/2008	1100-1-9870-75-7150-0000	Office Costs	7150	Postage/Courier	JC38129	$39.48	$0.00	$39.48	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
888	149964	Purchasing	10/31/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC38129	$78.96	$0.00	$78.96	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
889	149964	Purchasing	10/31/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC38129	$78.96	$0.00	$78.96	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
890	149964	Purchasing	10/31/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC38129	$78.96	$0.00	$78.96	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
891	149964	Purchasing	10/31/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC38129	$118.44	$0.00	$118.44	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
892	149964	Purchasing	10/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC38129	$118.44	$0.00	$118.44	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
893	149964	Purchasing	10/31/2008	1100-1-9830-75-7150-0000	Office Costs	7150	Postage/Courier	JC38129	$157.92	$0.00	$157.92	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
894	149964	Purchasing	10/31/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC38129	$710.64	$0.00	$710.64	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
895	153309	Purchasing	11/30/2008	1100-1-9870-75-7150-0000	Office Costs	7150	Postage/Courier	JC38403	$23.00	$0.00	$23.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
896	153309	Purchasing	11/30/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC38403	$46.00	$0.00	$46.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
897	153309	Purchasing	11/30/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC38403	$46.00	$0.00	$46.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
898	153309	Purchasing	11/30/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC38403	$46.00	$0.00	$46.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
899	153309	Purchasing	11/30/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC38403	$69.00	$0.00	$69.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
900	153309	Purchasing	11/30/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC38403	$69.00	$0.00	$69.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
901	153309	Purchasing	11/30/2008	1100-1-9830-75-7150-0000	Office Costs	7150	Postage/Courier	JC38403	$92.00	$0.00	$92.00	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
902	153309	Purchasing	11/30/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC38403	$414.01	$0.00	$414.01	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
903	155855	Purchasing	12/29/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	DEC08 EXP	$33.69	$0.00	$33.69	1100REAANN	Anne Reade	DEC08 EXPENSE REPORT
904	156363	Purchasing	12/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC38606	$11.05	$0.00	$11.05	1100APS-CDN	Algonquin Power Systems Inc	APT-HALTON SKYWAY WWTP COGEN
905	156471	Purchasing	12/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	403862089	$18.76	$0.00	$18.76	1100PURCOU	Purolator Courier-AMEX	COURIER CHARGE
906	156477	Purchasing	12/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	0512253439	$27.99	$0.00	$27.99	1100UPSCAN	UPS Canada	COURIER CHARGE
907	156470	Purchasing	12/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	403806054	$32.88	$0.00	$32.88	1100PURCOU	Purolator Courier-AMEX	COURIER CHARGE
908	156091	Purchasing	12/31/2008	1100-1-9870-75-7150-0000	Office Costs	7150	Postage/Courier	JC38599	$35.63	$0.00	$35.63	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
909	156091	Purchasing	12/31/2008	1100-1-9810-75-7150-0000	Office Costs	7150	Postage/Courier	JC38599	$71.26	$0.00	$71.26	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
910	156091	Purchasing	12/31/2008	1100-1-9840-75-7150-0000	Office Costs	7150	Postage/Courier	JC38599	$71.26	$0.00	$71.26	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
911	156091	Purchasing	12/31/2008	1100-1-9860-75-7150-0000	Office Costs	7150	Postage/Courier	JC38599	$71.26	$0.00	$71.26	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
912	156091	Purchasing	12/31/2008	1100-1-9800-75-7150-0000	Office Costs	7150	Postage/Courier	JC38599	$106.88	$0.00	$106.88	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
913	156091	Purchasing	12/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC38599	$106.88	$0.00	$106.88	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
914	156456	Purchasing	12/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC38609	$129.84	$0.00	$129.84	1100APS-CDN	Algonquin Power Systems Inc	APT-TECH OPER AUDIT/DRAY

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
915	156091	Purchasing	12/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	JC38599	$142.51	$0.00	$142.51	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
916	156469	Purchasing	12/31/2008	1100-1-9850-75-7150-0000	Office Costs	7150	Postage/Courier	403752059	$207.71	$0.00	$207.71	1100PURCOU	Purolator Courier-AMEX	COURIER CHARGE
917	156091	Purchasing	12/31/2008	1100-1-9820-75-7150-0000	Office Costs	7150	Postage/Courier	JC38599	$641.31	$0.00	$641.31	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
918	129973	Purchasing	1/31/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35249	$832.67	$0.00	$832.67	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
919	129973	Purchasing	1/31/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35249	$138.78	$0.00	$138.78	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
920	129973	Purchasing	1/31/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35249	$138.78	$0.00	$138.78	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
921	129973	Purchasing	1/31/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35249	$92.52	$0.00	$92.52	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
922	129973	Purchasing	1/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35249	$92.52	$0.00	$92.52	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
923	129973	Purchasing	1/31/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35249	$92.52	$0.00	$92.52	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
924	131639	Purchasing	2/29/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35527	$1,575.57	$0.00	$1,575.57	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
925	131639	Purchasing	2/29/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35527	$262.60	$0.00	$262.60	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
926	131639	Purchasing	2/29/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35527	$262.60	$0.00	$262.60	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
927	131639	Purchasing	2/29/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35527	$175.06	$0.00	$175.06	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
928	131639	Purchasing	2/29/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35527	$175.06	$0.00	$175.06	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
929	131639	Purchasing	2/29/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35527	$175.06	$0.00	$175.06	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
930	131638	Purchasing	2/29/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35530	$119.53	$0.00	$119.53	1100APS-CDN	Algonquin Power Systems Inc	WIND DEVELOPMENT
931	133792	Purchasing	3/28/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35813	$748.45	$0.00	$748.45	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
932	133792	Purchasing	3/28/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35813	$124.74	$0.00	$124.74	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
933	133792	Purchasing	3/28/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35813	$124.74	$0.00	$124.74	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
934	133792	Purchasing	3/28/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35813	$83.16	$0.00	$83.16	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
935	133792	Purchasing	3/28/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35813	$83.16	$0.00	$83.16	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
936	133792	Purchasing	3/28/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC35813	$83.16	$0.00	$83.16	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
937	135479	Purchasing	4/29/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36160	$1,172.21	$0.00	$1,172.21	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
938	135479	Purchasing	4/29/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36160	$195.37	$0.00	$195.37	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
939	135479	Purchasing	4/29/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36160	$195.37	$0.00	$195.37	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
940	135479	Purchasing	4/29/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36160	$130.25	$0.00	$130.25	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
941	135479	Purchasing	4/29/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36160	$130.25	$0.00	$130.25	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
942	135479	Purchasing	4/29/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36160	$130.25	$0.00	$130.25	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
943	136895	Purchasing	5/12/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	APR08 EXP.1	$56.73	$0.00	$56.73	1100LINAND	Andy Ling	APR08 EXPENSE REPORT
944	136883	Purchasing	5/21/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	MAY08 EXP	$1,997.26	$0.00	$1,997.26	1100JANIS	Janis Valentine	MAY08 EXPENSE REPORT
945	138122	Purchasing	5/31/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36386	$1,279.55	$0.00	$1,279.55	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
946	138122	Purchasing	5/31/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36386	$213.26	$0.00	$213.26	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
947	138122	Purchasing	5/31/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36386	$213.26	$0.00	$213.26	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
948	138122	Purchasing	5/31/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36386	$142.17	$0.00	$142.17	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
949	138122	Purchasing	5/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36386	$142.17	$0.00	$142.17	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
950	138122	Purchasing	5/31/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36386	$142.17	$0.00	$142.17	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
951	140398	Purchasing	6/30/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36845	$1,580.63	$0.00	$1,580.63	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
952	140398	Purchasing	6/30/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36845	$263.44	$0.00	$263.44	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
953	140398	Purchasing	6/30/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36845	$263.44	$0.00	$263.44	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
954	140398	Purchasing	6/30/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36845	$175.63	$0.00	$175.63	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
955	140398	Purchasing	6/30/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36845	$175.63	$0.00	$175.63	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
956	140398	Purchasing	6/30/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC36845	$175.63	$0.00	$175.63	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
957	142615	Purchasing	7/28/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JUN08 EXP	$4.50	$0.00	$4.50	1100JANIS	Janis Valentine	MAY/JUN/08 EXPENSE REPORT
958	142913	Purchasing	7/31/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37169	$213.58	$0.00	$213.58	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
959	142913	Purchasing	7/31/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37169	$142.39	$0.00	$142.39	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
960	142913	Purchasing	7/31/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37169	$1,281.49	$0.00	$1,281.49	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
961	142912	Purchasing	7/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37171	$119.53	$0.00	$119.53	1100APS-CDN	Algonquin Power Systems Inc	WIND DEVELOPMENT
962	142913	Purchasing	7/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37169	$142.39	$0.00	$142.39	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
963	142916	Purchasing	7/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37173	$53.94	$0.00	$53.94	1100APS-CDN	Algonquin Power Systems Inc	APT-CIEL POT.ACQ
964	142919	Purchasing	7/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37177	$156.80	$0.00	$156.80	1100APS-CDN	Algonquin Power Systems Inc	APT-ST.LEON EXP.PRE-CON.ACTIV
965	142913	Purchasing	7/31/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37169	$213.58	$0.00	$213.58	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
966	142912	Purchasing	7/31/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37169	$142.39	$0.00	$142.39	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
967	144318	Purchasing	8/6/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JUL08 EXP	$15.95	$0.00	$15.95	1100BRODAV	David Bronicherki	JUN, JUL 2008 EXPENSE REPORT
968	145731	Purchasing	8/31/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37471	$184.20	$0.00	$184.20	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
969	145731	Purchasing	8/31/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37471	$122.80	$0.00	$122.80	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
970	145731	Purchasing	8/31/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37471	$1,105.17	$0.00	$1,105.17	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
971	145203	Purchasing	8/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37476	$90.00	$0.00	$90.00	1100APS-CDN	Algonquin Power Systems Inc	FEDEX TRADE NETWORKS
972	145725	Purchasing	8/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37473	$119.53	$0.00	$119.53	1100APS-CDN	Algonquin Power Systems Inc	WIND DEVELOPMENT
973	145728	Purchasing	8/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37475	$53.94	$0.00	$53.94	1100APS-CDN	Algonquin Power Systems Inc	APT-CIEL POT.ACQ 110098400061
974	145731	Purchasing	8/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37471	$122.80	$0.00	$122.80	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
975	145731	Purchasing	8/31/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37471	$184.20	$0.00	$184.20	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
976	145731	Purchasing	8/31/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37471	$122.80	$0.00	$122.80	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
977	147310	Purchasing	9/16/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	AUG08 EXP	$103.85	$0.00	$103.85	1100MERGAE	Gaetan Mercier	AUG01-SEP05'08 EXP REPORT
978	147700	Purchasing	9/30/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37837	$177.80	$0.00	$177.80	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
979	147700	Purchasing	9/30/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37837	$118.53	$0.00	$118.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
980	147700	Purchasing	9/30/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37837	$1,066.81	$0.00	$1,066.81	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
981	147700	Purchasing	9/30/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37837	$237.07	$0.00	$237.07	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
982	147655	Purchasing	9/30/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37841	$53.94	$0.00	$53.94	1100APS-CDN	Algonquin Power Systems Inc	APT-CIEL POT ACQ
983	147700	Purchasing	9/30/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37837	$118.53	$0.00	$118.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
984	147700	Purchasing	9/30/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37837	$177.80	$0.00	$177.80	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
985	147700	Purchasing	9/30/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37837	$118.53	$0.00	$118.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
986	147700	Purchasing	9/30/2008	1100-1-9870-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC37837	$59.27	$0.00	$59.27	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
987	149447	Purchasing	10/16/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	SEP08 EXP	$393.75	$0.00	$393.75	1100FAISEA	Sean Fairfield	AUG07-OCT05'08 EXPENSE REPORT
988	149962	Purchasing	10/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38131	$53.94	$0.00	$53.94	1100APS-CDN	Algonquin Power Systems Inc	APT-CIEL POT ACQ
989	149964	Purchasing	10/31/2008	1100-1-9870-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38129	$71.91	$0.00	$71.91	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
990	149964	Purchasing	10/31/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38129	$143.82	$0.00	$143.82	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
991	149964	Purchasing	10/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38129	$143.82	$0.00	$143.82	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
992	149964	Purchasing	10/31/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38129	$143.82	$0.00	$143.82	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
993	149964	Purchasing	10/31/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38129	$215.73	$0.00	$215.73	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
994	149964	Purchasing	10/31/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38129	$215.73	$0.00	$215.73	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
995	149964	Purchasing	10/31/2008	1100-1-9830-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38129	$287.63	$0.00	$287.63	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
996	149964	Purchasing	10/31/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38129	$1,294.35	$0.00	$1,294.35	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
997	152785	Purchasing	11/28/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38405	$53.94	$0.00	$53.94	1100APS-CDN	Algonquin Power Systems Inc	APT-CIEL POT ACQ
998	152787	Purchasing	11/28/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38408	$66.97	$0.00	$66.97	1100APS-CDN	Algonquin Power Systems Inc	OPA CHP 2 RFP
999	153309	Purchasing	11/30/2008	1100-1-9870-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38403	$166.44	$0.00	$166.44	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1000	153309	Purchasing	11/30/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38403	$332.83	$0.00	$332.83	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1001	153309	Purchasing	11/30/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38403	$332.83	$0.00	$332.83	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1002	153309	Purchasing	11/30/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38403	$332.83	$0.00	$332.83	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1003	153309	Purchasing	11/30/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38403	$499.25	$0.00	$499.25	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1004	153309	Purchasing	11/30/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38403	$499.25	$0.00	$499.25	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1005	153309	Purchasing	11/30/2008	1100-1-9830-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38403	$665.66	$0.00	$665.66	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1006	153309	Purchasing	11/30/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38403	$2,995.48	$0.00	$2,995.48	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1007	156088	Purchasing	12/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38601	$53.94	$0.00	$53.94	1100APS-CDN	Algonquin Power Systems Inc	APT CIEL POT ACQ
1008	156091	Purchasing	12/31/2008	1100-1-9870-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38599	$111.57	$0.00	$111.57	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1009	156091	Purchasing	12/31/2008	1100-1-9810-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38599	$223.12	$0.00	$223.12	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1010	156091	Purchasing	12/31/2008	1100-1-9840-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38599	$223.12	$0.00	$223.12	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1011	156091	Purchasing	12/31/2008	1100-1-9860-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38599	$223.12	$0.00	$223.12	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1012	156091	Purchasing	12/31/2008	1100-1-9800-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38599	$334.68	$0.00	$334.68	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1013	156091	Purchasing	12/31/2008	1100-1-9850-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38599	$334.68	$0.00	$334.68	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1014	156091	Purchasing	12/31/2008	1100-1-9830-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38599	$446.24	$0.00	$446.24	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1015	156467	Purchasing	12/31/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	4500-639 DEC08	$1,555.91	$0.00	$1,555.91	1100BELCAN	Bell Canada	TEL
1016	156091	Purchasing	12/31/2008	1100-1-9820-75-7200-0000	Office Costs	7200	Communications - AP Trust	JC38599	$2,008.06	$0.00	$2,008.06	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1017	129973	Purchasing	1/31/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC35249	$5,067.48	$0.00	$5,067.48	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1018	129973	Purchasing	1/31/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC35249	$4,024.15	$0.00	$4,024.15	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1019	129973	Purchasing	1/31/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC35249	$623.14	$0.00	$623.14	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1020	129973	Purchasing	1/31/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC35249	$529.21	$0.00	$529.21	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1021	129973	Purchasing	1/31/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC35249	$386.81	$0.00	$386.81	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1022	130183	Purchasing	2/7/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JAN08 EXP	$222.32	$0.00	$222.32	1100INGAND	Andrew Ingram	JAN08 EXPENSE REPORT
1023	131639	Purchasing	2/29/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC35527	$1,904.83	$0.00	$1,904.83	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1024	131639	Purchasing	2/29/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC35527	$1,361.72	$0.00	$1,361.72	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1025	131639	Purchasing	2/29/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC35527	$250.04	$0.00	$250.04	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1026	131639	Purchasing	2/29/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC35527	$169.90	$0.00	$169.90	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1027	131639	Purchasing	2/29/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC35527	$162.92	$0.00	$162.92	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1028	133367	Purchasing	3/25/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	025762	$323.95	$0.00	$323.95	1100CONVTEL	Convergent Telecom Inc	RIM 8830 WORLD EDITION
1029	133354	Purchasing	3/25/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	025796	$269.95	$0.00	$269.95	1100CONVTEL	Convergent Telecom Inc	RIM 8830 WORLD EDITION
1030	133792	Purchasing	3/28/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC35813	$2,083.64	$0.00	$2,083.64	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1031	133792	Purchasing	3/28/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC35813	$1,767.42	$0.00	$1,767.42	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1032	133792	Purchasing	3/28/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC35813	$260.83	$0.00	$260.83	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1033	133792	Purchasing	3/28/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC35813	$205.97	$0.00	$205.97	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1034	133792	Purchasing	3/28/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC35813	$171.72	$0.00	$171.72	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1035	134243	Purchasing	4/4/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	APR08 EXP	$935.00	$0.00	$935.00	1100INGAND	Andrew Ingram	APR08 EXPENSE REPORT
1036	134243	Purchasing	4/4/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	APR08 EXP	$197.73	$0.00	$197.73	1100INGAND	Andrew Ingram	APR08 EXPENSE REPORT
1037	135479	Purchasing	4/29/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC36160	$1,902.87	$0.00	$1,902.87	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1038	135479	Purchasing	4/29/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC36160	$1,846.59	$0.00	$1,846.59	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1039	135479	Purchasing	4/29/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC36160	$503.59	$0.00	$503.59	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1040	135479	Purchasing	4/29/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC36160	$408.28	$0.00	$408.28	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1041	135479	Purchasing	4/29/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC36160	$220.09	$0.00	$220.09	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1042	136043	Purchasing	5/7/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	MAY08 EXP	$67.55	$0.00	$67.55	1100INGAND	Andrew Ingram	MAY08 EXPENSE REPORT
1043	138122	Purchasing	5/31/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC36386	$2,086.51	$0.00	$2,086.51	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
1044	138122	Purchasing	5/31/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC36386	$1,758.74	$0.00	$1,758.74	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
1045	138122	Purchasing	5/31/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC36386	$579.94	$0.00	$579.94	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
1046	138122	Purchasing	5/31/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC36386	$329.46	$0.00	$329.46	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
1047	138122	Purchasing	5/31/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC36386	$257.36	$0.00	$257.36	1100APS-CDN	Algonquin Power Systems Inc	002-999903-APTOH
1048	138803	Purchasing	6/18/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JUN08 EXP	$66.26	$0.00	$66.26	1100INGAND	Andrew Ingram	JUN08 EXPENSE REPORT
1049	140398	Purchasing	6/30/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC36845	$2,127.96	$0.00	$2,127.96	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1050	140398	Purchasing	6/30/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC36845	$1,002.68	$0.00	$1,002.68	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1051	140398	Purchasing	6/30/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC36845	$464.44	$0.00	$464.44	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1052	140398	Purchasing	6/30/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC36845	$299.31	$0.00	$299.31	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1053	140398	Purchasing	6/30/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC36845	$270.82	$0.00	$270.82	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1054	140428	Purchasing	7/3/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	026164	$4,919.40	$0.00	$4,919.40	1100CONVTEL	Convergent Telecom Inc	NEW BLACKBERRY SERVER
1055	142913	Purchasing	7/31/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC37169	$253.70	$0.00	$253.70	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1056	142913	Purchasing	7/31/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC37169	$348.04	$0.00	$348.04	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1057	142913	Purchasing	7/31/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC37169	$620.64	$0.00	$620.64	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1058	142913	Purchasing	7/31/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	JC37169	$454.82	$0.00	$454.82	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1059	142913	Purchasing	7/31/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC37169	$875.79	$0.00	$875.79	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1060	142913	Purchasing	7/31/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC37169	$1,980.50	$0.00	$1,980.50	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1061	143120	Purchasing	8/5/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JUL08 EXP	$96.30	$0.00	$96.30	1100INGAND	Andrew Ingram	JUL08 EXPENSE REPORT
1062	144319	Purchasing	8/6/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JUL08 EXP	$33.89	$0.00	$33.89	1100LINAND	Andy Ling	JUL08 EXPENSE REPORT
1063	145731	Purchasing	8/31/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC37471	$331.41	$0.00	$331.41	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1064	145731	Purchasing	8/31/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC37471	$289.85	$0.00	$289.85	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1065	145731	Purchasing	8/31/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC37471	$747.70	$0.00	$747.70	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1066	145724	Purchasing	8/31/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	JC37481	$5.02	$0.00	$5.02	1100APS-CDN	Algonquin Power Systems Inc	APT-PROJ DEVLPMT/AMHERST WIND
1067	145731	Purchasing	8/31/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	JC37471	$900.95	$0.00	$900.95	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1068	145731	Purchasing	8/31/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC37471	$1,654.50	$0.00	$1,654.50	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1069	145731	Purchasing	8/31/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC37471	$822.08	$0.00	$822.08	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1070	146802	Purchasing	9/1/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JUL08 EXP	$0.00	$106.06	($106.06)	1100JANIS	Janis Valentine	JUN08; JUL08 EXPENSE REPORT
1071	146800	Purchasing	9/1/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JUN08 EXP.1	$211.19	$0.00	$211.19	1100REAANN	Anne Reade	JUN08 EXPENSE REPORT
1072	145790	Purchasing	9/10/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	EXP SEP08	$71.98	$0.00	$71.98	1100INGAND	Andrew Ingram	SEP08 EXPENSE REPORT
1073	147700	Purchasing	9/30/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC37837	$261.73	$0.00	$261.73	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
1074	147700	Purchasing	9/30/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC37837	$213.45	$0.00	$213.45	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
1075	147700	Purchasing	9/30/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC37837	$749.13	$0.00	$749.13	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
1076	147700	Purchasing	9/30/2008	1100-1-9830-75-7215-0000	Office Costs	7215	Cellular - APT	JC37837	$417.55	$0.00	$417.55	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
1077	147700	Purchasing	9/30/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	JC37837	$300.70	$0.00	$300.70	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
1078	147700	Purchasing	9/30/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC37837	$1,433.13	$0.00	$1,433.13	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
1079	147700	Purchasing	9/30/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC37837	$603.53	$0.00	$603.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
1080	147700	Purchasing	9/30/2008	1100-1-9870-75-7215-0000	Office Costs	7215	Cellular - APT	JC37837	$164.59	$0.00	$164.59	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COST
1081	149985	Purchasing	10/31/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	JC38125	$4.55	$0.00	$4.55	1100APS-CDN	Algonquin Power Systems Inc	APT-PROJ DEVPMT/AMHERST WIND
1082	149964	Purchasing	10/31/2008	1100-1-9870-75-7215-0000	Office Costs	7215	Cellular - APT	JC38129	$169.94	$0.00	$169.94	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1083	149964	Purchasing	10/31/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC38129	$262.60	$0.00	$262.60	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1084	149964	Purchasing	10/31/2008	1100-1-9830-75-7215-0000	Office Costs	7215	Cellular - APT	JC38129	$311.53	$0.00	$311.53	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1085	149964	Purchasing	10/31/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC38129	$385.94	$0.00	$385.94	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1086	149964	Purchasing	10/31/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC38129	$723.48	$0.00	$723.48	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1087	149964	Purchasing	10/31/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC38129	$735.36	$0.00	$735.36	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1088	149964	Purchasing	10/31/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	JC38129	$904.36	$0.00	$904.36	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1089	149964	Purchasing	10/31/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC38129	$1,232.60	$0.00	$1,232.60	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1090	150642	Purchasing	11/14/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	OCT08 EXP	$172.37	$0.00	$172.37	1100INGAND	Andrew Ingram	OCT08 EXPENSE REPORT
1091	152823	Purchasing	11/28/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	NOV08 EXP	$541.31	$0.00	$541.31	1100GILJOS	Joshua Gillespie	AUG-NOV08 EXPENSE REPORT
1092	153309	Purchasing	11/30/2008	1100-1-9870-75-7215-0000	Office Costs	7215	Cellular - APT	JC38403	$155.88	$0.00	$155.88	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1093	153309	Purchasing	11/30/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC38403	$178.76	$0.00	$178.76	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1094	153309	Purchasing	11/30/2008	1100-1-9830-75-7215-0000	Office Costs	7215	Cellular - APT	JC38403	$346.83	$0.00	$346.83	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1095	153318	Purchasing	11/30/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	9056295773 NOV08	$387.91	$0.00	$387.91	1100BELCAN	Bell Canada	TEL
1096	153309	Purchasing	11/30/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC38403	$500.28	$0.00	$500.28	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1097	153309	Purchasing	11/30/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	JC38403	$569.54	$0.00	$569.54	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1098	153309	Purchasing	11/30/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC38403	$576.64	$0.00	$576.64	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1099	153309	Purchasing	11/30/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC38403	$598.45	$0.00	$598.45	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1100	153309	Purchasing	11/30/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC38403	$1,858.65	$0.00	$1,858.65	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1101	153445	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	DEC07 EXP	$106.53	$0.00	$106.53	1100ROBE	Ian Robertson	DEC07 EXPENSE REPORT
1102	153448	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	MAR08 EXP	$223.23	$0.00	$223.23	1100ROBE	Ian Robertson	MAR08 EXPENSE REPORT
1103	153444	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	NOV08 EXP	$235.41	$0.00	$235.41	1100ROBE	Ian Robertson	NOV07 EXPENSE REPORT
1104	153449	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	APR08 EXP	$288.27	$0.00	$288.27	1100ROBE	Ian Robertson	APR08 EXPENSE REPORT
1105	153447	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	FEB08 EXP	$291.42	$0.00	$291.42	1100ROBE	Ian Robertson	FEB08 EXPENSE REPORT
1106	153453	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	AUG08 EXP	$334.90	$0.00	$334.90	1100ROBE	Ian Robertson	AUG08 EXPENSE REPORT
1107	153450	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	MAY08 EXP	$338.58	$0.00	$338.58	1100ROBE	Ian Robertson	MAY08 EXPENSE REPORT
1108	153455	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	OCT08 EXP	$379.66	$0.00	$379.66	1100ROBE	Ian Robertson	OCT08 EXPENSE REPORT
1109	153452	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JUL08 EXP	$642.13	$0.00	$642.13	1100ROBE	Ian Robertson	JUL08 EXPENSE REPORT
1110	153454	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	SEP08 EXP	$683.24	$0.00	$683.24	1100ROBE	Ian Robertson	SEP08 EXPENSE REPORT
1111	153442	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	SEP07 EXP	$838.67	$0.00	$838.67	1100ROBE	Ian Robertson	EXPENSE REPORT SEP2007
1112	153446	Purchasing	12/8/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JAN08 EXP	$996.60	$0.00	$996.60	1100ROBE	Ian Robertson	JAN08 EXPENSE REPORT
1113	155567	Purchasing	12/23/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	NOV08 EXP	$143.24	$0.00	$143.24	1100INGAND	Andrew Ingram	Nov -Dec, 2008 EXPENSE REPORT
1114	156091	Purchasing	12/31/2008	1100-1-9870-75-7215-0000	Office Costs	7215	Cellular - APT	JC38599	$151.39	$0.00	$151.39	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1115	156091	Purchasing	12/31/2008	1100-1-9810-75-7215-0000	Office Costs	7215	Cellular - APT	JC38599	$206.09	$0.00	$206.09	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1116	156091	Purchasing	12/31/2008	1100-1-9800-75-7215-0000	Office Costs	7215	Cellular - APT	JC38599	$375.56	$0.00	$375.56	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1117	156091	Purchasing	12/31/2008	1100-1-9820-75-7215-0000	Office Costs	7215	Cellular - APT	JC38599	$509.59	$0.00	$509.59	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1118	156091	Purchasing	12/31/2008	1100-1-9860-75-7215-0000	Office Costs	7215	Cellular - APT	JC38599	$713.03	$0.00	$713.03	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1119	156091	Purchasing	12/31/2008	1100-1-9840-75-7215-0000	Office Costs	7215	Cellular - APT	JC38599	$789.37	$0.00	$789.37	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1120	156091	Purchasing	12/31/2008	1100-1-9850-75-7215-0000	Office Costs	7215	Cellular - APT	JC38599	$2,158.50	$0.00	$2,158.50	1100APS-CDN	Algonquin Power Systems Inc	APT OVERHEAD COSTS
1121	129063	Purchasing	1/25/2008	1100-1-9860-75-7225-0000	Office Costs	7225	Internet Expense - APT	OCT06-JAN08 EXP	$375.00	$0.00	$375.00	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
1122	129063	Purchasing	1/25/2008	1100-1-9860-75-7225-0000	Office Costs	7225	Internet Expense - APT	OCT06-JAN08 EXP	$8.55	$0.00	$8.55	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
1123	149442	Purchasing	10/16/2008	1100-1-9820-75-7225-0000	Office Costs	7225	Internet Expense - APT	SEP08 EXP	$31.45	$0.00	$31.45	1100BRODAV	David Bronicheski	AUG23-SEP21'08 EXPENSE REPORT
1124	150637	Purchasing	11/14/2008	1100-1-9830-75-7225-0000	Office Costs	7225	Internet Expense - APT	OCT08 EXP	$12.47	$0.00	$12.47	1100MERGAE	Gaetan Mercier	OCT08 EXPENSE REPORT
1125	153447	Purchasing	12/8/2008	1100-1-9850-75-7225-0000	Office Costs	7225	Internet Expense - APT	FEB08 EXP	$47.68	$0.00	$47.68	1100ROBE	Ian Robertson	FEB08 EXPENSE REPORT
1126	153448	Purchasing	12/8/2008	1100-1-9850-75-7225-0000	Office Costs	7225	Internet Expense - APT	MAR08 EXP	$47.68	$0.00	$47.68	1100ROBE	Ian Robertson	MAR08 EXPENSE REPORT
1127	153449	Purchasing	12/8/2008	1100-1-9850-75-7225-0000	Office Costs	7225	Internet Expense - APT	APR08 EXP	$47.68	$0.00	$47.68	1100ROBE	Ian Robertson	APR08 EXPENSE REPORT
1128	153450	Purchasing	12/8/2008	1100-1-9850-75-7225-0000	Office Costs	7225	Internet Expense - APT	MAY08 EXP	$47.68	$0.00	$47.68	1100ROBE	Ian Robertson	MAY08 EXPENSE REPORT
1129	153451	Purchasing	12/8/2008	1100-1-9850-75-7225-0000	Office Costs	7225	Internet Expense - APT	JUN08 EXP	$47.68	$0.00	$47.68	1100ROBE	Ian Robertson	JUN08 EXPENSE REPORT
1130	153446	Purchasing	12/8/2008	1100-1-9850-75-7225-0000	Office Costs	7225	Internet Expense - APT	JAN08 EXP	$48.13	$0.00	$48.13	1100ROBE	Ian Robertson	JAN08 EXPENSE REPORT
1131	153444	Purchasing	12/8/2008	1100-1-9850-75-7225-0000	Office Costs	7225	Internet Expense - APT	NOV08 EXP	$73.17	$0.00	$73.17	1100ROBE	Ian Robertson	NOV07 EXPENSE REPORT
1132	153442	Purchasing	12/8/2008	1100-1-9850-75-7225-0000	Office Costs	7225	Internet Expense - APT	SEP07 EXP	$96.22	$0.00	$96.22	1100ROBE	Ian Robertson	EXPENSE REPORT SEP2007
1133	128136	Purchasing	1/7/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	40619	$299.08	$0.00	$299.08	1100CONMIR	Continental Mirror & Glass Co	MIRRORS
1134	128136	Purchasing	1/7/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	40619	$109.80	$0.00	$109.80	1100CONMIR	Continental Mirror & Glass Co	MIRRORS
1135	129119	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506200 JAN08	$1,785.59	$0.00	$1,785.59	1100OAKHYD	Oakville Hydro	HYDRO
1136	129119	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506200 JAN08	$655.51	$0.00	$655.51	1100OAKHYD	Oakville Hydro	HYDRO
1137	129121	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	5943	$640.04	$0.00	$640.04	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINT DEC01-31.07
1138	129114	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	439	$288.43	$0.00	$288.43	1100OAKHAN	Oakville Handyman	SERVICE CALL
1139	129175	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W78495	$284.85	$0.00	$284.85	1100NAYBUI	Naylor Building Partnerships	ELECTRICAL WORK
1140	129121	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	5943	$234.96	$0.00	$234.96	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINT DEC01-31.07
1141	129123	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	770246	$228.64	$0.00	$228.64	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1142	129120	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506300 JAN08	$220.55	$0.00	$220.55	1100OAKHYD	Oakville Hydro	HYDRO
1143	129126	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W78949	$207.01	$0.00	$207.01	1100NAYBUI	Naylor Building Partnerships	A/C NOT WORKING EFFICIENTLY
1144	129125	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W78495	$104.57	$0.00	$104.57	1100NAYBUI	Naylor Building Partnerships	ELECTRICAL WORK
1145	129123	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	770246	$83.94	$0.00	$83.94	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1146	129120	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506300 JAN08	$80.97	$0.00	$80.97	1100OAKHYD	Oakville Hydro	HYDRO
1147	129126	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W78949	$75.99	$0.00	$75.99	1100NAYBUI	Naylor Building Partnerships	A/C NOT WORKING EFFICIENTLY
1148	129122	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00033950	$32.92	$0.00	$32.92	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE DEC20.07
1149	129117	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	924972	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	DUST CONTROL
1150	129116	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	924973	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	DUST CONTROL
1151	129122	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00033950	$12.08	$0.00	$12.08	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE DEC20.07
1152	129117	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	924972	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	DUST CONTROL
1153	129116	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	924973	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	DUST CONTROL
1154	129195	Purchasing	1/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506200 JAN08.CR	$0.00	$121.83	($121.83)	1100OAKHYD	Oakville Hydro	CREDIT
1155	129661	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0037	$1,481.23	$0.00	$1,481.23	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING SERVICES JAN0
1156	129664	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W79456	$1,125.45	$0.00	$1,125.45	1100NAYBUI	Naylor Building Partnerships	TSTAT-NOT WORKING
1157	129665	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W79725	$882.15	$0.00	$882.15	1100NAYBUI	Naylor Building Partnerships	REPIPE BACKFLOW PREVENTOR
1158	129661	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0037	$543.77	$0.00	$543.77	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING SERVICES JAN0
1159	129664	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W79456	$413.16	$0.00	$413.16	1100NAYBUI	Naylor Building Partnerships	TSTAT-NOT WORKING
1160	129665	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W79725	$323.85	$0.00	$323.85	1100NAYBUI	Naylor Building Partnerships	REPIPE BACKFLOW PREVENTOR
1161	129654	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	5990	$321.85	$0.00	$321.85	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	SALTING JAN08 4 VISITS
1162	129653	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	440	$312.34	$0.00	$312.34	1100OAKHAN	Oakville Handyman	POPLAR -LUMBER YARD
1163	129660	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00034116	$263.33	$0.00	$263.33	1100HARSEC	H.A.R.P. Security	HARP ALARM RESPONSE
1164	129654	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	5990	$118.15	$0.00	$118.15	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	SALTING JAN08 4 VISITS

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1165	129653	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	440	$114.66	$0.00	$114.66	1100OAKHAN	Oakville Handyman	POPLAR -LUMBER YARD
1166	129660	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00034116	$96.67	$0.00	$96.67	1100HARSEC	H.A.R.P. Security	HARP ALARM RESPONSE
1167	129662	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	927461	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	DUST CONTROL
1168	129663	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	927462	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	DUST CONTROL
1169	129662	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	927461	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	DUST CONTROL
1170	129663	Purchasing	1/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	927462	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	DUST CONTROL
1171	129980	Purchasing	1/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	442	$669.85	$0.00	$669.85	1100OAKHAN	Oakville Handyman	SERVICE CALL
1172	129981	Purchasing	1/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	441	$302.44	$0.00	$302.44	1100OAKHAN	Oakville Handyman	SERVICE CALL
1173	129997	Purchasing	1/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506300 JAN30,08	$196.61	$0.00	$196.61	1100OAKHYD	Oakville Hydro	HYDRO
1174	129997	Purchasing	1/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506300 JAN30,08	$72.18	$0.00	$72.18	1100OAKHYD	Oakville Hydro	HYDRO
1175	130208	Purchasing	2/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	06824379 06 JAN08	$805.76	$0.00	$805.76	1100UNIGAS	Union Gas Limited	GAS
1176	130208	Purchasing	2/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	06824379 06 JAN08	$295.81	$0.00	$295.81	1100UNIGAS	Union Gas Limited	GAS
1177	130210	Purchasing	2/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	774451	$274.38	$0.00	$274.38	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1178	130210	Purchasing	2/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	774451	$100.73	$0.00	$100.73	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1179	130278	Purchasing	2/13/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	INSTALL STAIR FEB08	$903.00	$0.00	$903.00	1100OAKHAN	Oakville Handyman	SUPPLY AND INSTALL NEW STAIR
1180	130278	Purchasing	2/13/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	INSTALL STAIR FEB08	$331.50	$0.00	$331.50	1100OAKHAN	Oakville Handyman	SUPPLY AND INSTALL NEW STAIR
1181	130368	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506200 FEB08	$2,218.50	$0.00	$2,218.50	1100OAKHYD	Oakville Hydro	HYDRO
1182	130371	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6028	$1,183.00	$0.00	$1,183.00	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE
1183	130368	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506200 FEB08	$814.00	$0.00	$814.00	1100OAKHYD	Oakville Hydro	HYDRO
1184	130367	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3783	$137.95	$0.00	$137.95	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINT FEB08
1185	130367	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3783	$45.65	$0.00	$45.65	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINT FEB08
1186	130369	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	930118	$52.86	$0.00	$52.86	1100UNIDUS	Universal Services	DUST CONTROL
1187	130370	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	930119	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	DUST CONTROL
1188	130369	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	930118	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	DUST CONTROL
1189	130370	Purchasing	2/19/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	930119	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	DUST CONTROL
1190	131629	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0038	$1,481.23	$0.00	$1,481.23	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING SERVICES FEB0
1191	131684	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	447	$1,083.60	$0.00	$1,083.60	1100OAKHAN	Oakville Handyman	SUPPLY AND INSTALL NEW STAIR
1192	131636	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6087	$987.48	$0.00	$987.48	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	SALTING FEB08
1193	131686	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	06824379 06 FEB08	$825.84	$0.00	$825.84	1100UNIGAS	Union Gas Limited	GAS
1194	131633	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00034495	$493.74	$0.00	$493.74	1100HARSEC	H.A.R.P. Security	VIDEO MONITORING
1195	131684	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	447	$397.80	$0.00	$397.80	1100OAKHAN	Oakville Handyman	SUPPLY AND INSTALL NEW STAIR
1196	131636	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6087	$362.52	$0.00	$362.52	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	SALTING FEB08
1197	131686	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	06824379 06 FEB08	$303.17	$0.00	$303.17	1100UNIGAS	Union Gas Limited	GAS
1198	131683	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	446	$197.50	$0.00	$197.50	1100OAKHAN	Oakville Handyman	SERVICE CALL
1199	131633	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00034495	$181.26	$0.00	$181.26	1100HARSEC	H.A.R.P. Security	VIDEO MONITORING
1200	131632	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W81744	$92.17	$0.00	$92.17	1100NAYBUI	Naylor Building Partnerships	TOILETS NOT FLUSHING
1201	131683	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	446	$72.50	$0.00	$72.50	1100OAKHAN	Oakville Handyman	SERVICE CALL
1202	131637	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6072	$64.37	$0.00	$64.37	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd	RE FILL SALT BIN
1203	131632	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W81744	$33.83	$0.00	$33.83	1100NAYBUI	Naylor Building Partnerships	TOILETS NOT FLUSHING
1204	131634	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	932757	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	DUST CONTROL SERV
1205	131631	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN125504	$29.26	$0.00	$29.26	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1206	131637	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6072	$23.63	$0.00	$23.63	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	RE FILL SALT BIN
1207	131635	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	932758	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	DUST CONTROL SERV
1208	131634	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	932757	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	DUST CONTROL SERV
1209	131631	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN125504	$10.74	$0.00	$10.74	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1210	131635	Purchasing	2/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	932758	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	DUST CONTROL SERV
1211	132259	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 MAR08	$2,148.82	$0.00	$2,148.82	1100OAKHYD	Oakville Hydro	HYDRO
1212	132259	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 MAR08	$788.85	$0.00	$788.85	1100OAKHYD	Oakville Hydro	HYDRO
1213	132261	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6144	$640.04	$0.00	$640.04	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINT FEB1-29,08
1214	132260	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	C027854	$411.09	$0.00	$411.09	1100NAYBUI	Naylor Building Partnerships	MAINTENANCE SERVICE
1215	132261	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6144	$234.96	$0.00	$234.96	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd	PROPERTY MAINT FEB1-29,08
1216	132264	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	778683	$228.64	$0.00	$228.64	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1217	132260	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	C027854	$150.91	$0.00	$150.91	1100NAYBUI	Naylor Building Partnerships	MAINTENANCE SERVICE
1218	132266	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3838	$134.30	$0.00	$134.30	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINT MAR08
1219	132265	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	5427	$85.00	$0.00	$85.00	1100PASSWOR	Password Protection	SERVICES
1220	132264	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	778683	$83.94	$0.00	$83.94	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1221	132266	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3838	$49.30	$0.00	$49.30	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINT MAR08
1222	132267	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00034556	$32.92	$0.00	$32.92	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE FEB26,08
1223	132262	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	935414	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	DUST CONTROL
1224	132263	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	935415	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	MATS
1225	132257	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00034556	$12.08	$0.00	$12.08	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE FEB26,08
1226	132262	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	935414	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	DUST CONTROL
1227	132263	Purchasing	3/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	935415	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	MATS
1228	132561	Purchasing	3/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W83126	$830.22	$0.00	$830.22	1100NAYBUI	Naylor Building Partnerships	BLOWER BEARINGS
1229	132561	Purchasing	3/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W83126	$304.78	$0.00	$304.78	1100NAYBUI	Naylor Building Partnerships	BLOWER BEARINGS
1230	133372	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W79726	$1,618.17	$0.00	$1,618.17	1100NAYBUI	Naylor Building Partnerships	PROBLEM WITH ZONE SLATES
1231	133372	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W79726	$594.05	$0.00	$594.05	1100NAYBUI	Naylor Building Partnerships	PROBLEM WITH ZONE SLATES
1232	133550	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6207	$563.23	$0.00	$563.23	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	MAR1-15,08 EXPENSE REPORT
1233	133558	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6186	$327.70	$0.00	$327.70	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	REFILL SALT BIN
1234	133550	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6207	$206.77	$0.00	$206.77	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	MAR1-15,08 EXPENSE REPORT
1235	133557	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6192	$175.55	$0.00	$175.55	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	SNOW RELOCATION MAR10,08
1236	133558	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6186	$120.30	$0.00	$120.30	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	REFILL SALT BIN
1237	133557	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6192	$64.25	$0.00	$64.25	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	SNOW RELOCATION MAR10,08
1238	133371	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W83863	$0.00	($126.21)	($126.21)	1100NAYBUI	Naylor Building Partnerships	CREDIT
1239	133371	Purchasing	3/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W83863	$0.00	($343.79)	($343.79)	1100NAYBUI	Naylor Building Partnerships	CREDIT
1240	133637	Purchasing	3/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 MAR08	$228.18	$0.00	$228.18	1100OAKHYD	Oakville Hydro	HYDRO
1241	133637	Purchasing	3/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 MAR08	$83.77	$0.00	$83.77	1100OAKHYD	Oakville Hydro	HYDRO
1242	133629	Purchasing	3/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	938048	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	DUST CONTROL SERV
1243	133630	Purchasing	3/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	938049	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	DUST CONTROL
1244	133629	Purchasing	3/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	938048	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	DUST CONTROL SERV
1245	133630	Purchasing	3/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	938049	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	DUST CONTROL
1246	134273	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0039	$1,481.23	$0.00	$1,481.23	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING SERV MAR08
1247	134274	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	06824379 06 MAR08	$978.91	$0.00	$978.91	1100UNIGAS	Union Gas Limited	GAS
1248	134277	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W84160	$566.61	$0.00	$566.61	1100NAYBUI	Naylor Building Partnerships	HVAC UNIT NOISY-HETER NOT WORK
1249	134273	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0039	$543.77	$0.00	$543.77	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING SERV MAR08
1250	134274	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	06824379 06 MAR08	$359.37	$0.00	$359.37	1100UNIGAS	Union Gas Limited	GAS
1251	134275	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	793805	$252.89	$0.00	$252.89	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1252	134277	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W84166	$208.01	$0.00	$208.01	1100NAYBUI	Naylor Building Partnerships	HVAC UNIT NOISY-METER NOT WORK
1253	134279	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3889	$134.30	$0.00	$134.30	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT APR08
1254	134275	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	782895	$85.49	$0.00	$85.49	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1255	134279	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3889	$49.30	$0.00	$49.30	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT APR08
1256	134276	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN129573	$29.26	$0.00	$29.26	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL
1257	134276	Purchasing	4/4/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN129573	$10.74	$0.00	$10.74	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL
1258	135135	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506200 APR08	$2,350.32	$0.00	$2,350.32	1100OAKHYD	Oakville Hydro	ELECTRICY
1259	135135	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506200 APR08	$862.83	$0.00	$862.83	1100OAKHYD	Oakville Hydro	ELECTRICY
1260	135127	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6250	$640.04	$0.00	$640.04	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINT MAR1-31.08
1261	135138	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	EF-2082 APR08	$351.55	$0.00	$351.55	1100PASWOR	Password Protection	ALARM MONITORING DVAC
1262	135127	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6250	$234.96	$0.00	$234.96	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd	PROPERTY MAINT MAR1-31.08
1263	135134	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506300 APR08	$221.38	$0.00	$221.38	1100OAKHYD	Oakville Hydro	HYDRO
1264	135131	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W80691	$158.75	$0.00	$158.75	1100NAYBUI	Naylor Building Partnerships	ELECTRICAL WORK
1265	135138	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	EF-2089 APR08	$128.45	$0.00	$128.45	1100PASWOR	Password Protection	ALARM MONITORING DVAC
1266	135134	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	10506300 APR08	$81.27	$0.00	$81.27	1100OAKHYD	Oakville Hydro	HYDRO
1267	135137	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	940699	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	DUST CONTROL SERVICES
1268	135136	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	940700	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	DUST CONTROL SERVICES
1269	135137	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	940699	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	DUST CONTROL SERVICES
1270	135136	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	940700	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	DUST CONTROL SERVICES
1271	135130	Purchasing	4/17/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W84760	$0.00	$158.75	($158.75)	1100NAYBUI	Naylor Building Partnerships	CREDIT
1272	135461	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0040	$1,481.23	$0.00	$1,481.23	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING APR08
1273	135460	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	1479	$556.20	$0.00	$556.20	1100FIRRES	FIRST RESPONSE FIRE PROTECTION	SERVICE CALL
1274	135461	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0040	$543.77	$0.00	$543.77	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING APR08
1275	135463	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	943371	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	DUST CONTROL SERV
1276	135459	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00034968	$21.94	$0.00	$21.94	1100HARSEC	H.A.R.P. Security	PROPERTY CHECK
1277	135462	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	943372	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	DUST CLEANING SERVICE
1278	135463	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	943371	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	DUST CONTROL SERV
1279	135459	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00034968	$8.06	$0.00	$8.06	1100HARSEC	H.A.R.P. Security	PROPERTY CHECK
1280	135462	Purchasing	4/29/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	943372	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	DUST CLEANING SERVICE
1281	136478	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906 APR08	$578.04	$0.00	$578.04	1100UNIGAS	Union Gas Limited	GAS
1282	136481	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	787156	$260.82	$0.00	$260.82	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1283	136482	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6300	$245.04	$0.00	$245.04	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE
1284	136478	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906 APR08	$212.21	$0.00	$212.21	1100UNIGAS	Union Gas Limited	GAS
1285	136474	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3941	$134.30	$0.00	$134.30	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTENANCE MAY
1286	136481	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	787156	$95.75	$0.00	$95.75	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1287	136482	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6300	$89.96	$0.00	$89.96	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE
1288	136474	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3941	$49.30	$0.00	$49.30	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTENANCE MAY
1289	136480	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	946119	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	ENERGY SURCHARGE
1290	136484	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN133112	$29.26	$0.00	$29.26	1100CANNON	Cannon Hygiene Canada Ltd	SANITARY DISPOSAL SERVICE
1291	136479	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	946120	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	ENERGY SURCHARGE
1292	136480	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	946119	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	ENERGY SURCHARGE
1293	136484	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN133112	$10.74	$0.00	$10.74	1100CANNON	Cannon Hygiene Canada Ltd	SANITARY DISPOSAL SERVICE
1294	136479	Purchasing	5/9/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	946120	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	ENERGY SURCHARGE
1295	136923	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 MAY08	$2,016.12	$0.00	$2,016.12	1100OAKHYD	Oakville Hydro	HYDRO
1296	136923	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 MAY08	$740.14	$0.00	$740.14	1100OAKHYD	Oakville Hydro	HYDRO
1297	136925	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035297	$493.74	$0.00	$493.74	1100HARSEC	H.A.R.P. Security	OFFSITE VIDEO MONITORING
1298	136926	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035249	$482.77	$0.00	$482.77	1100HARSEC	H.A.R.P. Security	COMMERCIAL ALARM MONITORING
1299	136924	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 MAY08	$228.18	$0.00	$228.18	1100OAKHYD	Oakville Hydro	WATERCONSUMPTION MAY08
1300	136913	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6348	$209.20	$0.00	$209.20	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	COMMERCIAL GRADE ROTOR
1301	136925	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035297	$181.26	$0.00	$181.26	1100HARSEC	H.A.R.P. Security	OFFSITE VIDEO MONITORING
1302	136926	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035249	$177.23	$0.00	$177.23	1100HARSEC	H.A.R.P. Security	COMMERCIAL ALARM MONITORING
1303	136928	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W87002	$174.31	$0.00	$174.31	1100NAYBUI	Naylor Building Partnerships	FAN SERVING BOARD ROOM
1304	136924	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 MAY08	$83.77	$0.00	$83.77	1100OAKHYD	Oakville Hydro	WATERCONSUMPTION MAY08
1305	136913	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6348	$76.80	$0.00	$76.80	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	COMMERCIAL GRADE ROTOR
1306	136927	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3987	$71.89	$0.00	$71.89	1100TROPLA	Tropical Plant Concept	POTHOS
1307	136928	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W87002	$63.99	$0.00	$63.99	1100NAYBUI	Naylor Building Partnerships	FAN SERVING BOARD ROOM
1308	136919	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	948759	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	MULTI W/001-WO
1309	136927	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3987	$26.39	$0.00	$26.39	1100TROPLA	Tropical Plant Concept	POTHOS
1310	136918	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	948760	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	WO MATS
1311	136919	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	948759	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	MULTI W/001-WO
1312	136918	Purchasing	5/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	948760	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	WO MATS
1313	137738	Purchasing	5/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0041	$1,481.28	$0.00	$1,481.28	1100METWOR	Metro Worx Ltd.	MOTHLY CLEANING SERVICES MAY08
1314	137739	Purchasing	5/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035349	$746.10	$0.00	$746.10	1100HARSEC	H.A.R.P. Security	FIRE MONITORING
1315	137740	Purchasing	5/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035348	$548.60	$0.00	$548.60	1100HARSEC	H.A.R.P. Security	INSTALLED, TESTED, FIRE PANEL
1316	137738	Purchasing	5/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0041	$543.77	$0.00	$543.77	1100METWOR	Metro Worx Ltd.	MOTHLY CLEANING SERVICES MAY08
1317	137739	Purchasing	5/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035349	$273.90	$0.00	$273.90	1100HARSEC	H.A.R.P. Security	FIRE MONITORING
1318	137740	Purchasing	5/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035348	$201.40	$0.00	$201.40	1100HARSEC	H.A.R.P. Security	INSTALLED, TESTED, FIRE PANEL
1319	138159	Purchasing	5/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906 MAY08	$255.62	$0.00	$255.62	1100UNIGAS	Union Gas Limited	GAS CHARGES
1320	138159	Purchasing	5/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906 MAY08	$94.55	$0.00	$94.55	1100UNIGAS	Union Gas Limited	GAS CHARGES
1321	138160	Purchasing	5/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	951246	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	MULTIW/001-WO
1322	138161	Purchasing	5/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	951247	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	WO MATS
1323	138160	Purchasing	5/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	951246	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	MULTIW/001-WO
1324	138161	Purchasing	5/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	951247	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	WO MATS
1325	138447	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6374	$245.04	$0.00	$245.04	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE
1326	138448	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 JUNY08	$221.38	$0.00	$221.38	1100OAKHYD	Oakville Hydro	WATER CONSUMPTION CHARGE
1327	138446	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6361	$146.29	$0.00	$146.29	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	WEED CONTROL
1328	138462	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3991	$134.30	$0.00	$134.30	1100TROPLA	Tropical Plant Concept	PLANT MAINTENANCE FOR JUN08
1329	138447	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6374	$89.96	$0.00	$89.96	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE
1330	138448	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 JUNY08	$81.27	$0.00	$81.27	1100OAKHYD	Oakville Hydro	WATER CONSUMPTION CHARGE
1331	138446	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6361	$53.71	$0.00	$53.71	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	WEED CONTROL
1332	138462	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	3991	$49.30	$0.00	$49.30	1100TROPLA	Tropical Plant Concept	PLANT MAINTENANCE FOR JUN08
1333	138460	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035443	$32.92	$0.00	$32.92	1100HARSEC	H.A.R.P. Security	ALARM RESPOSE-OAKVILLE
1334	138450	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN137279	$29.99	$0.00	$29.99	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL
1335	138460	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035443	$12.08	$0.00	$12.08	1100HARSEC	H.A.R.P. Security	ALARM RESPOSE-OAKVILLE
1336	138450	Purchasing	6/12/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN137279	$11.01	$0.00	$11.01	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL
1337	138752	Purchasing	6/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 JUN08	$1,657.04	$0.00	$1,657.04	1100OAKHYD	Oakville Hydro	HYDRO
1338	138753	Purchasing	6/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035541	$709.53	$0.00	$709.53	1100HARSEC	H.A.R.P. Security	SERVICE INSTALLATION

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1339	138752	Purchasing	6/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 JUN08	$608.32	$0.00	$608.32	1100OAKHYD	Oakville Hydro	HYDRO
1340	138748	Purchasing	6/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	791480	$442.42	$0.00	$442.42	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1341	138753	Purchasing	6/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035541	$260.47	$0.00	$260.47	1100HARSEC	H.A.R.P. Security	SERVICE INSTALLATION
1342	138748	Purchasing	6/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	791480	$162.42	$0.00	$162.42	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1343	139857	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W88894	$1,068.49	$0.00	$1,068.49	1100NAYBUI	Naylor Building Partnerships	REPLACE BLOWER MOTOR&WHEEL
1344	139828	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	C028991	$411.09	$0.00	$411.09	1100NAYBUI	Naylor Building Partnerships	PREVENTIVE MAINTENANCE SERVICE
1345	139857	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W88894	$392.25	$0.00	$392.25	1100NAYBUI	Naylor Building Partnerships	REPLACE BLOWER MOTOR&WHEEL
1346	139833	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	471	$287.99	$0.00	$287.99	1100OAKHAN	Oakville Handyman	SERVICE-DRYWALL DAMAGE
1347	139834	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035559	$237.73	$0.00	$237.73	1100HARSEC	H.A.R.P. Security	SERCIE INSTALLATION-REPLACED
1348	139839	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	1526	$167.40	$0.00	$167.40	1100FIRRES	FIRST RESPONSE FIRE PROTECTION	SERVICE-SPRINKLER MONITORING
1349	139838	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	C028991	$150.91	$0.00	$150.91	1100NAYBUI	Naylor Building Partnerships	PREVENTIVE MAINTENANCE SERVICE
1350	139833	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	471	$105.72	$0.00	$105.72	1100OAKHAN	Oakville Handyman	SERVICE-DRYWALL DAMAGE
1351	139834	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035559	$87.27	$0.00	$87.27	1100HARSEC	H.A.R.P. Security	SERCIE INSTALLATION-REPLACED
1352	139835	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035635	$32.92	$0.00	$32.92	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE-OAKVILLE
1353	139836	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035590	$32.92	$0.00	$32.92	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE JUN6,2008
1354	139848	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	953613	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	WO MATS FOR PLACEMENT
1355	139835	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035635	$12.08	$0.00	$12.08	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE-OAKVILLE
1356	139836	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035590	$12.08	$0.00	$12.08	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE JUN6,2008
1357	139848	Purchasing	6/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	953613	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	WO MATS FOR PLACEMENT
1358	140422	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0042	$1,481.23	$0.00	$1,481.23	1100METWOR	Metro Worx Ltd.	CLEANING JUL2008
1359	140422	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0042-	$543.77	$0.00	$543.77	1100METWOR	Metro Worx Ltd.	CLEANING JUL2008
1360	140427	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035575	$54.86	$0.00	$54.86	1100HARSEC	H.A.R.P. Security	Payables Trx Entry
1361	140427	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035675	$20.14	$0.00	$20.14	1100HARSEC	H.A.R.P. Security	Payables Trx Entry
1362	140429	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	955952	$12.63	$0.00	$12.63	1100UNIDUS	Universal Services	WO MATS PLACEMENT
1363	140429	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	955952	$4.99	$0.00	$4.99	1100UNIDUS	Universal Services	WO MATS PLACEMENT
1364	140430	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	955951	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	MULTI W/001-WO
1365	140430	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	955951	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	MULTI W/001-WO
1366	140431	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4042	$134.30	$0.00	$134.30	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTEN JUL08
1367	140431	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4042	$49.30	$0.00	$49.30	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTEN JUL08
1368	140432	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906-JUN08	$88.42	$0.00	$88.42	1100UNIGAS	Union Gas Limited	GAS CHARGES 05/20/08-06/19/08
1369	140432	Purchasing	7/3/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906-JUN08	$32.46	$0.00	$32.46	1100UNIGAS	Union Gas Limited	GAS CHARGES 05/20/08-06/19/08
1370	141188	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6423	$245.04	$0.00	$245.04	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE JUL2008
1371	141188	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6423	$89.96	$0.00	$89.96	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE JUL2008
1372	141189	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W85876	$1,158.74	$0.00	$1,158.74	1100NAYBUI	Naylor Building Partnerships	UNITE IN KITCHEN NOISY
1373	141189	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W85876	$425.38	$0.00	$425.38	1100NAYBUI	Naylor Building Partnerships	UNITE IN KITCHEN NOISY
1374	141190	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W90077	$0.00	$443.09	($443.09)	1100NAYBUI	Naylor Building Partnerships	CREDIT APPLIED TO INV W85876
1375	141190	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W90077	$0.00	$162.66	($162.66)	1100NAYBUI	Naylor Building Partnerships	CREDIT APPLIED TO INV W25876
1376	141191	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035802	$73.15	$0.00	$73.15	1100HARSEC	H.A.R.P. Security	HID FOBS
1377	141191	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035802	$26.85	$0.00	$26.85	1100HARSEC	H.A.R.P. Security	HID FOBS
1378	141192	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035791	$32.92	$0.00	$32.92	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE-OAKVILLE
1379	141192	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035791	$12.08	$0.00	$12.08	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE-OAKVILLE
1380	141196	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	795824	$245.61	$0.00	$245.61	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1381	141196	Purchasing	7/14/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	795824	$90.16	$0.00	$90.16	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1382	142108	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	958279	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	MULTI W/001-WO
1383	142108	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	958279	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	MULTI W/001-WO
1384	142109	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	958280	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	WO MATS FOR PLACEMENT
1385	142109	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	958280	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	WO MATS FOR PLACEMENT
1386	142111	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 JUN07,2008	$417.87	$0.00	$417.87	1100OAKHYD	Oakville Hydro	HYDRO
1387	142111	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 JUN07,2008	$153.40	$0.00	$153.40	1100OAKHYD	Oakville Hydro	HYDRO
1388	142120	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 JUN08	$2,301.48	$0.00	$2,301.48	1100OAKHYD	Oakville Hydro	HYDRO
1389	142120	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 JUN08	$844.90	$0.00	$844.90	1100OAKHYD	Oakville Hydro	HYDRO
1390	142121	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN141256	$29.26	$0.00	$29.26	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1391	142121	Purchasing	7/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN141256	$11.74	$0.00	$11.74	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1392	142622	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035893	$1,024.06	$0.00	$1,024.06	1100HARSEC	H.A.R.P. Security	EXPANSION OF FIRE SYSTEM
1393	142622	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035893	$375.94	$0.00	$375.94	1100HARSEC	H.A.R.P. Security	EXPANSION OF FIRE SYSTEM
1394	142623	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	5451	$812.52	$0.00	$812.52	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	LABOUR
1395	142623	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6451	$298.28	$0.00	$298.28	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	LABOUR
1396	142625	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W80255	$508.80	$0.00	$508.80	1100NAYBUI	Naylor Building Partnerships	KINCHEN SINK CLOGGED
1397	142625	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W80255	$186.78	$0.00	$186.78	1100NAYBUI	Naylor Building Partnerships	KINCHEN SINK CLOGGED
1398	142626	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W91425	$0.00	$78.48	($78.48)	1100NAYBUI	Naylor Building Partnerships	PARTIAL CREDIT APPLIED- W80255
1399	142526	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W91425	$0.00	$28.81	($28.81)	1100NAYBUI	Naylor Building Partnerships	PARTIAL CREDIT APPLIED- W80255
1400	142627	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W83864	$0.00	$91.43	($91.43)	1100NAYBUI	Naylor Building Partnerships	PARTICAL CREDIT APPLIED-W80255
1401	142627	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W83864	$0.00	$33.57	($33.57)	1100NAYBUI	Naylor Building Partnerships	PARTICAL CREDIT APPLIED-W80255
1402	142628	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	1001078	$1,066.48	$0.00	$1,066.48	1100INNCAR	Innovative Care of the Environment inc.	PEST CONTROL BUSINESS PREPAID
1403	142628	Purchasing	7/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	1001078	$391.52	$0.00	$391.52	1100INNCAR	Innovative Care of the Environment inc.	PEST CONTROL BUSINESS PREPAID
1404	142768	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	960576	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	SUPPLIES
1405	142768	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	960576	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	SUPPLIES
1406	142769	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	960577	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	MATS
1407	142769	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	960577	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	MATS
1408	142770	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035936	$32.92	$0.00	$32.92	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE JUL14'08
1409	142770	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035936	$12.08	$0.00	$12.08	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE JUL14'08
1410	142771	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035957	$186.52	$0.00	$186.52	1100HARSEC	H.A.R.P. Security	INSTALLATION OF A MAXSYS KEYPA
1411	142771	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00035957	$68.48	$0.00	$68.48	1100HARSEC	H.A.R.P. Security	INSTALLATION OF A MAXSYS KEYPA
1412	142772	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN144837	$29.99	$0.00	$29.99	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL
1413	142772	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN144837	$11.01	$0.00	$11.01	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL
1414	142981	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0043	$1,481.23	$0.00	$1,481.23	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING SERV(JUL'08)
1415	142981	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0043	$543.77	$0.00	$543.77	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING SERV(JUL'08)
1416	142982	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	JUL2008	$108.20	$0.00	$108.20	1100UNIGAS	Union Gas Limited	UNION GAS
1417	142982	Purchasing	7/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	JUL2008	$39.72	$0.00	$39.72	1100UNIGAS	Union Gas Limited	UNION GAS
1418	143517	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	962855	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	COMPUTER SUPPLIES
1419	143517	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	962855	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	COMPUTER SUPPLIES
1420	143519	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 JUL08	$2,181.70	$0.00	$2,181.70	1100OAKHYD	Oakville Hydro	HYDRO
1421	143519	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 JUL08	$800.93	$0.00	$800.93	1100OAKHYD	Oakville Hydro	HYDRO
1422	143520	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	800191	$294.73	$0.00	$294.73	1100YORDIS	York Disposal Service Ltd.	F/E CARDBARD SERVICE
1423	143520	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	800191	$108.20	$0.00	$108.20	1100YORDIS	York Disposal Service Ltd.	F/E CARDBARD SERVICE
1424	143521	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6476	$245.04	$0.00	$245.04	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd	PROPERTY MAINTENAN JUL1-31'08
1425	143521	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6476	$89.96	$0.00	$89.96	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENAN JUL1-31'08

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1426	143522	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4089	$138.33	$0.00	$138.33	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTEN AUG08
1427	143522	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4089	$50.78	$0.00	$50.78	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTEN AUG08
1428	143534	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 AUG08	$535.27	$0.00	$535.27	1100OAKHYD	Oakville Hydro	HYDRO
1429	143534	Purchasing	8/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 AUG08	$196.50	$0.00	$196.50	1100OAKHYD	Oakville Hydro	HYDRO
1430	143599	Purchasing	8/18/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	23416	$886.91	$0.00	$886.91	1100RAYWIN	Ray Win Industries Ltd.	SENIOR SWING LH LCN
1431	143599	Purchasing	8/18/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	23416	$325.59	$0.00	$325.59	1100RAYWIN	Ray Win Industries Ltd.	SENIOR SWING LH LCN
1432	144277	Purchasing	8/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00036220	$164.58	$0.00	$164.58	1100HARSEC	H.A.R.P. Security	ANNUAL MAINTENANCE
1433	144277	Purchasing	8/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00036220	$60.42	$0.00	$60.42	1100HARSEC	H.A.R.P. Security	ANNUAL MAINTENANCE
1434	144348	Purchasing	8/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W92829	$178.48	$0.00	$178.48	1100NAYBUI	Naylor Building Partnerships	A-C OPERATING
1435	144348	Purchasing	8/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W92829	$65.52	$0.00	$65.52	1100NAYBUI	Naylor Building Partnerships	A-C OPERATING
1436	144356	Purchasing	8/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	965189	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	COMPUTER SUPPLIES
1437	144356	Purchasing	8/26/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	965189	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	COMPUTER SUPPLIES
1438	145399	Purchasing	8/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	804617	$245.61	$0.00	$245.61	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1439	145399	Purchasing	8/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	804617	$90.16	$0.00	$90.16	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1440	145400	Purchasing	8/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00036250	$493.74	$0.00	$493.74	1100HARSEC	H.A.R.P. Security	OFFSITE VIDEO MONITORING
1441	145400	Purchasing	8/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00036250	$181.26	$0.00	$181.26	1100HARSEC	H.A.R.P. Security	OFFSITE VIDEO MONITORING
1442	145409	Purchasing	8/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	C029655	$411.09	$0.00	$411.09	1100NAYBUI	Naylor Building Partnerships	PREVENTIVE MAINTENANCE SERVICE
1443	145409	Purchasing	8/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	C029655	$150.91	$0.00	$150.91	1100NAYBUI	Naylor Building Partnerships	PREVENTIVE MAINTENANCE SERVICE
1444	145410	Purchasing	8/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906 AUG08	$35.34	$0.00	$35.34	1100UNIGAS	Union Gas Limited	GAS
1445	145410	Purchasing	8/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906 AUG08	$12.98	$0.00	$12.98	1100UNIGAS	Union Gas Limited	GAS
1446	145771	Purchasing	9/8/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4138	$138.33	$0.00	$138.33	1100CONCON	Contract Control Services Inc.	TROPOCAL PLANT MAINTEN SEP08
1447	145771	Purchasing	9/8/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4138	$50.78	$0.00	$50.78	1100CONCON	Contract Control Services Inc	TROPOCAL PLANT MAINTEN SEP08
1448	145772	Purchasing	9/8/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4138	$138.33	$0.00	$138.33	1100TROPLA	Tropical Plant Concept	CONCEPT IR SANITARY DISPOSAL S
1449	145773	Purchasing	9/8/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4138	$50.78	$0.00	$50.78	1100TROPLA	Tropical Plant Concept	CONCEPT IR SANITARY DISPOSAL S
1450	145785	Purchasing	9/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 AUG08	$352.65	$0.00	$352.65	1100OAKHYD	Oakville Hydro	WATER FEE AUG08
1451	145785	Purchasing	9/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 AUG08	$129.46	$0.00	$129.46	1100OAKHYD	Oakville Hydro	WATER FEE AUG08
1452	145786	Purchasing	9/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 AUG08-HYD	$1,615.84	$0.00	$1,615.84	1100OAKHYD	Oakville Hydro	ELECTRICITY CHARGES AUG08
1453	145786	Purchasing	9/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 AUG08-HYD	$593.19	$0.00	$593.19	1100OAKHYD	Oakville Hydro	ELECTRICITY CHARGES AUG08
1454	145788	Purchasing	9/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0044	$1,481.23	$0.00	$1,481.23	1100METWOR	Metro Worx Ltd.	CLEANING SERVICE AUG08
1455	145788	Purchasing	9/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0044	$543.82	$0.00	$543.82	1100METWOR	Metro Worx Ltd.	CLEANING SERVICE AUG08
1456	145836	Purchasing	9/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6523	$257.29	$0.00	$257.29	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE AUG08
1457	145836	Purchasing	9/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6523	$94.46	$0.00	$94.46	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE AUG08
1458	145837	Purchasing	9/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	967737	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	SUPPLIES
1459	145837	Purchasing	9/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	967737	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	SUPPLIES
1460	145839	Purchasing	9/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN148673	$29.99	$0.00	$29.99	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1461	145839	Purchasing	9/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN148673	$11.01	$0.00	$11.01	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1462	146510	Purchasing	9/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	970014	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	HARDWARE
1463	147388	Purchasing	9/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6574	$131.66	$0.00	$131.66	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	CLEA P WASS AND WALKWAY
1464	147388	Purchasing	9/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6574	$48.34	$0.00	$48.34	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	CLEAN UP WASS AND WALKWAY
1465	147389	Purchasing	9/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W94304	$143.00	$0.00	$143.00	1100NAYBUI	Naylor Building Partnerships	BURNING SMELL FROM UNIT
1466	147389	Purchasing	9/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W94304	$52.50	$0.00	$52.50	1100NAYBUI	Naylor Building Partnerships	BURNING SMELL FROM UNIT
1467	147398	Purchasing	9/25/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	CR 4138	$0.00	$189.11	($189.11)	1100CONCON	Contract Control Services Inc.	CREDIT
1468	147662	Purchasing	9/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906 SEP08	$22.95	$0.00	$22.95	1100UNIGAS	Union Gas Limited	GAS
1469	147662	Purchasing	9/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	7906 SEP08	$8.42	$0.00	$8.42	1100UNIGAS	Union Gas Limited	GAS
1470	148068	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	972605	$4.73	$0.00	$4.73	1100UNIDUS	Universal Services	SUPPLIES
1471	148070	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN152513	$11.01	$0.00	$11.01	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1472	148068	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	972605	$12.89	$0.00	$12.89	1100UNIDUS	Universal Services	SUPPLIES
1473	148070	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN152513	$29.99	$0.00	$29.99	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1474	148071	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4186	$50.78	$0.00	$50.78	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTENANCE
1475	148072	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 SEP08	$78.95	$0.00	$78.95	1100OAKHYD	Oakville Hydro	HYDRO
1476	148069	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	809054	$90.16	$0.00	$90.16	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1477	148074	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6580	$94.46	$0.00	$94.46	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE SEP08
1478	148071	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4186	$138.33	$0.00	$138.33	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTENANCE
1479	148076	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W94796	$143.66	$0.00	$143.66	1100NAYBUI	Naylor Building Partnerships	REPAIRS TO A-C#6
1480	148075	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W94797	$144.95	$0.00	$144.95	1100NAYBUI	Naylor Building Partnerships	REPLACE CRANK HEATERS
1481	148072	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 SEP08	$215.06	$0.00	$215.06	1100OAKHYD	Oakville Hydro	HYDRO
1482	148069	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	809054	$245.61	$0.00	$245.61	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1483	148074	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6580	$257.29	$0.00	$257.29	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE SEP08
1484	148076	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W94796	$391.34	$0.00	$391.34	1100NAYBUI	Naylor Building Partnerships	REPAIRS TO A-C#6
1485	148075	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W94797	$394.83	$0.00	$394.83	1100NAYBUI	Naylor Building Partnerships	REPLACE CRANK HEATERS
1486	148073	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 SEP08	$709.23	$0.00	$709.23	1100OAKHYD	Oakville Hydro	HYDRO
1487	148073	Purchasing	10/10/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 SEP08	$1,917.53	$0.00	$1,917.53	1100OAKHYD	Oakville Hydro	HYDRO
1488	149510	Purchasing	10/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00036698	$12.08	$0.00	$12.08	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE OCT05'08
1489	149510	Purchasing	10/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00036698	$32.92	$0.00	$32.92	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE OCT05'08
1490	149502	Purchasing	10/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	1632	$588.15	$0.00	$588.15	1100FIRRES	FIRST RESPONSE FIRE PROTECTION	FIRE AND SAFETY TRAINING
1491	149844	Purchasing	10/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6623	$40.28	$0.00	$40.28	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	WINTERIZATION OF SPRINKLER SYS
1492	149844	Purchasing	10/27/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6623	$109.72	$0.00	$109.72	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	WINTERIZATION OF SPRINKLER SYS
1493	149979	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN156676	$11.01	$0.00	$11.01	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL
1494	149979	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN156676	$29.99	$0.00	$29.99	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL
1495	149982	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	21092	$33.57	$0.00	$33.57	1100OAKHAR	Oaktown Hardware & Lock Ltd.	HARDWARE
1496	149980	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	278406824337906 OCT08	$70.11	$0.00	$76.11	1100UNIGAS	Union Gas Limited	UNION GAS
1497	149978	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W96277	$80.89	$0.00	$80.89	1100NAYBUI	Naylor Building Partnerships	EXTERIOR &INTERIOR LIGHT REPAI
1498	149982	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	21092	$91.43	$0.00	$91.43	1100OAKHAR	Oaktown Hardware & Lock Ltd.	HARDWARE
1499	149981	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	8610	$176.96	$0.00	$176.96	1100ALLPUR	All Purpose Glass & Mirror	EMERGENCY SERVICE
1500	149980	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	278406824337906 OCT08	$190.98	$0.00	$190.98	1100UNIGAS	Union Gas Limited	UNION GAS
1501	149978	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W96277	$220.36	$0.00	$220.36	1100NAYBUI	Naylor Building Partnerships	EXTERIOR &INTERIOR LIGHT REPAI
1502	149981	Purchasing	10/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	8610	$482.04	$0.00	$482.04	1100ALLPUR	All Purpose Glass & Mirror	EMERGENCY SERVICE
1503	150400	Purchasing	11/5/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	977813	$4.76	$0.00	$4.76	1100UNIDUS	Universal Services	SUPPLIES
1504	150399	Purchasing	11/5/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	977812	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	SUPPLIES
1505	150400	Purchasing	11/5/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	977813	$12.86	$0.00	$12.86	1100UNIDUS	Universal Services	SUPPLIES
1506	150399	Purchasing	11/5/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	977812	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	SUPPLIES
1507	150402	Purchasing	11/5/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6646	$89.96	$0.00	$89.96	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE OCT08

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1508	150401	Purchasing	11/5/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4234	$189.11	$2.00	$189.11	1100TROPLA	Tropical Plant Concept	PLANT MAINTENANCE NOV08
1509	150402	Purchasing	11/5/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6646	$245.04	$0.00	$245.04	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE OCT08
1510	150576	Purchasing	11/7/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0045	$732.91	$0.00	$732.91	1100METWOR	Metro Worx Ltd.	CLEANING SERVICES SEP08
1511	150576	Purchasing	11/7/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0045	$1,996.41	$0.00	$1,996.41	1100METWOR	Metro Worx Ltd.	CLEANING SERVICES SEP08
1512	150569	Purchasing	11/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 OCT08 CR	$0.00	$453.66	($453.66)	1100OAKHYD	Oakville Hydro	CREDIT
1513	150569	Purchasing	11/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 OCT08 CR	$0.00	$166.54	($166.54)	1100OAKHYD	Oakville Hydro	CREDIT
1514	150561	Purchasing	11/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	36943	$72.50	$0.00	$72.50	1100HARSEC	H.A.R.P. Security	ALARM SERVICE
1515	150572	Purchasing	11/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 OCT08	$86.26	$0.00	$86.26	1100OAKHYD	Oakville Hydro	HYDRO
1516	150567	Purchasing	11/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	813482	$140.08	$0.00	$140.08	1100YORDIS	York Disposal Service Ltd.	F/E CARDBOARD SERVICE
1517	150561	Purchasing	11/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	36943	$197.50	$0.00	$197.50	1100HARSEC	H.A.R.P. Security	ALARM SERVICE
1518	150572	Purchasing	11/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 OCT08	$234.98	$0.00	$234.98	1100OAKHYD	Oakville Hydro	HYDRO
1519	150567	Purchasing	11/11/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	813482	$381.57	$0.00	$381.57	1100YORDIS	York Disposal Service Ltd.	F/E CARDBOARD SERVICE
1520	151317	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	980746	$4.76	$0.00	$4.76	1100UNIDUS	Universal Services	SUPPLIES
1521	151316	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	980745	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	SUPPLIES
1522	151317	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	980746	$12.86	$0.00	$12.86	1100UNIDUS	Universal Services	SUPPLIES
1523	151316	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	980745	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	SUPPLIES
1524	151312	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6674	$56.19	$0.00	$56.19	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd	9 BAGS OF LANDSCAPER'S CHOICE
1525	151312	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6674	$153.06	$0.00	$153.06	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	9 BAGS OF LANDSCAPER'S CHOICE
1526	151300	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	1646	$263.90	$0.00	$263.90	1100FIRRES	FIRST RESPONSE FIRE PROTECTION	FIRE TRAINING CLASS
1527	151299	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0046	$372.39	$0.00	$372.39	1100METWOR	Metro Worx Ltd.	OCT08
1528	151299	Purchasing	11/24/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	AP0046	$1,014.37	$0.00	$1,014.37	1100METWOR	Metro Worx Ltd.	OCT08
1529	152781	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	983542	$4.76	$0.00	$4.76	1100UNIDUS	Universal Services	HARDWARE
1530	152779	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN160262	$11.01	$0.00	$11.01	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1531	152780	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	983541	$12.06	$0.00	$12.06	1100UNIDUS	Universal Services	SUPPLIES
1532	152784	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	37102	$12.07	$0.00	$12.07	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE
1533	152781	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	983542	$12.86	$0.00	$12.86	1100UNIDUS	Universal Services	HARDWARE
1534	152779	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	IN160262	$29.99	$0.00	$29.99	1100CANNON	Cannon Hygiene Canada Ltd	CONCEPT IR SANITARY DISPOSAL S
1535	152780	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	983541	$32.86	$0.00	$32.86	1100UNIDUS	Universal Services	SUPPLIES
1536	152784	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	37102	$32.93	$0.00	$32.93	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE
1537	152783	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W98310	$39.47	$0.00	$39.47	1100NAYBUI	Naylor Building Partnerships	DAILY TRUCK CHARGE
1538	152782	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4283	$50.78	$0.00	$50.78	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTENANCE
1539	152783	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W98310	$107.53	$0.00	$107.53	1100NAYBUI	Naylor Building Partnerships	DAILY TRUCK CHARGE
1540	152782	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4283	$138.33	$0.00	$138.33	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTENANCE
1541	152778	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	278406824379006 NOV0	$212.98	$0.00	$212.98	1100UNIGAS	Union Gas Limited	GAS
1542	152778	Purchasing	11/28/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	278406824379006 NOV0	$580.16	$0.00	$580.16	1100UNIGAS	Union Gas Limited	GAS
1543	152303	Purchasing	11/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	A12282	$56.00	$0.00	$56.00	1100CHUSEC	Chubb Security Systems	ANNUAL POLICE REGISTRATION FEE
1544	153308	Purchasing	11/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	817932	$87.83	$0.00	$87.83	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1545	153308	Purchasing	11/30/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	817932	$239.24	$0.00	$239.24	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICE
1546	153903	Purchasing	12/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 NOV08	$81.57	$0.00	$81.57	1100OAKHYD	Oakville Hydro	HYDRO
1547	153902	Purchasing	12/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	C030529	$150.91	$0.00	$150.91	1100NAYBUI	Naylor Building Partnerships	PREVENTIVE MAINTENANCE SERVICE
1548	153903	Purchasing	12/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 NOV08	$221.08	$0.00	$221.08	1100OAKHYD	Oakville Hydro	HYDRO
1549	153902	Purchasing	12/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	C030529	$411.09	$0.00	$411.09	1100NAYBUI	Naylor Building Partnerships	PREVENTIVE MAINTENANCE SERVICE
1550	153904	Purchasing	12/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 NOV08	$684.87	$0.00	$684.87	1100OAKHYD	Oakville Hydro	HYDRO
1551	153904	Purchasing	12/15/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105062-00 NOV08	$1,865.55	$0.00	$1,865.55	1100OAKHYD	Oakville Hydro	HYDRO
1552	154329	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	986393	$20.33	$0.00	$20.33	1100UNIDUS	Universal Services	SUPPLIES
1553	154331	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	37173	$45.00	$0.00	$45.00	1100HARSEC	H.A.R.P. Security	ALARM RESPONSE
1554	154330	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	986405	$62.54	$0.00	$62.54	1100UNIDUS	Universal Services	SUPPLIES
1555	154344	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	P-4279	$84.39	$0.00	$84.39	1100TROPLA	Tropical Plant Concept	RED POINSETTIA
1556	154347	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	870095	$161.27	$0.00	$161.27	1100CHUSEC	Chubb Security Systems	ACCESS CONTROL ALARM SYSTEM
1557	154343	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	512	$181.25	$0.00	$181.25	1100OAKHAN	Oakville Handyman	CHANGE LIGHT BULBS
1558	154338	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	1669	$196.96	$0.00	$196.96	1100FIRRES	FIRST RESPONSE FIRE PROTECTION	ANNUAL INSPECTION
1559	154342	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	511	$200.00	$0.00	$200.00	1100OAKHAN	Oakville Handyman	INSTALL WHITE BOARD-2401 BRIST
1560	154348	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	RX1578	$395.32	$0.00	$395.32	1100CHUSEC	Chubb Security Systems	HUMAN RESOURCES CONSULTING
1561	154346	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6710	$450.00	$0.00	$450.00	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	PROPERTY MAINTENANCE NOV08
1562	154339	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	1664	$685.00	$0.00	$685.00	1100FIRRES	FIRST RESPONSE FIRE PROTECTION	SUPPLY
1563	154332	Purchasing	12/16/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	37223	$2,350.00	$0.00	$2,350.00	1100HARSEC	H.A.R.P. Security	SERVICE
1564	155129	Purchasing	12/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	514	$300.00	$0.00	$300.00	1100OAKHAN	Oakville Handyman	INSTAL WHITE BOARD 2401 BRISTO
1565	155130	Purchasing	12/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	515	$450.00	$0.00	$450.00	1100OAKHAN	Oakville Handyman	SERVICE
1566	155133	Purchasing	12/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6762	$450.00	$0.00	$450.00	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	SALTING DEC08
1567	155131	Purchasing	12/22/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	00037224	$825.00	$0.00	$825.00	1100HARSEC	H.A.R.P. Security	VIDEO MONITORING
1568	156365	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	989299	$20.33	$0.00	$20.33	1100UNIDUS	Universal Services	SUPPLIES
1569	156459	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	989219	$20.33	$0.00	$20.33	1100UNIDUS	Universal Services	SUPPLIES
1570	156461	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4370	$59.40	$0.00	$59.40	1100TROPLA	Tropical Plant Concept	CREDENZA
1571	156366	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	989298	$62.54	$0.00	$62.54	1100UNIDUS	Universal Services	SUPPLIES
1572	156460	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4329	$95.58	$0.00	$95.58	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTENANCE
1573	155932	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4328	$189.11	$0.00	$189.11	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT MAINTENANCE
1574	156458	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	105063-00 DEC08	$302.65	$0.00	$302.65	1100OAKHYD	Oakville Hydro	HYDRO
1575	156462	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	822190	$322.14	$0.00	$322.14	1100YORDIS	York Disposal Service Ltd.	FRONT END SERVICES
1576	156367	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	6791	$450.00	$0.00	$450.00	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	SNOW RELOACATION
1577	156364	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	W10237	$456.00	$0.00	$456.00	1100NAYBUI	Naylor Building Partnerships	TEST 2 WATTS 009 R/P BACKFLOW
1578	156465	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	4325	$923.40	$0.00	$923.40	1100TROPLA	Tropical Plant Concept	TROPICAL PLANT
1579	156464	Purchasing	12/31/2008	1100-1-9820-75-7310-0000	Office Costs	7310	Civil Engineering	2906 DEC08	$1,626.38	$0.00	$1,626.38	1100UNIGAS	Union Gas Limited	GAS
1580	128066	Purchasing	1/4/2008	1100-1-9860-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JAN08 EXP	$667.80	$0.00	$667.80	1100CASKEL	Kelly Castleline	JAN08 EXPENSE REPORT
1581	129063	Purchasing	1/25/2008	1100-1-9860-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	OCT06-JAN08 EXP	$6,063.17	$0.00	$6,063.17	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
1582	129063	Purchasing	1/25/2008	1100-1-9860-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	OCT06-JAN08 EXP	$2,114.70	$0.00	$2,114.70	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
1583	129063	Purchasing	1/25/2008	1100-1-9860-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	OCT06-JAN08 EXP	$499.00	$0.00	$499.00	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
1584	129063	Purchasing	1/25/2008	1100-1-9860-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	OCT06-JAN08 EXP	$120.00	$0.00	$120.00	1100JARR	Chris Jarratt	OCT06-JAN08 PARTS7 EXPENSE REP
1585	132141	Purchasing	3/6/2008	1100-1-9860-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	MEMBER FEE MAR0	$200.00	$0.00	$200.00	1100PROENG	Professional Engineers Ontario	PEO MEMBERSHIP FEE
1586	133381	Purchasing	3/20/2008	1100-1-9860-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	MAR08 EXP	$1,059.22	$0.00	$1,059.22	1100LIPTED	Ted Lipowicz	FEB-MAR08 EXPENSE REPORT

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1587	133566	Purchasing	3/25/2008	1100-1-9850-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	577069COR	$3,500.00	$0.00	$3,500.00	1100CANWIN	Canadian Wind Energy Association 2	CANWEA 2008 CORPORATE
1588	133638	Purchasing	3/27/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	1807	$1,799.00	$0.00	$1,799.00	1100ACMINF	Acumen Information Services Inc.	IFRS-BUSINESS ISSUES & IMPLEME
1589	133635	Purchasing	3/27/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	SUBSCRIPTION MARC	$266.95	$0.00	$266.95	1100BONGAR	Bongarde Holdings	PAYROLL COMP-SUBS RENEWAL 1YR
1590	135120	Purchasing	4/10/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	CA MEMBER FEE APF	$935.00	$0.00	$935.00	1100INST	Institute of Chartered Accountants	DAVID B'S CA MEMEBERSHIP FEE
1591	135216	Purchasing	4/14/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	MAR08 EXP	$436.90	$0.00	$436.90	1100VULILY	Lily Vu	MAR08 EXPENSE REPORT
1592	136686	Purchasing	5/22/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	MAY08 EXP	$1,460.15	$0.00	$1,460.15	1100MCDMAR	Mary Lou McDonald	MAY08 EXPENSE REPORT
1593	137708	Purchasing	5/27/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	MOLLY MENT 2008	$710.16	$0.00	$710.16	1100CGA	Certified General Accountants of Ontario	CGA ANNUAL FEE 08-MOLLY M
1594	137477	Purchasing	5/27/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	MAY08 EXP	$356.00	$0.00	$356.00	1100MCCSTE	Stephen McCrodan	MAY08 EXPENSE REPORT
1595	137931	Purchasing	5/29/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	08-2727246	$676.34	$0.00	$676.34	1100CGA	Certified General Accountants of Ontario	ANNUAL MEMBERSHIP-MINI SAMUEL
1596	138411	Purchasing	6/8/2008	1100-1-0000-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	08-2084630	$676.34	$0.00	$676.34	1100CGA	Certified General Accountants of Ontario	ANNUAL MEMBERSHIP FEES
1597	138412	Purchasing	6/6/2008	1100-1-0000-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	08-2102630	$676.34	$0.00	$676.34	1100CGA	Certified General Accountants of Ontario	ANNUAL MEMBERSHIP FEES
1598	138347	Purchasing	6/6/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	MAY08 EXP	$288.00	$0.00	$288.00	1100VULILY	Lily Vu	MAY08 EXPENSE REPORT
1599	138405	Purchasing	6/9/2008	1100-1-9850-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUN08 EXP	$103.00	$0.00	$103.00	1100LINAND	Andy Ling	MAY&JUN08 EXPENSE REPORT
1600	140390	Purchasing	7/3/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUN08 EXP	$350.00	$0.00	$350.00	1100BRODAV	David Bronicheski	JUN08 EXPENSE REPORT
1601	140628	Purchasing	7/8/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUN08 EXP	$75.00	$0.00	$75.00	1100FRAANN	Anne Francis	JUN08 EXPENSE REPORT
1602	140595	Purchasing	7/11/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUN08 EXP	$75.00	$0.00	$75.00	1100PANI	Luisa Paniconi	JUN08 EXPENSE REPORT
1603	140596	Purchasing	7/11/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUN08 EXP.1	$71.69	$0.00	$71.69	1100INGAND	Andrew Ingram	JUN08 EXPENSE REPORT
1604	140613	Purchasing	7/11/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	IFRS JUL2008	$280.29	$0.00	$280.29	1100INST	Institute of Chartered Accountants	IFRS-A COMPARISION TO GAAP
1605	142615	Purchasing	7/28/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUN08 EXP	$75.00	$0.00	$75.00	1100JANIS	Janis Valentine	MAY/JUN/08 EXPENSE REPORT
1606	142947	Purchasing	7/31/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUL08 EXP	$120.00	$0.00	$120.00	1100CASKEL	Kelly Castledine	JUL08 EXPENSE REPORT
1607	142948	Purchasing	7/31/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUL08 EXP	$1,200.00	$0.00	$1,200.00	1100MCDMAR	Mary Lou McDonald	JUL08 EXPENSE REPORT
1608	144318	Purchasing	8/6/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUL08 EXP	$105.00	$0.00	$105.00	1100BRODAV	David Bronicheski	JUN, JUL 2008 EXPENSE REPORT
1609	144319	Purchasing	8/6/2008	1100-1-9850-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	JUL08 EXP	$153.75	$0.00	$153.75	1100LINAND	Andy Ling	JUL08 EXPENSE REPORT
1610	143601	Purchasing	8/18/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	AUG08 EXP	$700.00	$0.00	$700.00	1100AGRJEN	Jennifer Agris	AUG08 EXPENSE REPORT
1611	143602	Purchasing	8/18/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	AUG08 EXP	$800.00	$0.00	$800.00	1100WANSUS	Susan Wan	AUG08 EXPENSE REPORT
1612	144192	Purchasing	8/21/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	362660703 JUL08	$404.07	$0.00	$404.07	1100PROBUS	Progressive Business Publications	1 YR SUBSCRIPTION HR LEGAL TRA
1613	144202	Purchasing	8/21/2008	1100-1-9840-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	LICENCE FEE AUG08	$50.00	$0.00	$50.00	1100MINFIN	Minister of Finance	LICENCE FEE AUG08
1614	144272	Purchasing	8/25/2008	1100-1-0000-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	ST04-2884518	$700.00	$0.00	$700.00	1100CGA	Certified General Accountants of Ontario	08-09- TUITION-CAROLINE B
1615	146803	Purchasing	9/1/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	AUG08 EXP	$500.00	$0.00	$500.00	1100VULILY	Lily Vu	JUL28-AUG15'08 EXPENSE REPORT
1616	145789	Purchasing	9/10/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	ANNUAL FEE 2009	$788.44	$0.00	$788.44	1100WANSUS	Susan Wan	CGA ANNUAL MEMBERSHIP'09
1617	145790	Purchasing	9/10/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	EXP SEP08	$375.00	$0.00	$375.00	1100INGAND	Andrew Ingram	SEP08 EXPENSE REPORT
1618	147557	Purchasing	9/29/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	SM2009-913	$605.00	$0.00	$605.00	1100THEINS	The Institute- Cert. Ont Ind Relations	ANNUAL MEMEBERSHIP DUES
1619	149447	Purchasing	10/16/2008	1100-1-9840-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	SEP08 EXP	$180.00	$0.00	$180.00	1100FAISEA	Sean Fairfield	AUG07-OCT05'08 EXPENSE REPORT
1620	150494	Purchasing	11/7/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	010109-123109	$450.00	$0.00	$450.00	1100CANPAY	The Canadian Payroll Association	2008 BUSINESS MEMBERSHIP
1621	151314	Purchasing	11/24/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	2792	$4,567.00	$0.00	$4,567.00	1100CARDAT	CarDATA Consultants Inc.	CAR ALLOWANCE CONSULTING SERVI
1622	152238	Purchasing	11/26/2008	1100-1-9800-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	NOV08 EXP	$233.75	$0.00	$233.75	1100MCCSTE	Stephen McCrodan	NOV08 EXPENSE REPORT
1623	152460	Purchasing	12/9/2008	1100-1-9840-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	APPLICATION FE DEC	$1,000.00	$0.00	$1,000.00	1100MINFIN	Minister of Finance	APPLICATION FEE
1624	153461	Purchasing	12/9/2008	1100-1-9840-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	APPLICATION DEC08	$1,000.00	$0.00	$1,000.00	1100MINFIN	Minister of Finance	APPLICATION FEE
1625	153462	Purchasing	12/9/2008	1100-1-9840-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	APPLICATION DEC09	$1,000.00	$0.00	$1,000.00	1100MINFIN	Minister of Finance	APPLICATION FEE
1626	153463	Purchasing	12/9/2008	1100-1-9840-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	APPLICATION DEC20	$1,000.00	$0.00	$1,000.00	1100MINFIN	Minister of Finance	APPLICATION FEE
1627	153900	Purchasing	12/15/2008	1100-1-9810-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	9002323873	$194.91	$0.00	$194.91	1100SHRM	Society for Human Resource Management	ANNUAL FEE 3/1/09-2/28/2010
1628	154556	Purchasing	12/16/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	NOV19'08	$216.00	$0.00	$216.00	1100NATPOS	National Post	SUBSCRIPTION
1629	156080	Purchasing	12/31/2008	1100-1-9820-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT	2075270-B1	$95.50	$0.00	$95.50	1100OHSCAN	OHS Canada	CHEQ PAYABLE-OHS CANADA
1630	156534	Financial	12/31/2008	1100-1-9870-75-7420-0000	Office Costs	7420	Dues & Membership Fees - APT		$667.35	$0.00	$667.35			Accrue KCastledine 08 Exp
1631														
1632					Total Office Costs						$808,101.26			
1633														
1634	129976	Purchasing	1/31/2008	1100-1-9820-75-7340-0000	Other Professi	7340	Mechanical Engineering - AP Trust	DEC07	$1,033.24	$0.00	$1,033.24	1100DANTOB	Dan Tobias & Associates Inc.	SERVICES DEC07
1635	133636	Purchasing	3/27/2008	1100-1-9820-75-7340-0000	Other Professi	7340	Mechanical Engineering - AP Trust	SERVICES FEB08	$10,211.43	$0.00	$10,211.43	1100DANTOB	Dan Tobias & Associates Inc.	SERVICES FEB08
1636	130207	Purchasing	2/11/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	443	$353.68	$0.00	$353.68	1100OAKHAN	Oakville Handyman	LABOUR
1637	130207	Purchasing	2/11/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	443	$129.84	$0.00	$129.84	1100OAKHAN	Oakville Handyman	LABOUR
1638	131471	Purchasing	2/27/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	FEB08 EXP.1	$45.19	$0.00	$45.19	1100LINAND	Andy Ling	FEB08 EXPENSE REPORT
1639	131715	Purchasing	2/28/2008	1100-1-0000-75-7370-0000	Other Professi	7370	Other - AP Trust	9373	$3,488.40	$0.00	$3,488.40	1100EBSBEN	EBS Benefit Solutions Inc.	PROFESSIONAL SERVICES
1640	131629	Purchasing	2/28/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	AP0038	$543.77	$0.00	$543.77	1100METWOR	Metro Worx Ltd.	MONTHLY CLEANING SERVICES FEB0
1641	133793	Purchasing	3/28/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	13088	$600.00	$0.00	$600.00	1100ANDROS	Andros Consultants Limited	PROFESSIONAL SERVICES 2008
1642	135122	Purchasing	4/17/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	3606	$5,760.00	$0.00	$5,760.00	1100ACCSOU	AccuSource Inc.	SERVICES D TAYLOR MAR24-APR4
1643	135125	Purchasing	4/17/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	13094	$2,000.00	$0.00	$2,000.00	1100ANDROS	Andros Consultants Limited	PROFESSIONAL SERVICES
1644	138829	Purchasing	6/20/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	200-209	$9,775.00	$0.00	$9,775.00	1100SGGRO	JSG Group	MANAGER RATE CASE AFFAIRS
1645	140423	Purchasing	7/3/2008	1100-1-9810-75-7370-0000	Other Professi	7370	Other - AP Trust	APS-2008-146	$4,025.00	$0.00	$4,025.00	1100VIRMAN	Virax Management Systems	REVIEW BUSINESS UNIT REALIGNME
1646	140630	Purchasing	7/8/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	JUN08 EXP	$135.59	$0.00	$135.59	1100MCDMAR	Mary Lou McDonald	JUN08 EXPENSE REPORT
1647	141469	Purchasing	7/17/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	052	$20,000.00	$0.00	$20,000.00	1100203ONT	2034101 Ontario Ltd	CONSULTING FEE MAY-JUN 2008
1648	142280	Purchasing	7/18/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	JUL08 EXP	$2.08	$0.00	$2.08	1100LIPTED	Ted Lipowicz	JUL08 EXPENSE REPORT
1649	142110	Purchasing	7/22/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	474	$374.88	$0.00	$374.88	1100OAKHAN	Oakville Handyman	LABOUR SERVICE
1650	142110	Purchasing	7/22/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	474	$137.62	$0.00	$137.62	1100OAKHAN	Oakville Handyman	LABOUR SERVICE
1651	142092	Purchasing	7/23/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	80287602/3	$28,648.74	$0.00	$28,648.74	1100CAMDRE	Camp Dresser & Mckee	SENIOR PROFESSIONAL
1652	142093	Purchasing	7/23/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	12732	$6,131.75	$0.00	$6,131.75	1100GLESCH	Glen Schnarr & Associates Inc.	PROFESSIONAL SERVICE
1653	142094	Purchasing	7/23/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	38	$10,665.30	$0.00	$10,665.30	1100167ONT	1670992 Ontario Inc.	SERVICE FEES
1654	142095	Purchasing	7/23/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	39	$10,158.50	$0.00	$10,158.50	1100167ONT	1670992 Ontario Inc.	PROFESSIONAL SERVICE
1655	142910	Purchasing	7/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37179	$2,106.25	$0.00	$2,106.25	1100APS-CDN	Algonquin Power Systems Inc	APT-OPA CHP 2 RFP
1656	142911	Purchasing	7/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37181	$821.25	$0.00	$821.25	1100APS-CDN	Algonquin Power Systems Inc	APT-PROJ-DEVLPMT/AMHERST WIND
1657	142917	Purchasing	7/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37174	$315.00	$0.00	$315.00	1100APS-CDN	Algonquin Power Systems Inc	APT-WINDY SUNSHINE DEVELOPEMEN
1658	142918	Purchasing	7/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37176	$1,562.50	$0.00	$1,562.50	1100APS-CDN	Algonquin Power Systems Inc	APT-RED LILY PRE-CONSTR.ACTIV
1659	142919	Purchasing	7/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37177	$3,845.00	$0.00	$3,845.00	1100APS-CDN	Algonquin Power Systems Inc	APT-ST LEON EXP PRE-CON ACTIV
1660	143059	Purchasing	7/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37183	$19,347.50	$0.00	$19,347.50	1100APS-CDN	Algonquin Power Systems Inc	APT-STE FELITE PRE-CONSTRUCT
1661	143060	Purchasing	7/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37182	$10,428.00	$0.00	$10,428.00	1100APS-CDN	Algonquin Power Systems Inc	APT-ST.DAMASE PRE-CONSTR.ACTIV
1662	144318	Purchasing	8/6/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	JUL08 EXP	$10.16	$0.00	$10.16	1100BRODAV	David Bronicheski	JUN, JUL 2008 EXPENSE REPORT
1663	143518	Purchasing	8/15/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	053	$10,000.00	$0.00	$10,000.00	1100203ONT	2034101 Ontario Ltd	CONSULTING FEE-AP DEVELOPMENT
1664	144196	Purchasing	8/21/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	6503	$1,042.54	$0.00	$1,042.54	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd	15 YARDS OF CEDAR MULCH
1665	144195	Purchasing	8/21/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	6503	$382.66	$0.00	$382.66	1100SILBEL	Silverbel Landscaping & Snowplowing Ltd.	15 YARDS OF CEDAR MULCH
1666	144275	Purchasing	8/25/2008	1000-1-0000-75-7370-0000	Other Professi	7370	Other Professional - APIF	152365	$4,857.14	$0.00	$4,857.14	1000RSAB	Rackemann, Sawyer & Brewster	AETNA LIFE INSUR TRAFALGAR POW
1667	144276	Purchasing	8/25/2008	1000-1-0000-75-7370-0000	Other Professi	7370	Other Professional - APIF	118360 MIX	$38,888.95	$0.00	$38,888.95	1000MRT	Mentor, Rubin Trichpiece	LEGAL SERVICE JUL08
1668	144353	Purchasing	8/26/2008	1000-1-0000-75-7370-0000	Other Professi	7370	Other Professional - APIF	10406	$103,977.22	$0.00	$103,977.22	1000GENCAP	Genuity Capital Markets	STRUCTURAL ALTERNATIVE REVIEW
1669	144349	Purchasing	8/26/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	505	$189.83	$0.00	$189.83	1100OAKHAN	Oakville Handyman	SERVICE

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1670	144349	Purchasing	8/26/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	505	$70.17	$0.00	$70.17	1100OAKHAN	Oakville Handyman	SERVICE
1671	145202	Purchasing	8/31/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	55	$2,700.00	$0.00	$2,700.00	1100CORALA	Corinne Alaily	CONSULTING SERV-APIF HIGHGROUN
1672	145724	Purchasing	8/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37481	$2,655.00	$0.00	$2,655.00	1100APS-CDN	Algonquin Power Systems Inc	APT-PROJ DEVLPMT/AMHERST WIND
1673	145725	Purchasing	8/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37479	$971.25	$0.00	$971.25	1100APS-CDN	Algonquin Power Systems Inc	APT-OPA CHP2 RFP
1674	145726	Purchasing	8/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37478	$2,047.50	$0.00	$2,047.50	1100APS-CDN	Algonquin Power Systems Inc	APT-ST LEON EXP PRE-CON.ACTIV
1675	145727	Purchasing	8/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37477	$5,045.00	$0.00	$5,045.00	1100APS-CDN	Algonquin Power Systems Inc	APT-RED LILY PRE-CONSTR.ACTIV
1676	145728	Purchasing	8/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37475	$285.00	$0.00	$285.00	1100APS-CDN	Algonquin Power Systems Inc	APT-CHEL POT.ACQ 110098400061
1677	145729	Purchasing	8/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37482	$105.00	$0.00	$105.00	1100APS-CDN	Algonquin Power Systems Inc	APT-ST.DAMASE PRE-CONSTR.ACTIV
1678	145730	Purchasing	8/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37483	$1,072.50	$0.00	$1,072.50	1100APS-CDN	Algonquin Power Systems Inc	APT-WINDPRO SOFTWARE-TRAINING
1679	146806	Purchasing	9/1/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	AUG08 EXP	$347.36	$0.00	$347.36	1100LIPTED	Ted Lipowicz	AUG05-AUG12'08 EXP REPORT
1680	145807	Purchasing	9/1/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	AUG08 EXP.1	$58.65	$0.00	$58.65	1100LIPTED	Ted Lipowicz	AUG13-AUG14'08 EXP REPORT
1681	145758	Purchasing	9/5/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	SEP04/08	$250.00	$0.00	$250.00	1100WAIBIL	Bill Wainwright	POWER OF SUGGESTION
1682	145759	Purchasing	9/5/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	SEP04/08	$100.00	$0.00	$100.00	1100WILTER	Terry Wilson	POWER OF SUGGESTION
1683	145760	Purchasing	9/5/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	SEP03/08	$1,360.00	$0.00	$1,360.00	1100WAIBIL	Bill Wainwright	POWER OF SUGGESION
1684	145761	Purchasing	9/5/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	SEP03/08	$3,542.77	$0.00	$3,542.77	1100PATBIL	Bill Patsiode	POWER OF SUGGESION
1685	145790	Purchasing	9/10/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	EXP SEP08	$129.59	$0.00	$129.59	1100INGAND	Andrew Ingram	SEP08 EXPENSE REPORT
1686	147400	Purchasing	9/25/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	47304	$323.64	$0.00	$323.64	1100RYAN	Ryan ULC	SERVICE-RECOVERY ON RETAIL TAX
1687	147403	Purchasing	9/25/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	SEP25'08	$2,024.00	$0.00	$2,024.00	1100SECTRE	Secretary -Treasurer, Committee of Adjustment	COMMITTE OF ADJUSTMENT APPLICA
1688	147427	Purchasing	9/25/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	SEP08 EXP	$586.51	$0.00	$586.51	1100LIPTED	Ted Lipowicz	SEP03-SEP17'08 EXP REPORT
1689	147666	Purchasing	9/30/2008	1100-1-9810-75-7370-0000	Other Professi	7370	Other - AP Trust	9080881MP	$2,116.59	$0.00	$2,116.59	1100OCCMED	OCCU-Med, Ltd.	IMPLEMENTATION SANGER LOCATION
1690	147663	Purchasing	9/30/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	233	$75.84	$0.00	$75.84	1100VALBEA	Valentine Beauty Boutique	SKYE BODY WASH
1691	147662	Purchasing	9/30/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other- AP Trust	233	$27.84	$0.00	$27.84	1100VALBEA	Valentine Beauty Boutique	SKYE BODY WASH
1692	147698	Purchasing	9/30/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	311-101	$11,196.06	$0.00	$11,196.06	1100PILPMR	Pilot PMR	US INFRASTRUCTURE BRAND PROJEC
1693	147649	Purchasing	9/30/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37847	$247.50	$0.00	$247.50	1100APS-CDN	Algonquin Power Systems Inc	APT-WINDPRO SOFTWARE-TRAINING
1694	147651	Purchasing	9/30/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37846	$3,930.00	$0.00	$3,930.00	1100APS-CDN	Algonquin Power Systems Inc	APT-PROJ DEVLPMT/AMHERST WIND
1695	147652	Purchasing	9/30/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37844	$862.50	$0.00	$862.50	1100APS-CDN	Algonquin Power Systems Inc	APT-ST.LEON EXP PRE-CON ACTIV
1696	147653	Purchasing	9/30/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37845	$127.50	$0.00	$127.50	1100APS-CDN	Algonquin Power Systems Inc	APT-OPA CHP 2 RFP
1697	147654	Purchasing	9/30/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC37843	$9,600.00	$0.00	$9,600.00	1100APS-CDN	Algonquin Power Systems Inc	APT-RED LILY PRE-CONSTR.ACTIV
1698	147854	Purchasing	9/30/2008	1100-1-9870-75-7370-0000	Other Professi	7370	Other Professional Fees- AP Trust	10051	$837.50	$0.00	$837.50	1100PLABOO	Playbook Communications	INVESTOR RELATION & COMMUNICAT
1699	147894	Purchasing	10/2/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	POWER SUGGES OCT	$50.00	$0.00	$50.00	1100FOWIAN	Ian Fowler	POWER OF SUGGESTION ALT-010
1700	148079	Purchasing	10/10/2008	1100-1-9810-75-7370-0000	Other Professi	7370	Other - AP Trust	908088.1	$773.88	$0.00	$773.88	1100OCCMED	OCCU-Med, Ltd.	FITNESS FOR DUTY EVALUATION FO
1701	149513	Purchasing	10/27/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	SEP08 EXP.1	$109.57	$0.00	$109.57	1100LIPTED	Ted Lipowicz	SEP22-SEP30'08 EXPENSE REPORT
1702	149826	Purchasing	10/28/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	OCT08 EXP	$717.37	$0.00	$717.37	1100MCCSTE	Stephen McCrodan	JUL31-OCT23'08 EXPENSE REPORT
1703	149842	Purchasing	10/28/2008	1100-1-9810-75-7370-0000	Other Professi	7370	Other - AP Trust	21718	$9,207.17	$0.00	$9,207.17	1100CHITRA	Chiampou Travis Besaw & Kershner LLP	AUDIT APS 401K PLAN 2007 F/S
1704	149960	Purchasing	10/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38137	$55.00	$0.00	$55.00	1100APS-CDN	Algonquin Power Systems Inc	APT-STE FELICITE PRE-CONSTUCT
1705	149983	Purchasing	10/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38133	$467.50	$0.00	$467.50	1100APS-CDN	Algonquin Power Systems Inc	APS-ST LEON EXP PRE.CON.ACTIV
1706	149984	Purchasing	10/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38134	$513.75	$0.00	$513.75	1100APS-CDN	Algonquin Power Systems Inc	APT-OPA CHP2 RFP
1707	149963	Purchasing	10/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38132	$788.75	$0.00	$788.75	1100APS-CDN	Algonquin Power Systems Inc	APT-RED LILY PRE-CONSTR.ACTIV
1708	149986	Purchasing	10/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38136	$935.00	$0.00	$935.00	1100APS-CDN	Algonquin Power Systems Inc	APT-WINDPRO SOFTWARE-TRAINING
1709	149961	Purchasing	10/31/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38138	$4,892.50	$0.00	$4,892.50	1100APS-CDN	Algonquin Power Systems Inc	APT-OFFICE MOVE
1710	149985	Purchasing	10/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38135	$7,851.25	$0.00	$7,851.25	1100APS-CDN	Algonquin Power Systems Inc	APT-PROJ DEVPMT/AMHERST WIND
1711	150520	Purchasing	11/10/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	RLOCATE BOB D'S C	$1,495.00	$0.00	$1,495.00	1100TEXINT	TEX International	RELOCATE BOB D'S CAR
1712	150637	Purchasing	11/14/2008	1100-1-9830-75-7370-0000	Other Professi	7370	Other - AP Trust	OCT08 EXP	$3.15	$0.00	$3.15	1100MERGAE	Gaston Mercier	OCT08 EXPENSE REPORT
1713	150632	Purchasing	11/14/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	OCT08 EXP	$113.10	$0.00	$113.10	1100DODDBOB	Bob Dodds	OCT08 EXPENSE REPORT
1714	150631	Purchasing	11/14/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	OCT08 EXP	$649.59	$0.00	$649.59	1100LIPTED	Ted Lipowicz	OCT08 EXPENSE REPORT
1715	150633	Purchasing	11/14/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	SEP08 EXP	$3,558.11	$0.00	$3,558.11	1100DODBOB-US	Bob Dodds - USD	SEP08 EXPENSE REPORT
1716	150673	Purchasing	11/18/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	ALT-002 NOV12'08	$17,771.25	$0.00	$17,771.25	1100HEIBRA	Brad Heim	POWER OF SUGGESTION ALT-002
1717	152789	Purchasing	11/28/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38410	$18.75	$0.00	$18.75	1100APS-CDN	Algonquin Power Systems Inc	ST.DAMASE PRE CONSTR ACTIV
1718	152790	Purchasing	11/28/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38411	$40.02	$0.00	$40.02	1100APS-CDN	Algonquin Power Systems Inc	WINDPRO SOFTWARE TRAINING
1719	152787	Purchasing	11/28/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38408	$957.50	$0.00	$957.50	1100APS-CDN	Algonquin Power Systems Inc	OPA CHP 2 RFP
1720	152786	Purchasing	11/28/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38407	$3,025.00	$0.00	$3,025.00	1100APS-CDN	Algonquin Power Systems Inc	RED LILY PRE CONSTR ACTIV
1721	152788	Purchasing	11/28/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38409	$4,285.00	$0.00	$4,285.00	1100APS-CDN	Algonquin Power Systems Inc	PROJ DEVLPMT AMHERST WIND
1722	153334	Purchasing	11/30/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38812	$6,410.00	$0.00	$6,410.00	1100APS-CDN	Algonquin Power Systems Inc	APT OFFICE MOVE
1723	153978	Purchasing	12/8/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	NOV08 EXP	$366.53	$0.00	$366.53	1100LIPTED	Ted Lipowicz	NOV08 EXPENSE REPORT
1724	153822	Purchasing	12/10/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	NOV08 EXP	$78.77	$0.00	$78.77	1100BRODAV	David Bronicheski	OCT21-NOV18'08 EXPENSE REPORT
1725	153843	Purchasing	12/12/2008	1100-1-9810-75-7370-0000	Other Professi	7370	Other - AP Trust	DEC11/08	$91.36	$0.00	$91.36	1100SIEPAC	Sierra Pacific Orthopaedic Center	MEDICAL GROUP REPORT
1726	154328	Purchasing	12/16/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	79-0064199	$1,516.80	$0.00	$1,516.80	1100AMJCAM	AMJ CAMPBELL VAN LINES	LABOUR
1727	155835	Purchasing	12/29/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust	DEC08 EXP	$200.00	$0.00	$200.00	1100REAANN	Anne Reade	DEC08 EXPENSE REPORT
1728	155833	Purchasing	12/29/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	DEC08 EXP	$451.98	$0.00	$451.98	1100LIPTED	Ted Lipowicz	DEC08 EXPENSE REPORT
1729	156451	Financial	12/31/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust		$18.75	$0.00	$18.75			Correct JC38606
1730	156355	Purchasing	12/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38602	$762.50	$0.00	$762.50	1100APS-CDN	Algonquin Power Systems Inc	APT-RED LILY PRE-CONSTR.ACTIV
1731	156356	Purchasing	12/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38605	$822.50	$0.00	$822.50	1100APS-CDN	Algonquin Power Systems Inc	APT-BUSINESS DEVEL OPPORTUNIT
1732	156353	Purchasing	12/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38607	$905.00	$0.00	$905.00	1100APS-CDN	Algonquin Power Systems Inc	APT-PEC LOYALIST WIND PROJECT
1733	156354	Purchasing	12/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38608	$1,473.75	$0.00	$1,473.75	1100APS-CDN	Algonquin Power Systems Inc	APT-DUFFERIN COUNTY EFW RFP
1734	156450	Financial	12/31/2008	1100-1-9820-75-7370-0000	Other Professi	7370	Other - AP Trust		$1,665.00	$0.00	$1,665.00			Correct JC38610
1735	156357	Purchasing	12/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38611	$1,891.25	$0.00	$1,891.25	1100APS-CDN	Algonquin Power Systems Inc	DEVELOPMT GEN PRJ INV $19/P/08
1736	156089	Purchasing	12/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38603	$2,562.50	$0.00	$2,562.50	1100APS-CDN	Algonquin Power Systems Inc	APT-OPA CHP 2RFP
1737	156090	Purchasing	12/31/2008	1100-1-9840-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38604	$4,575.05	$0.00	$4,575.05	1100APS-CDN	Algonquin Power Systems Inc	APT-WINDPRO SOFTWARE-TRAINING
1738	156449	Financial	12/31/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust		$6,697.50	$0.00	$6,697.50			Correct JC38612
1739	155936	Purchasing	12/31/2008	1100-1-9810-75-7370-0000	Other Professi	7370	Other - AP Trust	12080881MP	$20,708.95	$0.00	$20,708.95	1100OCCMED	OCCU-Med, Ltd.	NATIONAL IMPLEMENTATION
1740	156456	Purchasing	12/31/2008	1100-1-9850-75-7370-0000	Other Professi	7370	Other - AP Trust	JC38609	$34,345.00	$0.00	$34,345.00	1100APS-CDN	Algonquin Power Systems Inc	APT-TECH OPER AUDIT/DRAY
1741														
1742					Total Other Professional Services						$508,510.48			
1743														
1744	40738	Purchasing	2/13/2008	5000-2-0000-75-7351-0000	Tax Service	7351	Tax Services Expense	JAN08	$2,971.94	$0.00	$3,971.95	5000DANTOB	Dan Tobias & Associates, Inc.	SERVICES JAN08
1745	130264	Purchasing	2/13/2008	2000-1-0000-75-7351-0000	Tax Service	7351	Tax Services - APFC	217145	$1,650.00	$0.00	$1,650.00	2000GRATHO	Grant Thornton LLP	APFC TAX SERVICES
1746	41645	Purchasing	5/22/2008	5000-2-0000-75-7351-0000	Tax Service	7351	Tax Services Expense	MAY 09,2008	$4,355.01	$0.00	$4,355.01	5000DANTOB	Dan Tobias & Associates, Inc.	SERVICES APR08
1747	136921	Purchasing	5/26/2009	1000-1-0000-75-7351-0000	Tax Service	7351	Tax Services - APIF	220306	$10,971.00	$0.00	$10,971.00	1000GRATHO	Grant Thornton	REVIEW 03/31/08 FIRST QUARTER
1748	41915	Purchasing	6/20/2008	5000-2-0000-75-7351-0000	Tax Service	7351	Tax Services Expense	MAY 2008	$8,330.59	$0.00	$8,330.59	5000DANTOB	Dan Tobias & Associates, Inc.	TAX SERVICES
1749	42161	Purchasing	7/23/2008	5000-2-0000-75-7351-0000	Tax Service	7351	Tax Services Expense	JULY 9, 2008	$3,795.37	$0.00	$3,795.37	5000DANTOB	Dan Tobias & Associates, Inc.	DCF MODELING ASSUMPTIONS
1750	25506	Purchasing	7/29/2008	8010-2-0000-75-7351-0000	Tax Service	7351	Tax Service Expense	C 43139839	$45,100.00	$0.00	$45,100.00	8010KPMG	KPMG LLP	CANADIAN TAX SERVICE JAN31'08
1751	142706	Purchasing	7/29/2008	2000-1-0000-75-7351-0000	Tax Service	7351	Tax Services - APFC	C 43139900	$80,300.00	$0.00	$80,300.00	2000KPMG	KPMG LLP	CANADIAN TAX SERVICE JAN31'08

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1752	142708	Purchasing	7/29/2008	1140-1-0000-75-7351-0000	Tax Service	7351	Tax Services - Alg AirSource	43139672	$3,780.00	$0.00	$3,780.00	1140KPMG	KPMG LLP	CANADIAN TAX SERVICE JAN31'08
1753	42543	Purchasing	8/26/2008	5000-2-0000-75-7351-0000	Tax Service	7351	Tax Services Expense	JUL08 BILLING INVOI	$2,416.18	$0.00	$2,416.18	5000DANTOB	Dan Tobias & Associates, Inc.	JUL2008 BILLING INVOICES
1754	42762	Purchasing	9/22/2008	5000-2-0000-75-7351-0000	Tax Service	7351	Tax Services Expense	AUG08	$1,051.78	$0.00	$1,051.78	5000DANTOB	Dan Tobias & Associates, Inc.	REV CY ENROLLMENT&FILING W/STA
1755	25555	Purchasing	10/6/2008	2010-2-0000-75-7351-0000	Tax Service	7351	Tax Service Expense	SALES3071	$37,013.14	$0.00	$37,013.14	8010APIF	Algonquin Power Income Fund	AWRA KPMG TAX SERVICE CB
1756	152071	Purchasing	11/30/2008	1100-1-0000-75-7351-0000	Tax Service	7351	Tax Services - APT	SALES4058	$786.92	$0.00	$786.92	1100APIF	Algonquin Power Income Fund	TAX SERVICE GRANT INV223526
1757	152077	Purchasing	11/30/2008	2000-1-0000-75-7351-0000	Tax Service	7351	Tax Services - APFC	SALES4057	$1,180.39	$0.00	$1,180.39	2000APIF	Algonquin Power Income Fund	TAX SERVICE GRANT INV223526
1758	25589	Purchasing	11/30/2008	8010-2-0000-75-7351-0000	Tax Service	7351	Tax Service Expense	SALES4056	$1,881.93	$0.00	$1,881.93	8010APIF	Algonquin Power Income Fund	TAX SERVICE GRANT INV223526
1759														
1760														
1761					Total Tax Services						$206,584.26			
1762														
1763	130400	Purchasing	2/20/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0129925	$1,079.34	$0.00	$1,079.34	1000CNW	Canada News Wire	NEWSWIRE SERV
1764	133352	Purchasing	3/25/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0131038	$500.00	$0.00	$500.00	1000CNW	Canada News Wire	I-NET SERV: ADD INTERACT/LINK
1765	133627	Purchasing	3/27/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0126978	$1,562.94	$0.00	$1,562.94	1000CNW	Canada News Wire	NEWSIRE SERV
1766	134330	Purchasing	4/8/2008	1140-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0132173	$424.15	$0.00	$424.15	1000CNW	Canada News Wire	NEWSWIRE SERV CANADIAN
1767	135141	Purchasing	4/17/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	2008092053	$1,259.21	$0.00	$1,259.21	1140BROADR	Broadridge	PROCESSING FEE/POSTAGE
1768	136932	Purchasing	5/26/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0133951	$1,697.61	$0.00	$1,697.61	1000CNW	Canada News Wire	NEWSWIRE SERV
1769	137979	Purchasing	5/30/2008	1140-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0136414	$762.00	$0.00	$762.00	1000CNW	Canada News Wire	SERVICE:SEDAR FILING
1770	138410	Purchasing	6/6/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	2008142001	$604.88	$0.00	$604.88	1140BROADR	Broadridge	PROCESSING FEES
1771	139830	Purchasing	6/25/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	0824797491	$80.37	$0.00	$80.37	1000ICESYS	Ice Systems Inc	NOMINEE COORDINATION FEE
1772	142105	Purchasing	7/22/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0139276	$2,220.75	$0.00	$2,220.75	1000CNW	Canada News Wire	NEWSWIRE SERV: CA CUSTOM DISCL
1773	142639	Purchasing	7/28/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0142077	$449.00	$0.00	$449.00	1000CNW	Canada News Wire	NEWSWIRE SERV: CA CUSTOM DISCL
1774	144278	Purchasing	8/25/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0145077	$75.00	$0.00	$75.00	1000CNW	Canada News Wire	SEAR SERVICE"BRANDED RELEASE
1775	145772	Purchasing	9/8/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0144523	$1,424.75	$0.00	$1,424.75	1000CNW	Canada News Wire	NEWSWIRE SERVICE
1776	146501	Purchasing	9/22/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	10048	$1,152.50	$0.00	$1,152.50	1000PLAYBO	Playbook Communications	INVESTOR RELATION JUL08
1777	149243	Purchasing	10/27/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0140583	$1,655.50	$0.00	$1,655.50	1000CNW	Canada News Wire	NEWSWIRE SERVICE
1778	149940	Purchasing	10/30/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0149738	$449.00	$0.00	$449.00	1000CNW	Canada News Wire	NEWSWIRE SERV: CA CUSTOM DISCL
1779	151295	Purchasing	11/24/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	10059	$1,786.25	$0.00	$1,786.25	1000PLAYBO	Playbook Communications	PROFESSIONAL SERVICE SEP08
1780	151318	Purchasing	11/24/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0152286	$2,287.50	$0.00	$2,287.50	1000CNW	Canada News Wire	NEWSWIRE SERV CANADIAN CUSTOM
1781	153898	Purchasing	12/15/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	10063	$3,061.25	$0.00	$3,061.25	1000PLAYBO	Playbook Communications	INVESTOR RELATIONS&COMMUNICATI
1782	155838	Purchasing	12/29/2008	1000-1-0000-75-7700-0000	Unit holder co	7700	Unitholder Communications Cost	T0154158	$1,229.75	$0.00	$1,229.75	1000CNW	Canada News Wire	CANADIAN CUSTOM DISCLOSURE NET
1783								NOV08	$635.00	$0.00	$635.00	1000PLAYBO	Playbook Communications	INVESTOR RELATION COMMUNICATIO
1784														
1785					Total Unit Holder Communication						$24,396.75			
1786														
1787			1/1/2008		Rent			RENT JAN08			$24,656.76	1100APPROP	Monthly Rent	Monthly Rent
1788			2/1/2008		Rent			RENT FEB08			$24,656.76	1100APPROP	Monthly Rent	Monthly Rent
1789			3/1/2008		Rent			RENT MAR08			$24,656.76	1100APPROP	Monthly Rent	Monthly Rent
1790			4/1/2008		Rent			RENT APR08			$24,656.76	1100APPROP	Monthly Rent	Monthly Rent
1791			5/1/2008		Rent			RENT MAY08			$24,656.76	1100APPROP	Monthly Rent	Monthly Rent
1792			6/1/2008		Rent			RENT JUN.01.08			$24,656.76	1100APPROP	Monthly Rent	Monthly Rent
1793			7/1/2008		Rent			RENT JUL08			$24,657.76	1100APPROP	Monthly Rent	Monthly Rent
1794			8/1/2008		Rent			RENT AUG08			$24,658.76	1100APPROP	Monthly Rent	Monthly Rent
1795			9/1/2008		Rent			RENT SEP08			$24,659.76	1100APPROP	Monthly Rent	Monthly Rent
1796			10/1/2008		Rent			RENT OCT08			$25,889.59	1100APPROP	Monthly Rent	Monthly Rent
1797			11/1/2008		Rent			RENT NOV08			$25,889.59	1100APPROP	Monthly Rent	Monthly Rent
1798			12/1/2008		Rent			RENT DEC08			$25,889.59	1100APPROP	Monthly Rent	Monthly Rent
1799														
1800					Total Rent						$299,585.61			
1801														
					Total Costs						$3,335,784.07			

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Journal Entry	Series	TRX Date	Account Number	Account Description	Credit Amount	Debit Amount	Total	Originating Document Number	Originating Master ID	Originating Master Name	Reference		
2	130401	Purchasing	2/20/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$106,600.00	$106,600.00	42987658	1000KPMG	KPMG	ANNUAL AUDIT 2007	Audit	
3	134271	Purchasing	4/4/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$153,627.00	$153,627.00	43032725	1000KPMG	KPMG	2007 ANNUAL AUDIT	Audit	
4	136483	Purchasing	5/9/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$17,063.00	$17,063.00	43054410	1000KPMG	KPMG	AUDITING FEE	Audit	
5	137928	Purchasing	5/29/2008	3020-1-0000-20-2110-0000	Accrued Liabilities- CDN	$0.00	$22,050.00	$22,050.00	43101815	3020KPMG	KPMG	AUDIT SERVICE 12/31/07-1704332	Audit	
6	138756	Purchasing	6/16/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$78,350.00	$78,350.00	C 43112799	1000KPMG	KPMG	SERVICES FEES-US TAX XOMPLIANC	Audit	
7	138745	Purchasing	6/16/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$52,234.00	$52,234.00	43115156	1000KPMG	KPMG	PROFESSIONAL SERVICES	Audit	
8	144195	Purchasing	8/21/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$55,650.00	$55,650.00	43162521	1000KPMG	KPMG	PROFESSIONAL SERVICES	Audit	
9	146564	Purchasing	9/22/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$5,250.00	$5,250.00	4316803[illegible]	1140KPMG	KPMG LLP	AUDITING FEE	Audit	
10	147847	Purchasing	9/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$50,800.00	$50,800.00	C 43208904	1000KPMG	KPMG	INTERIM BILLING	Audit	
11	147848	Purchasing	9/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$45,062.00	$45,062.00	C 43208818	1000KPMG	KPMG	SECOND QUARTER REVIEW JUN30'08	Audit	
12	147972	Purchasing	10/6/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$124,425.00	$124,425.00	43215386	1000KPMG	KPMG	US TAX PREPARATION	Audit	
13	153832	Purchasing	12/10/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$50,800.00	$50,800.00	C 43263455	1000KPMG	KPMG	2008 AUDIT FEES	Audit	
14														
15														
16					Total Audit Cost			$761,891.00						
17														
18	130259	Purchasing	2/13/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$9,219.00	$9,219.00	1332087	1000BLAK	Blake, Cassels & Graydon	GENERAL LEGAL	Legal	
19	130265	Purchasing	2/13/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$6,479.85	$6,479.85	1332090	1000BLAK	Blake, Cassels & Graydon	PROFESSIONAL SERVICES	Legal	
20	131685	Purchasing	2/28/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$66.73	$66.73	2008021550	1000MCLG	McLane, Graf, Raulerson	SERVICE	Legal	
21	132324	Purchasing	3/12/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$26,324.22	$26,324.22	1338711 I	1000BLAK	Blake, Cassels & Graydon	GENERAL LEGAL	Legal	
22	132269	Purchasing	3/12/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$5,403.00	$5,403.00	1338701	1000BLAK	Blake, Cassels & Graydon	PROFESSIONAL SERV	Legal	
23	132275	Purchasing	3/12/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$1,164.44	$1,164.44	1338711	1000BLAK	Blake, Cassels & Graydon	GENERAL LEGAL	Legal	
24	134122	Purchasing	3/31/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$32,780.82	$32,780.82	1342724	1000BLAK	Blake, Cassels & Graydon	GENERAL LEGAL	Legal	
25	134117	Purchasing	3/31/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$14,253.59	$14,253.59	1342440	1000BLAK	Blake, Cassels & Graydon	PROFESSIONAL SERVICES	Legal	
26	139853	Purchasing	6/25/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$96,002.23	$96,002.23	1346914	1000BLAK	Blake, Cassels & Graydon	PROFEESIONAL SERVICE-MAR08	Legal	
27	139854	Purchasing	6/25/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$18,189.50	$18,189.50	1346913	1000BLAK	Blake, Cassels & Graydon	PROFESSIONAL SERVICE--MAR08	Legal	
28	139855	Purchasing	6/25/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$1,516.50	$1,516.50	1346912	1000BLAK	Blake, Cassels & Graydon	LEGAL TAX PLANNING MAR31 2008	Legal	
29	142635	Purchasing	7/28/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$48,903.71	$48,903.71	1358340	1000BLAK	Blake, Cassels & Graydon	PROFEESIONAL SERVICE	Legal	
30	142636	Purchasing	7/28/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$1,340.30	$1,340.30	1358339	1000BLAK	Blake, Cassels & Graydon	PROFESSIONAL SERVICES	Legal	
31	142637	Purchasing	7/28/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$956.05	$956.05	1358341	1000BLAK	Blake, Cassels & Graydon	PROFESSIONAL SERVICE	Legal	
32	142638	Purchasing	7/28/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$7,445.00	$7,445.00	1355205	1000BLAK	Blake, Cassels & Graydon	PROFESSIONAL SERVICES	Legal	
33	143525	Purchasing	8/15/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$8,010.80	$8,010.80	1355188	1000BLAK	Blake, Cassels & Graydon	CAMPBELLFORA LEGAL CB APT	Legal	
34	143526	Purchasing	8/15/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$5,298.00	$5,298.00	1355193	1000BLAK	Blake, Cassels & Graydon	CHARGE BACK ST.LEON LP	Legal	
35	143527	Purchasing	8/15/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$19,457.35	$19,457.35	1364279	1000BLAK	Blake, Cassels & Graydon	GENERAL LEGAL CHARGE BACK	Legal	
36	143528	Purchasing	8/15/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$65,443.01	$65,443.01	1355185	1000BLAK	Blake, Cassels & Graydon	GENERAL LEGAL CHARGE BACK	Legal	
37	143529	Purchasing	8/15/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$1,601.50	$1,601.50	1355190	1000BLAK	Blake, Cassels & Graydon	APFC REORGANIZATION CB APFC	Legal	
38	143565	Purchasing	8/18/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$6,195.00	$6,195.00	4647 DEC06.1	1000BLAK	Blake, Cassels & Graydon	DEC2006	Legal	
39	148054	Purchasing	10/8/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$12,469.09	$12,469.09	1377763	1000BLAK	Blake, Cassels & Graydon	GENERAL	Legal	
40	150559	Purchasing	11/11/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$4,062.85	$4,062.85	1381436	1000BLAK	Blake, Cassels & Graydon	GENERAL LEGAL FEE	Legal	
41	151307	Purchasing	11/24/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$1,050.60	$1,050.60	1387289	1000BLAK	Blake, Cassels & Graydon	GENERAL LEGAL	Legal	
42														
43					Total Legal Costs			$393,633.14						
44														
45	128137	Purchasing	1/7/2008	1100-1-0000-20-2110-0000	Accrued Liabilities- CDN	$0.00	$16,743.64	$16,743.64	10120632	1100BDODUN	BDO Dunwoody	DYNAMICS GP WENNSOFT UPGRADE	Other Professional Services	
46	130360	Purchasing	2/19/2008	1100-1-0000-20-2110-0000	Accrued Liabilities- CDN	$0.00	$13,256.36	$13,256.36	10120885	1100BDODUN	BDO Dunwoody	PROFESSIONAL SERVICES	Other Professional Services	
47	133375	Purchasing	3/25/2008	1100-1-0000-20-2110-0000	Accrued Liabilities- CDN	$0.00	$19,700.00	$19,700.00	INV16880	1100CERIDI	Ceridian Canada Ltd	SERVICE FEE	Other Professional Services	
48	134131	Purchasing	3/31/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$1,803.60	$1,803.60	00567	1000JLCGRO	JLC Group	ALTERATIONS/PDFS, CORIERS	Other Professional Services	
49	135119	Purchasing	4/10/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$5,000.00	$5,000.00	1086960	1000TSE	Toronto Stock Exchange	FILING FEE	Other Professional Services	
50	139875	Purchasing	6/26/2008	1100-1-0000-20-2110-0000	Accrued Liabilities- CDN	$0.00	$505.14	$505.14	45689	1100RYAN	Ryan ULC	PROFESSIONAL SERVIC- TAX RECOV	Other Professional Services	
51	139874	Purchasing	6/26/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$130.01	$130.01	45691	1000RYAN	Ryan ULC	PROFESSIO SERVICE-RECOVERY QST	Other Professional Services	
52														
53					Total Other Professional Fees			$57,138.75						
54														
55	134115	Purchasing	3/31/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$12,420.00	$12,420.00	218189	1000GRATHO	Grant Thornton	PROFESSIONAL SERVICES	Tax	
56	142707	Purchasing	7/29/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$7,700.00	$7,700.00	062608	1000KPMG	KPMG	CANADIAN TAX SERVICE JAN31'08	Tax	
57	143600	Purchasing	8/18/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$7,348.00	$7,348.00	222285	1000GRATHO	Grant Thornton	TAX SERVICES ACCRUED	Tax	
58	146497	Purchasing	9/22/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$15,000.00	$15,000.00	C 43168196	1000KPMG	KPMG	INTERIM BILLING FOR TAX SERVIC	Tax	
59	146498	Purchasing	9/22/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$30,000.00	$30,000.00	43168033	1000KPMG	KPMG	INTERIM BILLING FOR TAX SERVIC	Tax	
60	146565	Purchasing	9/22/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$35,000.00	$35,000.00	C 43168247	2000KPMG	KPMG LLP	INTERIM BILLING FOR TAX SERVIC	Tax	
61	151503	Purchasing	39776	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$8,393.85	$8,393.85	223526	1000GRATHO	Grant Thornton	REVIEW SEP08 CDN&US TAX PREVIS	Tax	
62														
63					Total Tax			$115,861.85						
64														
65			4/1/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$23,000.00	$23,000.00	TRUSTEE FEE Q1 2008		George Steever	TRUSTEE FEE Q1 2008	Trustee Fees	
66			4/1/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$23,000.00	$23,000.00	TRUSTEE FEE Q1 2008		Chris Ball	TRUSTEE FEE Q1 2008	Trustee Fees	
67			4/1/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$23,000.00	$23,000.00	TRUSTEE FEE Q1 2008		Kenneth Moore	TRUSTEE FEE Q1 2008	Trustee Fees	
68			6/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$20,000.00	$20,000.00	TRUSTEE FEE Q2 2008		George Steeves	TRUSTEE FEE Q2 2008	Trustee Fees	
69			6/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$20,000.00	$20,000.00	TRUSTEE FEE Q2 2008		Chris Ball	TRUSTEE FEE Q2 2008	Trustee Fees	
70			6/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$20,000.00	$20,000.00	TRUSTEE FEE Q2 2008		Kenneth Moore	TRUSTEE FEE Q2 2008	Trustee Fees	
71														
72					Total Trustee Fees			$129,000.00						
73														
74	130460	Purchasing	2/22/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$253.80	$253.80	B2771	1000KEND	Kendall Printing Co. Ltd.	INCOME FUND PROFILE 4 4	Unit Holder Communication	
75	132903	Purchasing	3/18/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$32,693.50	$32,693.50	APIF MAILING MAR08	1000BROADR	Broadridge	APIF MAIL MATERIAL	Unit Holder Communication	
76	132904	Purchasing	3/18/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$6,331.80	$6,331.80	PXA1013027	1000BROADR-US	Broadridge Investor Communication Solutions	POSTAGE	Unit Holder Communication	
77	133326	Purchasing	3/26/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$34,100.50	$34,100.50	MAIL MATERIAL MAR08	1000BROADR	Broadridge	2007 ANNUAL REPORT	Unit Holder Communication	
78	134105	Purchasing	3/31/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$64.80	$64.80	B2846	1000KEND	Kendall Printing Co. Ltd.	REQUEST FOR FINANCIAL STATEMEN	Unit Holder Communication	
79	134283	Purchasing	4/4/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$25,853.60	$25,853.60	B2708	1000KEND	Kendall Printing Co. Ltd.	APIF ANNUAL MAILING	Unit Holder Communication	
80	134331	Purchasing	4/8/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$40,240.80	$40,240.80	B2709	1000KEND	Kendall Printing Co. Ltd.	ANNUAL REPORT 68 PGS& COVER	Unit Holder Communication	
81	135123	Purchasing	4/17/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$916.21	$916.21	S2708	1000KEND	Kendall Printing Co. Ltd.	MANAGEMENT CIRCULAR	Unit Holder Communication	
82	135184	Purchasing	4/22/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$50.00	$50.00	2008105025	1000BROADR	Broadridge	FEES	Unit Holder Communication	
83	135298	Purchasing	4/28/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$762.40	$762.40	2008105061	1000BROADR	Broadridge	FEES	Unit Holder Communication	
84	135299	Purchasing	4/28/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$10,587.02	$0.00	($10,587.02)	2008098052	1000BROADR	Broadridge	CREDIT	Unit Holder Communication	
85	136472	Purchasing	5/12/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$375.00	$375.00	2008119068	1000BROADR	Broadridge	I SHAREOWNER POSITIONS	Unit Holder Communication	
86	136547	Purchasing	5/15/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$64.50	$64.50	S2708.1	1000KEND	Kendall Printing Co. Ltd.	MANAGEMENT CIRCULAR MAR08	Unit Holder Communication	
87	136590	Purchasing	5/21/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$920.97	$920.97	2008535007	1000BROADR	Broadridge	INTERNET, ITI	Unit Holder Communication	
88	136906	Purchasing	5/26/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$6,339.60	$6,339.60	B2977	1000KEND	Kendall Printing Co. Ltd.	1ST QUARTER REPORT	Unit Holder Communication	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
89	136907	Purchasing	5/26/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$4,631.26	$4,631.26	135022	1000BROADR-US	Broadridge Investor Communication Solutions	PROCESSING FEE	Unit Holder Communication	
90	137743	Purchasing	5/27/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$10,587.02	$10,587.02	18015910	1000BROADR	Broadridge	REFUND FROM BROADRIDGE	Unit Holder Communication	
91	138409	Purchasing	6/6/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$492.63	$492.63	136014	1000BROADR-US	Broadridge Investor Communication Solutions	INTERNET, TELEPHONE	Unit Holder Communication	
92	138441	Purchasing	6/12/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$72.60	$72.60	52977	1000KEND	Kendall Printing Co. Ltd.	SHIPPING 1ST QUARTER REPORTS	Unit Holder Communication	
93	138755	Purchasing	6/16/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$899.79	$899.79	2008148196	1000BROADR	Broadridge	POSTAGE FEES	Unit Holder Communication	
94	138831	Purchasing	6/20/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$3,600.00	$3,600.00	2008163047	1000BROADR	Broadridge	FEES	Unit Holder Communication	
95	140614	Purchasing	7/11/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$95.50	$95.50	2008178021	1000BROADR	Broadridge	OTHER FEES	Unit Holder Communications	
96	142717	Purchasing	7/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$80,179.20	$80,179.20	83047	1000KEND	Kendall Printing Co. Ltd.	PRINTING COSTS FOR HIGHGROUND	Unit Holder Communications	
97	145398	Purchasing	8/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$576.05	$576.05	2008240001	1000BROADR	Broadridge	PROCESS FEE	Unit Holder Communications	
98	145204	Purchasing	8/31/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$8,985.60	$8,985.60	87100	1000KEND	Kendall Printing Co. Ltd.	2ND QUARTERLY REPORT	Unit Holder Communications	
99	146554	Purchasing	9/17/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$939.31	$939.31	2008242016	1000BROADR	Broadridge	PROCESSING FEE	Unit Holder Communications	
100	146555	Purchasing	9/17/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$150.48	$150.48	93100	1000KEND	Kendall Printing Co. Ltd.	SHIPPING 2ND Q REPORT TO 3 LOC	Unit Holder Communications	
101	153079	Purchasing	11/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$548.01	$548.01	2008329001	1000BROADR	Broadridge	PROCESS FEE	Unit Holder Communications	
102	153288	Purchasing	11/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$939.31	$939.31	2008330002	1000BROADR	Broadridge	PROCESS FEES	Unit Holder Communications	
103	152760	Purchasing	11/27/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$4,276.80	$4,276.80	83329	1000KEND	Kendall Printing Co. Ltd.	PRINTING	Unit Holder Communications	
104	153080	Purchasing	11/30/2008	1000-1-0000-20-2110-0000	Accrued Liabilities- APIF	$0.00	$10,065.60	$10,065.60	83328	1000KEND	Kendall Printing Co. Ltd.	3RD Q REPORT	Unit Holder Communications	
105														
106					Total Unit Holder Communication			$265,399.63						
107														
108					Total Accruals			$1,722,924.37						

EXHIBIT
S-5
ADMITTED

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Arizona Corporation Commission
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BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL
CHAIRMAN
JIM IRVIN
COMMISSIONER
MARC SPITZER
COMMISSIONER

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR ADJUSTMENTS TO ITS RATES AND CHARGES FOR UTILITY SERVICE FURNISHED BY ITS NORTHERN GROUP AND FOR CERTAIN RELATED APPROVALS.	DOCKET NO. W-01445A-00-0962 DECISION NO. 64282 **OPINION AND ORDER**

DATES OF HEARING:	August 31 (pre-hearing conference), September 5, 6, and 7, 2001.
PLACE OF HEARING:	Phoenix, Arizona
ADMNISTRATIVE LAW JUDGE:	Stephen Gibelli[1]
APPEARANCES:	Mr. Norman James and Mr. Jay Shapiro, FENNEMORE CRAIG, on behalf of Arizona Water Company; Mr. Daniel W. Pozefsky, Attorney, on behalf of the Residential Utility Consumer Office; and Ms. Teena Wolfe, Staff Attorney, Legal Division, on behalf of the Utilities Division of the Arizona Corporation Commission.

BY THE COMMISSION:

I. INTRODUCTION

On November 22, 2000, Arizona Water Company ("Arizona Water" or "Company") filed an application for a rate increase for the Company's Northern Group water systems. Arizona Water supplies water to approximately 60,000 customers in eight Arizona counties under 18 separate water systems. The rate application filed in this proceeding involves only the Company's Northern Group, which serves approximately 16,000 customers under five separate water systems (Sedona, Pinewood, Rimrock, Lakeside, and Overgaard). Arizona Water seeks approval in this case to organize these five systems into two divisions with consolidated rate schedules. Under the

[1] Mr. Gibelli conducted the hearing in this matter and the Recommended Opinion and Order was written by Dwight Nodes.

Company's proposal, the Sedona Division would include the Sedona, Pinewood, and Rimrock systems, and the Lakeside Division would consist of the Lakeside and Overgaard systems. Under this proposed consolidated rate schedule, Arizona Water seeks an increase of $1,121,081 for the Sedona Division and an increase of $951,513 for the Lakeside Division. The Company's proposed combined revenue increase of $2,072,594 represents an average increase of approximately 35 percent (Ex. A-5, at 2-3, Sched. Tab 1).

Arizona Water's current rates and charges were approved by the Commission on December 23, 1992 in Decision No. 58120, and became effective January 1, 1993. The service charges were later modified in Decision No. 60512, issued December 3, 1997. The Company's purchased power adjustor mechanisms were changed in Decision Nos. 58293 and 62755, issued May 19, 1993 and July 25, 2000, respectively. Arizona Water's Monitoring Assistance Program ("MAP") surcharge was established in Decision No. 62141 on December 14, 1999 (Ex. S-1, at 3-4).

Staff filed a letter on December 22, 2000 acknowledging that the Company's rate filing was sufficient. The Residential Utility Consumer Office ("RUCO") was granted intervention on January 19, 2001. Arizona Water, Staff, and RUCO filed testimony supporting their respective positions. Hearings were conducted on September 5, 6, and 7, 2001 before a duly authorized Administrative Law Judge. Closing briefs were filed on October 17, 2001.

A. Rate Application

According to the Company's application, in the test year ended December 31, 1999, Arizona Water's Northern Group had adjusted operating income of $899,136 on an adjusted Original Cost Rate Base of $19,654,410, a 4.37 percent rate of return. Arizona Water requests a revenue increase of $2,285,526.[2] Staff recommends a revenue increase of $764,896, and RUCO recommends an increase of $667,094.

II. RATE BASE

A. Post-Test Year Plant Additions

Arizona Water proposed a revised Northern Group fair value rate base equal to

[2] This total does not match Exhibit C "Total of Systems" due to rounding.

$19,506,293, which included post test year plant additions totaling $3,222,432 (Ex. A-5, Tab 1). Although the Company selected a 1999 test year in this proceeding, it proposes that plant additions be included in rate base that were placed in service through March 31, 2001. Arizona Water argues that there is no dispute that all of the post-test year plant additions were completed and placed in service before March 31, 2001, and are currently used and useful.

The Company claims that the Commission has previously approved pro forma adjustments to rate base under similar circumstances. The Company points to its prior rate case (Decision No. 58120) as an example of the Commission's inclusion of plant added 12 months after the test year because the plant was serving customers and was used and useful. Arizona Water also cites to several other cases where the Commission has included post-test year plant additions in rate base. In Decision Nos. 60220 (May 27, 1997), the Commission included post-test year plant for Paradise Valley Water Company. The Commission also included plant additions after the test year for Far West Water & Sewer in Decision No. 62649 (June 13, 2000).

Arizona Water contends that the plant additions in question in this case are reasonable and consistent with the Commission's policies and practices. The Company asserts that the plant additions are revenue neutral in that they are used to serve existing customers and not future growth. Finally, the Company claims that there is no dispute that the plant additions were completed and placed in service by March 2001, and that the additions are used and useful.

RUCO argues that, although the Commission has in the past adopted post-test year plant additions, the cases cited by Arizona Water are distinguishable. RUCO claims that the *Far West* case involved interim rates being set on an emergency basis, as well as a financing request to fund the plant additions necessary to solve water quality problems. The Commission allowed inclusion of plant additions 14 months beyond the test year due to the fact that the plant additions were ordered by the Commission. The Commission stated that:

> It is unreasonable for the Commission to order the Company to make such an investment that triples its rate base and approve financing, but reject the request for rates that would support the investment and provide a fair and reasonable return.

(Decision No. 62649, at 5). The Commission went on to state in that case that it did not intend to set a precedent for disregarding the Commission's rules that require applications to be based on an historic test year. The Commission further stated that its decision to allow the plant additions in that case should not be construed as an indication that such post-test year plant additions would be approved in any other context (*Id.*). With respect to the *Paradise Valley* case, the Commission allowed inclusion of plant additions 13 months after the test year. RUCO points out that these plant additions were necessary to address system-wide deficiencies that resulted in low water pressure and lack of water (*See*, Decision No. 60220, at 5-6). Unlike the *Far West* and *Paradise Valley* cases, RUCO claims that Arizona Water's post-test year plant additions were for routine maintenance and improvements. Since Arizona Water's plant additions do not involve special or unique circumstances, RUCO argues that the Commission should follow its normal practice of adopting a historical test year for inclusion of plant in rate base.

Staff points out that the Company filed its application on November 22, 2000, but chose a test year ending December 31, 1999. Because Arizona Water voluntarily chose a 1999 test year, Staff claims it is unreasonable for the Company to seek inclusion of plant additions 15 months after the end of the test year. Therefore, Staff recommends that the Commission utilize Staff's proposed plant addition cut-off date of December 31, 2000 as a compromise position that would include plant additions made through the 12 months following the test year.

Staff claims that pro forma adjustments to rate base should be allowed only if they are known and measurable, are revenue neutral (*i.e.*, they do not violate the matching principle), and extend no more than one year after the test year. Staff asserts that going beyond 12 months after the end of the test year increases the likelihood of a significant mismatch among rate base revenues, and expenses. Staff contends that its December 31, 2000 cut-off date proposal fairly balances the interests of Arizona Water's shareholders and ratepayers.

The Commission's rules require that the test year selected by a rate applicant for determining rate base, operating income, and rate of return to be "the most recent practical date available prior to the filing." A.A.C. R14-2-103(A)(3)(p). Although the Commission has

historically recognized known and measurable post-test year data, it has generally limited such recognition to at most 12 months following the end of the test year. The cases cited by the Company to support its 15-month post-test year proposal are distinguishable because they involved the need to resolve water quality issues on an expedited basis. Moreover, as Staff points out, Arizona Water had exclusive control over the timing of its rate application and selection of the test year, and the Company should have been aware of the Commission's rules and precedent involving post-test year plant additions. We believe Staff's proposal to include the Company's plant additions for up to a full year following the end of the test year in this case is a reasonable and justifiable resolution of this issue.

B. <u>Accumulated Depreciation</u>

In calculating accumulated depreciation, Arizona Water uses the "half-year convention" of depreciation. Under this convention, plant additions during the year are assumed to be made on June 30 or July 1, resulting in a half-year's depreciation in the first year and a half-year's depreciation in the year that the plant is retired (Tr. 61). This convention was approved in the Company's last rate case (Decision No. 58120, at 5-6). However, in this case Arizona Water followed the half-year convention on its books but for ratemaking purposes seeks recovery of a full 12 months of depreciation (Tr. 63-65).

Arizona Water made pro forma adjustments to match its accumulated depreciation balance with the post-test year plant additions (Ex. A-4, at 22-26). The Company claims that its assumption that post-test year plant additions were in service at the beginning of the test year is consistent with the parties' pro forma adjustments to revenues and expenses. The Company asserts that although Staff annualized revenues and expenses on a first day of the test year basis, Staff used a different methodology for depreciation. Arizona Water contends that rather than including a full year of depreciation for plant additions, Staff misapplied the half-year convention and added only half of the annual depreciation to the accumulated depreciation balance. The Company argues that the net result of Staff's adjustments is an increase by an additional 12 months in the Company's depreciation balance at the end of 1999 on *all* plant, rather than on just post-test year plant additions.

We agree with Staff's recommendation that it is necessary to reconcile the accumulated depreciation with the same cut-off date as was used for the post-test year plant. As Staff points out, if accumulated depreciation is not increased by a corresponding amount, the Company's shareholders will realize a windfall at the expense of the Company's ratepayers. The depreciation expense on the post-test year and all other plant should be added to the accumulated depreciation balance and subtracted from gross plant as Staff recommends. Otherwise rate base will be overstated at the expense of the Company's ratepayers.

C. Cash Working Capital

Arizona Water seeks a working capital allowance of $469,375, consisting of cash working capital, materials and supplies inventory, required bank balances, and prepayments and special deposits. Only the cash working capital component is disputed in this proceeding[3] (*See*, Ex. S-1, Sched. CSB-7; Ex. R-2, Sched. MDC-3).

Arizona Water contends that Staff's proposed lead-lag expenses are not supported by the evidence and contain inconsistencies. For example, the Company states that the Staff witness' schedules for purchased power had inconsistencies that the witness was unable to explain (Tr. 394-396), and that the Staff witness included interest expense in the expense lag which is a below-the-line capital cost that should not be part of a working capital computation (Ex. A-4, at 31-32). The Company also argues that Staff's cash working capital methodology should be rejected because the Staff witness was unable to explain the basis for her selection of expense items and was generally unable to explain the theory behind Staff's lead-lag study (Tr. 381-413).

Staff contends that the Company's proposed cash working capital methodology was rejected by the Commission in Arizona Water's last rate case and should be rejected again in this case because it would result in an overstatement of the Company's cash working capital requirements. Staff claims its proposed cash working capital formula is taught in National Association of Regulatory Utility Commissions ("NARUC") seminars and should be adopted in this case.

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[3] Arizona Water and RUCO disagree only on the federal income tax expense associated with cash working capital. RUCO asserts that such taxes have a payment lag of 61.95 days based on its assumption that income tax expense is incurred at the mid-point of the year. The Company claims that it actually incurs this expense on a monthly basis, and thus contends that a payment lag of 2.52 days should be used. This issue is encompassed by the discussion below of the overall dispute between the Company and Staff regarding cash working capital.

According to Staff, the Company's methodology improperly removes depreciation expense and deferred income taxes from total expenses prior to subtracting total expenses from total revenue. Staff contends that this methodology results in depreciation expense and deferred income taxes (which are non-cash expenses) remaining in the Company's cash working capital calculation. Staff asserts that Arizona Water's methodology also improperly includes the revenue increase, associated taxes, and return on net invested capital needed to pay dividends on common stock. Staff claims that the Company's cash working capital proposal was rejected in the last rate case because of the inclusion of these items (Decision No. 58120, at 10).

Staff also argues that, contrary to the Company's claims, Staff's cash working capital formula properly includes interest expense. According to Staff, the Company collects cash used to make interest payments prior to the interest due date and, during the time Arizona Water has possession of these funds, they are a source of cost-free cash that can be used by the Company until making payments to creditors. Therefore, in accordance with the NARUC methodology, Staff claims that its lead-lag study properly included interest expense. Accordingly, Staff recommends that Arizona Water's cash working capital should be rejected and Staff's lead-lag study adopted.

In Decision No. 58120, the Commission rejected the Company's proposal to use the formula approach to calculating its cash working capital requirement. The Commission specifically directed Arizona Water to submit in its next rate proceeding a lead-lag study for purposes of determining the appropriate level of cash working capital (*Id.* at 9). We indicated in the prior Decision that the lead-lag method of determining cash working capital is generally more accurate than the formula method and is the appropriate method for a utility the size of Arizona Water (*Id.*). We also rejected in that Decision Arizona Water's proposal to include the rate increase and associated taxes in the revenue lag computation. We stated that "[i]t is not customary to base a lead-lag study on prospective revenues and the Company has offered no theoretical justification for doing so in this case" (*Id.* at 10).

We agree with Staff that the Company's proposed cash working capital proposal is inconsistent with our prior order for Arizona Water and would result in an overstatement of cash working capital and thus the Company's rate base. As Staff points out, the Company calculates its

cash working capital by subtracting total expense lag days from its total revenue lag days which, when divided by 365 days, results in the Company's proposed cash working capital requirement. We agree with Staff that the Company's method achieves a flawed result because it includes the revenue increase and associated taxes, as well as the return on net invested capital needed to pay dividends on common stock. Moreover, the Company's proposed method excludes interest expense, which is a cash item available to the company for payments to creditors prior to the interest due date. As indicated above, we specifically rejected Arizona Water's proposal in its last case to include prospective revenues, such as the revenue increase and associated taxes, in the calculation of cash working capital. We agree with Staff that the Company has replicated those errors in the instant case and we, therefore, will adopt Staff's proposed cash working capital requirement calculation.

D. Construction Work in Progress

Arizona Water asserts that its recurring Construction Work in Progress ("CWIP") balance should be included in the Company's rate base calculation to recognize that its CWIP investment in numerous small projects is constantly turning over like materials and supplies expense. The Company seeks inclusion in rate base of the Northern Group's $430,105 CWIP balance at the end of the test year, which is substantially less than the 13-month averages of $1,324,180 and $2,010,154 at December 2000 and June 2001, respectively.

Staff argues that because it recommends including revenue neutral year 2000 plant additions in rate base, inclusion of CWIP as of the end of the test year (December 31,1999) would result in a double counting of plant, thereby overstating rate base. Staff also contends that any CWIP remaining after the year 2000 plant additions should also be excluded from rate base because CWIP is not used and useful.

We agree with Arizona Water that the Commission has discretion to include CWIP in rate base pursuant to the Arizona Supreme Court's decision in *Arizona Community Action Assoc. v. Arizona Corporation Comm'n*, 123 Ariz. 228 (1979). In that case, the court held that the Commission could properly include CWIP for plant not yet in service in determining fair value rate base (*Id.* at 230). However, as Staff points out, the CWIP included in the Company's application

reflects end of 1999 data that is already reflected in Staff's calculation of rate base for plant placed in service through the end of year 2000. We reject Arizona Water's contention that CWIP should be included in rate base in a manner similar to prepayments, materials, and supplies. We agree with Staff that the Company's proposal would result in a double counting of plant and we therefore deny Arizona Water's proposal to include CWIP in rate base in this case.

E. Plant Held For Future Use

In order to take advantage of an Arizona Department of Transportation ("ADOT") highway improvement project, Arizona Water installed 80 feet of 12-inch steel casing across State Highway 260 in Lakeside by means of an open trench. The Company plans to utilize the new steel casing to replace an existing water line in 2003 to serve a subdivision. Arizona Water claims that the $17,912 cost of the project, compared to the approximately $40,000 cost if the open trench had not been used, reflects a prudent decision by the Company that will result in savings to customers.

We agree that the Company's decision to take advantage of the ADOT project was prudent. However, we disagree that the Company is entitled to recover the cost of placing the steel casing in this proceeding since the plant is not used and useful at this time. After the project to the subdivision is completed, the Company may seek inclusion in rate base. Until the plant is being used for provision of utility service the costs are not includable in the Company's rate base.

F. Summary of Rate Base Adjustments

Based on the foregoing discussion, we adopt an adjusted OCRB for the Northern Group of $16,494,859, as shown on Exhibit A. Arizona Water agreed to use the OCRB as the Fair Value Rate Base for purposes of this proceeding. We therefore adopt $16,494,859 as the Fair Value Rate Base for Arizona Water's Northern Group.

III. Operating Income

The test period in this proceeding is the 12 months ended December 31, 1999. Arizona Water, Staff, and RUCO have analyzed the Company's accounts for the test year and have recommended adjustments to the actual operating results. Adjustments made by the Company that have not been challenged by the other parties will not be discussed. The following contested issues remain to be resolved.

A. **Revenue Annualizations**

All parties agreed that pro forma adjustments to actual test year revenues and expenses are needed to account for additional customers added during the course of the test year. In its rebuttal testimony, Arizona Water accepted Staff's pro forma adjustments to revenues and expenses based on the recorded number of customers at the end of the test year instead of average customer growth (Ex. A-4, at 41).

B. **Non-Recurring Revenues From Construction Water Sales**

Construction water is provided by installing a meter on a fire hydrant closest to the point of construction usage. The arrangement allows the Company to satisfy a contractor's short-term, non-recurring water needs for a specific construction project. Company witness Kennedy testified that because of the volatility of construction activity, as well as the unique needs of each project, the Commission has consistently approved the exclusion of construction water sales in determining the Company's revenue requirements (Ex. A-4, at 42). In this case, Arizona Water agreed to include some construction water sales in the calculation of its test year revenues. However, the Company disagrees with using the three-year average from 1997 through 1999 that is advocated by Staff and RUCO. This three-year average produces revenues of more than $38,000 per year for the Northern Group (Ex. A-4, at RJK-R14). The Company proposes using a revenue level of only $18,000 to recognize what it claims is a downward trend in construction revenues. Mr. Kennedy claims that a five-year projected growth average from 2001 through 2005 supports this downward trend (Ex. A-5, at 24).

We disagree with Arizona Water's recommendation to use a construction water revenue level of $18,000. Even a four-year average from 1997 through 2000 produces annual construction revenues of more than $36,000 for the Northern Group (Ex. A-4, at RJK-R-14). We believe that the Company's proposal underestimates these revenues. However, in recognition of the apparent downward trend in such revenues, we will adopt a construction water revenue level of $30,000. The $30,000 construction water revenue approved herein will be allocated on a per system pro rata basis, based on Staff's determination of test year water revenue.

C. **Depreciation Expense**

Arizona Water claims that since its inception in 1955 when it acquired the water operations of Arizona Public Service Company, it has consistently computed annual depreciation expense and maintained its accumulated depreciation balance using a single company-wide composite depreciation rate (Ex. A-4, at 6-7). The Company opposes Staff's recommendation in this proceeding that the Company should be required to compute and record depreciation on an account-by-account basis for each Northern Group system. Staff's recommendation is made pursuant to A.A.C. R14-2-102(B)(2), which states that "[a] separate reserve for each account or functional account shall be maintained." Arizona Water contends that Staff's proposal would require its five Northern Group systems to determine and record depreciation on an account-by-account basis while its remaining 13 systems continue to use the composite depreciation rate.

Arizona Water also asserts that the programming and accounting system changes needed to implement account-by-account depreciation for a portion of the Company's system and plant would take months to complete, would require approximately 250 new depreciation accounts for just the five Northern Group systems, and would require the computation of existing composite accumulated depreciation reserves for each of the individual accounts (Ex. A-4, at 10). According to the Company, its current composite rate of 2.59 percent is only 0.07 percent higher than the composite rate that would be produced by Staff's recommendation in this case (2.52 percent)[4]. The Company argues that Staff has not offered a depreciation study in this case or any evidence concerning the impacts of the proposed changes. Arizona Water claims that the negative impacts of Staff's proposed changes outweigh the benefits that would be achieved from implementing the changes. Accordingly, the Company requests a waiver from the requirements of A.A.C. R14-2-102(B)(2).

As Staff points out, individual component depreciation rates will more accurately reflect the cost of individual assets over their useful lives. We believe that the long-term benefits that will be achieved under Staff's recommendation outweigh the short-term burden on the Company in

[4] See Exhibit A attached to Arizona Water's post-hearing brief.

creating new individual depreciation accounts. Indeed, these long-term benefits are the basis for the requirement in our rules that public service corporations with revenues in excess of $250,000 *shall* be required to maintain separate accounts.

However, pursuant to A.A.C. R14-2-102(D), "the Commission may determine that good cause exists for granting a waiver from 1 or more of the requirements of this Section." Although we agree with the premise of Staff's recommendation, given the small difference between the current composite rate and the result of implementing the component structure, we will grant the Company's requested waiver and adopt Arizona Water's proposed 2.59 percent composite depreciation rate in this proceeding.

Although we are granting the Company's requested waiver in this case, in order to give effect to the requirements set forth in our rules we believe it is appropriate for Arizona Water to develop component depreciation rates for all 18 of its systems. Therefore, the Company should file in its next rate case application, a schedule of component depreciation rates for all of its systems. This additional time will allow the Company to develop individual depreciation rates on a uniform basis and eliminate the Company's concerns regarding inconsistencies in how depreciation is recorded between its various systems.

D. <u>Property Tax Expense</u>

In January 2001, the Arizona Department of Revenue ("ADOR") announced that a new formula would be instituted beginning in 2002 for determining the full cash value ("FCV") of water and sewer utilities based solely on revenues. This methodology will replace a relatively complex formula for calculating FCV that is currently used by ADOR. The Company agrees with Staff and RUCO that the new FCV methodology should be used to adjust test year expenses (Ex. A-4, at 34). However, Arizona Water disagrees with the calculations made by Staff and RUCO using the new methodology.

According to the Company, the new ADOR formula requires that the FCV be calculated based on the average of the three previous years of gross revenues multiplied by two, plus CWIP valued at 10 percent of its cost as of December 31 of the most recent calendar year, less the net

book cost of licensed vehicles.[5] The Company claims that Staff erred in its calculation of property taxes under the new ADOR formula by failing to include 10 percent of CWIP, by deducting the net book value of licensed vehicles (which are leased), and by applying an erroneous composite property tax rate that is one-half of the actual rate. The Company contends that RUCO also failed to include the 10 percent CWIP balance and that RUCO used unadjusted revenues for calendar years 1997 through 1999, resulting in property tax amounts that are incorrect.

Staff argues that its methodology properly values the Company's property tax expense under the new ADOR methodology. However, on brief Staff notes that an incorrect rate was used on line 15 of Staff's schedule for each system (Ex. CSB-17). As corrected, Staff maintains that its recommendation should be adopted by the Commission. Staff claims that the Company's methodology contains several errors. Staff argues that the Company's CWIP balance should have been taken at the end of the test year, rather than at the end of 2000; that the net book value of vehicles should be deducted, whether they are purchased or leased; and that a 0.25 assessment ratio should have been applied.

We agree with the Company's property tax calculation methodology. With respect to CWIP, we agree that the end of year 2000 balance is appropriate especially given Staff's proposal to include plant additions in rate base to December 31, 2000. The Company also explained that because its vehicles are leased there is no net book value to deduct for such vehicles. As the Company points out in its brief, it also appears that the Staff witness improperly assessed the value of property by adding the assessed value for the "Primary Property Tax Calculation" to the "Secondary Property Tax Calculation" thereby effectively doubling the assessed value of the property. Based on the record evidence, we agree that Arizona Water's property tax expense calculation should be adopted.

E. <u>Income Tax Expense</u>

Effective January 1, 2001, the state corporate income tax rate was reduced to 6.968 percent. The Company agreed with Staff and RUCO that using this new tax rate is appropriate since it is

[5] The Company points out that it does not deduct the net book cost of licensed vehicles because it leases all of its vehicles (the annual lease expense is included in test year operating expenses) (Ex. A-4, at 35; Ex. A-5, at 26).

known and measurable, even though it became effective after the test year and the filing date of the application (Ex. A-4, at 40). The tax rate that became effective January 1, 2001 shall be used in this case.

F. Gross Revenue Conversion Factor

The Gross Revenue Conversion Factor ("GRCF") is a factor required under the Commission's standard filing requirements that is computed by a utility applicant to convert an operating income deficiency into the gross revenue that must be produced to equal the existing operating income deficiency, after income taxes and bad debt expenses are subtracted. In this case, Arizona Water proposed a GRCF of 1.65026 (Ex. A-4, at 39-40).

Arizona Water claims that a single GRCF should be applied to its Northern Group systems to reflect the fact that the Company is a single corporation that calculates and pays both federal and state income taxes on a corporate level (*Id.* at 38-41; Ex. A-5, at 26-28). The Company opposes the proposal by Staff and RUCO to compute income taxes for each separate system because the systems are not separate taxable entities. Arizona Water also points out that the Commission adopted a single GRCF in the Company's last rate case and there is no reason to deviate from that prior decision (Decision No. 58120, at 19-20).

Staff argues that this case is distinguishable from the Company's last rate case because the prior case involved all 18 of the Company's water systems. Staff claims that the Commission consistently calculates income tax separately for individual systems within a company. In support of its position, Staff cites to Commission orders for Citizens Utilities Company,[6] Far West Water Company,[7] and Sedona Venture Company[8] as instances where the Commission has calculated income taxes on an individual system basis.

In Arizona Water's last rate order we agreed with the Company that "the methodology followed by Arizona Water is appropriate and consistent with the traditional calculation of the gross revenue conversion factor" (Decision No. 58120, at 20). We believe the cases cited by Staff are easily distinguished. As the Company points out, unlike Arizona Water, seven of the eight Citizens

[6] Decision No. 60172 (May 7, 1997) and Decision No. 58118 (December 12, 1992).
[7] Decision No. 62649 (June 13, 2000).
[8] Decision No. 62425 (April 3, 2000) and Decision No. 57878 (June 3, 1992).

companies are separate corporate entities. With respect to *Far West*, the application involved only the company's water rates and the Commission's Order (Decision No. 62649) approved a settlement agreement filed by all parties. In the *Sedona Venture* case (Decision No. 62425), the issue of separate corporate income taxes was never raised. In the instant case, we do not believe that there is any compelling reason to depart from the conclusion reached in Arizona Water's prior rate case. Accordingly, we will adopt the Company's proposed GRCF of 1.65026.

G. Water Testing Costs and Monitoring Assistance Program Surcharge

Staff witness Scott proposed a level of water testing expense for the Northern Group of $72,065 (Ex. S-1, at 4). On rebuttal, the Company accepted Staff's recommendation (Garfield Rebuttal Ex. A-3, at 3).

The parties disagree, however, on the treatment of the Monitoring Assistance Program ("MAP") surcharge that was authorized by the Commission in Decision No. 62141 (December 14, 1999). The MAP program was created by the Legislature in 1998 to assist smaller water systems with costs related to water quality monitoring, testing, and reporting. Company witness Garfield explained that ADEQ requires all water systems serving less than 10,000 customers to participate in the program, under which ADEQ performs water quality monitoring and reporting and bills companies on a per meter basis depending on meter size. The Company does not participate in the program for its Sedona system, which has more than 10,000 customers, but is required to participate in MAP for all of its other systems in the Northern Group.

We believe that it is reasonable for the Company to continue to collect the previously authorized MAP surcharge. As proposed by the Company, the surcharge amount would be reset to zero based on the water testing expenses recognized in the new rates determined in this case. The surcharge mechanism would allow the recovery or refund of annual water testing expenses imposed under the MAP to the extent they vary from the expenses recognized in this case. However, because Staff's proposed water testing expense of $72,065 includes 2001 MAP costs (Tr. 105), the adjusted water testing amount shall be reduced to $29,394 to remove 2001 MAP costs totaling $42,671 in order to avoid double recovery of testing expenses. Adoption of this mechanism will ensure that the Company does not over or under-recover these water testing expenses.

H. Rate Case Expense

Arizona Water has requested recovery in this case of $216,982 for rate case expense. The Company claims that this amount is based on its actual expenses incurred in connection with this proceeding (Ex. A-4, at 44-45; Ex. A-5, at 29). RUCO does not oppose the Company's claimed rate case expense. However, Staff recommends that rate case expense be reduced to $100,000 and amortized over three years (Brown Direct Ex. S-1, at 22). Staff claims that this lower amount is reasonable because the Company has internal expertise in rate cases and the proposed amount is comparable to the amount allowed for other similar companies (Brown Surrebuttal Ex. S-3, at 17-18).

We agree with the Company that its proposed rate case expense of $216,982 is reasonable given the complexity of this proceeding. The filing in this case was complicated by the fact that Arizona Water's Northern Group consists of five separate water systems. Staff cites to the 1999 *Far West* case (Decision No. 62649) as an example of a comparable case where rate case expense was limited to $120,000. However, Staff fails to recognize that Far West's actual rate case expense in that case was approximately $215,000, but the amount was reduced to $120,000 pursuant to a settlement agreement adopted by the Commission (Ex. A-5, at 29-31). The other companies used by Staff as analogous involved smaller companies with less complicated facts and circumstances. The Company's $216,982 rate case expense will be amortized over three years.

I. Statement of Operating Income

Consistent with the foregoing discussion, Arizona Water's Northern Group adjusted test year operating income, by system and in total, is $1,014,365, as shown on Exhibit B.

IV. RATE OF RETURN

Cost of Capital analyses were presented in this case by the Company, Staff, and RUCO for purposes of determining a fair value rate of return for purposes of this proceeding. Arizona Water's witness Kennedy determined an overall cost of capital of 11.38 percent for the Company. As a result of the analysis of Staff witness Reiker, Staff concluded that an overall rate of return of 9.64 percent is reasonable. RUCO presented testimony by William Rigsby who advocates an overall cost of capital of 9.56 percent.

A. **Capital Structure and Cost of Debt**

There is little disagreement among the parties regarding Arizona Water's capital structure and cost of debt. Both Staff and RUCO agree that the Company's overall capital structure and weighted cost of capital should be used to ascertain the appropriate rate of return on the Company's original cost rate base. The parties also agree that the capital structure employed in this case should reflect the Company's issuance earlier this year of Series K general mortgage bonds, which were used to pay down debt that existed at the end of the 1999 test year (*See*, Reiker Direct Ex. S-1, at 3-5; Rigsby Direct R-3, at 40-41). As set forth in Staff witness Reiker's testimony, Arizona Water's capital structure is 34.67 percent long-term debt and 65.33 percent common equity. The Company's cost of debt is 8.48 percent based on Mr. Reiker's adjustments for the Series K bonds, including $20,000 in issuance costs (Reiker Direct Ex. S-1, at 3-6).

B. **Cost of Common Equity**

Although the cost of debt and preferred stock can be determined from fixed cost rates, the cost assigned to the equity component of the capital structure can only be estimated. The cost of equity estimates presented by the parties are 12.9 percent by Arizona Water, 10.25 percent by Staff, and 10.03 percent by RUCO.

In determining its proposed cost rate for common equity, the Company performed a discounted cash flow ("DCF") analysis for a sample group of four large, publicly traded water utilities. The Company claims that these four water utilities, which are substantially larger than Arizona Water, have current cost of equity ranges from 11.4 to 11.6 percent. Company witness Dr. Zepp performed a similar analysis using a DCF model for a sample group of publicly traded electric utilities. His analysis produced current cost of equity rates of 11.5 to 12.4 percent for these electric companies. The third analysis performed by the Company was a risk premium estimate of the current cost of equity for large publicly traded water utilities, including an estimate using the capital asset pricing model ("CAPM"). The CAPM estimates produced a range of 10.9 to 12.0 percent.

Company witness Dr. Zepp testified that Arizona Water faces greater risk than these sample companies which warrants a higher cost of equity for the Company. He added 100 to 150 basis points to the cost of equity estimates of the larger utilities to account for this increased risk.

According to the Company, the increased risks associated with investing in Arizona Water are due to compliance costs for anticipated regulatory reductions in maximum arsenic levels, the Company's smaller size relative to the sample group of utilities, and the associated limited access to capital markets. Arizona Water asserts that the evidence supports adoption of its proposed 12.9 percent cost of equity.

Staff witness Reiker conducted analyses based on both the DCF and CAPM models. His DCF analysis is based on estimates of 4 publicly traded water companies. The average DCF cost estimates for these companies is 9.52 percent. Mr. Reiker also conducted CAPM estimates for these companies which resulted in an average of 10.96 percent. The average of the DCF and CAPM estimates is 10.24 percent (Reiker Direct Ex. S-1, at 16-20). In addition, Mr. Reiker performed DCF and CAPM analyses for a sample of publicly traded electric companies. The DCF average for these companies is 10.03 percent and the CAPM average is 11.06 percent. The midpoint of the DCF and CAPM results is 10.54 percent (*Id.* at 21).

Based on the totality of his studies, Mr. Reiker proposes a cost of equity of 10.25 percent for Arizona Water. According to Mr. Reiker, his recommendation is at the lower end of the consolidated water and electric company results because the average capital structure of the companies included in his analysis contain more debt and less equity than Arizona Water's capital structure. Accordingly, Staff concluded that the comparable companies used in the analysis had higher risk than Arizona Water. Staff asserts that the evidence supports its 10.25 percent cost of equity proposal.

RUCO relied upon the DCF method using sample companies that RUCO claims are comparable in risk to Arizona Water (Ex. R-3, at 6-22). RUCO's cost of equity analysis does not include a risk premium. RUCO also contends that its analysis takes into account the current environment of falling interest rates. RUCO argues that its 10.03 cost of equity recommendation is supported by the evidence of record.

In determining the appropriate cost to be assigned to the equity component of the capital structure, we believe Staff's analysis and recommendation fairly captures a reasonable cost of equity for Arizona Water. We do not agree with the Company's proposal to assign a risk premium

to Arizona Water based on its size relative to other publicly traded water utilities and due to the United States Environmental Protection Agency's ("EPA") proposed revision of the arsenic drinking water standards. As Staff and RUCO point out, Arizona Water's capital structure is composed of a higher percentage of equity and less debt than many of the other publicly traded water companies analyzed. With respect to the EPA's standards, we note that all water companies will be affected by the new rules and we do not believe that the arsenic standards should be used to attach a higher level of risk to Arizona Water. We agree that Staff's analysis properly reflects a reasonable return on equity for Arizona Water and we will adopt Staff's 10.25 percent recommendation.

C. Cost of Capital Summary

	Percentage	Cost	Weighted Cost
Long-Term Debt	34.67%	8.48%	2.94%
Common Equity	65.33%	10.25%	6.70%
Cost of Capital			9.64%

V. AUTHORIZED INCREASE

Multiplying the Northern Group's fair value rate base by the fair value rate of return produces a required operating income of $1,589,486 on a total company basis. This is $575,121 more than the adjusted test year income under existing rates. The required increase in gross annual revenues for the Northern Group is $949,098 ($575,121 x 1.65026 GRCF), or 16.02 percent, as shown on Exhibit C.

VI. RATE DESIGN

A. Rate Consolidation

Arizona Water currently has five sets of rate schedules in the Northern Group for each of the Lakeside, Overgaard, Sedona, Rimrock, and Pinewood systems. The Company proposes in this case to use a single set of tariffs and rates for the Lakeside Division (Lakeside and Overgaard) and a separate single set of tariffs and rates for the Sedona Division (Sedona, Pinewood, and Rimrock).

Arizona Water claims that its consolidation proposal will result in a number of benefits. The Company contends that consolidation will result in a larger rate base over which to spread

costs of providing service, thereby minimizing rate increases and reducing cost of capital. The Company asserts that the Commission has accepted rate consolidation for the gas, electric, and telephone industries, as well as for at least two regulated water companies. Arizona Water claims that its proposal is a gradual step and the smallest step towards consolidation that it can take given its organizational structure. According to the Company, its rate consolidation proposal matches the functional consolidation in metering services, billing, collecting, management and customer service that already exists between the five individual systems in the Northern Group. The Company contends that the benefits of consolidation will be realized in the future and cannot presently be quantified.

Staff and RUCO oppose the Company's rate consolidation proposal. Staff points out that the Company did not present any evidence that cost reductions would result from consolidation. According to Staff, unless the cost of service is nearly identical for all systems on a consolidated rate, one or more systems will subsidize the others thereby shifting costs and promoting growth in high cost areas.

RUCO argues that the Company's recommendation will result in cross-subsidization between customers of the individual systems, creating inequities between customer groups. As an example of this inequity, RUCO points out that the Sedona customers would experience a 53.5 percent increase while Pinewood customers would see only a 7.6 percent increase under the Company's proposed rates (Ex. A-2, Sched. A-1, at 2). RUCO asserts that the concept of "gradualism" would be violated by adoption of Arizona Water's proposal because customers in certain systems would experience "rate shock" by having to immediately subsidize a significant portion of the revenue requirements currently borne by other systems. RUCO cites to the Commission's *Southwest Gas Company* Order in Decision No. 57075 (August 31, 1990) to support its arguments. In *Southwest Gas*, the Commission denied the company's request for rate consolidation on the basis that it would result in a significant shift in revenue responsibility within customer classes. The Commission noted that such a drastic shift in revenue responsibility would violate the principle of gradualism (*Id.* at 74-75). RUCO requests that the Commission reject Arizona Water's proposal in this case on the same basis.

In Arizona Water's last rate case (Decision No. 58120), we agreed with the Company's recommendation to develop a "three-group concept" for processing future rate applications. Under this approach, Arizona Water's operations were to be divided into the Apache Junction, Casa Grande, and Sedona groups, and future rate applications could be filed separately for any one of the three groups. The Commission indicated that this approach would be accepted "as an efficiency measure" but "the rate application must preserve the individuality of the data and rates for each company within the group" (Decision No. 58120 at 33-34). We stated clearly that the three-group concept was "not a path toward rate consolidation of the distinct companies within the group" (*Id.*).

In *Southwest Gas*, and more recently in *Midvale Telephone Company*, Decision No. 64011 (September 5, 2001), we rejected rate consolidation proposals on the basis that certain customers would experience rate shock due to significant shifts in revenue responsibility. We have the same concerns in this case. Although Arizona Water filed this application on behalf of its Northern Group, a variation on the three-group concept discussed in the Company's prior case, its proposal to consolidate the rates for individual systems is contrary to the conclusion we reached in Decision No. 58120. Arizona Water has not produced evidence of any cost savings associated with its proposal, nor has the Company presented any cost of service studies to support the revenue responsibility shifts that it advocates. Rather, the Company's sole basis for adoption of the Company's consolidation plan appears to be for internal administrative efficiency. We do not believe that Arizona Water has justified the need for its consolidation proposal, especially given the rate shock that would be experienced by customers in certain of the Company's systems. However, as discussed below, we will consider Arizona Water's rate consolidation proposal in the context of the parties' ongoing discussions regarding recovery of arsenic MCL capital costs.

B. <u>Inverted Tier Commodity Rates</u>

Under Arizona Water's current rate structure, customer classes and the monthly minimum charges are determined by meter size. The monthly minimum for all customer classes includes 1,000 gallons with a single commodity rate applied to all usage. Under the Company's proposed rate structure, customer classes and monthly minimums would continue to vary by meter size, and one commodity rate would apply to all usage. The only difference from the current structure is that

the monthly minimum charge would not include any gallonage.

Staff proposed in this case to introduce inverted tier commodity rates whereby the commodity rate would increase through three tiers of rates as usage increases. Staff would vary the monthly minimum charge by meter size and would include no gallons within the monthly minimum. Staff witness Brown testified that Staff's proposed rate design is consistent with Arizona water management goals because it encourages conservation by shifting a greater portion of revenue generated by consumption from non-discretionary to discretionary use (Brown Direct Ex. S-1, at 26-27). However, on cross-examination Ms. Brown conceded that Staff does not have any evidence that inverted tier rates impact customer usage or reduce consumption (Tr. 347-348).

According to the Company, Staff's recommendation is not supported by a cost of service study or any analysis of the impact of Staff's rate proposal. Arizona Water opposes Staff's proposed rate design based on the Company's claim that the proposal may be harmful to the Company and its customers. The Company contends that if inverted tier rates reduce consumption, revenues from water sales will also be reduced, creating revenue erosion and instability. Arizona Water argues that Staff has not provided sufficient justification for implementing such a radical change in the Company's rate design.

We agree with the Company that the rationale provided by Staff does not support Staff's recommended rate structure in this proceeding. On the one hand, Staff supported its inverted tier structure on the basis of conservation. However, Staff later admitted, and argues on brief, that it has no evidence that usage is actually affected by its proposed structure because water is an inelastic commodity. Therefore, Staff argues that the inelasticity of demand for water will provide the Company with some certainty of rate stability. Although we agree that an inverted tier structure may be appropriate in some circumstances, we do not believe that Staff has adequately supported its position in this case. Therefore, we will reject Staff's inverted tier rate structure.

C. Monthly Minimum Charge Reductions

The Company proposes to maintain its existing rate design which was approved in its prior rate case and is based on a cost of service study. Arizona Water opposes Staff's and RUCO's recommendation to reduce the monthly minimum charges because, according to the Company, such

a proposal would shift the recovery of a greater amount of revenues onto the commodity rate. The Company asserts that the proposal would result in greater revenue fluctuation and instability.

Company witness Kennedy explained that once a minimum is established for the smallest meter (5/8" x ¾"), the minimum is multiplied by a factor appropriate for each larger size meter. This formula was approved in the last rate case as part of the Company's cost of service study (Kennedy Rebuttal Ex. A-4, at 51). We agree with Arizona Water that, absent some justification from Staff or RUCO, the existing monthly minimum charges, which rely on "meter multiples," should be maintained. Accordingly, the Company's rate design for monthly minimum charges shall be adopted.

VII. OTHER ISSUES

A. Compliance with Arsenic Standards

On August 29, 2001, Arizona Water filed a motion requesting that a separate phase of this docket be initiated for the purpose of developing an appropriate methodology for recovery of costs associated with compliance with a new maximum contaminant level ("MCL") for arsenic promulgated by the EPA. Staff and RUCO agreed that it was appropriate to bifurcate the new arsenic MCL issue from the Company's other rate case issues to allow the parties additional time to discuss and develop a procedure for recovery of costs of compliance with the arsenic MCL.

By Procedural Order issued October 12, 2001, Arizona Water's motion was granted. The parties were directed to meet by November 16, 2001 to discuss the arsenic MCL issue and to file joint reports by November 30, 2001 and January 30, 2002 indicating the progress of the parties in developing a cost recovery mechanism.

The first Joint Report was filed on November 30, 2001. The Joint Report states that the EPA's new arsenic MCL of 10 parts per billion would require capital costs of over $4 million for the Sedona Division alone. At the parties' meeting on November 16, 2001, Arizona Water presented a proposed procedure for recovery of the additional capital costs needed for compliance. The Joint Report also indicated that a Special Open Meeting was tentatively scheduled for December 14, 2001 for the purpose of allowing the Commissioners to discuss possible methods and approaches to deal with arsenic MCL issues on an industry-wide basis. The parties to this

proceeding indicated in the Joint Report that they will continue to meet and discuss this issue.

In order to accommodate the parties' request to try to develop a solution for recovery of arsenic MCL capital costs and to address the issue of rate consolidation, we will keep this docket open for an additional 180 days. As directed in the prior Procedural Order, the parties should file an additional Joint Report by January 30, 2002 indicating their progress in developing a solution to this issue.

* * * * * * * * *

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. Arizona Water is an Arizona corporation engaged in the business of providing water utility service to the public in portions of Arizona pursuant to authority granted by the Commission.

2. On November 22, 2000, Arizona Water filed with the Commission an application for a permanent increase in water rates for its Northern Group, consisting of its Sedona, Pinewood, Rimrock, Lakeside, and Overgaard systems.

3. By Procedural Order dated January 23, 2001, the hearing in this matter was scheduled to commence on September 5, 2001.

4. Arizona Water provided notice of the hearing to its customers through bill inserts during March 2001.

5. The hearing commenced as scheduled on September 5, 2001 and concluded on September 7, 2001.

6. Based on the adjusted test year data, as determined herein, the operating income under existing rates for the Northern Group is $1,014,365.

7. Based on the adjusted test year data, as determined herein, the fair value rate base for the Northern Group is $16,494,858.

8. A fair and reasonable rate of return on fair value rate base is 9.64 percent.

9. The revenue increase proposed by Arizona Water would produce an excessive return on fair value rate base.

10. The authorized increase in gross annual revenues for the Northern Group is $949,098.

11. Based upon the record evidence and the magnitude of the revenue increase that would otherwise be imposed on certain of the Arizona Water's systems, the Company's proposed rate consolidation is rejected at this time. The Company's rate consolidation proposal will be considered in the context of the parties' ongoing discussions regarding recovery of arsenic MCL capital costs.

12. Staff's proposed inverted tier rate structure and reductions to the monthly minimum charges are not supported by the evidence of record and shall be rejected.

13. The rates and charges for each system, as attached hereto in Exhibit D and incorporated by reference herein, are reasonable.

CONCLUSIONS OF LAW

1. Arizona Water is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§40-250 and 40-251.

2. The Commission has jurisdiction over the Company and of the subject matter of the Application.

3. Notice of the Application was provided in the manner prescribed by law.

4. The rates and charges for each system, as attached hereto in Exhibit D and incorporated by reference herein, are reasonable and should be approved.

ORDER

IT IS THEREFORE ORDERED that Arizona Water Company is hereby directed to file with the Commission on or before December 31, 2001 revised schedules of rates and charges consistent with Exhibit D and the discussion herein.

IT IS FURTHER ORDERED that the revised schedules of rates and charges shall be effective for all service rendered on and after January 1, 2002.

IT IS FURTHER ORDERED that Arizona Water Company shall notify its affected customers of the revised schedules of rates and charges authorized herein by means of an insert in its next regularly scheduled billing, in a form acceptable to Staff.

IT IS FURTHER ORDERED that this docket shall remain open for a period of 180 days for the purpose of discussing and developing a solution for the recovery of arsenic MCL capital costs and to address the issue of rate consolidation.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 28th day of December, 2001.

BRIAN C. McNEIL
EXECUTIVE SECRETARY

DISSENT

DDN:dap

SERVICE LIST FOR: ARIZONA WATER COMPANY

DOCKET NO.: W-01445A-00-0962

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Arizona Water Company
Docket No. W-01445A-00-0962
Test Year Ended December 31, 1999

EXHIBIT A
RATE BASE

LINE NO.	DESCRIPTION	Lakeside	Overgaard	Sedona	Pinewood	Rimrock	Northern Group
1	Company proposed rate base	$ 6,141,548	$ 3,194,548	$ 6,850,940	$ 2,430,273	$ 1,037,101	$ 19,654,410
2	Adjustments to gross plant in service	$ (926,676)	$ (783,095)	$ 135,315	$ (196,975)	$ 36,148	$ (1,735,283)
3	Adjustments to accumulated depreciation	$ 178,198	$ 102,179	$ 304,228	$ 79,428	$ 39,199	$ 703,232
4	Adjustments to working capital	$ (114,085)	$ (42,592)	$ (102,683)	$ (19,327)	$ (12,244)	$ (290,931)
5	Adjustments to construction work in progress	$ -	$ (125,006)	$ (304,024)	$ -	$ (1,075)	$ (430,105)
6	Authorized rate base (L1 + L2 - L3 + L4 + L5)	$ 4,922,589	$ 2,141,676	$ 6,275,320	$ 2,134,543	$ 1,020,731	$ 16,494,859

DECISION NO. _____

Arizona Water Company

Docket No. W-01445A-00-0962
Test Year Ended December 31, 1999

EXHIBIT B
OPERATING STATEMENT

LINE NO.	DESCRIPTION	Lakeside	Overgaard	Sedona	Pinewood	Rimrock	Northern Group
1	Company proposed operating income	$ 340,272	$ 128,179	$ 305,331	$ 80,041	$ 45,313	$ 899,136
2	Adjustments to revenue annualizations	$ 14,391	$ 8,816	$ 15,912	$ 1,855	$ 2,170	$ 43,144
3	Adjustments to construction water revenues	$ 9,251	$ 2,979	$ 15,150	$ 2,105	$ 515	$ 30,000
4	Adjustments to depreciation expense	$ (27,652)	$ (22,934)	$ 2,527	$ (1,191)	$ 946	$ (48,303)
5	Adjustments to property tax expense	$ 14,775	$ (9,682)	$ (36,887)	$ (2,251)	$ (4,094)	$ (38,139)
6	Adjustments to water testing expense	$ (15,454)	$ (10,427)	$ (2,590)	$ (9,452)	$ (4,214)	$ (42,137)
7	Adjustments to expense annualization	$ 4,207	$ 2,280	$ 6,087	$ 616	$ 589	$ 13,779
8	Adjustments to income tax expense	$ 42,300	$ 16,644	$ 25,914	$ (8,829)	$ (3,314)	$ 72,715
9	Adjusted Operating Income (L1+L2+L3-L4-L5-L6-L7-L8)	$ 345,738	$ 164,093	$ 341,342	$ 105,108	$ 58,085	$ 1,014,365

DECISION NO. _____

zona Water Company
cket No. W-01445A-00-0962
st Year Ended December 31, 1999

EXHIBIT C
REVENUE REQUIREMENT

NE O	DESCRIPTION	Lakeside [A] COMPANY ORIGINAL COST	Lakeside [B] DECISION	Overgaard [A] COMPANY ORIGINAL COST	Overgaard [B] DECISION	Sedona [A] COMPANY ORIGINAL COST	Sedona [B] DECISION	Pinewood [A] COMPANY ORIGINAL COST	Pinewood [B] DECISION	Rimrock [A] COMPANY ORIGINAL COST	Rimrock [B] DECISION	Northern Group [A] COMPANY ORIGINAL COST	Northern Group [B] DECISION
1	Adjusted Rate Base	$ 6,141,548	$ 4,922,589	$ 3,194,548	$ 2,141,676	$ 6,850,940	$ 6,275,320	$ 2,430,273	$ 2,134,542	$ 1,037,101	$ 1,020,73[illegible]	$ 19,654,410	$ 16,494,858
2	Adjusted Operating Income (Loss)	$ 340,272	$ 345,738	$ 128,179	$ 164,093	$ 305,331	$ 341,342	$ 80,041	$ 105,108	$ 45,313	$ 58,085	$ 899,136	1,014,365
3	Current Rate of Return (L2 / L1)	5.54%	7.02%	4.01%	7.66%	4.46%	5.44%	3.29%	4.92%	4.37%	5.69%	4.37%	6.15%
4	Required Ra[illegible] of Return	11.62%	9.64%	11.62%	9.64%	11.62%	9.64%	11.62%	9.64%	11.62%	9.64%	11.62%	9.64%
5	Required Operating Income (L4 * L1)	$ 713,648	$ 474,353	$ 371,206	$ 206,377	$ 796,079	$ 604,706	$ 282,398	$ 205,690	$ 120,511	$ 98,360	$ 2,283,842	$ 1,589,486
6	Operating Income Deficiency (L5 - L2)	$ 373,376	$ 128,615	$ 243,027	$ 42,284	$ 490,748	$ 263,364	$ 202,357	$ 100,582	$ 75,198	$ 40,275	$ 1,38[illegible]	$ 575,121
7	Gr[illegible]ss Revenue Conversion Factor	1.65026	1.65026	1.65026	1.65026	1.65026	1.65026	1.65026	1.65026	1.65026	1.65026	1.65026	1.65026
8	Increase In Gross Revenue (L7 * L6)	$ 616,167	$ 212,248	$ 401,059	$ 69,780	$ 809,862	$ 434,619	$ 333,941	$ 165,986	$ 124,096	$ 66,465	$ 2,285,126	$ 949,098
9	Adjusted Test Year Revenue	$ 1,650,275	$ 1,673,917	$ 959,577	$ 971,372	$ 2,152,444	$ 2,183,506	$ 763,206	$ 767,166	$ 325,309	$ 327,994	$ 5,850,811	$ 5,923,955
10	Proposed Annual Revenue (L8 + L9)	$ 2,360,235	$ 1,886,165	$ 1,360[illegible]51	$ 1,041,152	$ 3,289,637	$ 2,618,125	$ 821,593	$ 933,152	$ 407,355	$ 394,459	$ 8,139,671	$ 6,873,053
11	Require Increase in Revenue (%) (L8/L9)	37.34%	12.68%	41.80%	7.18%	37.63%	19.90%	43.76%	21.64%	38.15%	20.26%	39.06%	16.02%
12	Rate of Return on Common Equity (%)	12.90%	10.25%	12.90%	10.25%	12.90%	10.25%	12.90%	10.25%	12.90%	10.25%	12.90%	10.25%

DECISION NO. ____

Arizona Water Company
Docket No. W-01445A-00-0962
Test Year Ended December 31, 1999

EXHIBIT D
RATE DESIGN

	Lakeside	Overgaard	Sedona	Pinewood	Rimrock
Monthly Usage Charge:					
5/8" x 3/4" Meter	$ 17.81	$ 18.40	$ 15.70	$ 19.86	$ 16.10
1" Meter	$ 44.53	$ 46.00	$ 33.28	$ 42.10	$ 34.13
2" Meter	$ 131.79	$ 136.16	$ 97.18	$ 122.93	$ 99.66
3" Meter	$ 219.60	$ 226.88	$ 174.58	$ 220.84	$ 179.03
4" Meter	$ 380.24	$ 392.84	$ 309.92	$ 392.03	$ 317.81
6" Meter	$ 789.17	$ 815.30	$ 591.42	$ 748.12	$ 606.48
8" Meter	$ 1,056.32	$ 1,091.31	$ 826.92	$ 1,046.02	$ 847.98
10" Meter	$ 1,485.54	$ 1,534.75	$ 1,350.51	$ 1,708.36	$ 1,384.92

Zero gallons included in all minimum charges.

Commodity Rates :					
Per 1,000 Gallons (In Excess of Minimum)	$ 4.30	$ 4.45	$ 1.66	$ 3.69	$ 2.50
Coin Machine Service:					
Per 123 Gallons	N/A	N/A	$ 0.25	N/A	N/A
Service Line and Meter Installation Charge:					
5/8" x 3/4" Meter	(a)	(a)	(a)	(a)	(a)
1" Meter	(a)	(a)	(a)	(a)	(a)
2" Meter	(b)	(b)	(b)	(b)	(b)
3" Meter	(b)	(b)	(b)	(b)	(b)
4" Meter	(b)	(b)	(b)	(b)	(b)
6" Meter	(b)	(b)	(b)	(b)	(b)

(a) No charge for 5/8" and 1" if on existing pipelines. Full cost for 5/8" and 1" if if on new pipelines.
(b) Full cost for 2"and larger if on existing or new pipelines.

Service Charges (Lakeside, Overgaard, Sedona, Pinewood, and Rimrock):

Establishment	$ 16.00
Guarantee Deposit	(c)
Reconnection for Delinquency (per disconnection)	$ 16.00
Re-establishement	(d)
Service Call Out (After Regular Working Hours Only)	$ 35.00
Returned Check Charge	$ 25.00
Meter Re-read (After Regular Working Hours Only)	$ 35.00
Meter Test	$ 20.00
Late Charge	(e)

(c) Per Commission Rule A.A.C. R14-2-403B
(d) Eight (8) times the customer's monthly minimum charge, or payment of the minimums since disconnection, whichever is less.
(e) 1.5 percent after 15 days

DECISION NO. _____

BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION OF RIO RICO UTILITIES, INC, 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. WS-02676A-09-0257

DIRECT

TESTIMONY

OF

GERALD W. BECKER

PUBLIC UTILITIES ANALYST V

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

DECEMBER 30, 2009

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Consumer Services Report ..... A

EXECUTIVE SUMMARY
RIO RICO UTILITIES, INC., INC.
DOCKET NO. WS-02676A-09-0257

Rio Rico Utilities, Inc. ("Rio Rico" or "Company") is a public service corporation certificated to provide water and wastewater utility service. Rio Rico provides service to approximately 4,000 water-only customers and 2,000 combined water and wastewater customers in Santa Cruz County, Arizona.

On May 21, 2009, Rio Rico filed an application for a permanent rate increase for both its water and wastewater systems. For its water division, the Company states that it incurred an adjusted test year operating loss of $214,606 resulting in a negative 2.54 percent rate of return. For its wastewater division, the Company reports a test year operating income of $490,676, for a 13.96 percent rate of return.

For its water division, Rio Rico proposes a $2,057,112, or 111.36 percent, revenue increase from $1,847,256 to $3,904,368. The proposed revenue increase would produce an operating income of $1,048,484 for a 12.40 percent rate of return on an original cost rate base of $8,455,517. The Company's proposed rates would increase the typical residential bill by $22.22, or 111.45 percent, from $19.94 to $42.17.

For the water division, Staff recommends a $1,052,240, or 56.96 percent, revenue increase from $1,847,256 to $2,899,496. Staff's proposed revenue increase would produce an operating income of $610,795 for a 9.20 percent rate of return on an original cost rate base of $6,639,072. The impact of Staff's recommended rates on the typical residential bill will be discussed in subsequent rate design testimony.

For its wastewater division, Rio Rico proposes a $89,061, or 4.87 percent, revenue decrease from $1,829,976 to $1,740,915. The proposed revenue decrease would produce an operating income of $435,994 for a 12.40 percent rate of return on an original cost rate base of $3,516,078. The Company's proposed rates would decrease the typical residential bill by $2.71, or 4.80 percent, from $56.36 to $53.65.

For the wastewater division, Staff recommends a $364,303, or 19.91 percent, revenue decrease from $1,829,976 to $1,465,673. Staff's proposed revenue decrease would produce an operating income of $280,746 for a 9.20 percent rate of return on an original cost rate base of $2,994,399. The impact of Staff's recommended rates on the typical residential bill will be discussed in subsequent rate design testimony.

INTRODUCTION

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

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

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

A. I am responsible for the examination and verification of financial and statistical information included in utility rate applications. In addition, I develop revenue requirements, prepare written reports, testimonies, and schedules that include Staff recommendations to the Commission. I am also responsible for testifying at formal hearings on these matters.

Q. Please describe your educational background and professional experience.

A. I received a Masters of Business Administration with an emphasis in Accounting from Pace University. I am a Certified Public Accountant and a Certified Internal Auditor.

I have participated in multiple rate, financing and other regulatory proceedings. I attended the National Association of Regulatory Utility Commissioners ("NARUC") Utilities Rate School.

I began employment with the Commission as a utilities regulatory analyst in April 2006. Prior to joining the Commission, I worked as an Auditor at the Department of Economic Security and Department of Revenue in the Taxpayer Assistance Section. Prior to those jobs, I worked for 15 years as an Auditor, Analyst, Financial Analyst, and Budget Manager at United Illuminating, an investor owned electric company in New Haven, CT.

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

A. I am presenting Staff's analysis and recommendations in the areas of rate base and revenue requirement, Staff's analysis of operating revenues and expenses regarding Rio Rico Utilities, Inc. ("Rio Rico" or "Company") application for a permanent rate increase. At a later date, I will also present Staff's recommendations regarding the Company's rate design.

Q. What is the basis of your recommendations?

A. I performed a regulatory audit of Rio Rico's application to determine whether sufficient, relevant, and reliable evidence exists to support the Company's requested rate increase. The regulatory audit consisted of examining and testing the financial information, accounting records, and other supporting documentation and verifying that the accounting principles applied were in accordance with the Commission-adopted NARUC Uniform System of Accounts ("USOA").

BACKGROUND

Q. Please review the background of this application.

A. Rio Rico is a public service corporation certificated to provide water and wastewater utility service. Rio Rico provides service to approximately 4,000 water-only customers and 2,000 combined water and wastewater customers in Santa Cruz County, Arizona.

In December 2005, Rio Rico became a wholly-owned subsidiary of Algonquin Water Resources. Algonquin Water Resources is Rio Rico's only shareholder. Algonquin Water Resources is a wholly-owned subsidiary of Algonquin Power Income Fund[1] (Algonquin

[1] Algonquin Power Income Fund is an investment trust that owns or has interests in 71 companies in the United States and Canada, including 41 hydroelectric facilities, 5 natural gas cogeneration facilities, and 15 water and sewer facilities.

Water Resources and Algonquin Power Income Fund are collectively referred to as "Algonquin").

In addition to Rio Rico, Algonquin owns seven other companies located in Arizona: Litchfield Park Service Company, Gold Canyon Sewer Company, Black Mountain Sewer Corporation, Entrada Del Oro Sewer Company, Northern Sunrise Water Company, Inc., Southern Sunrise Water Company, Inc., and Bella Vista Water Company. Algonquin has a contract to manage and operate Rio Rico. Algonquin also owns and/or operates utility systems in Illinois and Texas.

Q. What are the primary reasons for the Company's requested permanent rate increase?

A. According to the Company, the primary reasons for the requested increase of water rates are to recover increased operating expenses and to earn its authorized rate of return on its rate base, which has increased significantly since the last rate case.

CONSUMER SERVICE

Q. Please provide a brief history of customer complaints received by the Commission regarding Rio Rico.

A. A review of the Commission's Consumer Services database revealed the following for Rio Rico:

2006: four complaints - one billing, three new service; ten inquiries - five billing, one new service, one rates/tariffs, three construction; zero opinions.

2007: two complaints - billing; six inquiries - two billing, one quality of service, one rates/tariffs, two other; and one opinion - rates/tariffs.

2008: nine complaints - three billing, two deposits, two new service, one quality of service, one disconnect/terminations; eight inquiries - two billing, two new service, one disconnect/terminations, one rates/tariffs, two construction; and zero opinions.

2009: eight complaints - five billing, one deposits, one new service, one service; five inquiries - one billing, two deposits, one disconnect/terminations, one miscellaneous; zero opinions.

All complaints have been resolved and closed.

COMPLIANCE

Q. Please provide a summary of the compliance status of Rio Rico .

A. A check of the ACC's Compliance Database indicates that there are currently no delinquencies for Rio Rico.

SUMMARY OF PROPOSED REVENUES

Q. Please summarize the Company's filing.

A. For its water division, Rio Rico proposes a $2,057,112, or 111.36 percent, revenue increase from $1,847,256 to $3,904,368. The proposed revenue increase would produce an operating income of $1,048,484 for a 12.40 percent rate of return on an original cost rate base of $8,455,517. The Company's proposed rates would increase the typical residential bill by $22.22, or 111.45 percent, from $19.94 to $42.17.

For its wastewater division, Rio Rico proposes a $89,061, or 4.87 percent, revenue decrease from $1,829,976 to $1,740,915. The proposed revenue decrease would produce an operating income of $435,994 for a 12.40 percent rate of return on an original cost rate base of $3,516,078. The Company's proposed rates would decrease the typical residential bill by $2.71, or 4.80 percent, from $56.36 to $53.65.

Q. Please summarize Staff's recommended revenue.

A. For the water division, Staff recommends a $1,052,240, or 56.96 percent, revenue increase from $1,847,256 to $2,899,496. Staff's proposed revenue increase would produce an operating income of $610,795 for a 9.20 percent rate of return on an original cost rate base of $6,639,072. The impact of Staff's recommended rates on the typical residential bill will be discussed in subsequent rate design testimony.

For the wastewater division, Staff recommends a $364,303, or 19.91 percent, revenue decrease from $1,829,976 to $1,465,673. Staff's proposed revenue decrease would produce an operating income of $280,746 for a 9.20 percent rate of return on an original cost rate base of $2,994,399. The impact of Staff's recommended rates on the typical residential bill will be discussed in subsequent rate design testimony.

Q. What test year did Rio Rico use in this filing?

A. Rio Rico's rate filing is based on the twelve months ended December 31, 2008 ("test year").

Q. Please summarize the rate base and operating income recommendations and adjustments addressed in your testimony for Rio Rico.

A. My testimony addresses the following issues:

Water Division

Plant in Service – This adjustment has no net effect on Plant in Service but reclassifies plant between accounts to accommodate application of the correct depreciation rates.

Contributions in Aid of Construction ("CIAC") – This adjustment increases CIAC by $1,087,409 from $20,188,921 to $21,276,330 to reflect additions to CIAC not recorded in 2006 and 2008.

Accumulated Deferred Income Taxes ("ADIT") – This adjustment reduces the ADIT debit (receivable) balance by $680,314 from $778,203 to $97,889 based on Staff's review of the Company's supporting documentation.

Advances in Aid of Construction ("AIAC") – This adjustment increases the AIAC balance by $48,724 from $73,648 to $122,372. This adjustment restates the account balance to agree with the supporting records for this account.

Purchased Power Expense – This adjustment reduces the Purchased Power amount by $48,005 from $441,501 to $393,496 for amounts that should have been charged to the wastewater division. A complementary adjustment is posted to increase the Purchased Power expense in the wastewater division.

Depreciation Expense – This adjustment increases operating expenses by $891 from $463,297 to $464,188 to reflect application of Staff's recommended depreciation rates by account to Staff's recommended account balances.

Regulatory Commission Expense – This adjustment decreases expenses by $17,564 from $17,564 to $0 to remove non-ongoing costs that are in excess of the estimated cost of the current proceeding.

Property Tax Expense – This adjustment decreases operating expense by $42,163 from $130,373 to $88,210 to reflect application of the revenue dependent modified Arizona Department of Revenue method normally adopted by the Commission.

Income Tax Expense – This adjustment increases operating expenses by $126,374 from negative $134,909 to $8,535 to reflect the statutory income tax obligation on Staff's adjusted test year taxable income.

Outside Services and Outside Services-Other – This adjustment removes $27,820 and $17,190, respectively, for a total of $45,010 for Arizona Corporation Commission assessments collected by the Company. Staff recommends "pass-through" treatment of these assessments as opposed to recovery as operating expenses.

Outside Services-Other – This adjustment decreases operating expenses by $14,477 for expenses that were incurred outside of the test year.

Foreign Exchange Adjustment – This adjustment decreases operating expenses by removing $46,692 to revalue cost allocations from Canada by reflecting the relative strength of the US dollar versus the Canadian dollar.

Corporate Expense Allocations – This adjustment decreases test year operating expenses by $95,704 for amounts incurred but not considered to benefit captive customers of the Rio Rico system.

Wastewater Division

Advances in Aid of Construction ("AIAC") – This adjustment increases the AIAC balance by $238,782 from negative $861 to $237,921. This adjustment restates the account balance to be in agreement with the supporting records for this account.

Accumulated Deferred Income Taxes ("ADIT") – This adjustment reduces the ADIT debit (receivable) balance by $282,897 from $323,602 to $40,705 based on Staff's review of the Company's supporting documentation.

Purchased Power Expense – This adjustment increases the Purchased Power amount by $48,005 from $17,426 to $65,431 for amounts that were charged to the water division in error. A complementary adjustment is posted to decrease the Purchased Power expense in the water division.

Depreciation Expense – This adjustment decreases operating expenses by $848 from $252,672 to $251,824 to reflect application of Staff's recommended depreciation rates by account to Staff's recommended account balances.

Foreign Exchange Adjustment – This adjustment decreases operating expensing by $17,284 to revalue cost allocations from Canada by reflecting the relative strength of the US dollar versus the Canadian dollar.

Property Tax Expense – This adjustment decreases operating expense by $4,637 from $91,705 to $87,068 to reflect application of the revenue dependent modified Arizona Department of Revenue method normally adopted by the Commission.

Income Tax Expense – This adjustment increases operating expenses by $3,110 from $308,456 to $311,566 to reflect the income tax obligation on Staff's adjusted test year taxable income.

Regulatory Commission Expense – This adjustment decreases expenses by $994 from $994 to $0 to remove non-ongoing costs that are in excess of the estimated cost of the current proceeding.

Corporate Expense Allocations – This adjustment decreases test year operating expenses by $32,298 for amounts incurred but not considered to benefit the captive customers of the Rio Rico system.

RATE BASE

Fair Value Rate Base

Q. Did the Company prepare a Schedule showing the elements of Reconstruction Cost New Rate Base?

A. No, the Company did not. The Company requested that its original cost rate base ("OCRB") be treated as its fair value rate base.

WATER DIVISION

Rate Base Summary

Q. Please summarize Staff's adjustments to Rio Rico's rate base shown on Schedules GWB-3 and GWB-4.

A. Staff's adjustments to Rio Rico's rate base resulted in a net decrease of $1,816,447 from $8,455,519 to $6,639,072. This decrease reflects Staff's recalculation of Accumulated

Deferred Income Taxes ("ADIT"), Contributions in Aid of Construction ("CIAC"), and Advances in Aid of Construction ("AIAC").

Rate Base Adjustment No. 1 – Reclassification of Plant

Q. Does Staff have concerns regarding the Company proposed grouping of plant account balances?

A. The Company is proposing $372,910 and $759,861 on accounts 320 and 330, respectively, as shown on Schedule GWB-4. Accounts 320 and 330 are capstone accounts for subsidiary accounts 320.1, 320.2 and 330.1 and 330.2, respectively. Accordingly, these groupings of accounts do not bear a unique depreciation rate for all of the respective sub-accounts.

Q. What is Staff's recommendation?

A. Staff recommends reclassifying the balance in account 320 to account 320.1 and the balance in account 330 to account 330.1, as shown on Schedules GWB-4 and GWB-5.

Rate Base Adjustment No. 2 – Contributions in Aid of Construction ("CIAC")

Q. What amount is the Company proposing for gross CIAC?

A. The Company is proposing CIAC of $20,188,921, as shown on Schedule GWB-6.

Q. Does the Company's proposed CIAC balance reflect all of the CIAC that it has received?

A. No.

Q. Please explain.

A. Staff's review of the Company's calculation of CIAC revealed that the Company did not record all of its CIAC. In the years 2006 and 2008, the unrecorded amounts are $797,060 and $290,349, respectively. Staff identified unrecorded CIAC on an overall Company basis. Staff has provisionally assigned $797,060 and $290,349, for the years 2006 and 2008, respectively, to the water division, since the water division has the larger rate base and large CIAC balances. At the time of this filing, a response from the Company to properly assign the portions of the unrecorded CIAC to the water and wastewater systems is pending. Further adjustments may be addressed in Staff's Surrebuttal testimony.

Q. What is Staff's recommendation?

A. Staff recommends increasing the CIAC balance by $1,087,409 to reflect CIAC received, as shown on Schedules GWB-4 and GWB-6.

Rate Base Adjustment No. 3 – Accumulated Deferred Income Taxes ("ADIT") Both Systems

Note: The following testimony on ADIT applies to both the water and wastewater divisions and will not be repeated in the wastewater section.

ADIT-General Information

Q. What is the Company proposing for ADIT?

A. The Company proposes that it has a $1,101,805 total deferred income tax debit and proposes to allocate to its water and wastewater divisions at 70.63 percent and 29.37 percent, for allocated amounts of $778,203 and $323,602, respectively.

Q. What are ADITs?

A. ADITs are the accumulated temporary tax differences between income taxes calculated for rate-making purposes and the actual income taxes that a company pays to the United States Treasury and the State of Arizona.

Q. What is the primary cause of the temporary income tax differences?

A. The primary cause of the income tax difference is the straight line depreciation method used for rate making purposes as compared to the accelerated depreciation method used for federal and state income tax reporting purposes.

The NARUC USOA requires utilities to use straight line depreciation. Straight line depreciation, in the early years of an asset's life, typically results in a lower depreciation expense which, in turn, results in a higher income tax. Conversely, the Internal Revenue Service allows companies to use accelerated depreciation. Accelerated depreciation, in the early years of an asset's life, typically results in a higher depreciation expense which, in turn, results in lower income taxes. In the later years of an asset life, the book depreciation expense the tax depreciation and the temporary differences begin to reverse. Eventually, the ADIT balance reduces to zero when the asset is fully depreciated under straight line depreciation.

Q. Would you provide an example of how depreciation expense affects income taxes?

A. Yes. In the example that follows, income taxes are calculated for a plant asset costing $6,000 with a five year useful life. The difference in income taxes is reflected in the ADIT balance.

$6,000 Asset

Accelerated Tax Recovery Period = 3 years

Accelerated Depreciation Expense Used for IRS = $6,000 / 3 years = $2,000

Ratemaking Life = 5 years

Ratemaking Depreciation Expense = $6,000 / 5 years = $1,200

Tax Rate = 40%

Year	Income Tax Effect of Depreciation Expense on State and Federal Income Taxes	Income Tax Effect of Depreciation Expense on Books for Rate Making Purposes	Current Year Deferred Income Tax	Accumulated Deferred Income Tax Balance
1	$2,000 x 40% = $800	$1,200 x 40% = $480	$800 - $480 = $320	$320
2	$2,000 x 40% = $800	$1,200 x 40% = $480	$800 - $480 = $320	$320 + $320 = $640
3	$2,000 x 40% = $800	$1,200 x 40% = $480	$800 - $480 = $320	$640 + $320 = $960
4	$ 0 x 40% = $ 0	$1,200 x 40% = $480	$ 0- $480 = ($480)	$960 - $480 = $480
5	$ 0 x 40% = $ 0	$1,200 x 40% = $480	$ 0- $480 = ($480)	$480 - $480 = $ 0

Q. Why is ADIT normally a reduction to rate base?

A. ADIT is normally a reduction to rate base to reflect that in the early years of an asset's life customers are providing more in cash for income taxes than the company actually has to pay. While the company has this additional cash, it represents cost-free capital provided by the ratepayers. In the example above, the ADIT balances by year are: year 1, $320 credit; year 2, $640 credit; year 3, $960 credit, year 4, $480 credit; year 5, zero balance. A credit balance is a deduction from rate base, and a debit balance is an addition to rate base.

Q. If ADITs normally have credit balances that are deducted from rate base, why is the Company proposing to add the ADIT to rate base?

A. The Company is proposing to add the ADIT to rate base because the Company has calculated a debit ADIT.

Q. Are ADIT balances usually debits or credits?

A. ADIT balances are usually credits as shown in the example provided above.

Q. Does a debit ADIT balance present a 'red flag'?

A. Yes. A debit ADIT balance would indicate a potential error in calculation or some type of unusual circumstance.

Q. What is the composition of the Company's proposed ADIT debit of $1,101,805?

A. The proposed receivable is comprised of three items: the tax benefits associated with the differences between the book and tax treatment of fixed assets and associated depreciation, the tax benefits associated with net AIAC on its books, and the tax benefits of net operating loss (NOL) carryforwards, in the amounts of $876,750, $28,096, and $196,960, respectively. To summarize:

	Per Company
Fixed Asset Component	$ 876,750
AIAC Component	$ 28,096
NOL Component	$ 196,960
Total	$1,101,806

ADIT-Fixed Asset Component

Q. Please explain the Company's reasons in support of the fixed asset component of ADIT for inclusion as an ADIT debit.

A. For the ADIT associated with fixed assets, the Company proposes to compare the net tax value of $13,584,404[2] for its fixed assets at December 31, 2008, with the regulatory book value of the assets at December 31, 2008, determined as the Plant in Service of

[2] See Company filing Schedule B-2, page 5.

$45,888,844 less Accumulated Depreciation of $17,582,689, less CIAC of $16,993,123, to derive an net book basis value of $11,313,032. The Company further proposes that the difference between the $13,584,404 and adjusted book value of $11,313,032, or $2,271,372 represents future tax depreciation in excess of book depreciation that is expected to be realized. The Company multiplies the difference of $2,271,372 times a tax rate of 38.6 percent to calculate a tax asset of $876,750 ($2,271,372 times 38.6 percent)

Q. Please provide a summary of the Company's calculation for the fixed asset component of its ADIT calculation.

A. The Company's calculation is as follows:

Company's Filing

	Book Basis	Tax Basis	Difference
Plant	$ 45,888,844	$ 25,520,685	
Accumulated Depreciation	$ (17,582,689)	$ (11,936,282)	
CIAC Net	$ (16,993,123)		
Net	$ 11,313,032	$ 13,584,404	$ 2,271,372
Tax Rate			38.60%
Est. ADIT debit			$ 876,750

Q. Does Staff agree with the Company's calculation?

A. No.

Q. Did Staff find any errors in the Company's calculation of ADIT associated with its fixed assets?

A. Yes. Staff found numerous errors in the Company's calculation.

Q. Please explain.

A. Staff reviewed the calculation of the book and tax values proposed by the Company. Staff noted that in the years from 2000-2005, the Company's book basis plant additions

included both transfers from Construction Work in Progress ("CWIP") and contributed property ("CIAC Property"). However, in comparing the amounts recorded as additions to the book and the amounts recorded as additions to tax values, Staff noted that the Company improperly included the value of its CIAC property as an addition to its tax basis amounts,. i.e. the Company included CIAC funded plant, which has no tax basis in its tax basis plant value. The excess amounts included in tax basis additions by year are:

CIAC incorrectly recorded in Tax Basis:

Year	Amount
2000	$ 1,942
2001	$ 16,264
2002	$ 480,374
2003	$ 106,542
2004	$ 694,986
2005	$ 2,059,913
Total	$ 3,360,021

Q. What is the net result of the incorrect inclusion of CIAC funded plant in the Company's tax basis?

A. The Company's tax basis value is overstated by $3,360,021.

Q. Are there other concerns regarding the book versus tax additions?

A. Yes. Staff investigated further and determined that in the years 2006 and 2008, the Company failed to record $1,087,409 million of CIAC to its CIAC account. This adjustment to CIAC reduces the rate base by a corresponding amount as shown on Schedule GWB-4.

Q. Based upon the above concerns, what does Staff recommend for the fixed assets component of ADIT?

A. Staff recommends a $479 ADIT credit for the fixed asset component. This is a liability (reduction to rate base) and its calculation is summarized below:

Company's Filing:		Book Basis	Tax Basis	Difference
Plant		$45,888,844	$ 25,520,685	
Accumulated Depreciation		$ (17,582,689)	$ (11,936,282)	
CIAC Net		$ (16,993,123)		
Net		$ 11,313,032	$ 13,584,404	$ 2,271,372
Less: CIAC in Tax Basis				
	2000		$ (1,942)	$ (1,942)
	2001		$ (16,264)	$ (16,264)
	2002		$ (480,374)	$(480,374)
	2003		$ (106,542)	$(106,542)
	2004		$(694,986)	$(694,986)
	2005		$(2,059,913)	$(2,059,913)
Subtotal		$11,313,032	$10,224,383	$ (1,088,649)
Less CIAC not recorded on Books				
	2006	$797,060		$ 797,060
	2008	$290,349		$ 290,349
Subtotal		$10,225,623	$10,224,383	$ (1,240)
Tax Rate				38.60%
Staff recommended ADIT for Fixed Assets Component				$ (479)

ADIT-AIAC Associated Component

Q. What are the other two components of ADIT?

A. The Company also requests ADIT treatment for its AIAC balance of $72,787 and the expected future tax benefits of Net Operating Loss Carryforward of $510,259, for expected benefits of $28,096 and $196,960, respectively.

Q. Does Staff agree with ADIT treatment for its AIAC balance?

A. No.

Q. Please explain.

A. Staff does not agree with the AIAC balance itself (see Schedules GWB-4 and GWB-6), but agrees with the Company's basic methodology (see next paragraph). In response to Staff DR 2.3, the Company reported that its total AIAC should be $122,372 for its water division and $237,921 for its wastewater division, or $360,293 for both, for a total increase of $287,506 over the $72,787 combined AIAC balance in its application.

Regarding the basic methodology, Staff agrees that to the extent that Company pays taxes on AIAC's received, a future tax benefit is created. That is, a temporary difference or ADIT balance that is created by the Company paying taxes before it makes any AIAC refunds which create a tax basis in the plant constructed, which then entitles the Company to record tax basis depreciation on that plant. Thus, the AIAC balance on the Company's books represents the unrefunded AIAC received and can be used in this instance as the basis for calculation of the future tax benefit, or ADIT debit.

Q. What does Staff recommend regarding the ADIT treatment for its AIAC balance?

A. Staff recommends a combined water and wastewater ADIT debit of $139,073 (Staff recommended AIAC balance for both systems of $360,293 times 38.6% tax rate) for the computation of ADIT related to the Company's AIAC balance.

ADIT-Net Operating Loss Carryforward

Q. The third and remaining component of the Company's ADIT calculation is associated with its Net Operating Loss ("NOL") Carryforward. Does Staff agree with the Company's proposed treatment of NOL's for inclusion in its ADIT calculation?

A. No, the NOL represents losses incurred by the Company when the Company failed to earn its authorized rate of return or any other taxable profit in previous years. In past proceedings, the Commission authorized rates included an income tax component and the Company recovered those amounts from ratepayers, regardless of whether the Company earned a profit. The inclusion of a NOL component in the ADIT calculation means that ratepayers would essentially be paying a carrying charge on the Company's expected future recovery of a tax benefit, and this would be unfair to ratepayers since they have already paid their share of income tax expense in rates.

Q. Are there other considerations?

A. Yes. Even though, the Company is entitled under certain accounting pronouncements to record the benefit of NOLs on its books, the Company should not be allowed to use that benefit for ratemaking purposes if it is inequitable to ratepayers.

Q. What does Staff recommend?

A. Staff recommends that the value of NOLs not be considered in the Company's ADIT calculation.

Q. In summary, what amount does Staff recommend for total ADIT to be allocated to the Company's two divisions?

A. Staff recommends a net ADIT debit of $138,594 comprised of a $479 ADIT credit associated with the fixed assets component, offset by a $139,073 ADIT debit associated with the Company's AIAC balance.

To summarize:

	Per Company	Per Staff
Fixed Asset Component	$ 876,750	$ (479)
AIAC Component	$ 28,096	$139,073
NOL Component	$ 196,960	$ -0-
Total	$1,101,805	$138,594

Staff recommends an overall combined water and wastewater ADIT debit of $138,594 be allocated to each system as follows:

ADIT	As Filed	Staff Adjustment	Staff Recommended
Water	$ 778,203	$ (680,314)	$ 97,889
Wastewater	$ 323,602	$ (282,897)	$ 40,705
Total	$1,101,805	$ (963,211)	$ 138,594

Rate Base Adjustment No. 4 – Advances In Aid of Construction

Q. What does the Company propose?

A. The Company proposes AIAC in the amount of $73,648 for its water division.

Q. What adjustments did Staff make to AIAC?

A. Based on Staff's review, Staff recommends increasing AIAC by $48,724 to $122,372 to reflect the amounts per the Company's supporting documentation.

Q. What is Staff's recommendation?

A. Staff recommends AIAC of $122,372, as shown on Schedules GWB-4 and GWB-8.

OPERATING INCOME WATER DIVISION

Operating Income Summary

Q. What are the results of Staff's analysis of Test Year revenues, expenses and operating income?

A. As shown in Schedules GWB-10 and GWB-11, Staff's analysis resulted in Test Year revenues of $1,847,256, expenses of $1,879,512 and operating income (loss) of ($32,256).

Operating Income Adjustment No. 1 – Purchased Power Expense

Q. What did the Company propose for Purchased Power expense?

A. The Company proposed $441,501 for Purchased Power, as shown on Schedule GWB-11.

Q. What adjustment did Staff make to Purchased Power expense?

A. Staff reduced the Purchased Power expense by $48,005 from $441,501 to $393,496 for amounts that should have been charged to the wastewater division. A complementary adjustment is posted to increase the Purchased Power expense in the wastewater division.

Q. What is Staff's recommendation?

A. Staff recommends decreasing operating expenses by $48,005, as shown on Schedules GWB-11 and GWB-12.

Operating Income Adjustment No. 2 – Depreciation Expense

Q. What is Rio Rico proposing for depreciation expense?

A. Rio Rico is proposing depreciation expense of $463,297.

Q. What adjustment did Staff make to depreciation expense?

A. Staff adjusted depreciation expense to reflect application of the Staff-recommended depreciation rates to the Staff-recommended plant balances by account.

Q. What is Staff's recommendation?

A. Staff recommends increasing depreciation expense by $891, from $463,297 to $464,188, as shown on Schedules GWB-11 and GWB-13.

Operating Income Adjustment No. 3 – Regulatory Commission (Rate Case) Expense

Q. What Regulatory Commission (Rate Case) Expense is the Company proposing?

A. The Company proposes $70,000 per year for the instant rate case expense for its water division, plus $17,564 of residual rate case expense, as shown in Schedule GWB-11, lines 21 and 20, respectively.

Q. What adjustment did Staff make to Regulatory Commission (Rate Case) Expense?

A. Staff reduced Regulatory Commission Expense by $17,564, as this amount is not an on-going cost.

Q. What is Staff's recommendation?

A. Staff recommends decreasing Regulatory Commission Expense by $17,564 to $0, as shown on Schedules GWB-11 and GWB-14.

Operating Income Adjustment No. 4 – Property Taxes

Q. What is Rio Rico proposing for Test Year Property Taxes for it water division?

A. Rio Rico is proposing $130,373 for Test Year property taxes. The Company's proposed property taxes are calculated on the modified Arizona Department of Revenue ("ADOR") methodology typically adopted by the Commission for water and wastewater utilities. The results from using this methodology are primarily dependent upon the test year and proposed revenues. In other words, each revenue requirement has its own property tax expense in the same manner as each operating income has its own income tax expenses. Although the results for this methodology are frequently referred to as Test Year amounts, in fact, the results are representative of the average expected property tax over a subsequent three-year period based partially on proposed revenues. The Company's calculation of proposed property taxes is representative of proposed revenues. Therefore, if the Commission adopts any revenue requirement other than that proposed by the Company, the Company's proposed property tax would not correspond with the adopted revenues.

Q. Has Staff developed a solution to address the dependent relationship between Property Tax Expense and revenues?

A. Yes. Staff has included a factor for property taxes in the Gross Revenue Conversion Factor ("GRCF") (see Schedule GWB-2) that automatically adjusts the revenue requirement for changes in revenue in the same way that income taxes are adjusted for changes in operating income. This flexible method will accurately reflect Property Tax Expense at any authorized revenue level. This refinement removes the need to include proposed revenues in the calculation of Test Year Property Tax Expense and allows for accurate calculation of Property Tax Expense at the Test Year revenue level.

Q. What did Staff calculate for Test Year Property Tax Expense?

A. Staff calculated $88,210 for Test Year Property Tax Expense as shown in Schedule GWB-15.[3]

Q. What is Staff recommending?

A. Staff recommends decreasing Test Year Property Tax Expense by $42,163 from $130,373 to $88,210 as shown on Schedule GWB-15. Staff further recommends adoption of its GRCF that includes a factor for Property Tax Expense as shown in Schedule GWB-2.

Operating Income Adjustment No. 5 – Income Taxes

Q. What is the Company proposing for test year Income Tax Expense?

A. Rio Rico is proposing a negative $134,909 for test year Income Tax Expense.

Q. Did Staff make any adjustments to test year Income Tax Expense?

A. Yes. Staff's adjustment reflects Staff's calculation of the income tax expense based upon Staff's adjusted test year taxable income, as shown on Schedule GWB-16.

Q. What is Staff's recommendation?

A. Staff recommends increasing test year Income Tax Expense by $126,374, from negative $134,909 to negative $8,535, as shown on Schedules GWB-11 and GWB-16.

Operating Income Adjustment No. 6 – ACC Assessment included in Expense

Q. What is the Company proposing?

A. Rio Rico is proposing amounts that include $45,010 of ACC assessments in its expenses.

[3] Schedule GWB-15 also shows calculations for Property Tax Expense for Staff's recommended revenue.

Q. Did Staff make any adjustments to the related accounts?

A. Yes. Staff recommends "pass-through" treatment of ACC assessments, as opposed to recovery as operating expenses. Staff's adjustments are reflected in accounts Outside Services and Outside Services-Other.

Q. What is Staff's recommendation?

A. Staff recommends decreasing Outside Services by $27,820 and Outside Services-Other by $17,190, for a total of $45,010, as shown in Schedules GWB-11 and GWB-17.

Operating Income Adjustment No. 7 – Out of Period Expenses

Q. Do the Company's proposed expenses include costs incurred outside of the test year?

A. Yes, Staff's examination revealed that the Company's Outside Services-Other account includes $14,477 of expenses that were incurred outside of the test year.

Q. Did Staff make any adjustments to remove these amounts?

A. Yes. Staff's adjustment removes $14,477 from the Outside Services-Other account.

Q. What is Staff's recommendation?

A. Staff recommends decreasing Outside Services-Other by $14,477, as shown in Schedules GWB-11 and GWB-18.

Operating Income Adjustment No. 8 – Foreign Exchange Adjustment

Q. What is the Company proposing?

A. Rio Rico is proposing to include amounts spent in Canadian dollars at par with American dollars.

Q. Did Staff make any adjustments to the related accounts?

A. Yes. Staff determined that the recent exchange rate indicates that the Canadian dollar is worth approximately 94.2 cents, or 5.8 percent less than the US dollar.[4] Staff concludes that substantially all of the $805,032 of Outside Services proposed by the Company originated in Canada, and should be revalued using a US dollar denomination.

Q. What is Staff's recommendation?

A. Staff recommends decreasing Outside Services by $46,692, as shown in Schedules GWB-11 and GWB-19.

Operating Income Adjustment No. 9 – Corporate Expense Allocation

Q. What is the Algonquin Power Income Fund ("Fund" or "APIF")?

A. The Algonquin Power Income Fund, the ultimate parent of Rio Rico, is an unregulated company whose primary business activity is the acquisition and ownership of generation and infrastructure companies through security investments. At year-end 2007, APIF consisted of four main divisions as follows (2008 information not available):

[4] Based on currency exchange information on Yahoo Finance, December 15, 2009.

	2007 Divisions	
	Types of Facilities in Divisions	**No. of Facilities**
1	Hydroelectric	41
2	Cogeneration – Equity Interest Only	2
	Cogeneration – Own/Operate	3
3	Alternative Fuels – Equity Interest Only	3
	Alternative Fuels – Own/Operate	5
4	Infrastructure (Water & Sewer)	17
	Total Number of Facilities	**71**

Q. Please describe the position of Rio Rico within APIF's organizational structure.

A. According to the organizational chart provided by the Company, Algonquin Power Income Fund owns Algonquin Holdco, who in turn, owns Algonquin Power Fund Canada, who in turn, owns Algonquin Power Income Fund, who in turn, owns Algonquin Power Fund America, who in turn, owns Algonquin Water Resources of America, who in turn, owns Rio Rico Utilities, Inc.

Q. What is the primary goal of cost allocation between an unregulated affiliate and a regulated affiliate?

A. The primary goal is the fair distribution of costs between the unregulated and regulated affiliate through proper allocation bases.

Q. What effect do incorrectly allocated costs have on rate payers?

A. When costs incurred primarily for the benefit of an unregulated affiliate's business are identified and allocated as overhead/common costs, then costs of the unregulated affiliate are shifted to the captive customers of the regulated utility. This cost shifting results in the captive customers of the regulated utility subsidizing the business operations of the unregulated affiliate. This harms customers by creating artificially higher rates. The costs of a regulated utility, such as Rio Rico, should only include those costs that would have been incurred on a "stand-alone basis;" in other words, only those costs that the regulated utility would have incurred by itself in the provision of service.

Q. What is the amount of expense that was allocated from the APIF unregulated business operations to Rio Rico during the test year?

A. The Company proposes to allocate $137,703 to Rio Rico. Of the $137,703, the Company proposes to allocate $102,960 to its water division and $34,747 to its wastewater division.

Q. What is the basis of the allocation?

A. The Company proposes to allocate approximately 3.49 percent of its 2008 budgeted expenditures of $3,950,700, or $137,703, to both Rio Rico systems.

Q. How did the Company propose to make its allocation to Rio Rico?

A. First, $3.95 million in expenses from the unregulated affiliate were allocated to the infrastructure division based on a single allocation factor of 26.98 percent. Those costs were then allocated to each company within the infrastructure division based upon customer count.

Q. Did Staff review the amounts comprising the $3.95 million of expenses allocated from the unregulated affiliate to Rio Rico?

A. Yes.

Q. Does Staff agree that rates should be set on budgeted amounts?

A. No, Staff believes that any allocation should be based on actual results.

Q. According to the Company, what was the actual amount of monies spent in 2008 subject to allocation?

A. In response to Staff DR 4.2, the Company stated that 2008 expenses were $5.27 million and that the corrected amount of allocated expenses to Rio Rico is $168,464.

Q. Did the Company charge or allocate the $5.27 million appropriately?

A. No. First, there are computational errors in the Company's revised allocation of $168,424. Staff has recalculated the revised allocation of $168,424 to be $183,683. Further, Staff reviewed the underlying invoices for the costs and determined that the Company did not identify the costs as direct costs (i.e., costs that can be identified with a particular service) or indirect costs (costs that cannot be identified with a particular service) consistent with the NARUC Guidelines for Cost Allocation and Affiliate Transactions. These guidelines require that the costs primarily attributable to a business operation should be, to the extent appropriate, directly assigned to that business operation.

Q. What amount of the $5.27 million did Staff determine was attributable to (i.e., direct costs of) APIF or an affiliate?

A. Based upon review of the actual supporting invoices provided by the Company, Staff determined that almost all of the costs were obviously attributable to the operations of the

APIF or one of its affiliates; therefore, Staff assigned 90 percent of the costs to APIF. The remaining 10 percent recognizes that the other affiliates receive a benefit from the common costs, and therefore, should be allocated a percentage greater than zero.

Q. Does Staff agree that all of the $5.27 million of expenses allocated from the unregulated affiliate are allowable costs?

A. No, Staff does not. As shown in wastewater schedule GWB-20[5], Staff identified $245,506 in unallowable costs. For example, Staff identified $94,197 for Canadian tax services, $5,000 for charitable donations, and $7,800 for a "hootenanny."

Q. Does Staff agree with the Company's calculation of the factor to allocate common costs?

A. No, Staff does not.

Q. What allocation formula did the Company use to allocate common costs?

A. The Company used the following formula: 17 utilities / 63 total facilities = 26.98%.

Q. Does Staff agree with the number of total facilities that the Company used in its formula?

A. No, Staff does not. Staff attempted to match the number used in the formula to the information in the 2006 and 2007 Algonquin Power Income Fund Annual Reports; however, the numbers did not agree. The information in the 2006 and 2007 annual reports is as follows:

[5] Wastewater Schedule GWB-20 is the same as water schedule GWB-18.

Line No	Type of Facility	Year-End 2006	Year-End 2007	Average
1	Hydroelectric	48	41	44.5
2	Cogeneration – Equity Interest Only	2	2	2.0
3	Cogeneration – Own/Operate	3	3	3.0
4	Alternative Fuels – Equity Interest Only	3	3	3.0
5	Alternative Fuels – Own/Operate	14	5	9.5
6	Infrastructure (Water & Sewer)	15	17	16.0
7	**Total Number of Facilities**	**85**	**71**	**78**
8	**Allocation Percentage (1 / L7)**	**1.18%**	**1.42%**	**1.28%**

Q. Have the above relationships changed in 2008?

A. The 2008 report for APIF contains less detail than indicated above, but does indicate the APIF now owns 42 renewable energy facilities, 11 thermal energy facilities, and 17 water and wastewater (infrastructure) facilities, for a total of 70 facilities. Staff recommends that the year-end information per the Algonquin Power 2008 annual report be used to determine the number of total facilities.

Q. What data should the Company use for its common cost allocation formula?

A. For the purposes of determining a fair allocation rate, Staff recommends an allocation rate of 1/70 or 1.43 percent to be applied to expenses that are appropriately included in the amounts subject to allocation.

Q. Did Staff prepare a schedule of its recommended common costs and allocation factor?

A. Yes. Staff's calculations are shown on wastewater Schedule GWB-20. Staff's recommended adjustment to each division is shown below:

	As Filed	Staff Recomm.	Can $ Adjustment	US $$ Adjustment
Water	$ 102,960	$ 1,363	$ (101,597)	$ (95,704)
Wastewater	$ 34,747	$ 460	$ (34,287)	$ (32,298)
Total	$ 137,707	$ 1,823	$ (135,884)	$(128,002)

WASTEWATER DIVISION

Rate Base Adjustment No. 1 – Accumulated Deferred Income Taxes ("ADIT")

Q. Is Staff's analysis of the ADIT for the wastewater division the same as for the water division, as discussed above?

A. Yes, the Company calculated its ADIT for both divisions and allocates the ADIT based on relative rate base.

Q. Please restate the final recommendation as more fully described above for ADIT.

A. Staff recommends a net ADIT debit of $138,594 comprised of an ADIT credit of $479 associated with the fixed assets component offset by an ADIT debit of $139,073 associated with the Company's AIAC balance.

To summarize:

ADIT	Company Proposed	Staff Recommended
Fixed Asset Component	$ 876,750	$ (479)
AIAC Component	$ 28,096	$ 139,073
NOL Component	$ 196,960	$ -0-
Total	$1,101,805	$ 138,594

Staff recommends that the net ADIT receivable of $139,073 be allocated to each system as follows:

ADIT	As Filed	Staff Adjustment	Staff Recommended
Water	$ 778,203	$ (680,314)	$ 97,889
Wastewater	$ 323,602	$ (282,897)	$ 40,705
Total	$1,101,805	$ (963,211)	$ 138,594

Rate Base Adjustment No. 2 – Advances In Aid of Construction

Q. What does the Company propose?

A. The Company proposes AIAC in the amount of negative $861 for its wastewater division.

Q. What adjustments did Staff make to AIAC?

A. Based on Staff's review, Staff recommends increasing AIAC by $238,782 to $237,921 to reflect the amounts per the Company's supporting documentation.

Q. What is Staff's recommendation?

A. Staff recommends AIAC of $237,921, as shown in Schedules GWB-4 and GWB-6.

OPERATING INCOME WASTEWATER DIVISION

Operating Income Summary

Q. What are the results of Staff's analysis of test year revenues, expenses and operating income?

A. As shown on Schedules GWB-10 and GWB-11, Staff's analysis resulted in test year revenues of $1,829,976, expenses of $1,334,353 and operating income of $495,623.

Operating Income Adjustment No. 1 – Purchased Power Expense

Q. What did the Company propose for Purchased Power expense?

A. The Company proposed $17,426 for Purchased Power, as shown in Schedule GWB-11.

Q. What adjustment did Staff make to Purchased Power expense?

A. Staff increased the Purchased Power amount by $48,005 from $17,426 to $65,431 for amounts that were charged to the water division in error. A complementary adjustment is posted to decrease the Purchased Power expense in the water division.

Q. What is Staff's recommendation?

A. Staff recommends increasing operating expenses by $48,005, from $17,426 to $65,431, as shown on Schedules GWB-11 and GWB-12.

Operating Income Adjustment No. 2 – Depreciation Expense

Q. What is Rio Rico proposing for depreciation expense?

A. Rio Rico is proposing depreciation expense of $252,672 for its wastewater division.

Q. What adjustment did Staff make to depreciation expense?

A. Staff adjusted depreciation expense to reflect application of the Staff-recommended depreciation rates to the Staff recommended plant balances by account.

Q. What is Staff's recommendation?

A. Staff recommends decreasing depreciation expense by $848, from $252,672 to $251,824, as shown in Schedules GWB-11 and GWB-13.

Operating Income Adjustment No. 3 – Foreign Exchange Adjustment

Q. What is the Company proposing?

A. Rio Rico is proposing to include amounts spent in Canadian dollars at par with American dollars.

Q. Did Staff make any adjustments to the related accounts?

A. Yes. Staff determined that the recent exchange rate indicates that the Canadian dollar is worth approximately 94.2 cents, or 5.8 percent less than the US dollar.[6] Staff concludes that substantially all of the $298,008 of Outside Services proposed by the Company originated in Canada, and should be revalued using a US dollar denomination.

Q. What is Staff's recommendation?

A. Staff recommends decreasing Outside Services by $17,284, as shown in Schedules GWB-11 and GWB-14.

Operating Income Adjustment No. 4 – Property Taxes

Q. What is Rio Rico proposing for Test Year Property Taxes for it wastewater division?

A. Rio Rico is proposing $91,705 for Test Year property taxes. The Company's proposed property taxes are calculated on the modified Arizona Department of Revenue ("ADOR") methodology typically adopted by the Commission for water and wastewater utilities. The results from using this methodology are primarily dependent upon the test year and proposed revenues. In other words, each revenue requirement has its own property tax expense in the same manner as each operating income has its own income tax expenses. Although the results for this methodology are frequently referred to as Test Year amounts, in fact, the results are representative of the average expected property tax over a

[6] Based on currency exchange information on Yahoo Finance, December 15, 2009.

subsequent three-year period based partially on proposed revenues. The Company's calculation of proposed property taxes is representative of proposed revenues. Therefore, if the Commission adopts any revenue requirement other than that proposed by the Company, the Company's proposed property tax would not correspond with the adopted revenues.

Q. Has Staff developed a solution to address the dependent relationship between Property Tax Expense and revenues?

A. Yes. Staff has included a factor for property taxes in the Gross Revenue Conversion Factor ("GRCF") (See Schedule GWB-2) that automatically adjusts the revenue requirement for changes in revenue in the same way that income taxes are adjusted for changes in operating income. This flexible method will accurately reflect Property Tax Expense at any authorized revenue level. This refinement removes the need to include proposed revenues in the calculation of Test Year Property Tax Expense and allows for accurate calculation of Property Tax Expense at the Test Year revenue level.

Q. What did Staff calculate for Test Year Property Tax Expense?

A. Staff calculated $87,068 for Test Year Property Tax Expense as shown in Schedule GWB-15.[7]

Q. What is Staff recommending?

A. Staff recommends decreasing Test Year Property Tax Expense by $4,637 from $91,705 to $87,068 as shown on Schedule GWB-15. Staff further recommends adoption of its GRCF that includes a factor for Property Tax Expense as shown in Schedule GWB-2.

[7] Schedule GWB-15 also shows calculations for Property Tax Expense for Staff's recommended revenue.

Operating Income Adjustment No. 5 – Income Taxes

Q. What is the Company proposing for test year Income Tax Expense?

A. Rio Rico is proposing $308,456 for test year Income Tax Expense.

Q. Did Staff make any adjustments to test year Income Tax Expense?

A. Yes. Staff's adjustment reflects Staff's calculation of the income tax expense based upon Staff's adjusted test year taxable income, as shown on Schedule GWB-16.

Q. What is Staff's recommendation?

A. Staff recommends increasing test year Income Tax Expense by $3,110, from $308,456 to $311,566, as shown in Schedules GWB-11 and GWB-16.

Operating Income Adjustment No. 6 – Regulatory Commission (Rate Case) Expense

Q. What Regulatory Commission (Rate Case) Expense is the Company proposing?

A. For this proceeding, the Company proposes $41,667 per year for the instant case expense for its wastewater division, plus $994 of residual rate case expense, as shown on the Schedule GWB-11, lines 24 and 23, respectively.

Q. What adjustment did Staff make to Regulatory Commission (Rate Case) Expense?

A. Staff reduced Regulatory Commission Expense by $994, as these amounts are not on-going costs.

Q. What is Staff's recommendation?

A. Staff recommends decreasing Regulatory Commission Expense by $994 to $0, as shown on Schedules GWB-11 and GWB-17.

Q. Why is Staff recommending a relatively minor adjustment of $994?

A. Staff recommends this adjustment because it is important that unrecovered rate case expenses from prior proceedings not be included in prospective rates. The appropriate ratemaking treatment of rate case expense is to normalize rather than amortize these expenses. Accordingly, utilities are not entitled to rollover any rate case expenses to subsequent proceedings.

Operating Income Adjustment No. 7 – Corporate Expense Allocation

Q. Is Staff's analysis of the Corporate Expense Allocation for the wastewater division the same as for the water division, as discussed above.

A. Yes, the Company calculated its allocated costs for the combined divisions and then allocated the expense based on relative customer counts.

Q. Please restate the recommended adjustment described above.

A. Yes, Staff's calculations for wastewater are shown on Schedule GWB-18. Staff's recommended adjustment to each division is shown below:

	As Filed	Staff Recomm.	Canadian $ Adjustment	US $$ Adjustment
Water	$ 102,960	$ 1,363	$ (101,597)	$ (95,704)
Wastewater	$ 34,747	$ 460	$ (34,287)	$ (32,298)
Total	$ 137,707	$ 1,823	$ (135,884)	$ (128,002)

OTHER CONSIDERATIONS

Q. Does Staff have other concerns?

A. Yes, it does.

Q. Please describe Staff's other concerns.

A. At the time of filing this testimony, Staff is aware that the Company recently recalculated the ADIT balances that it filed. Staff has unresolved concerns regarding the relationship between the Company's book and tax basis values (including the calculation of its tax basis Accumulated Depreciation) that the Company has assigned to its fixed assets, the reconciliation between the book and tax values including, and the correct allocation of unrecorded CIAC. Staff reserves the right to address this, as necessary, through data requests and/or future testimony. Also, Staff is aware of some possible bonuses paid to certain employees and charged to Rio Rico. Staff also reserves the right to address this, as necessary, through data requests and/or future testimony. Staff requests that the Company address these concerns no later than the date it files its rebuttal testimony.

Q. Does this conclude your Direct Testimony?

A. Yes, it does.

RIO RICO UTILIES, INC. WATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

DIRECT TESTIMONY OF GERALD BECKER

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RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-1

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) STAFF ORIGINAL COST	(D) STAFF FAIR VALUE
1	Adjusted Rate Base	$ 8,455,519	$ 8,455,519	$ 6,639,072	$ 6,639,072
2	Adjusted Operating Income (Loss)	$ (214,606)	$ (214,606)	$ (32,256)	$ (32,256)
3	Current Rate of Return (L2 / L1)	-2.54%	-2.54%	-0.49%	-0.49%
4	Required Rate of Return	12.40%	12.40%	9.20%	9.20%
5	Required Operating Income (L4 * L1)	$ 1,048,484	$ 1,048,484	$ 610,795	$ 610,795
6	Operating Income Deficiency (L5 - L2)	$ 1,263,090	$ 1,263,090	$ 643,051	$ 643,051
7	Gross Revenue Conversion Factor	1.6286	1.6286	1.6363	1.6363
8	Required Revenue Increase (L7 * L6)	$ 2,057,065	$ 2,057,065	$ 1,052,240	$ 1,052,240
9	Adjusted Test Year Revenue	$ 1,847,256	$ 1,847,256	$ 1,847,256	$ 1,847,256
10	Proposed Annual Revenue (L8 + L9)	$ 3,904,321	$ 3,904,321	$ 2,899,496	$ 2,899,496
11	Required Increase in Revenue (%)	111.36%	111.36%	56.96%	56.96%
12	Rate of Return on Common Equity (%)	12.40%	12.40%	9.20%	9.20%

References:
Column [A]: Company Schedule A-1
Column (B): Company Schedule A-1
Column (C): Staff Schedules GWB-2, GWB-3, and GWB-10

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-2

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)	[E]	[F]
	Calculation of Gross Revenue Conversion Factor:						
1	Revenue	100.0000%					
2	Uncollecible Factor (Line 11)	0.0000%					
3	Revenues (L1 - L2)	100.0000%					
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	38.8875%					
5	Subtotal (L3 - L4)	61.1125%					
6	**Revenue Conversion Factor (L1 / L5)**	1.636326					
	Calculation of Uncollecttible Factor:						
7	Unity	100.0000%					
8	Combined Federal and State Tax Rate (Line 17)	37.9026%					
9	One Minus Combined Income Tax Rate (L7 - L8)	62.0974%					
10	Uncollectible Rate	0.0000%					
11	Uncollectible Factor (L9 * L10)		0.0000%				
	Calculation of Effective Tax Rate:						
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%					
13	Arizona State Income Tax Rate	6.9680%					
14	Federal Taxable Income (L12 - L13)	93.0320%					
15	Applicable Federal Income Tax Rate (Line 44)	33.2516%					
16	Effective Federal Income Tax Rate (L14 x L15)	30.9346%					
17	Combined Federal and State Income Tax Rate (L13 +L16)		37.9026%				
	Calculation of Effective Property Tax Factor						
18	Unity	100.0000%					
19	Combined Federal and State Income Tax Rate (L17)	37.9026%					
20	One Minus Combined Income Tax Rate (L18-L19)	62.0974%					
21	Property Tax Factor (GTM-14, L24)	1.5860%					
22	Effective Property Tax Factor (L20*L21)		0.9848%				
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			38.8875%			
24	Required Operating Income (Schedule GWB-1, Line 5)	$ 610,795					
25	AdjustedTest Year Operating Income (Loss) (Schedule GWB-10, Line 42)	$ (32,256)					
26	Required Increase in Operating Income (L24 - L25)		$ 643,051				
27	Income Taxes on Recommended Revenue (Col. (F), L52)	$ 383,966					
28	Income Taxes on Test Year Revenue (Col. (C), L52)	$ (8,535)					
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		$ 392,501				
30	Recommended Revenue Requirement (Schedule GWB-1, Line 10)	$ 2,899,496					
31	Uncollectible Rate (Line 10)	0.0000%					
32	Uncollectible Expense on Recommended Revenue (L24 * L25)	$ -					
33	Adjusted Test Year Uncollectible Expense	$ -					
34	Required Increase in Revenue to Provide for Uncollectible Exp.		$ -				
35	Property Tax with Recommended Revenue (GTM-15, 20)	$ 104,898					
36	Property Tax on Test Year Revenue (GTM-15, Col A, L16)	$ 88,210					
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		$ 16,688				
38	Total Required Increase in Revenue (L26 + L29 + L37)		$ 1,052,239				

		(A)	(B)	(C)	(D)	[E]	[F]
		Test Year			Staff Recommended		
		Total	Rio Rico Water	Rio Rico WW	Total	Rio Rico Water	Rio Rico WW
	Calculation of Income Tax:						
39	Revenue (Sch GWB-9, Col.(C) L5, GWB-1, Col. (D), L9)	$ 3,677,232	$ 1,847,256	$ 1,829,976	$ 4,365,166	$ 2,899,493	$ 1,465,673
40	Operating Expenses Excluding Income Taxes	$ 2,910,834	$ 1,888,047	$ 1,022,787	$ 2,921,744	$ 1,904,735	$ 1,017,010
41	Synchronized Interest (L47)			$ -	$ -		
42	Arizona Taxable Income (L30 - L31 - L32)	$ 766,398	$ (40,791)	$ 807,189	$ 1,443,423	$ 994,759	$ 448,664
43	Arizona State Income Tax Rate		6.9680%	6.9680%	6.9680%	6.9680%	6.9680%
44	Arizona Income Tax (L33 x L34)	$ 53,403	$ (2,842)	$ 56,245	$ 100,578	$ 69,315	$ 31,263
45	Federal Taxable Income (L33 - L35)	$ 712,995	$ (37,948)	$ 750,944	$ 1,342,845	$ 925,445	$ 417,401
46	Federal Tax on First Income Bracket ($1 - $50,000) @ 15%	$ 1,808	$ (5,692)	$ 7,500	$ 7,500		
47	Federal Tax on Second Income Bracket ($50,001 - $75,000) @ 25%	$ 6,250	$ -	$ 6,250	$ 6,250		
48	Federal Tax on Third Income Bracket ($75,001 - $100,000) @ 34%	$ 8,500	$ -	$ 8,500	$ 8,500		
49	Federal Tax on Fourth Income Bracket ($100,001 - $335,000) @ 39%	$ 91,650	$ -	$ 91,650	$ 91,650		
50	Federal Tax on Fifth Income Bracket ($335,001 -$10,000,000) @ 34%	$ 141,421	$ -	$ 141,421	$ 342,667		
51	Total Federal Income Tax	$ 249,629	$ (5,692)	$ 255,321	$ 456,567	$ 314,651	$ 141,916
52	Combined Federal and State Income Tax (L35 + L42)	$ 303,031	$ (8,535)	$ 311,566	$ 557,145	$ 383,966	$ 173,179

53	COMBINED Applicable Federal Income Tax Rate [Col. [D], L51 - Col. [A], L51] / [Col. [D], L45 - Col. [A], L45]	32.8553%		
54	WATER Applicable Federal Income Tax Rate [Col. [E], L51 - Col. [B], L51] / [Col. [E], L45 - Col. [B], L45]		33.2516%	
55	WASTEWATER Applicable Federal Income Tax Rate [Col. [F], L51 - Col. [C], L51] / [Col. [F], L45 - Col. [C], L45]			34.0001%

	Calculation of Interest Synchronization:		314,651.30	
56	Rate Base (Schedule GWB-3, Col. (C), Line 18)	N/A	173,178.98	
57	Weighted Average Cost of Debt	0.0000%	0.18	
58	Synchronized Interest (L45 X L46)	$ -	543.953%	

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-3

RATE BASE - ORIGINAL COST

LINE NO.		(A) COMPANY AS FILED	(B) STAFF ADJUSTMENTS	(C) STAFF AS ADJUSTED
1	Plant in Service	$ 34,059,804	$ -	$ 34,059,804
2	Less: Accumulated Depreciation	12,472,661	-	12,472,661
3	Net Plant in Service	$ 21,587,143	$ -	$ 21,587,143
	LESS:			
4	Contributions in Aid of Construction (CIAC)	$ 20,188,921	$ 1,087,409	$ 21,276,330
5	Less: Accumulated Amortization	6,628,197	-	6,628,197
6	Net CIAC	13,560,724	1,087,409	14,648,133
7	Advances in Aid of Construction (AIAC)	73,648	48,724	122,372
8	Imputed Reg AIAC	-	-	-
9	Imputed Reg CIAC	-	-	-
10	Deferred Income Tax Credits (Debits)	(778,203)	680,314	(97,889)
	Customer Meter Deposits	275,455		275,455
	ADD:			
11	Cash Working Capital		-	-
12	Prepayments		-	-
13	Supplies Inventory		-	-
14	Projected Capital Expenditures		-	-
15	Deferred Debits		-	-
16	Purchase Wastewater Treatment Charges	-	-	
17	**Original Cost Rate Base**	$ 8,455,519	$ (1,816,447)	$ 6,639,072

References:
Column (A), Company Schedule B-2
Column (B): Schedule GWB-4
Column (C): Column (A) + Column (B)

O RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-4

UMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

NE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] ADJ #1	[C] ADJ #2	[D] ADJ #3	[E] ADJ #4	[E] ADJ #5	[F] ADJ #6	[F] STAFF ADJUSTED
		PLANT IN SERVICE:								
1	301	Organization Cost	5,785							$ 5,785
2	302	Franchise Cost	417							$ 417
3	303	Land and Land Rights	44,194							$ 44,194
4	304	Structures and Improvements	2,732,833							$ 2,732,833
5	305	Collecting and Impounding Res.	-							$ -
6	306	Lake River and Other Intakes	-							$ -
7	307	Wells and Springs	563,512							$ 563,512
8	308	Infiltration Galleries and Tunnels	-							$ -
9	309	Supply Mains	279,154							$ 279,154
10	310	Power Generation Equipment	197,120							$ 197,120
11	311	Electric Pumping Equipment	2,591,971							$ 2,591,971
12	320	Water Treatment Equipment	372,970	(372,970)						$ 0
13	320.1	Water Treatment Equipment	-	372,970						$ 372,970
14	320.2	Chemical Solution Feeders	-							$ -
15	330	Distribution Reservoirs & Standpipe	759,861	(759,861)						$ 0
16	330.1	Storage tanks	-	759,861.00						$ 759,861
17	330.2	Pressure Tanks	-							$ -
18	331	Transmission and Distribution Mains	22,089,150							$ 22,089,150
19	333	Services	2,209,274	-						$ 2,209,274
20	334	Meters	956,605							$ 956,605
21	335	Hydrants	568,578							$ 568,578
22	336	Backflow Prevention Devices	3,848							$ 3,848
23	339	Other Plant and Miscellaneous Equipment	121,843							$ 121,843
24	340	Office Furniture and Fixtures	22,986							$ 22,986
25	340.1	Computers and Software	76,919							$ 76,919
26	341	Transportation Equipment	218,945							$ 218,945
27	342	Stores Equipment	-							$ -
28	343	Tools and Work Equipment	15,035							$ 15,035
29	344	Laboratory Equipment	3,061							$ 3,061
30	345	Power Operated Equipment	-							$ -
31	346	Communications Equipment	218,041							$ 218,041
32	347	Miscellaneous Equipment	7,701							$ 7,701
33	348	Other Tangible Plant	-							$ -
34										$ -
35		**Total Plant in Service**	34,059,804	-	-	-	-	-	-	$ 34,059,804
36										
37		Accumulated Depreciation	12,472,661	-						12,472,661
38		Net Plant in Service (L58 - L 59)	$ 21,587,143	$ -	$ -	$ -	$ -	$ -	$ -	$ 21,587,143
39										
40		*LESS:*								
41		Contributions in Aid of Construction (CIAC)	$ 20,188,921		$ 1,087,409		$ -	$ -		$ 21,276,330
42		Less: Accumulated Amortization	6,628,197	-	-			-		6,628,197
43		Net CIAC (L63 - L64)	13,560,724		1,087,409	-	-	-		14,648,133
44		Advances in Aid of Construction (AIAC)	73,648				48,724			122,372
45		Imputed Reg Advances	-	-	-	-	-			-
46		Imputed Reg CIAC		-	-					-
47		Deferred Income Tax Credits (Debits)	(778,203)	-	-	680,314	-	-		(97,889)
48		Customer Meter Deposits	275,455							275,455
49		*ADD:*								-
50		Working Capital Allowance		-		-	-			-
51		Pumping Power		-	-	-	-			-
52		Purchase Wastewater Treatment Charges		-	-	-	-			-
53		Material and Supplies Inventory		-	-	-	-			-
54		Prepayments		-	-	-	-	-		-
55		Projected (1847256		- -	-	-	-	-		-
56		Deferred D 1888046.524		- -	-	-		-		-
57		**Original Cost Rate Base**	$ 8,455,519	$ -	$ (1,087,409)	$ (680,314)	$ (48,724)	$ -	$ -	$ 6,639,072

ADJ #		References:
1	To reclassify plant to correct acct.	Schedule GWB-5
2	CIAC not recorded	Schedule GWB-6
3	Accumulated Deferred Income Taxes	Schedule GWB-7
4	AIAC Correction	Schedule GWB-8

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Schedule GWB-5

RATE BASE ADJUSTMENT #1 - TO RECLASSIFY PLANT

LINE NO.	ACCT NO.	Description	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
		Gross Additions			
1	320	Water Treatment Equipment	372,970	(372,970)	-
2	320.1	Water Treatment Equipment	-	372,970	372,970
3	330	Distribution Reservoirs & Standpipe	759,861	(759,861)	-
4	330.1	Storage tanks	-	759,861	759,861

References:
Column [A]: Amounts included in plant balances per filing.
Column (B): Per Testimony GWB
Column (C): Column [A] less Column [B]

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Schedule GWB- 6

RATE BASE ADJUSTMENT #2 - CIAC NOT RECORDED

ACCT NO.	Description	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1	CIAC 2006		$ 797,060	
2	CIAC 2008	20,188,921	$ 290,349	$21,276,330
3	As adjusted	20,188,921	1,087,409	21,276,330

References:
Column [A]: Amounts included Per filing.
Column (B): Per Testimony GWB
Column (C): Column [A] plus Column [B]

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Schedule GWB - 7

RATE BASE ADJUSTMENT #3 - ACCUMULATED DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1	At December 31, 2008	(778,203)	680,314	(97,889)
2		$ (778,203)	$ 680,314	$ (97,889)

REFERENCES:
Columns [A]: Company schedules
Column [B]: Column [C] less Column [A]
Column [C]: See testimony GWB

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Schedule GWB-8

RATE BASE ADJUSTMENT #4 - ADVANCES IN AID OF CONSTRUCTION

LINE NO.	ACCT NO.	Description	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1		AIAC	73,648	48,724	122,372

References:
Column [A]: Amounts included in plant balances per filing.
Column (B): Per Testimony GWB
Column (C): Column [A] less Column [B]

Schedule GWB-9 NOT used

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Schedule GWB-10

OPERATING INCOME STATEMENT - TEST YEAR AND STAFF RECOMMENDED

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] STAFF TEST YEAR ADJUSTMENTS	[C] STAFF TEST YEAR AS ADJUSTED	[D] STAFF RECOMMENDED CHANGES	[E] STAFF RECOMMENDED
1	Water Revenues	$ 1,802,584	$ -	$ 1,802,584	$ 1,052,240	$ 2,854,824
2	Other Revenues	44,672	-	44,672	-	44,672
3	Other	-	-	-	-	-
4	**Total Operating Revenues**	$ 1,847,256	$ -	$ 1,847,256	$ 1,052,240	$ 2,899,496
5	Salaries and Wages	$ -				
6	Purchased Water	$ -	$ -	-	$ -	$ -
7	Purchased Power	$ 441,501	(48,005)	393,496	-	$ 393,496
8	Fuel for Power Production	$ -	-	-	-	$ -
9	Chemicals	$ 9,347	-	9,347	-	$ 9,347
10	Materials & Supplies	$ 23,150	-	23,150	-	$ 23,150
11	Outside Services	$ 805,032	(170,216)	634,816	-	$ 634,816
12	Outside Services- Other	$ 76,859	(31,667)	45,192	-	$ 45,192
13	Outside Services- Legal	$ 487	-	487	-	$ 487
14	Water Testing (incl in line 13)	$ -	-	-	-	$ -
15	Rents	$ 26,954	-	26,954	-	$ 26,954
16	Transportation Expenses	$ 79,315	-	79,315	-	$ 79,315
17	Insurance - General Liability	$ 37,699	-	37,699	-	$ 37,699
18	Insurance - Health and Life	$ -	-	-	-	$ -
19	Reg. Comm. Exp.	$ 17,564	(17,564)	-	-	$ -
20	Reg. Comm. Exp. - Rate Case	$ 70,000	-	70,000	-	$ 70,000
21	Miscellaneous Expense	$ 14,822	-	14,822	-	$ 14,822
22	Bad Debt Expense	$ 371	-	371	-	$ 371
23	Depreciation Expense	$ 463,297	891	464,188	-	$ 464,188
24	Taxes Other Than Income	$ -	-	-	-	
25	Property Taxes	$ 130,373	(42,163)	88,210	16,688	$ 104,898
26	Income Tax	$ (134,909)	126,374	(8,535)	392,501	$ 383,966
27						
28	**Total Operating Expenses**	$ 2,061,862	(182,350)	1,879,512	409,189	$ 2,288,701
29	**Operating Income (Loss)**	$ (214,606)	$ 182,350	$ (32,256)	$ 643,051	$ 610,795

References:
Column (A): Company Schedule C-1
Column (B): Schedule GWB 11
Column (C): Column (A) + Column (B)
Column (D): Schedules GWB 2
Column (E): Column (C) + Column (D)

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Schedule GWB-11

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Purchased Power ADJ #1 Xfer to WW	[C] Depreciation Exp. ADJ #2	[D] Rate Case Exp ADJ #3	[E] Property Taxes ADJ #4	[F] Income Taxes ADJ #5	[G] ACC ADJ #6	[I] Out of Period ADJ #7	[J] Foreign Exchange ADJ #8	[K] Corporate Exp ADJ #9	[L] Mgmt Fees ADJ #10	[L] Rate Case ADJ #11	[G] STAFF ADJUSTED
1														
2	Water Revenues	$ 1,802,584	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,802,584
3	Other Revenues	44,672	-	-	-	-	-	-	-	-	-	-	-	$ 44,672
4	Other	-	-	-	-	-	-	-	-	-	-	-	-	$ -
5	**Total Operating Revenues**	$ 1,847,256	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,847,256
6	Salaries and Wages	-												
7	Purchased Water	$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -	$ -	-
8	Purchased Power	441,501	(48,005)	-	-	-	-	-	-	-	-	-	-	393,496
9	Fuel for Power Production	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Chemicals	9,347	-	-		-	-	-	-	-	-	-	-	9,347
11	Materials & Supplies	23,150	-	-	-	-	-	-		-	-	-	-	23,150
12	Outside Services	805,032	-	-	-	-	-	(27,820)	-	(46,692)	(95,704)		-	634,816
13	Outside Services- Other	76,859	-	-	-	-	-	(17,190)	(14,477)	-	-	-	-	45,192
14	Outside Services- Legal	487	-	-	-	-	-	-	-	-	-	-	-	487
15	Water Testing (incl in line 13)	-	-	-	-	-	-	-	-	-	-	-		-
16	Rents	26,954	-	-	-	-	-	-	-	-	-	-	-	26,954
17	Transportation Expenses	79,315	-	-	-	-	-	-	-	-	-	-	-	79,315
18	Insurance - General Liability	37,699	-	-	-	-	-	-	-	-		-	-	37,699
19	Insurance - Health and Life	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Reg. Comm. Exp.	17,564	-	-	(17,564)	-	-	-	-			-	-	-
21	Reg. Comm. Exp. - Rate Case	70,000		-	-	-	-	-	-	-	-	-	-	70,000
22	Miscellaneous Expense	14,822	-		-	-	-	-	-	-	-	-	-	14,822
23	Bad Debt Expense	371	-	-	-		-	-	-	-	-	-	-	371
24	Depreciation Expense	463,297	-	891	-	-	-	-	-	-	-	-	-	464,188
25	Taxes Other Than Income	-	-	-	-	-		-	-	-	-	-	-	-
26	Property Taxes	130,373	-	-	-	(42,163)	-	-	-	-	-	-	-	88,210
27	Income Tax	(134,909)	-	-	-	-	126,374	-	-	-	-	-	-	(8,535)
28				-	-	-	-	-	-	-	-	-	-	-
29														
30	**Total Operating Expenses**	$ 2,061,862	$ (48,005)	$ 891	$ (17,564)	$ (42,163)	$ 126,374	$ (45,010)	$ (14,477)	$ (46,692)	$ (95,704)	$ -	$ -	$ 1,879,512
31	**Operating Income (Loss)**	$ (214,606)	$ 48,005	$ (891)	$ 17,564	$ 42,163	$(126,374)	$ 45,010	$ 14,477	$ 46,692	$ 95,704	$ -	$ -	$ (32,256)

ADJ #		References:
1	Reclassify Power Exp from Wastewater	GWB 12
2	Depreciation Expense	GWB 13
3	Rate Case	GWB 14
4	Property Taxes	GWB 15
5	Income Taxes	GWB 16
6	ACC Fee	GWB 17
7	Out of Period Adjustments	GWB 18
8	Foreign Exchange Adjustment	GWB 19
9	Corporate Expense Allocation	GWB 20

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Schedule GWB-12

OPERATING INCOME ADJUSTMENT #1 - RECLASSIFY POWER FROM WASTEWATER

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
8	Purchased Power	$ 441,501	$ (48,005)	$ 393,496

References:
Column (A), Company Schedule C-1
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

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Schedule GWB-13

OPERATING INCOME ADJUSTMENT #2- DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1	*PLANT IN SERVICE:*				
2	301	Organization Cost	5,785	0.00%	-
3	302	Franchise Cost	417	0.00%	-
4	303	Land and Land Rights	44,194	0.00%	-
5	304	Structures and Improvements	2,732,833	3.33%	91,003
6	305	Collecting and Impounding Res.	-	2.50%	-
7	306	Lake River and Other Intakes	-	2.50%	-
8	307	Wells and Springs	563,512	3.33%	18,765
9	308	Infiltration Galleries and Tunnels	-	6.67%	-
10	309	Supply Mains	279,154	2.00%	5,583
11	310	Power Generation Equipment	197,120	5.00%	9,856
12	311	Electric Pumping Equipment	2,591,971	12.50%	323,996
13	320.0	Water Treatment Equipment	0	3.33%	0
14	320.1	Water Treatment Equipment	372,970	20.00%	74,594
15	320	Chemical Solution Feeders	-	0.00%	-
16	330.0	Distribution Reservoirs & Standpipe	0	0.00%	-
17	330.1	Storage tanks	759,861	2.22%	16,869
18	330.2	Pressure Tanks	-	5.00%	-
19	331	Transmission and Distribution Mains	22,089,150	2.00%	441,783
20	333	Services	2,209,274	3.33%	73,569
21	334	Meters	956,605	8.33%	79,685
22	335	Hydrants	568,578	2.00%	11,372
23	336	Backflow Prevention Devices	3,848	6.67%	257
24	339	Other Plant and Miscellaneous Equipment	121,843	6.67%	8,127
25	340.0	Office Furniture and Fixtures	22,986	6.67%	1,533
26	340.1	Computers and Software	76,919	20.00%	15,384
27	341	Transportation Equipment	218,945	20.00%	43,789
28	342	Stores Equipment	-	4.00%	-
29	343	Tools and Work Equipment	15,035	5.00%	752
30	344	Laboratory Equipment	3,061	10.00%	306
31	345	Power Operated Equipment	-	5.00%	-
32	346	Communications Equipment	218,041	10.00%	21,804
33	347	Miscellaneous Equipment	7,701	10.00%	770
34	348	Other Tangible Plant	-	0.00%	-
35		**Total Plant in Service**	34,059,804		1,239,797
36					
37					
38		Less Non Depreciable Plant			
39	301.00	Organization Cost	5,785	0.00%	-
40	303.00	Land and Land Rights	44,194	0.00%	-
41	306.00	Lake River and Other Intakes	-	0.00%	-
42					
43		Net Depreciable Plant and Depreciation Amounts	$ 34,009,825		$ 1,239,797
44		Composite Depreciation Rate		3.65%	
45		Less			
46		Amortization of Regulatory CIAC at Settlement Rate			-
47		Amortization of CIAC at Composite Rate	$ 21,276,330		$ 775,609
48		Staff Recommended Depreciation Expense			$ 464,188
49		Company Proposed Depreciation Expense			463,297
50		Staff Adjustment			$ **891**

	References:
Col A	Schedule GWB-4
Col B	Rate per Engineering Report
Col C	Col A time Col B

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Schedule GWB-14

OPERATING INCOME ADJUSTMENT #3 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Rate Case Expense	$ 17,564	$ (17,564)	$ -

References:
Column (A), Company Schedule C-1
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

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Schedule GWB-15

OPERATING INCOME ADJUSTMENT #4 - PROPERTY TAX EXPENSE

LINE NO.	DESCRIPTION	[A] STAFF AS ADJUSTED	[B] STAFF RECOMMENDED
1	Staff Adjusted Test Year Revenues - 2007	$ 1,847,256	$ 1,847,256
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	3,694,512	3,694,512
4	Staff Recommended Revenue	1,847,256	2,899,496
5	Subtotal (Line 4 + Line 5)	5,541,768	6,594,008
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	1,847,256	2,198,003
8	Department of Revenue Mutilplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	3,694,512	4,396,005
10	Plus: 10% of CWIP - 2005	13,454	13,454
11	Less: Net Book Value of Licensed Vehicles	-	-
12	Full Cash Value (Line 9 + Line 10 - Line 11)	3,707,966	4,409,459
13	Assessment Ratio	21.0%	21.0%
14	Assessment Value (Line 12 * Line 13)	778,673	925,986
15	Composite Property Tax Rate - Obtained from ADOR	11.33%	11.33%
16	Staff Test Year Adjusted Property Tax Expense (Line 14 * Line 15)	$ 88,210	
17	Company Proposed Property Tax	$ 130,373	
18	Staff Test Year Adjustment (Line 16 - Line 17)	**$ (42,163)**	
19	Property Tax on Staff Recommended Revenue (Line 14 * Line 15)		$ 104,898
20	Staff Test Year Adjusted Property Tax Expense (Line 16)		$ 88,210
21	Increase in Property Tax Due to Increase in Revenue Requirement		**$ 16,688**
22	Increase in Property Tax Due to Increase in Revenue Requirement (Line 21)		$ 16,688
23	Increase in Revenue Requirement		$ 1,052,240
24	Increase in Property Tax Per Dollar Increase in Revenue (Line 22 / Line 23)		1.58596%

REFERENCES: 0
Line 15: Composite Tax Rate obtained from Arizona Department of Revenue
Line 17: Company Schedule C-1, Line 27
Line 21: Line 19 - Line 20
Line 23: Schedule GWB-1, Line 8

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Schedule GWB-16

OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Income Taxes	$ (134,909)	$ 126,374	$ (8,535)

References:
Column (A), Company Schedule C-2
Column (B): Testimony GTM
Column (C): Column (A) + Column (B)

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Schedule GWB-17

OPERATING INCOME ADJUSTMENT #6 - ACC FEE INLCUDED IN EXPENSE

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Outside Services	$ 805,032		
2		ACC Fees		$ (27,820)	
3		Foreign Exchange AdJ GWB-19		$ (46,692)	
4		Corporate Expense Allocation GWB-20		$ (95,704)	
5		Totals	$ 805,032	$ (170,216)	$ 634,816
6		Outside Services- Other	$ 76,859	$ (17,190)	
7		Out of period Adj. #7 GWB-18		$ (14,477)	
8		Totals	$ 76,859	$ (31,667)	45,192

References:
Column (A), Company Schedule C-2
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

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Schedule GWB-18

OPERATING INCOME ADJUSTMENT #7 - OUT OF PERIOD EXPENSE

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Outside Services- Other	$ 14,477	$ (14,477)	$ -

References:
Column (A), Company Schedule C-2
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

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Schedule GWB-19

OPERATING INCOME ADJUSTMENT #8 - FOREIGN EXCHANGE ADJUSTMENT

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Outside Services	$ 46,692	$ (46,692)	$ -

References:
Column (A), Company Schedule C-2
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

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Schedule GWB-20

OPERATING INCOME ADJUSTMENT #9 - CORPORATE EXPENSE ALLOCATION

LINE NO.		[A] Corpoarte Costs As Filed Total Budget 2008	[B] Per DR 4.2 Total Actual $ 2,008	[C] Rio Rico Total Budget 2008	[D] Total Actual 2008
1	Audit	507,000	1,021,609	17,672	35,608
2	Tax Services	265,000	322,446	9,237	11,239
3	Legal	300,000	767,451	10,457	26,750
4	Other Professional Services	455,000	565,649	15,859	22,404
5	Management Fee - Total	636,619	642,771	22,190	10,101
6	Unit Holder Communications	314,100	289,796	10,948	4,496
7	Trustee Fees	204,000	129,000	7,110	4,496
8	Escrow & Transfer Agent Fees	75,000	71,366	2,614	2,487
9	Rent	430,739	299,586	15,014	10,442
10	Licenses/Fees & Permits	305,000	140,852	10,631	4,909
11	Office Expenses	254,000	808,101	8,853	28,167
12	Depreciation	204,242	211,253	7,119	7,363
13					
14	Total Admin Costs	3,950,700	5,269,882	137,703	168,464
15					
16	Variance from Budget		1,319,182		30,761
17					
18	Total Amount Charged in case		137,703		
19					
20	Percentage		3.49%		
21					
22					

23		[E] Total Actuals 2008	[F] Disallowance Amount	[G] Costs Allocable to APIF	[H] Allowable Common costs to 70 Companies	[I] Allocation (1/70)	[J] Cost to be Allocated to Rio Rico	[K] Amount in Filing	[L] Adjustment	Note
26	**Staff Disallowances**									
27	Audit	1,021,609	-	(919,448)	91,945	1.43%	1,313	17,672	(16,358)	
28	Tax Services	322,446	190,849	(118,437)	11,844	1.43%	169	9,237	(9,067)	(1)
29	Legal	767,451	10,457	(681,295)	68,130	1.43%	973	10,457	(9,483)	(2)
30	Other Professional Services	565,649	-	(565,649)		1.43%	-	15,859	(15,859)	(3)
31	Management Fee - Total	642,771	-	(642,771)	-	1.43%	-	22,190	(22,190)	
32	Unit Holder Communications	289,796	-	(289,796)	-	1.43%	-	10,948	(10,948)	
33	Trustee Fees	129,000	-	(129,000)	-	1.43%	-	7,110	(7,110)	
34	Escrow & Transfer Agent Fees	71,366	-	(71,366)	-	1.43%	-	2,614	(2,614)	
35	Rent	299,586	-	(299,586)	-	1.43%	-	15,014	(15,014)	
36	Licenses/Fees & Permits	140,852	140,852	(0)		1.43%	-	10,631	(10,631)	(4)
37	Office Expenses	808,101	-	(808,101)	-	1.43%	-	8,853	(8,853)	
38	Depreciation	211,253	-	(190,128)	19,013	1.43%	272	7,119	(6,847)	
39				-	-		-	-		
40	Total Admin Costs	5,269,882	342,158	(4,715,579)	190,931		2,728	137,703	(134,975)	
41										
42							Currency Adj.		(7,829)	
43							US Dollars		(127,147)	

44 References:
45 Column (A), Company Schedule C-2 Based on $3.95 M
46 Column (B): Company Response to DR GWB 4.2 Based on $5.27 M
47 Column (C): Company's Original Estimate of allocated cost,
48 based on Budget, per filing
49 Column (D): Company's Revised Original Estimate of allocated costs,
50 based on 2008 Actuals, per Company Response to DR GWB 4.2
Column (E), Staff Recommended Disallowance
51 Column (F), Company Revised amount subject to allocation,
52 less Staff Recommended disallownance
53 Column (G), Per testimony GWB, Staff's estimate of common
54 costs benefttiing unregulated parties
55 Column (IH): Rio Rico is 1 of 70 companies held by the parent (APIF)
56 Column (I): Total amount allocable to Infrastructure
57 Column (J): Per Company response to Staff DR 4.2, Based on Budget Amounts
58 Column (K): Total amount allocable to Infrastructure

Restated amounts:	As Filed	Staff Recomm.	Can $ Adjustment	US $$ Adj.
Water	102,960	2,039	(100,921)	(95,067)
Wastewater	34,747	688	(34,059)	(32,083)
Total	137,707	2,728	(134,979)	(127,150)
Per Direct Testimony:				
Water	102,960	1,363	(101,597)	(95,704)
Wastewater	34,747	460	(34,287)	(32,298)
Total	137,707	1,823	(135,884)	(128,002)
Adjustment to be made in Surrebuttal :		Can $	US $$	
Water	102,960	676	637	
Wastewater	34,747	228	215	
Total	137,707	904	852	

59
60
61 Note:
62 (1) Cost specific to Canadian Tax Service
63 (2) No indication on ledger that costs benefitted AZ
64 (3) This account is used mostly for business development
65 (4) Account used for charity, enertainment, etc

Note: At 'the last minute', Staff noted a minor computational error whereby the allocations to Water and Wastewater should have been $2,039 and $688, respectively, for a total of $2,728, instead of the $1,363 and $460, resepectively, for a total of $1,823 used in Staff Direct Testimony, for differences of $676 and $228, respectively, and a total difference of $904 (all in Can dollars) The net adjustment, or increase to expenses is $852 in US dollars, which is not considered material but will be corrected in the surrbuttal testimony.

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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DIRECT TESTIMONY OF GERALD BECKER

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GWB- 10	OPERATING INCOME STATEMENT - TEST YEAR AND STAFF RECOMMENDED
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GWB- 16	OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES
GWB- 17	OPERATING INCOME ADJUSTMENT #6 - RATE CASE EXPENSE
GWB- 18	OPERATING INCOME ADJUSTMENT #7 - CORPORATE EXPENSE ALLOCATION

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-1

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) STAFF ORIGINAL COST	(D) STAFF FAIR VALUE
1	Adjusted Rate Base	$ 3,516,077	$ 3,516,077	$ 2,994,399	$ 2,994,399
2	Adjusted Operating Income (Loss)	$ 490,676	$ 490,676	$ 495,623	$ 495,623
3	Current Rate of Return (L2 / L1)	13.96%	13.96%	16.55%	16.55%
4	Required Rate of Return	12.40%	12.40%	9.20%	9.20%
5	Required Operating Income (L4 * L1)	$ 435,994	$ 435,994	$ 275,485	$ 275,485
6	Operating Income Deficiency (L5 - L2)	$ (54,683)	$ (54,683)	$ (220,138)	$ (220,138)
7	Gross Revenue Conversion Factor	1.6286	1.6286	1.6549	1.6549
8	Required Revenue Increase (L7 * L6)	$ (89,061)	$ (89,061)	$ (364,303)	$ (364,303)
9	Adjusted Test Year Revenue	$ 1,829,976	$ 1,829,976	$ 1,829,976	$ 1,829,976
10	Proposed Annual Revenue (L8 + L9)	$ 1,740,915	$ 1,740,915	$ 1,465,673	$ 1,465,673
11	Required Increase in Revenue (%)	-4.87%	-4.87%	-19.91%	-19.91%
12	Rate of Return on Common Equity (%)	12.40%	12.40%	9.20%	9.20%

References:
Column [A]: Company Schedule A-1
Column (B): Company Schedule A-1
Column (C): Staff Schedules GWB-2, GWB-3, and GWB-10

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-2

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)	[E]	[F]
	Calculation of Gross Revenue Conversion Factor:						
1	Revenue	100.0000%					
2	Uncollecible Factor (Line 11)	0.0000%					
3	Revenues (L1 - L2)	100.0000%					
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	39.5727%					
5	Subtotal (L3 - L4)	60.4273%					
6	**Revenue Conversion Factor (L1 / L5)**	1.654882					
	Calculation of Uncollecttible Factor:						
7	Unity	100.0000%					
8	Combined Federal and State Tax Rate (Line 17)	38.5989%					
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%					
10	Uncollectible Rate	0.0000%					
11	Uncollectible Factor (L9 * L10)		0.0000%				
	Calculation of Effective Tax Rate:						
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%					
13	Arizona State Income Tax Rate	6.9680%					
14	Federal Taxable Income (L12 - L13)	93.0320%					
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%					
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%					
17	Combined Federal and State Income Tax Rate (L13 +L16)		38.5989%				
	Calculation of Effective Property Tax Factor						
18	Unity	100.0000%					
19	Combined Federal and State Income Tax Rate (L17)	38.5989%					
20	One Minus Combined Income Tax Rate (L18-L19)	61.4011%					
21	Property Tax Factor (GTM-14, L24)	1.5860%					
22	Effective Property Tax Factor (L20*L21)		0.9738%				
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			39.5727%			
24	Required Operating Income (Schedule GWB-1, Line 5)	$ 275,485					
25	AdjustedTest Year Operating Income (Loss) (Schedule GWB-10, Line 42)	$ 495,623					
26	Required Increase in Operating Income (L24 - L25)		$ (220,138)				
27	Income Taxes on Recommended Revenue (Col. (F), L52)	$ 173,180					
28	Income Taxes on Test Year Revenue (Col. (C), L52)	$ 311,566					
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		$ (138,386)				
30	Recommended Revenue Requirement (Schedule GWB-1, Line 10)	$ 1,465,673					
31	Uncollectible Rate (Line 10)	0.0000%					
32	Uncollectible Expense on Recommended Revenue (L24 * L25)	$ -					
33	Adjusted Test Year Uncollectible Expense	$ -					
34	Required Increase in Revenue to Provide for Uncollectible Exp.		$ -				
35	Property Tax with Recommended Revenue (GTM-15, 20)	$ 81,290					
36	Property Tax on Test Year Revenue (GTM-15, Col A, L16)	$ 87,068					
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		$ (5,778)				
38	Total Required Increase in Revenue (L26 + L29 + L37)		$ (364,302)				

		(A)	(B)	(C)	(D)	[E]	[F]
		Test Year			Staff Recommended		
		Total	Rio Rico Water	Rio Rico WW	Total	Rio Rico Water	Rio Rico WW
	Calculation of Income Tax:						
39	Revenue (Sch GWB-9, Col.(C) L5, GWB-1, Col. (D), L9)	$ 3,677,232	$ 1,847,256	$ 1,829,976	$ 4,365,166	$ 2,899,493	$ 1,465,673
40	Operating Expenses Excluding Income Taxes	$ 2,910,834	$ 1,888,047	$ 1,022,787	$ 2,921,744	$ 1,904,735	$ 1,017,010
41	Synchronized Interest (L47)			$ -	$ -		
42	Arizona Taxable Income (L30 - L31 - L32)	$ 766,398	$ (40,791)	$ 807,189	$ 1,443,423	$ 994,758	$ 448,664
43	Arizona State Income Tax Rate	6.9680%	6.9680%	6.9680%	6.9680%	6.9680%	6.9680%
44	Arizona Income Tax (L33 x L34)	$ 53,403	$ (2,842)	$ 56,245	$ 100,578	$ 69,315	$ 31,263
45	Federal Taxable Income (L33 - L35)	$ 712,995	$ (37,948)	$ 750,944	$ 1,342,845	$ 925,444	$ 417,401
46	Federal Tax on First Income Bracket ($1 - $50,000) @ 15%	$ 1,808	$ (5,692)	$ 7,500	$ 7,500		
47	Federal Tax on Second Income Bracket ($50,001 - $75,000) @ 25%	$ 6,250	$ -	$ 6,250	$ 6,250		
48	Federal Tax on Third Income Bracket ($75,001 - $100,000) @ 34%	$ 8,500	$ -	$ 8,500	$ 8,500		
49	Federal Tax on Fourth Income Bracket ($100,001 - $335,000) @ 39%	$ 91,650	$ -	$ 91,650	$ 91,650		
50	Federal Tax on Fifth Income Bracket ($335,001 -$10,000,000) @ 34%	$ 141,421	$ -	$ 141,421	$ 342,667		
51	Total Federal Income Tax	$ 249,629	$ (5,692)	$ 255,321	$ 456,567	$ 314,651	$ 141,916
52	Combined Federal and State Income Tax (L35 + L42)	$ 303,031	$ (8,535)	$ 311,566	$ 557,145	$ 383,966	$ 173,180
53	Effective Tax Rate				32.8553%		
54						33.2516%	
55							34.0000%

	Calculation of Interest Synchronization:	N/A
56	Rate Base (Schedule GWB-3, Col. (C), Line 18)	$ -
57	Weighted Average Cost of Debt	0.0000%
58	Synchronized Interest (L45 X L46)	$ -

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-3

RATE BASE - ORIGINAL COST

LINE NO.		(A) COMPANY AS FILED	(B) STAFF ADJUSTMENTS	(C) STAFF AS ADJUSTED
1	Plant in Service	$ 11,829,041	$ -	$ 11,829,041
2	Less: Accumulated Depreciation	5,110,028	-	5,110,028
3	Net Plant in Service	$ 6,719,013	$ -	$ 6,719,013
	LESS:			
4	Contributions in Aid of Construction (CIAC)	$ 5,376,456	$ -	$ 5,376,456
5	Less: Accumulated Amortization	1,944,057	-	1,944,057
6	Net CIAC	3,432,399	-	3,432,399
7	Advances in Aid of Construction (AIAC)	(861)	238,782	237,921
8	Imputed Reg AIAC	-	-	-
9	Imputed Reg CIAC	-	-	-
10	Deferred Income Tax Credits (Debits)	(323,602)	282,897	(40,705)
	Customer Meter Deposits	95,000		95,000
	ADD:			
11	Cash Working Capital	-	-	-
12	Prepayments	-	-	-
		-		
13	Supplies Inventory	-	-	-
14	Projected Capital Expenditures		-	-
15	Deferred Debits	-	-	-
16	Purchase Wastewater Treatment Charges	-	-	
17	**Original Cost Rate Base**	$ 3,516,077	$ (521,679)	$ 2,994,399

References:
Column (A), Company Schedule B-2
Column (B): Schedule GWB-4
Column (C): Column (A) + Column (B)

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-4

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] ADJ #1	[C] ADJ #2	[D] ADJ #3	[F] STAFF ADJUSTED
		PLANT IN SERVICE:					
1	351	Organization	5,785				$ 5,785
2	352	Franchises	417				$ 417
3	353	Land	7,545				$ 7,545
4	354	Structures & Improvements	28,548				$ 28,548
5	355	Power Generation	-				$ -
6	360	Collection Sewer Forced	636,023				$ 636,023
7	361	Collection Sewers Gravity	5,945,962				$ 5,945,962
8	362	Special Collecting Structures	-				$ -
9	363	Customer Services	1,145,530				$ 1,145,530
10	364	Flow Measuring Devices	55,988				$ 55,988
11	365	Flow Measuring Installation	-				$ -
12	366	Reuse Services	-				$ -
13	367	Reuse Meters And Installation	-				$ -
14	370	Receiving Wells	867,120				$ 867,120
15	371	Pumping Equipment	1,504,181				$ 1,504,181
16	374	Reuse Distribution Reservoirs	-				$ -
17	375	Reuse Trans. and Dist. System	-				$ -
18	380	Treatment & Disposal Equipment	1,006,848				$ 1,006,848
19	381	Plant Sewers	-				$ -
20	382	Outfall Sewer Lines	-				$ -
21	389	Other Sewer Plant & Equipment	68,869				$ 68,869
22	390	Office Furniture & Equipment	110,454				$ 110,454
23	390.1	Computers and Software	4,025				$ 4,025
24	391	Transportation Equipment	-				$ -
25	392	Stores Equipment	-				$ -
26	393	Tools, Shop And Garage Equip	4,897				$ 4,897
27	394	Laboratory Equip	-				$ -
28	396	Communication Equip	5,936				$ 5,936
29	398	Other Tangible Plant	3,913				$ 3,913
30	398	Nogales WW Trmnt Capacity	427,000				$ 427,000
31							$ -
32		**Total Plant in Service**	11,829,041	-	-	-	$ 11,829,041
33							
34		Accumulated Depreciation	5,110,028				5,110,028
35		Net Plant in Service (L58 - L 59)	$ 6,719,013	$ -	$ -	$ -	$ 6,719,013
36							
37		*LESS:*					
38		Contributions in Aid of Construction (CIAC)	$ 5,376,456		$ -		$ 5,376,456
39		Less: Accumulated Amortization	1,944,057	-	-		1,944,057
40		Net CIAC (L63 - L64)	3,432,399	-	-	-	3,432,399
41		Advances in Aid of Construction (AIAC)	(861)	-	238,782		237,921
42		Imputed Reg Advances	-	-	-	-	-
43		Imputed Reg CIAC		-	-		-
44		Deferred Income Tax Credits (Debits)	(323,602)	282,897	-	-	(40,705)
45		Customer Meter Deposits	95,000				95,000
46		*ADD:*					-
47		Working Capital Allowance	-	-		-	-
48		Pumping Power		-	-	-	-
49		Purchase Wastewater Treatment Charges		-	-	-	-
50		Material and Supplies Inventory	-	-	-	-	-
51		Prepayments	-	-	-	-	-
52		Projected Capital Expenditures	-	-	-	-	-
53		Deferred Debits		-	-	-	-
54		**Original Cost Rate Base**	$ 3,516,077	$ (282,897)	$ (238,782)	$ -	$ 2,994,399

ADJ #		References:
1	Accumulated Deferred Income Taxes	Schedule GWB-5
2	AIAC Correction	Schedule GWB-6

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB- 5

RATE BASE ADJUSTMENT #1 - ACCUMULATED DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1	At December 31, 2008	(323,602)	282,897	(40,705)
2		$ (323,602)	$ 282,897	$ (606,499)

REFERENCES:
Columns [A]: Company schedules
Column [B]: Column [C] less Column [A]
Column [C]: See testimony GWB

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Schedule GWB - 6

RATE BASE ADJUSTMENT #2 - ADVANCES IN AID OF CONSTRUCTION

LINE NO.	Description	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1	AIAC	(861)	238,782	237,921

References:
Column [A]: Amounts included in plant balances per filing.
Column (B): Per Testimony GWB
Column (C): Column [A] less Column [B]

Schedules GWB-7, -8, & -9 are not used

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-10

OPERATING INCOME STATEMENT - TEST YEAR AND STAFF RECOMMENDED

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] STAFF TEST YEAR ADJUSTMENTS	[C] STAFF TEST YEAR AS ADJUSTED	[D] STAFF RECOMMENDED CHANGES	[E] STAFF RECOMMENDED
1	Water Revenues	$ 1,829,726	$ -	$ 1,829,726	$ (364,303)	$ 1,465,423
2	Other Revenues	250	-	250	-	250
3	Other	-	-	-	-	-
4	**Total Operating Revenues**	$ 1,829,976	$ -	$ 1,829,976	$ **(364,303)**	$ **1,465,673**
5	Salaries and Wages	$ -	$ -	-	$ -	$ -
6	Purchased Water and WW Treatment	$ -	-	-	-	$ -
7	Sludge Removal Expense	$ -	-	-	-	$ -
8	Purchased Power	$ 17,426	48,005	65,431	-	$ 65,431
9	Fuel for Power Production	$ -	-	-	-	$ -
10	Chemicals	$ 9,644	-	9,644	-	$ 9,644
11	Materials and Supplies	$ 14,304	-	14,304	-	$ 14,304
12	Contractual Services	$ 298,008	(49,583)	248,425	-	$ 248,425
13	Contractual Services- Testing	$ -	-	-	-	$ -
14	Contractual Services - Other	$ 175,196	-	175,196	-	$ 175,196
15	Contractual Services - Legal	$ 367	-	367	-	$ 367
16	Equipment Rental	$ 25,781	-	25,781	-	$ 25,781
17	Rents - Building	$ -	-	-	-	$ -
18	Transportation Expenses	$ 26,817	-	26,817	-	$ 26,817
19	Insurance - General Liability	$ 12,021	-	12,021	-	$ 12,021
20	Insurance - Vehicle	$ -	-	-	-	$ -
21	Regulatory Commission Expense	$ 994	(994)	-	-	
22	Reg.Comm. Exp. - Rate Case	$ 41,667	-	41,667	-	$ 41,667
23	Miscellaneous Expense	$ 155	-	155		$ 155
24	Bad Debt Expense	$ 64,087		64,087		$ 64,087
25	Depreciation and Amortization	$ 252,672	(848)	251,824		$ 251,824
26	Taxes Other Than Income	$ -		-		
27	Property Taxes	$ 91,705	(4,637)	87,068	(5,778)	$ 81,290
28	Income Tax	$ 308,456	3,110	311,566	(138,386)	$ 173,180
29						
30	**Total Operating Expenses**	$ 1,339,300	(4,947)	1,334,353	(144,163)	$ 1,190,190
31	**Operating Income (Loss)**	$ 490,676	$ 4,947	$ **495,623**	$ (220,139)	$ **275,484**

References:
Column (A): Company Schedule C-1
Column (B): Schedule GWB 11
Column (C): Column (A) + Column (B)
Column (D): Schedules GWB 2, Lines 29 and 37
Column (E): Column (C) + Column (D)

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-11

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Purchased Power ADJ #1	[C] Depreciation Exp. ADJ #2	[D] Foreign Exchange ADJ #3	[E] Property Taxes ADJ #4	[F] Income Taxes ADJ #5	[G] Rate Case ADJ #6	[I] Corporate Allocation ADJ #7	[G] STAFF ADJUSTED
1	Water Revenues	$ 1,829,726	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,829,726
2	Other Revenues	250	-	-	-	-	-	-	-	$ 250
3	Other	-	-	-	-	-	-	-	-	$ -
4	**Total Operating Revenues**	$ 1,829,976	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,829,976
5	Salaries and Wages	-								
6	Purchased Water and WW Treatment	$ -	$ -	$ -	$ -	$ -	$ -		$ -	-
7	Sludge Removal Expense	-	-	-	-	-	-	-	-	-
8	Purchased Power	17,426	48,005	-	-	-	-	-	-	65,431
9	Fuel for Power Production	-	-	-		-	-	-	-	-
10	Chemicals	9,644	-	-	-	-	-	-		9,644
11	Materials and Supplies	14,304	-	-	-	-	-	-	-	14,304
12	Contractual Services	298,008	-	-	(17,284)	-	-	-	(32,298)	248,425
13	Contractual Services- Testing	-	-	-	-	-	-	-	-	-
14	Contractual Services - Other	175,196	-	-	-	-	-	-	-	175,196
15	Contractual Services - Legal	367	-	-	-	-	-	-	-	367
16	Equipment Rental	25,781	-	-	-	-	-	-	-	25,781
17	Rents - Building	-	-	-	-	-	-	-	-	-
18	Transportation Expenses	26,817	-	-	-	-	-	-	-	26,817
19	Insurance - General Liability	12,021	-	-	-	-	-	-	-	12,021
20	Insurance - Vehicle	-		-	-	-	-	-	-	-
21	Regulatory Commission Expense	994	-		-	-	-	(994)	-	-
22	Reg.Comm. Exp. - Rate Case	41,667	-	-	-		-	-	-	41,667
23	Miscellaneous Expense	155	-	-	-	-	-	-	-	155
24	Bad Debt Expense	64,087	-	-	-	-		-	-	64,087
25	Depreciation and Amortization	252,672	-	(848)	-	-	-	-	-	251,824
26	Taxes Other Than Income	-	-	-	-	-	-	-	-	-
27	Property Taxes	91,705	-	-	-	(4,637)	-	-	-	87,068
28	Income Tax	308,456	-	-	-	-	3,110	-	-	311,566
29				-	-	-	-	-	-	-
30										
31	**Total Operating Expenses**	$ 1,339,300	$ 48,005	$ (848)	$ (17,284)	$ (4,637)	$ 3,110	$ (994)	$ (32,298)	$ 1,334,353
32	**Operating Income (Loss)**	$ 490,676	$ (48,005)	$ 848	$ 17,284	$ 4,637	$ (3,110)	$ 994	$ 32,298	$ 495,623

ADJ #		References:
1	Reclassify Power Exp from Wastewater	GWB 12
2	Depreciation Expense	GWB 13
3	Foreign Exchange Adjustment	GWB 14
4	Property Taxes	GWB 15
5	Income Taxes	GWB 16
6	Rate Case	GWB 17
7	Corporate Expense Allocation	GWB 18

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-12

OPERATING INCOME ADJUSTMENT #1 - RECLASSIFY POWER TO WATER

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Purchased Power	$ 17,426	$ 48,005	$ 65,431

References:
Column (A), Company Schedule C-1
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

OPERATING INCOME ADJUSTMENT #2- DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1	*PLANT IN SERVICE:*				
2	351	Organization	5,785	0.00%	-
3	352	Franchises	417	0.00%	-
4	353	Land	7,545	0.00%	-
5	354	Structures & Improvements	28,548	3.33%	951
6	355	Power Generation	-	5.00%	-
7	360	Collection Sewer Forced	636,023	2.00%	12,720
8	361	Collection Sewers Gravity	5,945,962	2.00%	118,919
9	362	Special Collecting Structures	-	2.00%	-
10	363	Customer Services	1,145,530	2.00%	22,911
11	364	Flow Measuring Devices	55,988	10.00%	5,599
12	365	Flow Measuring Installation	-	10.00%	-
13	366	Reuse Services	-	2.00%	-
14	367	Reuse Meters And Installation	-	8.33%	-
15	370	Receiving Wells	867,120	3.33%	28,875
16	371	Pumping Equipment	1,504,181	12.50%	188,023
17	374	Reuse Distribution Reservoirs	-	2.50%	-
18	375	Reuse Trans. and Dist. System	-	2.50%	-
19	380	Treatment & Disposal Equipment	1,006,848	5.00%	50,342
20	381	Plant Sewers	-	5.00%	-
21	382	Outfall Sewer Lines	-	3.33%	-
22	389	Other Sewer Plant & Equipment	68,869	6.67%	4,594
23	390	Office Furniture & Equipment	110,454	6.67%	7,367
24	390.1	Computers and Software	4,025	20.00%	805
25	391	Transportation Equipment	-	20.00%	-
26	392	Stores Equipment	-	4.00%	-
27	393	Tools, Shop And Garage Equip	4,897	5.00%	245
28	394	Laboratory Equip	-	10.00%	-
29	396	Communication Equip	5,936	10.00%	594
30	398	Other Tangible Plant	3,913	0.00%	-
31	398	Nogales WW Trmnt Capacity	427,000	4.72%	20,154
32		**Total Plant in Service**	11,829,041	3.91%	462,099
33					
34					
35		Less Non Depreciable Plant			
36	351	Organization	5,785	0.00%	-
37	352	Franchises	417	0.00%	-
38	353	Land	7,545	0.00%	-
39					
40		Net Depreciable Plant and Depreciation Amounts	$ 11,815,295		$ 462,099
41		Composite Depreciation Rate		3.91%	
42		Less			
43		Amortization of Regulatory CIAC at Settlement Rate			-
44		Amortization of CIAC at Composite Rate	$ 5,376,456		$ 210,274
45		Staff Recommended Depreciation Expense			$ 251,824
46		Company Proposed Depreciation Expense			252,672
47		Staff Adjustment			**$ (848)**

	References:
Col A	Schedule GWB-4
Col B	Proposed Rates per Staff Engineering Report for Non Allocated Plant
Col C	Col [A] times Col [B]

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-14

OPERATING INCOME ADJUSTMENT #3 - FOREIGN EXCHANGE ADJUSTMENT

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Outside Services	$ 298,008		
2	Foreign Exchange AdJ GWB-14		$ (17,284)	
3	Corporate Expense Allocation GWB-18		$ (32,298)	
4	Total	$ 298,008	$ (49,583)	$ 248,425

References:
Column (A), Company Schedule C-2
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-15

OPERATING INCOME ADJUSTMENT #4 - PROPERTY TAX EXPENSE

LINE NO.	DESCRIPTION	[A] STAFF AS ADJUSTED	[B] STAFF RECOMMENDED
1	Staff Adjusted Test Year Revenues - 2007	$ 1,829,976	$ 1,829,976
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	3,659,952	3,659,952
4	Staff Recommended Revenue	1,829,976	1,465,673
5	Subtotal (Line 4 + Line 5)	5,489,928	5,125,625
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	1,829,976	1,708,542
8	Department of Revenue Mutilplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	3,659,952	3,417,084
10	Plus: 10% of CWIP - 2008		
11	Less: Net Book Value of Licensed Vehicles	-	-
12	Full Cash Value (Line 9 + Line 10 - Line 11)	3,659,952	3,417,084
13	Assessment Ratio	21.0%	21.0%
14	Assessment Value (Line 12 * Line 13)	768,590	717,588
15	Composite Property Tax Rate - Obtained from ADOR	11.33%	11.33%
16	Staff Test Year Adjusted Property Tax Expense (Line 14 * Line 15)	$ 87,068	
17	Company Proposed Property Tax	$ 91,705	
18	Staff Test Year Adjustment (Line 16 - Line 17)	**$ (4,637)**	
19	Property Tax on Staff Recommended Revenue (Line 14 * Line 15)		$ 81,290
20	Staff Test Year Adjusted Property Tax Expense (Line 16)		$ 87,068
21	Increase in Property Tax Due to Increase in Revenue Requirement		**$ (5,778)**
22	Increase in Property Tax Due to Increase in Revenue Requirement (Line 21)		$ (5,778)
23	Increase in Revenue Requirement		$ (364,303)
24	Increase in Property Tax Per Dollar Increase in Revenue (Line 22 / Line 23)		1.58596%

REFERENCES: 0
Line 15: Composite Tax Rate obtained from Arizona Department of Revenue
Line 17: Company Schedule C-1, Line 27
Line 21: Line 19 - Line 20
Line 23: Schedule GWB-1, Line 8

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-16

OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Income Taxes	$ 308,456	$ 3,110	$ 311,566

References:
Column (A), Company Schedule C-2
Column (B): Testimony GTM
Column (C): Column (A) + Column (B)

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-17

OPERATING INCOME ADJUSTMENT #6 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Rate Case Expense	$ 994	$ (994)	$ -

References:
Column (A), Company Schedule C-1
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-18

OPERATING INCOME ADJUSTMENT #7 - CORPORATE EXPENSE ALLOCATION

LINE NO.		[A] Corpoarte Costs As Filed Total Budget 2008	[B] Per DR 4.2 Total Actual $ 2,008	[C] Rio Rico Total Budget 2008	[D] Total Actual 2008
1	Audit	507,000	1,021,609	17,672	35,608
2	Tax Services	265,000	322,446	9,237	11,239
3	Legal	300,000	767,451	10,457	26,750
4	Other Professional Services	455,000	565,649	15,859	22,404
5	Management Fee - Total	636,619	642,771	22,190	10,101
6	Unit Holder Communications	314,100	289,796	10,948	4,496
7	Trustee Fees	204,000	129,000	7,110	4,496
8	Escrow & Transfer Agent Fees	75,000	71,366	2,614	2,487
9	Rent	430,739	299,586	15,014	10,442
10	Licenses/Fees & Permits	305,000	140,852	10,631	4,909
11	Office Expenses	254,000	808,101	8,853	28,167
12	Depreciation	204,242	211,253	7,119	7,363
13					
14	Total Admin Costs	3,950,700	5,269,882	137,703	168,464
15					
16	Variance from Budget		1,319,182		30,761
17					
18	Total Amount Charged in case		137,703		
19					
20	Percentage		3.49%		
21					
22					

23		[E] Total Actuals 2008	[F] Disallowance Amount	[G] Costs Allocable to APIF	[H] Allowable Common costs to 70 Companies	[I] Allocation (1/70)	[J] Cost to be Allocated to Rio Rico	[K] Amount in Filing	[L] Adjustment	Note
26	**Staff Disallowances**									
27	Audit	1,021,609		(919,448)	91,945	1.43%	1,313	17,672	(16,358)	
28	Tax Services	322,446	190,849	(118,437)	11,844	1.43%	169	9,237	(9,067)	(1)
29	Legal	767,451	10,457	(681,295)	68,130	1.43%	973	10,457	(9,483)	(2)
30	Other Professional Services	565,649	-	(565,649)		1.43%	-	15,859	(15,859)	(3)
31	Management Fee - Total	642,771		(642,771)	-	1.43%	-	22,190	(22,190)	
32	Unit Holder Communications	289,796		(289,796)	-	1.43%	-	10,948	(10,948)	
33	Trustee Fees	129,000		(129,000)	-	1.43%	-	7,110	(7,110)	
34	Escrow & Transfer Agent Fees	71,366		(71,366)	-	1.43%	-	2,614	(2,614)	
35	Rent	299,586		(299,586)	-	1.43%	-	15,014	(15,014)	
36	Licenses/Fees & Permits	140,852	140,852	(140,852)		1.43%	-	10,631	(10,631)	(4)
37	Office Expenses	808,101		(808,101)	-	1.43%	-	8,853	(8,853)	
38	Depreciation	211,253		(190,128)	19,013	1.43%	272	7,119	(6,847)	
39				-	-		-	-		
40	Total Admin Costs	5,269,882	342,158	(4,856,431)	190,931		2,728	137,703	(134,975)	
41										
42							Currency Adj.		(7,829)	
43							US Dollars		(127,147)	

44 References:
45 Column (A), Company Schedule C-2 Based on $3.95 M
46 Column (B): Company Response to DR GWB 4.2 Based on $5.27 M
47 Column (C): Company's Original Estimate of allocated cost,
48 based on Budget, per filing
49 Column (D): Company's Revised Original Estimate of allocated costs,
50 based on 2008 Actuals, per Company Response to DR GWB 4.2
51 Column (E), Staff Recommended Disallowance
52 Column (F), Company Revised amount subject to allocation,
53 less Staff Recommended disallownance
54 Column (G), Per testimony GWB, Staff's estimate of common
55 costs benefting unregulated parties
Column (IH): Rio Rico is 1 of 70 companies held by the parent (APIF)
56 Column (I): Total amount allocable to Infrastructure
57 Column (J): Per Company response to Staff DR 4.2, Based on Budget Amounts
58 Column (K): Total amount allocable to Infrastructure
59

Restated amounts:	As Filed	Staff Recomm.	Can $ Adjustment	US $$ Adj.
Water	$ 102,960	$ 2,039	$ (100,921)	$ (95,067)
Wastewater	$ 34,747	$ 688	$ (34,059)	$ (32,083)
Total	$ 137,707	$ 2,728	$ (134,979)	$ (127,150)
Per Direct Testimony:				
Water	102,960	1,363	(101,597)	(95,704)
Wastewater	34,747	460	(34,287)	(32,298)
Total	137,707	1,823	(135,884)	(128,002)

Adjustment to be made in Surrebuttal :		Can $	US $$
Water	102,960	676	637
Wastewater	34,747	228	215
Total	137,707	904	852

60 Note:
61 (1) Cost specific to Canadian Tax Service
62 (2) No indication on ledger that costs benefitted AZ
63 (3) This account is used mostly for business development
64 (4) Account used for charity, enertainment, etc

Note: At 'the last minute', Staff noted a minor computational error whereby the allocations to Water and Wastewater should have been $2,039 and $688, respectively, for a total of $2,728, instead of the $1,363 and $460, resepectively, for a total of $1,823 used in Staff Direct Testimony, for differences of $676 and $228, respectively, and a total difference of $904 (all in Can dollars) The net adjustment, or increase to expenses is $852 in US dollars, which is not considered material but will be corrected in the surrbuttal testimony.

MEMORANDUM

TO: **Gerald Becker**
Public Utilities Analyst V
Utilities Division

FROM: Carmen Madrid
Public Utility Consumer Analyst
Utilities Division

DATE: December 9, 2009

RE: **Rio Rico Utilities, Inc.**
Docket No. WS-02676A-09-0257

Rio Rico Utilities, Inc. has applied for approval of a rate increase for services provided in Santa Cruz County, Arizona.

Per information received from the Corporations Section of the Arizona Corporation Commission on December 9, 2009, this company is in good standing.

A search of Consumer Services complaint files reveals the following customer complaints against Rio Rico:

2006 - four complaints - billing, three new service; ten inquiries - five billing, new service, rates/tariffs, three construction; zero opinions

2007 - two complaints – billing; six inquiries – two billing, quality of service, rates/tariffs, two other; one opinion - rates/tariffs

2008 - nine complaints- three billing, two deposits, two new service, quality of service, disconnect/terminations; eight inquiries - two billing, two new service, disconnect/terminations, rates/tariffs, two construction; and zero opinions

2009 - eight complaints – five billing, deposits, new service, service; five inquiries - billing, two deposits, disconnect/terminations, miscellaneous: zero opinions

All complaints have been resolved and closed.

BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION OF RIO RICO UTILITIES, INC, 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. WS-02676A-09-0257

SURREBUTTAL

TESTIMONY

OF

GERALD W. BECKER

PUBLIC UTILITIES ANALYST V

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

MARCH 2, 2010

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EXECUTIVE SUMMARY
RIO RICO UTILITIES, INC.
DOCKET NO. WS-02676A-09-0257

The Surrebuttal Testimony of Staff witness Gerald W. Becker addresses the following issues for Rio Rico Utilities, Inc. ("Rio Rico" or "Company").

For the Water Division, Staff recommends an increase in revenue of $1,327,271, or a 71.85 percent increase, over test year revenue of $1,847,256. The total annual revenue of $3,174,527 produces an operating income of $718,412 for a 9.20 percent rate of return on Staff's recommended fair value rate base of $7,808,822.

For the Wastewater Division, Staff recommends a decrease in revenue of $303,912, or an 18.46 percent decrease, over test year revenue of $1,829,976. The total annual revenue of $1,526,064produces an operating income of $296,875 for a 9.20 percent rate of return on Staff's recommended fair value rate base of $3,226,899.

Staff's Surrebuttal Testimony responds to Rio Rico's Rebuttal Testimony on the following issues:

Rebuttal testimony of Gregory Sorensen

Low Income Tariff

The Company proposes a low income tariff that includes a ten percent fee for carrying and administrative costs and specifies customer eligibility to participate at 100 percent of the federal poverty level. In its direct testimony, Staff stated that it wanted to undertake additional consideration before making a recommendation. In its surrebuttal testimony, Staff provides additional factors for consideration in the development and implementation of a low income tariff.

Rebuttal testimony of Peter Eichler

Cost Allocation Methodology

Mr. Eichler provides extensive discussion regarding the NARUC Guidelines for Cost Allocation and Affiliate Transactions, and the Company continues to maintain that the Company's allocation of corporate expenses is correct. Staff has reviewed Mr. Eichler's rebuttal testimony and continues to disagree.

Rebuttal testimony of Thomas Bourassa

Accumulated Deferred Income Taxes ("ADIT") – Both Divisions

In response to Staff inquiries, the Company has performed an extensive analysis and recomputation. The Company has recalculated its total ADIT debit from a $1,101,805 debit to a $445,938 debit. Staff continues to disagree with two of the three components of ADIT as discussed herein.

The Company's rebuttal proposes the water division share of ADIT as a $314,965 debit, or approximately 70.63 percent of the total proposed for both divisions. Staff recommends $82,782 debit for the water division, or approximately 70.63 percent of Staff's recommended total for both divisions.

The Company's rebuttal proposes the wastewater division share of ADIT as a $130,973 debit, or approximately 29.37 percent of the total proposed for both divisions. Staff recommends $34,423 debit for the wastewater division, or approximately 29.37 percent of Staff's recommended total for both divisions.

Contributions-In-Aid-Of-Construction ("CIAC") – Both Divisions

Based on a review of the Company's rebuttal testimony, Staff now agrees with the Company's calculation of its gross CIAC balances of $20,140,197 for the water division and $5,137,673 for the wastewater division.

Regulatory Commission (Rate Case) Expense – Both Divisions

Based on a review of the Company's rebuttal testimony, Staff asks that the Company submit documentation to support its position that the $17,564 of Regulatory Commission Expense removed by Staff for the water division and, similarly, the $994 removed from the wastewater division, are not related to rate case expense.

Transportation Expense – Both Divisions

The Company's rebuttal proposes the removal from transportation expense of certain costs identified as unnecessary in the amount of $6,725 for the water division and $2,242 for the wastewater division. Staff accepts the Company's proposed adjustments.

Outside Services and Outside Services – Other – Water Division Only

Based on a review of additional information, Staff now agrees with the Company that invoices marked as "ACC Fees" were for accounting fees, not Commission assessments. Therefore, Staff removes its previous adjustments of $27,820 and $17,190 from Outside Services and Outside Services – Other, respectively.

Rate Design

The Company disagrees with Staff's rate design. Staff's recommended rate design is unchanged with this filing. Staff remains steadfast on recommending a rate design that provides affordable service of non-discretionary usage levels and encourages efficient use of water. Staff will immediately follow this filing with updated rate design, as necessary, to reflect any changes in revenue requirements that arise from the testimony herein.

INTRODUCTION

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

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

Q. Are you the same Gerald Becker who previously submitted Direct Testimony in this case?

A. Yes, I am.

PURPOSE OF SURREBUTTAL TESTIMONY

Q. What is the purpose of your Surrebuttal Testimony in this proceeding?

A. The purpose of my Surrebuttal Testimony in this proceeding is to respond, on behalf of Staff to the Rebuttal Testimonies of Mr. Gregory Sorensen, Mr. Peter Eichler, and Mr. Thomas Bourassa, who represent Rio Rico Utilities, Inc. ("Rio Rico," "RRUI" or "Company")

Q. Do you attempt to address every issue raised by the Company in its Rebuttal Testimony?

A. No. I limit my discussion to certain issues as outlined below. My silence on any particular issue raised in the Company's Rebuttal Testimony does not indicate that Staff agrees with the Company's stated Rebuttal position on the issue. I rely on my Direct Testimony unless modified by this Surrebuttal Testimony.

Q. What issues will you address?

A. I address the issues listed below that are discussed in the Rebuttal Testimonies of Company witnesses Mr. Gregory Sorensen, Mr. Peter Eichler, and Mr. Thomas Bourassa. Additionally, I have attached updated schedules to reflect the adjustments discussed in this testimony.

Rebuttal testimony of Gregory Sorensen

Low Income Tariff

Rebuttal testimony of Peter Eichler

Cost Allocation Methodology

Rebuttal testimony of Thomas Bourassa

1) Accumulated Deferred Income Taxes ("ADIT") – Both Divisions
2) Contributions-In-Aid-Of-Construction ("CIAC") – Both Divisions
3) Regulatory Commission (Rate Case) Expense – Both Divisions
4) Transportation Expense – Both Divisions
5) Outside Services and Outside Services – Other – Water Division Only
6) Rate Design

SUMMARY OF RECOMMENDATIONS

Q. Please provide a summary of Staff surrebuttal recommendations.

A. For the Water Division, Staff recommends an increase in revenue of $1,327,271, or a 71.85 percent increase, over test year revenue of $1,847,256. The total annual revenue of $3,174,527 produces an operating income of $718,412 for a 9.20 percent rate of return on Staff's recommended fair value rate base of $7,808,822.

For the Wastewater Division, Staff recommends a decrease in revenue of $303,912, or an 18.46 percent decrease, from test year revenue of $1,829,976. The total annual revenue of $1,526,064 produces an operating income of $296,875 for a 9.20 percent rate of return on Staff's recommended fair value rate base of $3,226,899.

RESPONSE TO REBUTTAL TESTIMONY OF MR. GREGORY SORENSEN

Low Income Tariff

Q. Is the Company proposing a low income tariff?

A. Yes. Rio Rico proposes to establish a low income tariff to assist economically disadvantaged customers in paying their utility bills.

Q. What did the Company use as a baseline for developing its low income tariff?

A. Mr. Sorensen's rebuttal testimony (at page 10) states that the proposed low income tariff is modeled after the one recently approved for Chaparral City Water Company (Docket No. W-02113A-07-0551) and similar to that proposed in Litchfield Park Service Company (Docket Nos. SW-01428A-09-0103 and W-01427A-09-0104) and Bella Vista Water Company, Inc. (Docket No. W-02465A-09-0411).

Q. What are the key provisions of the Company's proposed low income tariff?

A. The low income tariff as described in Mr. Bourassa's direct testimony includes the following primary components:

1. A requirement for customers to submit an "Application and Eligibility Declaration" that provides proof of meeting income eligibility requirements and is subject to verification.
2. A requirement for customers to renew eligibility every two years.
3. Applicable only to residential customers that meet all program qualifications.

4. An income eligibility standard of no more than 100 percent of the federal poverty level (updated annually).
5. A 15 percent discount on the entire water or wastewater bill.
6. Recovery of an Administrative Fee for administrative and carrying costs that is equal to 10 percent applied to an as yet undetermined cost base.
7. Maintenance of a balancing account.
8. Recovery of a carrying cost at the authorized rate of return applied in an unspecified manner.
9. Recovery of program costs from non-participants via a commodity surcharge. The Company's application is unclear regarding whether or not non-residential customers are included in "non-participants." Further it is not clear how the surcharge will be calculated for water and wastewater customers.
10. Implementation of the surcharge as soon as possible twelve months after implementation.
11. Recalculation of the surcharge either every six months or every twelve months (the application is not clear and makes reference to both time periods).
12. Submission of an annual report showing: number of participants for a six-month period during the year; amount of discounts given to participants; administration fees and carrying costs charged; amount of surcharge collections from non-participating customers; and a computation of the surcharge for the next period (again, the application is not clear and references both a six-month and a twelve-month period).

Q. What is the recent experience with low income tariffs for water and wastewater utilities in Arizona?

A. Use of low income tariffs is for the most part a recent development. The Commission has authorized low income tariffs for Arizona-American Water Company (W-01303A-07-

0209) and Chaparral City Water Company (Docket No. W-02113A-07-0551). In addition to this case, Mr. Bourassa has also proposed low income programs for several other pending cases: Litchfield Park Service Company (Docket Nos. SW-01428A-09-0103 and W-01427A-09-0104), Coronado Utilities, Inc. (Docket No. SW-04305A-09-0291) and Bella Vista Water Company, Inc. (Docket No. W-02465A-09-0411).

Q. Is the Company's proposed low income tariff the same as that adopted for Chaparral City Water Company and proposed by Litchfield Park Service Company?

A. No. The low income program proposed for Rio Rico, along with the other proposed programs mentioned above, are all slightly different from the one approved by the Commission for Chaparral City Water Company and proposed by Litchfield Park Service Company.

Q. Given that Arizona has limited experience with low income tariffs for water and wastewater utilities, is it unexpected to see differences in the proposed low income programs as knowledge and experience are gained?

A. No. Staff would expect an evolution of the low income programs as Arizona gains experience with them. However, the Company's proposed changes do not appear to be based on experience or any other specific information. The Company did not offer or prepare any demographic studies to determine the incomes in the Rio Rico service area. If the Company does not have this basic information, it cannot reasonably estimate the number of eligible customers, the projected costs of the program, or the impact on the non-participants. The limited experience with low income programs suggests that more controls and limitations should be applied.

Q. Does Staff support adoption of a low income tariff for Rio Rico?

A. Yes.

Q. Does Staff have any general and specific concerns with Rio Rico's proposed low income tariff?

A. Yes, Staff has comments for the following points.

Income Eligibility – The Company has not explained or supported its proposal to use 100 percent of the federal poverty level as the eligibility cutoff. This proposal represents a significant decrease from the 150 percent level adopted for Chaparral City Water Company. Staff concludes that an eligibility standard equal to 150 percent of the federal poverty level should be adopted unless the Company can demonstrate that its proposed 100 percent level is more appropriate in consideration of the overall interests of the Company and all customers.

Recertification – While Staff agrees with the Company proposal for participants to reapply at least once every two years, the Company proposes passive, not proactive, reporting of continuing eligibility. Staff concludes that participants should be required to submit an affidavit yearly attesting to their continuing eligibility.

Participation Cap – The Company has not proposed any limitation on the number of customers that may participate in the program. Allowing unfettered participation could be burdensome to ineligible customers to whom the costs of the low income discounts would be transferred. This concern is exacerbated by the Company's inability to reasonably estimate participation. In order to limit the low income surcharge to less than 10 percent of the monthly bill for non-participants, Staff concludes that participation should be limited to 2,200 customers for the water division and 725 customers for the wastewater division (approximately 30 percent).

Administrative Fee – The Company proposes an administrative fee pertaining to its low income program. Details of this proposed fee are unclear. Mr. Bourassa's direct testimony (at page 19) states, "The program costs (the discounts given to participants plus a 10 percent fee for administration and carrying costs) would be recovered from non-participants via a commodity surcharge." Staff concludes that the low income program should allow the Company to seek recovery only of direct costs (i.e., costs directly associated with the program – those that would not be incurred in the absence of the program), and that the Company should account for these direct costs separately from other costs. Staff further concludes that the authorized rate of return is a reasonable carrying rate. The carrying rate should be applied monthly to the average of the beginning and ending balance of the cumulative unrecovered program costs and included in the beginning balance for the following month.

Surcharge Initiation, Recalculation Frequency and Approval – The Company proposes to initiate a surcharge to recover the program costs (discounts, administrative fee and carrying charges) as soon as practicable after the first twelve months of implementation. However, it is unclear how often the surcharge would be recalculated; the Company's proposal references both a six-month and a twelve-month period. The Company's proposal has a provision for annual reporting to the Commission, but does not specifically require Commission approval of the proposed surcharge before implementation. Staff concludes that its recommended revenue combined with Staff-recommended limits on participation will provide Rio Rico with sufficient cash flow to carry the program costs for twelve months, and that the surcharge should be implemented twelve months after authorization of the program and subsequent to Commission approval of the specific surcharge amount, and recalculated each twelve months thereafter. Staff further concludes that resetting the surcharge in mid-year without Commission oversight would be

inappropriate and providing oversight for resetting the surcharge every six months would not be an efficient use of regulatory resources.

Surcharge Recovery Customer Base – The Company's proposal to recover the low income program costs from non-participants could use clarification. Staff concludes that recovery of low income program costs via a surcharge should be applicable only to the residential customer class.

Surcharge Calculation - The Company has not provided a clear method for periodically calculating the low income surcharge. Staff concludes that the Company should maintain separate balancing accounts for its water and wastewater divisions and separate surcharges should be calculated for the water divisions and the wastewater divisions. Staff further concludes that the following is an appropriate surcharge calculation method. The surcharge shall equal a dollar-and-cents amount resulting from dividing the ending balance of the low income balancing account properly calculated by the number of bills properly issued to non-participating residential customers during the past twelve-month tracking period. The ending balance in the balancing account should equal the beginning balance plus discounts allowed on bills in the twelve month tracking period plus direct program costs incurred in the twelve-month tracking period plus carrying charges less surcharge fees billed in the twelve-month tracking period.

Reporting Requirement - Mr. Bourassa's direct testimony (at page 20) states, "RRUI expects that it will need to submit an annual report showing the number of participants for the six-month period, the discounts given to participants, administration fee and carrying costs, and the collections made from nonparticipants though the surcharge. The Company would also report the balance of the low income balancing accounts and show a computation of the next twelve-month commodity surcharge and submit updated gross annual income guidelines as updated by the federal government." Removing the reference to a six-month period to reflect annual surcharge recalculation, Staff agrees that the

Company should submit an annual report as one step of the annual process for the Commission to approve and reset the surcharge amount.

Q. What is Staff's recommendation with respect to the low income tariff?

A. Staff recommends approval of the low income tariff consistent with its comments and conclusions discussed above.

RESPONSE TO REBUTTAL TESTIOMONY OF MR. EICHLER

Q. Did Staff review the rebuttal testimony of Mr. Peter Eichler?

A. Yes. Mr. Eichler claims that (1) RRUI's allocation method is consistent with NARUC Guidelines for Cost Allocation and Affiliate Transactions and that (2) "APT costs are all indirect costs . . . ."[1]

Q. Does Staff agree?

A. No. Staff addresses the allocation methodology and its application below.

<u>NARUC Guidelines for Cost Allocation and Affiliate Transactions</u>

Q. What is required regarding cost allocations by the NARUC Guidelines for Cost Allocation and Affiliate Transactions?

A. These guidelines require that the costs primarily attributable to a business operation should be, to the extent appropriate, directly assigned to that business operation.

Q. Does the Company claim that it is in full conformity with NARUC guidelines pertaining to cost allocations?

A. Yes.

[1] Rebuttal Testimony of P. Eischler, page 4, lines 20-24.

Q. Did Mr. Eichler provide specific evidence to substantiate its claim?

A. No. Mr. Eichler discusses NARUC guidelines at length and claims that RRUI is following these guidelines, but he does not demonstrate the relationship between his claim and the evidence of record.

Q. Please explain the reasons that Staff disagrees.

A. Staff concludes that, before allocating any corporate office costs, the overall nature and objectives of the parent company fund should first be considered in appraising the need for those costs.

Q. How does the Algonquin Power Income Fund ("Fund" or "APIF") produce income for its shareholders?

A. The Fund, according to its 2008 annual report, produces earnings for its shareholders through a diversified portfolio of renewable energy and utility assets.

Q. What was the APIF's business strategy?

A. The Fund's 2008 annual report states the following concerning its business strategy:

> *Algonquin's business strategy is to maximize long term unit holder value by strengthening its position as a strong renewable energy and infrastructure company.* ***The Company is focused on growth in cash flow and earnings*** *in the business segments in which it operates.* (emphasis added)

The Fund's 2007 Report contained similar language:

> ***Focused on Growth***
>
> *The year 2007 was a year of growth opportunities, change, and performance achievements for Algonquin Power Income Fund. The Fund's management team and exceptional group of employees and associates spent 2007 working on many new initiatives, including, but not limited to wind development projects, the completion of St. Leon Wind Energy ("St. Leon"), the re-powering of the Sanger,*

California co-generation facility, acquisition projects, and welcoming a new CFO to the Fund.[2] *(emphasis added)*

Q. What was the APIF's income for 2008?

A. The APIF generated $57 million in income before taxes according to its 2008 audited financial statements. This compares with the adjusted operating income (loss) of ($97,855) and $479,144 for the water and wastewater divisions, respectively.

Q. Does Staff agree with the Company's statement that "the cost pool would be significantly lower if Algonquin did not own the utilities division? While the business structure of being a publicly traded company does drive a significant portion of the Central Office costs, these costs are still incurred to the benefit of the utilities it owns."[3]

A. No, Staff does not. The cost pool exists primarily to further the interests of APIF and its shareholders. The APIF is an unregulated for-profit business that incurs costs primarily for the benefit of its shareholders. Making a profit is the ultimate reason any for-profit company incurs expenses. The Fund is focused on "*growth in cash flow and earnings*" as evidenced from its business strategy. Since shareholders seek a profit and the APIF incurs expenses (e.g. central office costs) in order to generate that profit, then a reasonable conclusion is that the central office costs are incurred primarily for the benefit of the shareholders rather than for Rio Rico as the Company indicates. The central office costs would have been incurred even if the Fund did not own Rio Rico because the central office costs were incurred to make a profit for the shareholders and not to operate Rio Rico. The benefit to Rio Rico is only incidental.

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[2] Algonquin Power Annual Report for 2007, page 6.
[3] Rebuttal Testimony of P. Eichler, page 19, lines 19-23.

Q. Is there any additional evidence to support Staff's characterization of the Fund as being mostly growth oriented?

A. Yes, the financial statements indicate that revenues of the Fund grew from $40 million in 2001 to $186 million in 2007, for an average growth of 77.5 percent annually.

Q. How does this growth compare with RRUI in the instant case?

A. In contrast to the growth reported by the fund, RRUI claims and Staff agrees that there has been customer contraction which results in negative revenue annualization in its case. In other words, the utility company in the instant case claims negative growth, which is contrary to the results of the fund and the fund's basic objectives.

Q. Are there additional reasons that Staff disagrees.

A. Yes. In his rebuttal testimony, Mr. Eichler provides extensive testimony regarding the NARUC guidelines which require the direct charging of direct costs. Staff disagrees that RRUI is following these guidelines to the extent practicable. In response to Staff data request 4.2, the Company provided invoices greater than $5,000 to support the pool of allocable costs. In reviewing the invoices, Staff noted that significant amounts either should have been directly charged or should not have been chargeable at all. For example, the Company claimed that it had $1,021,609 in audit costs subject to allocation. Staff reviewed the invoices and determined that $739,533, or 72.4 percent, were either out of period or were not supported by invoices, leaving less than 28 percent of costs to be allocable.

In its license and fees accounts, there are numerous payments to the Province of Quebec for tax payments, charitable contributions, and litigation costs for matters outside of the State of Arizona and identifiable to specific activities that under the NARUC guidelines

should have been directly charged to those activities instead of collected in a cost pool for indirect allocation.

APIF Management and Trustee Fees

Q. Does Staff agree with the Company's claim that Staff's provision for management fees from the central office is inadequate on a stand-alone basis?

A. No, Staff does not. The managers at the central office, not Rio Rico, are directly responsible for the management of the income fund. Therefore, to add costs for the management fees from the central office would be duplicative of the management fees that are already included in Rio Rico's operating expenses. Further, based on the cost causation principle, the management fees should be allocated to the APIF because those costs are directly attributable to the APIF.

Q. What does Staff recommend?

A. Staff continues to recommend the expense adjustments as reflected in its Direct Testimony.

RESPONSE TO REBUTTAL TESTIMONY OF MR. THOMAS BOURASSA

Accumulated Deferred Income Taxes ("ADIT") – Both Divisions

Q. What is an ADIT?

A. As discussed more fully in Staff's Direct Testimony, ADITs are the accumulated temporary tax differences between income taxes calculated for rate-making purposes and the actual income taxes that a company pays to the United States Treasury and the State of Arizona. In the instant case, the proposed receivable is comprised of three items: the tax benefits associated with the differences between the book and tax treatment of fixed assets

and associated depreciation, the tax benefits associated with net AIAC on its books, and the tax benefits of net operating loss (NOL) carry forwards.

Q. Please summarize ADIT originally proposed by the RRUI, Staff's recommended amounts in its Direct Testimony, and the RRUI's adjusted position as reflected in its rebuttal testimony.

A. The ADIT amounts as filed by RRUI, as recommended by Staff in its Direct Testimony, and as proposed by RRUI in its Rebuttal Testimony are shown below:

	Per RRUI, as filed	Per Staff	RRUI-Rebuttal
Fixed Asset Component	$ 876,750	$ (479)	$ 18,681
AIAC Component	$ 28,096	$139,073	$139,073
NOL Component	$ 196,960	$ -0-	$288,183
Total	$1,101,805	$138,594	$445,238

ADIT-Fixed Asset Component

Q. Please explain the Company's reasons for significantly changing its ADIT position in its rebuttal testimony?

A. The Company's filing contained multiple errors. Changes that are now reflected in its rebuttal position include corrections to the amounts reflected in RRUI's tax records, tax basis accumulated depreciation and corrections related to AIAC and CIAC.

Q. Does Staff agree with the Company's rebuttal positions for the ADIT-Fixed Asset Component?

A. No.

Q. Please explain.

A. Staff reviewed RRUI's revised calculations and notes that the Company includes $105,049 of unidentified plant in its tax basis calculation. Staff recommends removal of this item from the calculation.

Q. What does Staff recommend?

A. Staff recommends adjusting the ADIT-Fixed Asset Component for the tax value of the unidentified plant. That would result in a credit for the ADIT-Fixed Asset Component of $21,868, which is the $18,681 debit, less $105,049 times 38.6 percent, or $40,549.

ADIT-AIAC Associated Component

Q. Does RRUI agree with Staff's positions in its Direct Testimony?

A. Yes, Staff and RRUI are in agreement regarding the AIAC Associated Component of ADIT.

ADIT-Net Operating Loss Carry forward ("NOL")

Q. Does the Company continue to propose the inclusion of a NOL component in its ADIT calculation?

A. Yes.

Q. **Has the Company changed the amount it is proposing?**

A. As indicated above, the Company has increased its proposed amount from $196,060 to $288,183.

Q. Does Staff agree with the inclusion of a NOL component in the ADIT calculation?

A. No.

Q. Please explain.

A. As discussed in Staff's Direct Testimony, the inclusion of a NOL component in the ADIT balance creates an inequity to ratepayers because existing rates already include a provision for income taxes and the opportunity for the Company to earn a stated rate of return. The fact that the Company did not meet its earnings goals does not mean that the ratepayers should pay a carrying fee on the unfunded balance.

Q. Please state any additional reasons that the Company provides to justify the inclusion of a NOL component in its rate base.

A. In his rebuttal testimony, Mr. Bourassa claims that the NOL carry-forward represents the unused portion of the special depreciation allowance that the Company elected to take during the test year. In other words, Mr. Boursassa claims that RRUI was not able to take full advantage of the special election to pay less taxes in 2008, yet RRUI proposes that ratepayers pay a carrying charge on the tax benefits that the Company could not realize immediately.

Q. Was Staff able to reconcile any of the Company's ADIT components to the parent company's tax return?

A. No.

Q. Please explain.

A. Staff requested a copy of the parent company's tax return in Staff data request 3.3. The Company declined to provide the requested information. For this reason, Staff makes its recommendation based on the best known information that is available.

Q. Besides corroborating the ADIT components claimed by the Company, are there other reasons to review the tax return?

A. Yes.

Q. Please explain.

A. A review of the tax return would include a review of the so-called Schedule M-1 items which provide a comprehensive list of items that the Company uses to reconcile its book and tax incomes. A review of these could potentially alert Staff to adjustments not presented by the Company or not yet contemplated by Staff.

Q. Please provide a summary of the Company's rebuttal ADIT proposal, as compared with Staff's surrebuttal recommendation.

A. Following is a summary of the Company's rebuttal position as compared with Staff's surrebuttal recommendations:

	RRUI-Rebuttal	Staff Surrebuttal
Fixed Asset Component	$18,681	($21,868)
AIAC Component	$139,073	$139,073
NOL Component	$288,183	0
Total	$445,238	$117,205

Staff further notes that the above total amounts represent the total for both divisions and the Staff Surrebuttal amount of $117,205 will be allocated between the two divisions.

Q. What amount does Staff recommend for Water Division ADIT?

A. Staff recommends $82,782 debit for the water division, or approximately 70.63 percent of the Staff's recommended total for both divisions.

Q. What amount does Staff recommend for Wastewater Division ADIT?

A. Staff recommends $34,423 debit for the wastewater division, or approximately 29.37 percent of Staff's recommended total for both divisions.

CIAC – Both Divisions

Q. Based on a review of the Company's rebuttal testimony, does Staff now agree with the Company's calculation of its gross CIAC balances?

A. Yes. Staff agrees with the Company's calculation of its gross CIAC balances of $20,140,197 for the water division and $5,137,673 for the wastewater division.

Regulatory Commission (Rate Case) Expense – Both Divisions

Q. What Regulatory Commission (Rate Case) Expense is the Company proposing?

A. The Company proposes $70,000 per year for the instant rate case expense for its water division, plus $17,564 of what Staff concludes to be residual rate case expense. Similarly, the Company proposes $41,667 per year for the wastewater division, plus $994 of what Staff concludes to be residual rate case expense.

Q. What adjustments did Staff make to Regulatory Commission (Rate Case) Expense?

A. Staff reduced Regulatory Commission Expense by $17,564 for the water division and $994 for the wastewater division, as these amounts are not on-going costs.

Q. What is the Company's rebuttal position?

A. The Company contends that these were not rate case expenses but rather other operating expenses.

Q. What does Staff recommend?

A. Staff continues to recommend its adjustments unless the Company can provide documentation to support its position regarding the nature of the expenses.

Transportation Expense – Both Divisions

Q. Did the Company propose adjustments in its rebuttal to decrease transportation expense by $6,725 for the water division and $2,242 for the wastewater division?

A. Yes. The Company's rebuttal proposes the removal from transportation expense of certain costs that the Company identified as unnecessary. Staff agrees with the adjustments and is recommending a decrease of $6,725, from $79,315 to $72,590, for the water division and a decrease of $2,242, from 26,817 to $24,575, for the wastewater division (as shown in Surrebuttal Schedules GWB-11, GWB-19 and GWB-21).

Outside Services and Outside Services - Other – Water Division Only

Q. Based on a review of additional information, does Staff agree with the Company that invoices marked as "ACC Fees" were for accounting fees, not ACC assessments?

A: Yes. Staff agrees with the Company and has removed its previous adjustments of $27,820 and $17,190 from Outside Services and Outside Services - Other, respectively, for the water division.

Rate Design

Q. Has the Company responded to Staff's rate design testimony that was previously filed?

A. Yes. The Company states that Staff's rate design constitutes "blatant revenue shifting."[4]

[4] Rebuttal Testimony of Thomas Bourassa, page 34, line 16.

Q. Please explain.

A. The Company states that Staff is "discounting water service and generating a subsidy . . . for the 5/8 inch metered customers."[5]

Q. Does the Company have other concerns?

A. Yes. The Company complains that Staff's rate design reduces the percent of revenues derived from the monthly minimums from 29.6 percent to 28.8 percent.

Q. How does Staff respond?

A. Staff is sensitive to the Company's concerns and Staff weighed a number of factors, including those cited by the Company, in the development of Staff's rate design.

Q. Does Staff have an updated recommendation?

A. Immediately following this filing, Staff will file updated recommended rates that reflect any changes to the revenue requirements arising from the adjustments discussed in this testimony. However, Staff is steadfast in recommending a rate design that seeks to maintain the affordability of non-discretionary usage and to encourage efficient use of water through appropriate price signals.

Q. Does Staff have any comment on the Company's proposed form of HUF tariff for the water and wastewater divisions?

A. The Company's proposed tariffs state that hook-up fees will not be recorded as CIAC until such amounts have been expended for plant. The proposed treatment is not consistent with traditional treatment by the Commission and Staff does not recommend a change from the traditional treatment.

[5] Rebuttal Testimony of Thomas Bourassa, page 34, line 16-18.

Q. Does Staff have a recommendation?

A. If the Commission decides to allow a hook-up fee tariff for Rio Rico Utilities, the Company should be required to use the standard hook-up fee tariff form found on the Commission's website.

Q. Does this conclude your Surrebuttal Testimony?

A. Yes, it does.

RIO RICO UTILIES, INC. WATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

SURREBUTTAL TESTIMONY OF GERALD BECKER

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RIO RICO UTILIES, INC. WATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-1
SURREBUTTAL

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) STAFF ORIGINAL COST	(D) STAFF FAIR VALUE
1	Adjusted Rate Base	$ 8,455,519	$ 8,455,519	$ 7,808,822	$ 7,808,822
2	Adjusted Operating Income (Loss)	$ (214,606)	$ (214,606)	$ (94,038)	$ (94,038)
3	Current Rate of Return (L2 / L1)	-2.54%	-2.54%	-1.20%	-1.20%
4	Required Rate of Return	12.40%	12.40%	9.20%	9.20%
5	Required Operating Income (L4 * L1)	$ 1,048,484	$ 1,048,484	$ 718,412	$ 718,412
6	Operating Income Deficiency (L5 - L2)	$ 1,263,090	$ 1,263,090	$ 812,450	$ 812,450
7	Gross Revenue Conversion Factor	1.6286	1.6286	1.6337	1.6337
8	Required Revenue Increase (L7 * L6)	$ 2,057,065	$ 2,057,065	**$ 1,327,271**	**$ 1,327,271**
9	Adjusted Test Year Revenue	$ 1,847,256	$ 1,847,256	$ 1,847,256	$ 1,847,256
10	Proposed Annual Revenue (L8 + L9)	$ 3,904,321	$ 3,904,321	$ 3,174,527	$ 3,174,527
11	Required Increase in Revenue (%)	111.36%	111.36%	71.85%	71.85%
12	Rate of Return on Common Equity (%)	12.40%	12.40%	9.20%	9.20%

References:
Column [A]: Company Schedule A-1
Column (B): Company Schedule A-1
Column (C): Staff Schedules GWB-2, GWB-3, and GWB-10

RIO RICO UTILIES, INC. WATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-2
SURREBUTTAL

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)	[E]	[F]
	Calculation of Gross Revenue Conversion Factor:						
1	Revenue	100.0000%					
2	Uncollecible Factor (Line 11)	0.0000%					
3	Revenues (L1 - L2)	100.0000%					
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	38.7880%					
5	Subtotal (L3 - L4)	61.2120%					
6	**Revenue Conversion Factor (L1 / L5)**	1.633665					
	Calculation of Uncollectible Factor:						
7	Unity	100.0000%					
8	Combined Federal and State Tax Rate (Line 17)	37.8015%					
9	One Minus Combined Income Tax Rate (L7 - L8)	62.1985%					
10	Uncollectible Rate	0.0000%					
11	Uncollectible Factor (L9 * L10)		0.0000%				
	Calculation of Effective Tax Rate:						
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%					
13	Arizona State Income Tax Rate	6.9680%					
14	Federal Taxable Income (L12 - L13)	93.0320%					
15	Applicable Federal Income Tax Rate (Line 44)	33.1429%					
16	Effective Federal Income Tax Rate (L14 x L15)	30.8335%					
17	Combined Federal and State Income Tax Rate (L13 +L16)		37.8015%				
	Calculation of Effective Property Tax Factor						
18	Unity	100.0000%					
19	Combined Federal and State Income Tax Rate (L17)	37.8015%					
20	One Minus Combined Income Tax Rate (L18-L19)	62.1985%					
21	Property Tax Factor (GTM-14, L24)	1.5860%					
22	Effective Property Tax Factor (L20*L21)		0.9864%				
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			38.7880%			
24	Required Operating Income (Schedule GWB-1, Line 5)	$ 718,412					
25	AdjustedTest Year Operating Income (Loss) (Schedule GWB-10, Line 42)	$ (94,038)					
26	Required Increase in Operating Income (L24 - L25)		$ 812,450				
27	Income Taxes on Recommended Revenue (Col. (F), L52)	$ 451,619					
28	Income Taxes on Test Year Revenue (Col. (C), L52)	$ (42,154)					
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		$ 493,772				
30	Recommended Revenue Requirement (Schedule GWB-1, Line 10)	$ 3,174,527					
31	Uncollectible Rate (Line 10)	0.0000%					
32	Uncollectible Expense on Recommended Revenue (L24 * L25)	$ -					
33	Adjusted Test Year Uncollectible Expense	$ -					
34	Required Increase in Revenue to Provide for Uncollectible Exp.		$ -				
35	Property Tax with Recommended Revenue (GTM-15, 20)	$ 109,260					
36	Property Tax on Test Year Revenue (GTM-15, Col A, L16)	$ 88,210					
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		$ 21,050				
38	Total Required Increase in Revenue (L26 + L29 + L37)		$ 1,327,272				

		(A)	(B)	(C)	(D)	[E]	[F]
		Test Year			Staff Recommended		
		Total	Rio Rico Water	Rio Rico WW	Total	Rio Rico Water	Rio Rico WW
	Calculation of Income Tax:						
39	Revenue (Sch GWB-9, Col.(C) L5, GWB-1, Col. (D), L9)	$ 3,677,232	$ 1,847,256	$ 1,829,976	$ 4,700,591	$ 3,174,527	$ 1,526,064
40	Operating Expenses Excluding Income Taxes	$ 3,030,832	$ 1,983,448	$ 1,047,384	$ 3,047,062	$ 2,004,498	$ 1,042,564
41	Synchronized Interest (L47)			$ -	$ -		
42	Arizona Taxable Income (L30 - L31 - L32)	$ 646,400	$ (136,192)	$ 782,592	$ 1,653,531	$ 1,170,030	$ 483,500
43	Arizona State Income Tax Rate		6.9680%	6.9680%	6.9680%	6.9680%	6.9680%
44	Arizona Income Tax (L33 x L34)	$ 45,041	$ (9,490)	$ 54,531	$ 115,218	$ 81,528	$ 33,690
45	Federal Taxable Income (L33 - L35)	$ 601,359	$ (126,702)	$ 728,061	$ 1,538,313	$ 1,088,503	$ 449,810
46	Federal Tax on First Income Bracket ($1 - $50,000) @ 15%	$ -	$ (7,500)	$ 7,500	$ 7,500		
47	Federal Tax on Second Income Bracket ($50,001 - $75,000) @ 25%	$ -	$ (6,250)	$ 6,250	$ 6,250		
48	Federal Tax on Third Income Bracket ($75,001 - $100,000) @ 34%	$ -	$ (8,500)	$ 8,500	$ 8,500		
49	Federal Tax on Fourth Income Bracket ($100,001 - $335,000) @ 39%	$ 81,236	$ (10,414)	$ 91,650	$ 91,650		
50	Federal Tax on Fifth Income Bracket ($335,001 -$10,000,000) @ 34%	$ 133,641	$ -	$ 133,641	$ 409,126		
51	Total Federal Income Tax	$ 214,877	$ (32,664)	$ 247,541	$ 523,026	$ 370,091	$ 152,935
52	Combined Federal and State Income Tax (L35 + L42)	$ 259,918	$ (42,154)	$ 302,072	$ 638,244	$ 451,619	$ 186,626

53	COMBINED Applicable Federal Income Tax Rate [Col. [D], L51 - Col. [A], L51] / [Col. [D], L45 - Col. [A], L45]	32.8884%		
54	WATER Applicable Federal Income Tax Rate [Col. [E], L51 - Col. [B], L51] / [Col. [E], L45 - Col. [B], L45]		33.1429%	
55	WASTEWATER Applicable Federal Income Tax Rate [Col. [F], L51 - Col. [C], L51] / [Col. [F], L45 - Col. [C], L45]			34.0000%

	Calculation of Interest Synchronization:	
56	Rate Base (Schedule GWB-3, Col. (C), Line 18)	N/A
57	Weighted Average Cost of Debt	0.0000%
58	Synchronized Interest (L45 X L46)	$ -

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-3
SURREBUTTAL

RATE BASE - ORIGINAL COST

LINE NO.		(A) COMPANY AS FILED	(B) STAFF ADJUSTMENTS	(C) STAFF AS ADJUSTED
1	Plant in Service	$ 34,059,804	$ -	$ 34,059,804
2	Less: Accumulated Depreciation	12,472,661	(48,724)	12,423,937
3	Net Plant in Service	$ 21,587,143	$ 48,724	$ 21,635,867
	LESS:			
4	Contributions in Aid of Construction (CIAC)	$ 20,188,921	$ (48,724)	$ 20,140,197
5	Less: Accumulated Amortization	6,628,197	-	6,628,197
6	Net CIAC	13,560,724	(48,724)	13,512,000
7	Advances in Aid of Construction (AIAC)	73,648	48,724	122,372
8	Imputed Reg AIAC	-	-	-
9	Imputed Reg CIAC	-	-	-
10	Deferred Income Tax Credits (Debits)	(778,203)	695,421	(82,782)
	Customer Meter Deposits	275,455		275,455
	ADD:			
11	Cash Working Capital		-	-
12	Prepayments		-	-
13	Supplies Inventory		-	-
14	Projected Capital Expenditures		-	-
15	Deferred Debits		-	-
16	Purchase Wastewater Treatment Charges	-	-	
17	**Original Cost Rate Base**	$ 8,455,519	$ (646,697)	$ 7,808,822

References:
Column (A), Company Schedule B-2
Column (B): Schedule GWB-4
Column (C): Column (A) + Column (B)

D RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-4
SURREBUTTAL

UMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

NE O.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] ADJ #1 GWB-5	[C] ADJ #2 GWB-6 Not Used	[D] ADJ #3 GWB-7	[E] ADJ #4 GWB-8	[F] STAFF ADJUSTED
		PLANT IN SERVICE:						
1	301	Organization Cost	5,785					$ 5,785
2	302	Franchise Cost	417					417
3	303	Land and Land Rights	44,194					44,194
4	304	Structures and Improvements	2,732,833					2,732,833
5	305	Collecting and Impounding Res.	-					-
6	306	Lake River and Other Intakes	-					-
7	307	Wells and Springs	563,512					563,512
8	308	Infiltration Galleries and Tunnels	-					-
9	309	Supply Mains	279,154					279,154
0	310	Power Generation Equipment	197,120					197,120
1	311	Electric Pumping Equipment	2,591,971					2,591,971
2	320	Water Treatment Equipment	372,970	(372,970)				0
3	320.1	Water Treatment Equipment	-	372,970				372,970
4	320.2	Chemical Solution Feeders	-					-
5	330	Distribution Reservoirs & Standpipe	759,861	(759,861)				0
6	330.1	Storage tanks	-	759,861				759,861
7	330.2	Pressure Tanks	-					-
8	331	Transmission and Distribution Mains	22,089,150					22,089,150
9	333	Services	2,209,274	-				2,209,274
0	334	Meters	956,605					956,605
1	335	Hydrants	568,578					568,578
2	336	Backflow Prevention Devices	3,848					3,848
3	339	Other Plant and Miscellaneous Equipment	121,843					121,843
4	340	Office Furniture and Fixtures	22,986					22,986
5	340.1	Computers and Software	76,919					76,919
6	341	Transportation Equipment	218,945					218,945
7	342	Stores Equipment	-					-
8	343	Tools and Work Equipment	15,035					15,035
9	344	Laboratory Equipment	3,061					3,061
0	345	Power Operated Equipment	-					-
1	346	Communications Equipment	218,041					218,041
2	347	Miscellaneous Equipment	7,701					7,701
3	348	Other Tangible Plant	-					-
4								-
5		**Total Plant in Service**	34,059,804	-	-	-	-	34,059,804
6								
7		Accumulated Depreciation	12,472,661	(48,724)				12,423,937
8		Net Plant in Service (L58 - L 59)	$ 21,587,143	$ 48,724	$ -	$ -	$ -	$ 21,635,867
9								
0		*LESS:*						
1		Contributions in Aid of Construction (CIAC)	$ 20,188,921				$ (48,724)	$ 20,140,197
2		Less: Accumulated Amortization	6,628,197	-	-			6,628,197
3		Net CIAC (L63 - L64)	13,560,724		-	-	(48,724)	13,512,000
4		Advances in Aid of Construction (AIAC)	73,648				48,724	122,372
5		Imputed Reg Advances	-	-	-		-	-
6		Imputed Reg CIAC		-	-			-
7		Deferred Income Tax Credits (Debits)	(778,203)	-	-	695,421	-	(82,782)
8		Customer Meter Deposits	275,455					275,455
9		*ADD:*						-
0		Working Capital Allowance		-		-	-	-
1		Pumping Power		-	-	-	-	-
2		Purchase Wastewater Treatment Charges		-	-	-	-	-
3		Material and Supplies Inventory		-	-	-	-	-
4		Prepayments		-	-	-	-	-
5		Projected C 1847256		- -	-	-	-	-
6		Deferred D 1983447.929		- -	-	-		-
7		**Original Cost Rate Base**	$ 8,455,519	$ 48,724	$ -	$ (695,421)	$ -	$ 7,808,822

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-5
SURREBUTTAL

RATE BASE ADJUSTMENT #1 - TO RECLASSIFY PLANT

LINE NO.	ACCT NO.	Description	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
		Gross Additions			
1	320	Water Treatment Equipment	372,970	(372,970)	-
2	320.1	Water Treatment Equipment	-	372,970	372,970
3	330	Distribution Reservoirs & Standpipe	759,861	(759,861)	-
4	330.1	Storage tanks	-	759,861	759,861

References:
Column [A]: Amounts included in plant balances per filing.
Column (B): Per Testimony GWB
Column (C): Column [A] less Column [B]

RATE BASE ADJUSTMENT #2 & SCHEDULE GWB-6 NOT USED

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB - 7
SURREBUTTAL

RATE BASE ADJUSTMENT #3 - ACCUMULATED DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1	At December 31, 2008	(778,203)	695,421	(82,782)
2		$ (778,203)	$ 695,421	$ (82,782)

REFERENCES:
Columns [A]: Company schedules
Column [B]: Column [C] less Column [A]
Column [C]: See testimony GWB

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-8
SURREBUTTAL

RATE BASE ADJUSTMENT #4 - ADVANCES IN AID OF CONSTRUCTION & CONTRIBUTIONS IN AID OF CONSTRUCTION

LINE NO.	ACCT NO.	Description	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1		AIAC	73,648	48,724	122,372
2		CIAC	20,188,921	(48,724)	20,140,197

References:
Column [A]: Amounts included in plant balances per filing.
Column (B): Per Testimony GWB
Column (C): Column [A] less Column [B]

Schedule GWB-9 NOT USED

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-10
SURREBUTTAL

OPERATING INCOME STATEMENT - TEST YEAR AND STAFF RECOMMENDED

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] STAFF TEST YEAR ADJUSTMENTS	[C] STAFF TEST YEAR AS ADJUSTED	[D] STAFF RECOMMENDED CHANGES	[E] STAFF RECOMMENDED
1	Water Revenues	$ 1,802,584	$ -	$ 1,802,584	$ 1,327,271	$ 3,129,855
2	Other Revenues	44,672	-	44,672	-	44,672
3	Other	-	-	-	-	-
4	**Total Operating Revenues**	$ 1,847,256	$ -	$ 1,847,256	$ 1,327,271	$ 3,174,527
5	Salaries and Wages	$ -	$ -	$ -	$ -	$ -
6	Purchased Water	$ -	-	-	-	$ -
7	Purchased Power	$ 441,501	(48,005)	393,496	-	$ 393,496
8	Fuel for Power Production	$ -	-	-	-	$ -
9	Chemicals	$ 9,347	-	9,347	-	$ 9,347
10	Materials & Supplies	$ 23,150	-	23,150	-	$ 23,150
11	Outside Services	$ 805,032	(95,067)	709,965	-	$ 709,965
12	Outside Services- Other	$ 76,859	(14,477)	62,382	-	$ 62,382
13	Outside Services- Legal	$ 487	-	487	-	$ 487
14	Water Testing (incl in line 13)	$ -	-	-	-	$ -
15	Rents	$ 26,954	-	26,954	-	$ 26,954
16	Transportation Expenses	$ 79,315	(6,725)	72,590	-	$ 72,590
17	Insurance - General Liability	$ 37,699	-	37,699	-	$ 37,699
18	Insurance - Health and Life	$ -	-	-	-	$ -
19	Reg. Comm. Exp.	$ 17,564	(17,564)	-	-	$ -
20	Reg. Comm. Exp. - Rate Case	$ 70,000	-	70,000	-	$ 70,000
21	Miscellaneous Expense	$ 14,822	-	14,822	-	$ 14,822
22	Bad Debt Expense	$ 371	-	371	-	$ 371
23	Depreciation Expense	$ 463,297	10,678	473,975	-	$ 473,975
24	Taxes Other Than Income	$ -	-	-	-	
25	Property Taxes	$ 130,373	(42,163)	88,210	21,050	$ 109,260
26	Income Tax	$ (134,909)	92,755	(42,154)	493,772	$ 451,619
27						
28	**Total Operating Expenses**	$ 2,061,862	(120,568)	1,941,294	514,822	$ 2,456,116
29	**Operating Income (Loss)**	$ (214,606)	$ 120,568	$ (94,038)	$ 812,449	$ 718,411

References:
Column (A): Company Schedule C-1
Column (B): Schedule GWB 11
Column (C): Column (A) + Column (B)
Column (D): Schedules GWB 2
Column (E): Column (C) + Column (D)

ICO UTILIES, INC. WATER DIVISION
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Schedule GWB-11
SURREBUTTAL

MARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

	DESCRIPTION	[A] COMPANY AS FILED	[B] Purchased Power ADJ #1 GWB-12	[C] Depreciation Exp. ADJ #2 GWB-13	[D] Rate Case Exp ADJ #3 GWB-14	[E] Property Taxes ADJ #4 GWB-15	[F] Income Taxes ADJ #5 GWB-16	[G] NOT USED ADJ #6 GWB-17	[H] Out of Period ADJ #7 GWB-18	[I] NOT USED ADJ #8 GWB-19	[J] Corporate Exp ADJ #9 GWB-20	[K] Trans. Exp ADJ #10 GWB-21	[L] STAFF ADJUSTED
2	Water Revenues	$ 1,802,584	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,802,584
1	Other Revenues	44,672	-	-	-	-	-	-	-	-	-	-	$ 44,672
1	Other	-	-	-	-	-	-	-	-	-	-	-	$ -
5	**Total Operating Revenues**	$ 1,847,256	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,847,256
5	Salaries and Wages	-											
7	Purchased Water	$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -	-
3	Purchased Power	441,501	(48,005)	-	-	-	-	-	-	-	-	-	393,496
9	Fuel for Power Production	-	-	-	-	-	-	-	-	-	-	-	-
0	Chemicals	9,347	-	-		-	-	-	-	-	-	-	9,347
1	Materials & Supplies	23,150	-	-	-	-	-	-		-	-	-	23,150
2	Outside Services	805,032	-	-	-	-	-		-		(95,067)		709,965
6	Outside Services- Other	76,859	-	-	-	-	-		(14,477)	-	-	-	62,382
4	Outside Services- Legal	487	-	-	-	-	-	-	-	-	-	-	487
5	Water Testing (incl in line 13)	-	-	-	-	-	-	-	-	-	-	-	-
6	Rents	26,954	-	-	-	-	-	-	-	-	-	-	26,954
7	Transportation Expenses	79,315	-	-	-	-	-	-	-	-	-	(6,725)	72,590
8	Insurance - General Liability	37,699	-	-	-	-	-	-	-	-		-	37,699
9	Insurance - Health and Life	-	-	-	-	-	-	-	-	-	-	-	-
0	Reg. Comm. Exp.	17,564	-	-	(17,564)	-	-	-	-			-	-
1	Reg. Comm. Exp. - Rate Case	70,000		-	-	-	-	-	-	-	-	-	70,000
2	Miscellaneous Expense	14,822	-		-	-	-	-	-	-	-	-	14,822
3	Bad Debt Expense	371	-	-	-		-	-	-	-	-	-	371
4	Depreciation Expense	463,297	-	10,678	-	-	-	-	-	-	-	-	473,975
5	Taxes Other Than Income	-	-	-	-	-		-	-	-	-	-	-
6	Property Taxes	130,373	-	-	-	(42,163)	-	-	-	-	-	-	88,210
7	Income Tax	(134,909)	-	-	-	-	92,755	-	-	-	-	-	(42,154)
8				-	-	-	-	-	-	-	-	-	-
9													
0	**Total Operating Expenses**	$ 2,061,862	$ (48,005)	$ 10,678	$ (17,564)	$ (42,163)	$ 92,755	$ -	$ (14,477)	$ -	$ (95,067)	$ (6,725)	$ 1,941,294
1	**Operating Income (Loss)**	$ (214,606)	$ 48,005	$ (10,678)	$ 17,564	$ 42,163	$ (92,755)	$ -	$ 14,477	$ -	$ 95,067	$ 6,725	$ (94,038)

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Schedule GWB-12
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #1 - RECLASSIFY POWER FROM WASTEWATER

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
8	Purchased Power	$ 441,501	$ (48,005)	$ 393,496

References:
Column (A), Company Schedule C-1
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

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Schedule GWB-13
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #2- DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1	*PLANT IN SERVICE:*				
2	301	Organization Cost	5,785	0.00%	-
3	302	Franchise Cost	417	0.00%	-
4	303	Land and Land Rights	44,194	0.00%	-
5	304	Structures and Improvements	2,732,833	3.33%	91,003
6	305	Collecting and Impounding Res.	-	2.50%	-
7	306	Lake River and Other Intakes	-	2.50%	-
8	307	Wells and Springs	563,512	3.33%	18,765
9	308	Infiltration Galleries and Tunnels	-	6.67%	-
10	309	Supply Mains	279,154	2.00%	5,583
11	310	Power Generation Equipment	197,120	5.00%	9,856
12	311	Electric Pumping Equipment	2,591,971	12.50%	323,996
13	320.0	Water Treatment Equipment	0	3.33%	0
14	320.1	Water Treatment Equipment	372,970	3.33%	12,420
15	320	Chemical Solution Feeders	-	0.00%	-
16	330.0	Distribution Reservoirs & Standpipe	0	0.00%	-
17	330.1	Storage tanks	759,861	2.22%	16,869
18	330.2	Pressure Tanks	-	5.00%	-
19	331	Transmission and Distribution Mains	22,089,150	2.00%	441,783
20	333	Services	2,209,274	3.33%	73,569
21	334	Meters	956,605	8.33%	79,685
22	335	Hydrants	568,578	2.00%	11,372
23	336	Backflow Prevention Devices	3,848	6.67%	257
24	339	Other Plant and Miscellaneous Equipment	121,843	6.67%	8,127
25	340.0	Office Furniture and Fixtures	22,986	6.67%	1,533
26	340.1	Computers and Software	76,919	20.00%	-
27	341	Transportation Equipment	218,945	20.00%	43,789
28	342	Stores Equipment	-	4.00%	-
29	343	Tools and Work Equipment	15,035	5.00%	752
30	344	Laboratory Equipment	3,061	10.00%	306
31	345	Power Operated Equipment	-	5.00%	-
32	346	Communications Equipment	218,041	10.00%	21,804
33	347	Miscellaneous Equipment	7,701	10.00%	770
34	348	Other Tangible Plant	-	0.00%	-
35		**Total Plant in Service**	34,059,804		1,162,239
36					
37					
38		Less Non Depreciable Plant			
39	301.00	Organization Cost	5,785	0.00%	-
40	303.00	Land and Land Rights	44,194	0.00%	-
41	306.00	Lake River and Other Intakes	-	0.00%	-
42					
43		Net Depreciable Plant and Depreciation Amounts	$ 34,009,825		$ 1,162,239
44		Composite Depreciation Rate		3.4174%	
45		Less			
46		Amortization of Regulatory CIAC at Settlement Rate			-
47		Amortization of CIAC at Composite Rate	$ 20,140,197		$ 688,263
48		Staff Recommended Depreciation Expense			$ 473,975
49		Company Proposed Depreciation Expense			463,297
50		Staff Adjustment			**$ 10,678**

	References:
Col A	Schedule GWB-4
Col B	Rate per Engineering Report
Col C	Col A time Col B

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Schedule GWB-14
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #3 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Rate Case Expense	$ 17,564	$ (17,564)	$ -

References:
Column (A), Company Schedule C-1
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

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Schedule GWB-15
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #4 - PROPERTY TAX EXPENSE

LINE NO.	DESCRIPTION	[A] STAFF AS ADJUSTED	[B] STAFF RECOMMENDED
1	Staff Adjusted Test Year Revenues - 2007	$ 1,847,256	$ 1,847,256
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	3,694,512	3,694,512
4	Staff Recommended Revenue	1,847,256	3,174,527
5	Subtotal (Line 4 + Line 5)	5,541,768	6,869,039
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	1,847,256	2,289,680
8	Department of Revenue Mutilplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	3,694,512	4,579,359
10	Plus: 10% of CWIP - 2005	13,454	13,454
11	Less: Net Book Value of Licensed Vehicles	-	-
12	Full Cash Value (Line 9 + Line 10 - Line 11)	3,707,966	4,592,813
13	Assessment Ratio	21.0%	21.0%
14	Assessment Value (Line 12 * Line 13)	778,673	964,491
15	Composite Property Tax Rate - Obtained from ADOR	11.33%	11.33%
16	Staff Test Year Adjusted Property Tax Expense (Line 14 * Line 15)	$ 88,210	
17	Company Proposed Property Tax	$ 130,373	
18	Staff Test Year Adjustment (Line 16 - Line 17)	**$ (42,163)**	
19	Property Tax on Staff Recommended Revenue (Line 14 * Line 15)		$ 109,260
20	Staff Test Year Adjusted Property Tax Expense (Line 16)		$ 88,210
21	Increase in Property Tax Due to Increase in Revenue Requirement		**$ 21,050**
22	Increase in Property Tax Due to Increase in Revenue Requirement (Line 21)		$ 21,050
23	Increase in Revenue Requirement		$ 1,327,271
24	Increase in Property Tax Per Dollar Increase in Revenue (Line 22 / Line 23)		1.58596%

REFERENCES: 0
Line 15: Composite Tax Rate obtained from Arizona Department of Revenue
Line 17: Company Schedule C-1, Line 27
Line 21: Line 19 - Line 20
Line 23: Schedule GWB-1, Line 8

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-16
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Income Taxes	$ (134,909)	$ 92,755	$ (42,154)

References:
Column (A), Company Schedule C-2
Column (B): Testimony GTM
Column (C): Column (A) + Column (B)

OPERATING INCOME ADJUSTMENT #6 & SCHEDULE GWB-17 NOT USED

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-18
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #7 - OUT OF PERIOD EXPENSE

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Outside Services- Other	$ 14,477	$ (14,477)	$ -

References:
Column (A), Company Schedule C-2
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

OPERATING INCOME ADJUSTMENT #8 & SCHEDULE GWB-19 NOT USED

RIO RICO UTILIES, INC. WATER DIVISION
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Schedule GWB-20
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #9 - CORPORATE EXPENSE ALLOCATION

LINE NO.		[A] Corpoarte Costs As Filed Total Budget 2008	[B] Per DR 4.2 Total Actual $ 2,008	[C] Rio Rico Total Budget 2008	[D] Total Actual 2008
1	Audit	507,000	1,021,609	17,672	35,608
2	Tax Services	265,000	322,446	9,237	11,239
3	Legal	300,000	767,451	10,457	26,750
4	Other Professional Services	455,000	565,649	15,859	22,404
5	Management Fee - Total	636,619	642,771	22,190	10,101
6	Unit Holder Communications	314,100	289,796	10,948	4,496
7	Trustee Fees	204,000	129,000	7,110	4,496
8	Escrow & Transfer Agent Fees	75,000	71,366	2,614	2,487
9	Rent	430,739	299,586	15,014	10,442
10	Licenses/Fees & Permits	305,000	140,852	10,631	4,909
11	Office Expenses	254,000	808,101	8,853	28,167
12	Depreciation	204,242	211,253	7,119	7,363
13					
14	Total Admin Costs	3,950,700	5,269,882	137,703	168,464
15					
16	Variance from Budget		1,319,182		30,761
17					
18	Total Amount Charged in case		137,703		
19					
20	Percentage		3.49%		
21					
22					

23		[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	
24		Total								Note
25		**Actuals**	Disallowance	Costs Allocable	Allowable Common	Allocation	Cost to be	Amount	Adjustment	
26	**Staff Disallowances**	2008	Amount	to APIF	costs to 70 Companies	(1/70)	Allocated to Rio Rico	in Filing		
27	Audit	1,021,609	-	(919,448)	91,945	1.43%	1,313	17,672	(16,358)	
28	Tax Services	322,446	190,849	(118,437)	11,844	1.43%	169	9,237	(9,067)	(1)
29	Legal	767,451	10,457	(681,295)	68,130	1.43%	973	10,457	(9,483)	(2)
30	Other Professional Services	565,649	-	(565,649)		1.43%	-	15,859	(15,859)	(3)
31	Management Fee - Total	642,771	-	(642,771)	-	1.43%	-	22,190	(22,190)	
32	Unit Holder Communications	289,796	-	(289,796)	-	1.43%	-	10,948	(10,948)	
33	Trustee Fees	129,000	-	(129,000)	-	1.43%	-	7,110	(7,110)	
34	Escrow & Transfer Agent Fees	71,366	-	(71,366)	-	1.43%	-	2,614	(2,614)	
35	Rent	299,586	-	(299,586)	-	1.43%	-	15,014	(15,014)	
36	Licenses/Fees & Permits	140,852	140,852	(0)		1.43%	-	10,631	(10,631)	(4)
37	Office Expenses	808,101	-	(808,101)	-	1.43%	-	8,853	(8,853)	
38	Depreciation	211,253	-	(190,128)	19,013	1.43%	272	7,119	(6,847)	
39				-	-		-	-		
40	Total Admin Costs	5,269,882	342,158	(4,715,579)	190,931		2,728	137,703	(134,975)	
41										
42							Currency Adj.		(7,829)	
43							US Dollars		(127,147)	

44 References:
45 Column (A), Company Schedule C-2 Based on $3.95 M
46 Column (B): Company Response to DR GWB 4.2 Based on $5.27 M
47 Column (C): Company's Original Estimate of allocated cost,
48 based on Budget, per filing
49 Column (D): Company's Revised Original Estimate of allocated costs,
50 based on 2008 Actuals, per Company Response to DR GWB 4.2
Column (E), Staff Recommended Disallowance
51 Column (F), Company Revised amount subject to allocation,
52 less Staff Recommended disallownance
53 Column (G), Per testimony GWB, Staff's estimate of common
54 costs benefitting unregulated parties
55 Column (IH): Rio Rico is 1 of 70 companies held by the parent (APIF)
56 Column (I): Total amount allocable to Infrastructure
57 Column (J): Per Company response to Staff DR 4.2, Based on Budget Amounts
58 Column (K): Total amount allocable to Infrastructure

	As Filed	Staff Recomm.	Can $ Adjustment	US $$ Adj.
Restated amounts:				
Water	102,960	2,039	(100,921)	(95,067)
Wastewater	34,747	688	(34,059)	(32,083)
Total	137,707	2,728	(134,979)	(127,150)
Per Direct Testimony:				
Water	102,960	1,363	(101,597)	(95,704)
Wastewater	34,747	460	(34,287)	(32,298)
Total	137,707	1,823	(135,884)	(128,002)
Adjustment to be made in Surrebuttal :		Can $	US $$	
Water	102,960	676	637	
Wastewater	34,747	228	215	
Total	137,707	904	852	

61 Note:
62 (1) Cost specific to Canadian Tax Service
63 (2) No indication on ledger that costs benefitted AZ
64 (3) This account is used mostly for business development
65 (4) Account used for charity, enertainment, etc

Note: At 'the last minute', Staff noted a minor computational error whereby the allocations to Water and Wastewater should have been $2,039 and $688, respectively, for a total of $2,728, instead of the $1,363 and $460, resepectively, for a total of $1,823 used in Staff Direct Testimony, for differences of $676 and $228, respectively, and a total difference of $904 (all in Can dollars) The net adjustment, or increase to expenses is $852 in US dollars, which is not considered material but will be corrected in the surrebuttal testimony.

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Schedule GWB-21
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #10 - TRANSPORTATION EXPENSE

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Transportation Expenses	$ 79,315	$ (6,725)	$ 72,590

References:
Column (A), Company Schedule C-2
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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SURREBUTTAL TESTIMONY OF GERALD BECKER

TABLE OF CONTENTS TO SCHEDULES :

SCH #		TITLE
GWB-	1	REVENUE REQUIREMENT
GWB-	2	GROSS REVENUE CONVERSION FACTOR
GWB-	3	RATE BASE - ORIGINAL COST
GWB-	4	SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS
GWB-	5	RATE BASE ADJUSTMENT #1 - ACCUMULATED DEFERRED INCOME TAXES
GWB-	6	RATE BASE ADJUSTMENT #2 - ADVANCES IN AID OF CONSTRUCTION & CONTRIBUTIONS IN AID OF CONSTRUCTION
GWB-	7	Not Used
GWB-	8	Not Used
GWB-	9	Not Used
GWB-	10	OPERATING INCOME STATEMENT - TEST YEAR AND STAFF RECOMMENDED
GWB-	11	SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR
GWB-	12	OPERATING INCOME ADJUSTMENT #1 - RECLASSIFY POWER TO WATER
GWB-	13	OPERATING INCOME ADJUSTMENT #2- DEPRECIATION EXPENSE
GWB-	14	OPERATING INCOME ADJUSTMENT #3 - NOT USED
GWB-	15	OPERATING INCOME ADJUSTMENT #4 - PROPERTY TAX EXPENSE
GWB-	16	OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES
GWB-	17	OPERATING INCOME ADJUSTMENT #6 - RATE CASE EXPENSE
GWB-	18	OPERATING INCOME ADJUSTMENT #7 - CORPORATE EXPENSE ALLOCATION
GWB-	19	OPERATING INCOME ADJUSTMENT #8 - TRANSPORTATION EXPENSE

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-1
SURREBUTTAL

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) STAFF ORIGINAL COST	(D) STAFF FAIR VALUE
1	Adjusted Rate Base	$ 3,516,077	$ 3,516,077	$ 3,226,899	$ 3,226,899
2	Adjusted Operating Income (Loss)	$ 490,676	$ 490,676	$ 480,520	$ 480,520
3	Current Rate of Return (L2 / L1)	13.96%	13.96%	14.89%	14.89%
4	Required Rate of Return	12.40%	12.40%	9.20%	9.20%
5	Required Operating Income (L4 * L1)	$ 435,994	$ 435,994	$ 296,875	$ 296,875
6	Operating Income Deficiency (L5 - L2)	$ (54,683)	$ (54,683)	$ (183,646)	$ (183,646)
7	Gross Revenue Conversion Factor	1.6286	1.6286	1.6549	1.6549
8	Required Revenue Increase (L7 * L6)	$ (89,061)	$ (89,061)	$ (303,912)	$ (303,912)
9	Adjusted Test Year Revenue	$ 1,829,976	$ 1,829,976	$ 1,829,976	$ 1,829,976
10	Proposed Annual Revenue (L8 + L9)	$ 1,740,915	$ 1,740,915	$ 1,526,064	$ 1,526,064
11	Required Increase in Revenue (%)	-4.87%	-4.87%	-16.61%	-16.61%
12	Rate of Return on Common Equity (%)	12.40%	12.40%	9.20%	9.20%

References:
Column [A]: Company Schedule A-1
Column (B): Company Schedule A-1
Column (C): Staff Schedules GWB-2, GWB-3, and GWB-10

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-2
SURREBUTTAL

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)	[E]	[F]
	Calculation of Gross Revenue Conversion Factor:						
1	Revenue	100.0000%					
2	Uncollecible Factor (Line 11)	0.0000%					
3	Revenues (L1 - L2)	100.0000%					
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	39.5727%					
5	Subtotal (L3 - L4)	60.4273%					
6	**Revenue Conversion Factor (L1 / L5)**	1.654881					
	Calculation of Uncollectible Factor:						
7	Unity	100.0000%					
8	Combined Federal and State Tax Rate (Line 17)	38.5989%					
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%					
10	Uncollectible Rate	0.0000%					
11	Uncollectible Factor (L9 * L10)		0.0000%				
	Calculation of Effective Tax Rate:						
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%					
13	Arizona State Income Tax Rate	6.9680%					
14	Federal Taxable Income (L12 - L13)	93.0320%					
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%					
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%					
17	Combined Federal and State Income Tax Rate (L13 +L16)		38.5989%				
	Calculation of Effective Property Tax Factor						
18	Unity	100.0000%					
19	Combined Federal and State Income Tax Rate (L17)	38.5989%					
20	One Minus Combined Income Tax Rate (L18-L19)	61.4011%					
21	Property Tax Factor (GTM-14, L24)	1.5860%					
22	Effective Property Tax Factor (L20*L21)		0.9738%				
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			39.5727%			
24	Required Operating Income (Schedule GWB-1, Line 5)	$ 296,875					
25	AdjustedTest Year Operating Income (Loss) (Schedule GWB-10, Line 42)	$ 480,520					
26	Required Increase in Operating Income (L24 - L25)		$ (183,646)				
27	Income Taxes on Recommended Revenue (Col. (F), L52)	$ 186,626					
28	Income Taxes on Test Year Revenue (Col. (C), L52)	$ 302,072					
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		$ (115,446)				
30	Recommended Revenue Requirement (Schedule GWB-1, Line 10)	$ 1,526,064					
31	Uncollectible Rate (Line 10)	0.0000%					
32	Uncollectible Expense on Recommended Revenue (L24 * L25)	$ -					
33	Adjusted Test Year Uncollectible Expense	$ -					
34	Required Increase in Revenue to Provide for Uncollectible Exp.		$ -				
35	Property Tax with Recommended Revenue (GTM-15, 20)	$ 82,248					
36	Property Tax on Test Year Revenue (GTM-15, Col A, L16)	$ 87,068					
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		$ (4,820)				
38	Total Required Increase in Revenue (L26 + L29 + L37)		$ (303,912)				

		(A)	(B)	(C)	(D)	[E]	[F]
		Test Year			Staff Recommended		
		Total	Rio Rico Water	Rio Rico WW	Total	Rio Rico Water	Rio Rico WW
	Calculation of Income Tax:						
39	Revenue (Sch GWB-9, Col.(C) L5, GWB-1, Col. (D), L9)	$ 3,677,232	$ 1,847,256	$ 1,829,976	$ 4,700,591	$ 3,174,527	$ 1,526,064
40	Operating Expenses Excluding Income Taxes	$ 3,030,832	$ 1,983,448	$ 1,047,384	$ 3,047,062	$ 2,004,498	$ 1,042,564
41	Synchronized Interest (L47)			$ -	$ -		
42	Arizona Taxable Income (L30 - L31 - L32)	$ 646,400	$ (136,192)	$ 782,592	$ 1,653,530	$ 1,170,029	$ 483,500
43	Arizona State Income Tax Rate	6.9680%	6.9680%	6.9680%	6.9680%	6.9680%	6.9680%
44	Arizona Income Tax (L33 x L34)	$ 45,041	$ (9,490)	$ 54,531	$ 115,218	$ 81,528	$ 33,690
45	Federal Taxable Income (L33 - L35)	$ 601,359	$ (126,702)	$ 728,061	$ 1,538,312	$ 1,088,502	$ 449,810
46	Federal Tax on First Income Bracket ($1 - $50,000) @ 15%	$ -	$ (7,500)	$ 7,500	$ 7,500		
47	Federal Tax on Second Income Bracket ($50,001 - $75,000) @ 25%	$ -	$ (6,250)	$ 6,250	$ 6,250		
48	Federal Tax on Third Income Bracket ($75,001 - $100,000) @ 34%	$ -	$ (8,500)	$ 8,500	$ 8,500		
49	Federal Tax on Fourth Income Bracket ($100,001 - $335,000) @ 39%	$ 81,236	$ (10,414)	$ 91,650	$ 91,650		
50	Federal Tax on Fifth Income Bracket ($335,001 -$10,000,000) @ 34%	$ 133,641	$ -	$ 133,641	$ 409,126		
51	Total Federal Income Tax	$ 214,877	$ (32,664)	$ 247,541	$ 523,026	$ 370,091	$ 152,935
52	Combined Federal and State Income Tax (L35 + L42)	$ 259,918	$ (42,154)	$ 302,072	$ 638,244	$ 451,618	$ 186,626
53	Effective Tax Rate				32.8884%		
54						33.1430%	
55							34.0000%

	Calculation of Interest Synchronization:	
56	Rate Base (Schedule GWB-3, Col. (C), Line 18)	N/A
57	Weighted Average Cost of Debt	$ -
58	Synchronized Interest (L45 X L46)	0.0000%
		$ -

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-3
SURREBUTTAL

RATE BASE - ORIGINAL COST

LINE NO.		(A) COMPANY AS FILED	(B) STAFF ADJUSTMENTS	(C) STAFF AS ADJUSTED
1	Plant in Service	$ 11,829,041	$ -	$ 11,829,041
2	Less: Accumulated Depreciation	5,110,028	-	5,110,028
3	Net Plant in Service	$ 6,719,013	$ -	$ 6,719,013
	LESS:			
4	Contributions in Aid of Construction (CIAC)	$ 5,376,456	$ (238,782)	$ 5,137,674
5	Less: Accumulated Amortization	1,944,057	-	1,944,057
6	Net CIAC	3,432,399	(238,782)	3,193,617
7	Advances in Aid of Construction (AIAC)	(861)	238,782	237,921
8	Imputed Reg AIAC	-	-	-
9	Imputed Reg CIAC	-	-	-
10	Deferred Income Tax Credits (Debits)	(323,602)	289,179	(34,423)
	Customer Meter Deposits	95,000		95,000
	ADD:			
11	Cash Working Capital	-	-	-
12	Prepayments	-	-	-
		-		
13	Supplies Inventory	-	-	-
14	Projected Capital Expenditures		-	-
15	Deferred Debits	-	-	-
16	Purchase Wastewater Treatment Charges	-	-	
17	**Original Cost Rate Base**	$ 3,516,077	$ (289,179)	$ 3,226,899

References:
Column (A), Company Schedule B-2
Column (B): Schedule GWB-4
Column (C): Column (A) + Column (B)

O RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-4
SURREBUTTAL

UMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

NE IO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] ADJ #1 GWB-5	[C] ADJ #2 GWB-6	[D] ADJ #3	[F] STAFF ADJUSTED
		PLANT IN SERVICE:					
1	351	Organization	5,785				$ 5,785
2	352	Franchises	417				$ 417
3	353	Land	7,545				$ 7,545
4	354	Structures & Improvements	28,548				$ 28,548
5	355	Power Generation	-				$ -
6	360	Collection Sewer Forced	636,023				$ 636,023
7	361	Collection Sewers Gravity	5,945,962				$ 5,945,962
8	362	Special Collecting Structures	-				$ -
9	363	Customer Services	1,145,530				$ 1,145,530
10	364	Flow Measuring Devices	55,988				$ 55,988
11	365	Flow Measuring Installation	-				$ -
12	366	Reuse Services	-				$ -
13	367	Reuse Meters And Installation	-				$ -
14	370	Receiving Wells	867,120				$ 867,120
15	371	Pumping Equipment	1,504,181				$ 1,504,181
16	374	Reuse Distribution Reservoirs	-				$ -
17	375	Reuse Trans. and Dist. System	-				$ -
18	380	Treatment & Disposal Equipment	1,006,848				$ 1,006,848
19	381	Plant Sewers	-				$ -
20	382	Outfall Sewer Lines	-				$ -
21	389	Other Sewer Plant & Equipment	68,869				$ 68,869
22	390	Office Furniture & Equipment	110,454				$ 110,454
23	390.1	Computers and Software	4,025				$ 4,025
24	391	Transportation Equipment	-				$ -
25	392	Stores Equipment	-				$ -
26	393	Tools, Shop And Garage Equip	4,897				$ 4,897
27	394	Laboratory Equip	-				$ -
28	396	Communication Equip	5,936				$ 5,936
29	398	Other Tangible Plant	3,913				$ 3,913
30	398	Nogales WW Trmnt Capacity	427,000				$ 427,000
31							$ -
32		**Total Plant in Service**	11,829,041	-	-	-	$ 11,829,041
33							
34		Accumulated Depreciation	5,110,028				5,110,028
35		Net Plant in Service (L58 - L 59)	$ 6,719,013	$ -	$ -	$ -	$ 6,719,013
36							
37		*LESS:*					
38		Contributions in Aid of Construction (CIAC)	$ 5,376,456		$ (238,782)		$ 5,137,674
39		Less: Accumulated Amortization	1,944,057	-	-		1,944,057
40		Net CIAC (L63 - L64)	3,432,399	-	(238,782)	-	3,193,617
41		Advances in Aid of Construction (AIAC)	(861)	-	238,782		237,921
42		Imputed Reg Advances	-	-	-	-	-
43		Imputed Reg CIAC		-	-		-
44		Deferred Income Tax Credits (Debits)	(323,602)	289,179	-	-	(34,423)
45		Customer Meter Deposits	95,000				95,000
46		*ADD:*					-
47		Working Capital Allowance	-	-		-	-
48		Pumping Power		-	-	-	-
49		Purchase Wastewater Treatment Charges		-	-	-	-
50		Material and Supplies Inventory	-	-	-	-	-
51		Prepayments	-	-	-	-	-
52		Projected Capital Expenditures	-	-	-	-	-
53		Deferred Debits		-	-	-	-
54		**Original Cost Rate Base**	$ 3,516,077	$ (289,179)	$ -	$ -	$ 3,226,899

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB- 5
SURREBUTTAL

RATE BASE ADJUSTMENT #1 - ACCUMULATED DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1	At December 31, 2008	(323,602)	289,179	(34,423)
2		$ (323,602)	$ 289,179	$ (612,781)

REFERENCES:
Columns [A]: Company schedules
Column [B]: Column [C] less Column [A]
Column [C]: See testimony GWB

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB - 6
SURREBUTTAL

RATE BASE ADJUSTMENT #2 - ADVANCES IN AID OF CONSTRUCTION

LINE NO.	Description	[A] COMPANY AS FILED	[B] STAFF ADJUSTMENTS	[C] STAFF AS ADJUSTED
1	AIAC	(861)	238,782	237,921
2	CIAC	5,376,456	(238,782)	5,137,674

References:
Column [A]: Amounts included in plant balances per filing.
Column (B): Per Testimony GWB
Column (C): Column [A] less Column [B]

Schedules GWB-7, -8, & -9 are not used

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-10
SURREBUTTAL

OPERATING INCOME STATEMENT - TEST YEAR AND STAFF RECOMMENDED

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] STAFF TEST YEAR ADJUSTMENTS	[C] STAFF TEST YEAR AS ADJUSTED	[D] STAFF RECOMMENDED CHANGES	[E] STAFF RECOMMENDED
1	Water Revenues	$ 1,829,726	$ -	$ 1,829,726	$ (303,912)	$ 1,525,814
2	Other Revenues	250	-	250	-	250
3	Other	-	-	-	-	-
4	**Total Operating Revenues**	$ 1,829,976	$ -	$ 1,829,976	**$ (303,912)**	**$ 1,526,064**
5	Salaries and Wages	$ -	$ -	-	$ -	$ -
6	Purchased Water and WW Treatment	$ -	-	-	-	$ -
7	Sludge Removal Expense	$ -	-	-	-	$ -
8	Purchased Power	$ 17,426	48,005	65,431	-	$ 65,431
9	Fuel for Power Production	$ -	-	-	-	$ -
10	Chemicals	$ 9,644	-	9,644	-	$ 9,644
11	Materials and Supplies	$ 14,304	-	14,304	-	$ 14,304
12	Contractual Services	$ 298,008	(32,083)	265,925	-	$ 265,925
13	Contractual Services- Testing	$ -	-	-	-	$ -
14	Contractual Services - Other	$ 175,196	-	175,196	-	$ 175,196
15	Contractual Services - Legal	$ 367	-	367	-	$ 367
16	Equipment Rental	$ 25,781	-	25,781	-	$ 25,781
17	Rents - Building	$ -	-	-	-	$ -
18	Transportation Expenses	$ 26,817	(2,242)	24,575	-	$ 24,575
19	Insurance - General Liability	$ 12,021	-	12,021	-	$ 12,021
20	Insurance - Vehicle	$ -	-	-	-	$ -
21	Regulatory Commission Expense	$ 994	(994)	-	-	
22	Reg.Comm. Exp. - Rate Case	$ 41,667	-	41,667	-	$ 41,667
23	Miscellaneous Expense	$ 155	-	155		$ 155
24	Bad Debt Expense	$ 64,087		64,087		$ 64,087
25	Depreciation and Amortization	$ 252,672	8,491	261,163		$ 261,163
26	Taxes Other Than Income	$ -		-		
27	Property Taxes	$ 91,705	(4,637)	87,068	(4,820)	$ 82,248
28	Income Tax	$ 308,456	(6,384)	302,072	(115,446)	$ 186,626
29						
30	**Total Operating Expenses**	$ 1,339,300	10,156	1,349,456	(120,266)	$ 1,229,189
31	**Operating Income (Loss)**	$ 490,676	$ (10,156)	**$ 480,520**	$ (183,646)	**$ 296,875**

References:
Column (A): Company Schedule C-1
Column (B): Schedule GWB 11
Column (C): Column (A) + Column (B)
Column (D): Schedules GWB 2, Lines 29 and 37
Column (E): Column (C) + Column (D)

) RICO UTILIES, INC. WASTEWATER DIVISION
cket No. WS-02676A-09-0257
st Year Ended December 31, 2008

Schedule GWB-11
SURREBUTTAL

MMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

NE O.	DESCRIPTION	[A] COMPANY AS FILED	[B] Purchased Power ADJ #1 GWB-12	[C] Depreciation Exp. ADJ #2 GWB-13	[D] Foreign Exchange ADJ #3 GWB-12	[E] Property Taxes ADJ #4 GWB-15	[F] Income Taxes ADJ #5 GWB-16	[G] Rate Case ADJ #6 GWB-17	[H] Corporate Allocation ADJ #7 GWB-18	[I] Trans Exp. ADJ #8 GWB-19	[J] STAFF ADJUSTED
1	Water Revenues	$ 1,829,726	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,829,726
2	Other Revenues	250	-	-	-	-	-	-	-	-	$ 250
3	Other	-	-	-	-	-	-	-	-	-	$ -
4	**Total Operating Revenues**	$ 1,829,976	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,829,976
5	Salaries and Wages	-									
6	Purchased Water and WW Treatment	$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -	-
7	Sludge Removal Expense	-	-	-	-	-	-	-	-	-	-
8	Purchased Power	17,426	48,005	-	-	-	-	-	-	-	65,431
9	Fuel for Power Production	-	-	-		-	-	-	-	-	-
10	Chemicals	9,644	-	-	-	-	-	-		-	9,644
11	Materials and Supplies	14,304	-	-	-	-	-	-	-	-	14,304
12	Contractual Services	298,008	-	-		-	-	-	(32,083)	-	265,925
13	Contractual Services- Testing	-	-	-	-	-	-	-	-	-	-
14	Contractual Services - Other	175,196	-	-	-	-	-	-	-	-	175,196
15	Contractual Services - Legal	367	-	-	-	-	-	-	-	-	367
16	Equipment Rental	25,781	-	-	-	-	-	-	-	-	25,781
17	Rents - Building	-	-	-	-	-	-	-	-	-	-
18	Transportation Expenses	26,817	-	-	-	-	-	-	-	(2,242)	24,575
19	Insurance - General Liability	12,021	-	-	-	-	-	-	-		12,021
20	Insurance - Vehicle	-		-	-	-	-	-	-	-	-
21	Regulatory Commission Expense	994	-		-	-	-	(994)	-	-	-
22	Reg.Comm. Exp. - Rate Case	41,667	-	-	-		-	-	-	-	41,667
23	Miscellaneous Expense	155	-	-	-	-	-	-	-	-	155
24	Bad Debt Expense	64,087	-	-	-	-		-	-	-	64,087
25	Depreciation and Amortization	252,672	-	8,491	-	-	-	-	-	-	261,163
26	Taxes Other Than Income	-	-	-	-	-	-	-	-	-	-
27	Property Taxes	91,705	-	-	-	(4,637)	-	-	-	-	87,068
28	Income Tax	308,456	-	-	-	-	(6,384)	-	-	-	302,072
29				-	-	-	-	-	-	-	-
30											
31	**Total Operating Expenses**	$ 1,339,300	$ 48,005	$ 8,491	$ -	$ (4,637)	$ (6,384)	$ (994)	$ (32,083)	$ (2,242)	$ 1,349,456
32	**Operating Income (Loss)**	$ 490,676	$ (48,005)	$ (8,491)	$ -	$ 4,637	$ 6,384	$ 994	$ 32,083	$ 2,242	$ 480,520

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-12
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #1 - RECLASSIFY POWER TO WATER

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Purchased Power	$ 17,426	$ 48,005	$ 65,431

References:
Column (A), Company Schedule C-1
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

) RICO UTILIES, INC. WASTEWATER DIVISION
cket No. WS-02676A-09-0257
st Year Ended December 31, 2008

Schedule GWB-13
SURREBUTTAL

PERATING INCOME ADJUSTMENT #2- DEPRECIATION EXPENSE

NE O.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1	*PLANT IN SERVICE:*				
2	351	Organization	5,785	0.00%	-
3	352	Franchises	417	0.00%	-
4	353	Land	7,545	0.00%	-
5	354	Structures & Improvements	28,548	3.33%	951
6	355	Power Generation	-	5.00%	-
7	360	Collection Sewer Forced	636,023	2.00%	12,720
8	361	Collection Sewers Gravity	5,945,962	2.00%	118,919
9	362	Special Collecting Structures	-	2.00%	-
0	363	Customer Services	1,145,530	2.00%	22,911
1	364	Flow Measuring Devices	55,988	10.00%	5,599
2	365	Flow Measuring Installation	-	10.00%	-
3	366	Reuse Services	-	2.00%	-
4	367	Reuse Meters And Installation	-	8.33%	-
5	370	Receiving Wells	867,120	3.33%	28,875
6	371	Pumping Equipment	1,504,181	12.50%	188,023
7	374	Reuse Distribution Reservoirs	-	2.50%	-
8	375	Reuse Trans. and Dist. System	-	2.50%	-
9	380	Treatment & Disposal Equipment	1,006,848	5.00%	50,342
20	381	Plant Sewers	-	5.00%	-
21	382	Outfall Sewer Lines	-	3.33%	-
22	389	Other Sewer Plant & Equipment	68,869	6.67%	4,594
23	390	Office Furniture & Equipment	110,454	6.67%	7,367
24	390.1	Computers and Software	4,025	20.00%	805
25	391	Transportation Equipment	-	20.00%	-
26	392	Stores Equipment	-	4.00%	-
27	393	Tools, Shop And Garage Equip	4,897	5.00%	245
28	394	Laboratory Equip	-	10.00%	-
29	396	Communication Equip	5,936	10.00%	594
30	398	Other Tangible Plant	3,913	0.00%	-
31	398	Nogales WW Trmnt Capacity	427,000	4.72%	20,154
32		**Total Plant in Service**	11,829,041	3.91%	462,099
33					
34					
35		Less Non Depreciable Plant			
36	351	Organization	5,785	0.00%	-
37	352	Franchises	417	0.00%	-
38	353	Land	7,545	0.00%	-
39					
40		Net Depreciable Plant and Depreciation Amounts	$ 11,815,295		$ 462,099
41		Composite Depreciation Rate		3.91%	
42		Less			
43		Amortization of Regulatory CIAC at Settlement Rate			-
44		Amortization of CIAC at Composite Rate	$ 5,137,674		$ 200,935
45		Staff Recommended Depreciation Expense			$ 261,163
46		Company Proposed Depreciation Expense			252,672
47		Staff Adjustment			**$ 8,491**

	References:
Col A	Schedule GWB-4
Col B	Proposed Rates per Staff Engineering Report for Non Allocated Plant
Col C	Col [A] times Col [B]

OPERATING INCOME ADJUSTMENT #3 - NOT USED

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-15
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #4 - PROPERTY TAX EXPENSE

LINE NO.	DESCRIPTION	[A] STAFF AS ADJUSTED	[B] STAFF RECOMMENDED
1	Staff Adjusted Test Year Revenues - 2007	$ 1,829,976	$ 1,829,976
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	3,659,952	3,659,952
4	Staff Recommended Revenue	1,829,976	1,526,064
5	Subtotal (Line 4 + Line 5)	5,489,928	5,186,016
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	1,829,976	1,728,672
8	Department of Revenue Mutilplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	3,659,952	3,457,344
10	Plus: 10% of CWIP - 2008		
11	Less: Net Book Value of Licensed Vehicles	-	-
12	Full Cash Value (Line 9 + Line 10 - Line 11)	3,659,952	3,457,344
13	Assessment Ratio	21.0%	21.0%
14	Assessment Value (Line 12 * Line 13)	768,590	726,042
15	Composite Property Tax Rate - Obtained from ADOR	11.33%	11.33%
16	Staff Test Year Adjusted Property Tax Expense (Line 14 * Line 15)	$ 87,068	
17	Company Proposed Property Tax	$ 91,705	
18	Staff Test Year Adjustment (Line 16 - Line 17)	**$ (4,637)**	
19	Property Tax on Staff Recommended Revenue (Line 14 * Line 15)		$ 82,248
20	Staff Test Year Adjusted Property Tax Expense (Line 16)		$ 87,068
21	Increase in Property Tax Due to Increase in Revenue Requirement		**$ (4,820)**
22	Increase in Property Tax Due to Increase in Revenue Requirement (Line 21)		$ (4,820)
23	Increase in Revenue Requirement		$ (303,912)
24	Increase in Property Tax Per Dollar Increase in Revenue (Line 22 / Line 23)		1.58596%

REFERENCES: 0
Line 15: Composite Tax Rate obtained from Arizona Department of Revenue
Line 17: Company Schedule C-1, Line 27
Line 21: Line 19 - Line 20
Line 23: Schedule GWB-1, Line 8

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-16
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Income Taxes	$ 308,456	$ (6,384)	$ 302,072

References:
Column (A), Company Schedule C-2
Column (B): Testimony GTM
Column (C): Column (A) + Column (B)

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-17
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #6 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Rate Case Expense	$ 994	$ (994)	$ -

References:
Column (A), Company Schedule C-1
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

RIO RICO UTILIES, INC. WASTEWATER DIVISION
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Schedule GWB-18
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #7 - CORPORATE EXPENSE ALLOCATION

LINE NO.		[A] Corpoarte Costs As Filed Total Budget 2008	[B] Per DR 4.2 Total Actual $ 2,008	[C] Rio Rico Total Budget 2008	[D] Total Actual 2008
1	Audit	507,000	1,021,609	17,672	35,608
2	Tax Services	265,000	322,446	9,237	11,239
3	Legal	300,000	767,451	10,457	26,750
4	Other Professional Services	455,000	565,649	15,859	22,404
5	Management Fee - Total	636,619	642,771	22,190	10,101
6	Unit Holder Communications	314,100	289,796	10,948	4,496
7	Trustee Fees	204,000	129,000	7,110	4,496
8	Escrow & Transfer Agent Fees	75,000	71,366	2,614	2,487
9	Rent	430,739	299,586	15,014	10,442
10	Licenses/Fees & Permits	305,000	140,852	10,631	4,909
11	Office Expenses	254,000	808,101	8,853	28,167
12	Depreciation	204,242	211,253	7,119	7,363
13					
14	Total Admin Costs	3,950,700	5,269,882	137,703	168,464
15					
16	Variance from Budget		1,319,182		30,761
17					
18	Total Amount Charged in case		137,703		
19					
20	Percentage		3.49%		
21					
22					

23		[E] Total **Actuals** 2008	[F] Disallowance Amount	[G] Costs Allocable to APIF	[H] Allowable Common costs to 70 Companies	[I] Allocation (1/70)	[J] Cost to be Allocated to Rio Rico	[K] Amount in Filing	[L] Adjustment	Note
26	**Staff Disallowances**									
27	Audit	1,021,609		(919,448)	91,945	1.43%	1,313	17,672	(16,358)	
28	Tax Services	322,446	190,849	(118,437)	11,844	1.43%	169	9,237	(9,067)	(1)
29	Legal	767,451	10,457	(681,295)	68,130	1.43%	973	10,457	(9,483)	(2)
30	Other Professional Services	565,649	-	(565,649)		1.43%	-	15,859	(15,859)	(3)
31	Management Fee - Total	642,771		(642,771)	-	1.43%	-	22,190	(22,190)	
32	Unit Holder Communications	289,796		(289,796)	-	1.43%	-	10,948	(10,948)	
33	Trustee Fees	129,000		(129,000)	-	1.43%	-	7,110	(7,110)	
34	Escrow & Transfer Agent Fees	71,366		(71,366)	-	1.43%	-	2,614	(2,614)	
35	Rent	299,586		(299,586)	-	1.43%	-	15,014	(15,014)	
36	Licenses/Fees & Permits	140,852	140,852	(140,852)		1.43%	-	10,631	(10,631)	(4)
37	Office Expenses	808,101		(808,101)	-	1.43%	-	8,853	(8,853)	
38	Depreciation	211,253		(190,128)	19,013	1.43%	272	7,119	(6,847)	
39				-	-		-	-		
40	Total Admin Costs	5,269,882	342,158	(4,856,431)	190,931		2,728	137,703	(134,975)	
41										
42							Currency Adj.		(7,829)	
43							US Dollars		(127,147)	

44 References:
45 Column (A), Company Schedule C-2 Based on $3.95 M
46 Column (B): Company Response to DR GWB 4.2 Based on $5.27 M
47 Column (C): Company's Original Estimate of allocated cost,
48 based on Budget, per filing
49 Column (D): Company's Revised Original Estimate of allocated costs,
50 based on 2008 Actuals, per Company Response to DR GWB 4.2
51 Column (E), Staff Recommended Disallowance
52 Column (F), Company Revised amount subject to allocation,
53 less Staff Recommended disallownance
54 Column (G), Per testimony GWB, Staff's estimate of common
55 costs benefting unregulated parties
Column (IH): Rio Rico is 1 of 70 companies held by the parent (APIF)
56 Column (I): Total amount allocable to Infrastructure
57 Column (J): Per Company response to Staff DR 4.2, Based on Budget Amounts
58 Column (K): Total amount allocable to Infrastructure
59

	As Filed	Staff Recomm.	Can $ Adjustment	US $$ Adj.
Restated amounts:				
Water	$ 102,960	$ 2,039	$ (100,921)	$ (95,067)
Wastewater	$ 34,747	$ 688	$ (34,059)	$ (32,083)
Total	$ 137,707	$ 2,728	$ (134,979)	$ (127,150)
Per Direct Testimony:				
Water	102,960	1,363	(101,597)	(95,704)
Wastewater	34,747	460	(34,287)	(32,298)
Total	137,707	1,823	(135,884)	(128,002)
Adjustment to be made in Surrebuttal :		Can $	US $$	
Water	102,960	676	637	
Wastewater	34,747	228	215	
Total	137,707	904	852	

60 Note:
61 (1) Cost specific to Canadian Tax Service
62 (2) No indication on ledger that costs benefitted AZ
63 (3) This account is used mostly for business development
64 (4) Account used for charity, enertainment, etc

Note: At 'the last minute', Staff noted a minor computational error whereby the allocations to Water and Wastewater should have been $2,039 and $688, respectively, for a total of $2,728, instead of the $1,363 and $460, resepectively, for a total of $1,823 used in Staff Direct Testimony, for differences of $676 and $228, respectively, and a total difference of $904 (all in Can dollars) The net adjustment, or increase to expenses is $852 in US dollars, which is not considered material but will be corrected in the surrebuttal testimony.

is being

RIO RICO UTILIES, INC. WASTEWATER DIVISION
Docket No. WS-02676A-09-0257
Test Year Ended December 31, 2008

Schedule GWB-19
SURREBUTTAL

OPERATING INCOME ADJUSTMENT #8 - TRANSPORTATION EXPENSE

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Transportation Expenses	$ 26,817	$ (2,242)	$ 24,575

References:
Column (A), Company Schedule C-2
Column (B): Testimony GWB
Column (C): Column (A) + Column (B)

BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION OF RIO RICO UTILITIES, INC. FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS WATER AND WASTEWATER RATES AND CHARGES FOR UTILITY SERVICE THEREON.	)	DOCKET NO. WS-02676A-09-0257

DIRECT

TESTIMONY

OF

JIAN W. LIU

UTILITIES ENGINEER

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

DECEMBER 15, 2009

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EXHIBITS

Engineering Report for Rio Rico Utilities, Inc. - Water JWL-1

Engineering Report for Rio Rico Utilities, Inc. - Wastewater JWL-2

INTRODUCTION

Q. Please state your name and business address.

A. My name is Jian W. Liu. My business address is 1200 West Washington Street, Phoenix, Arizona 85007.

Q. By whom and in what position are you employed?

A. I am employed by the Arizona Corporation Commission ("Commission" or "ACC") as a Utilities Engineer - Water/Wastewater in the Utilities Division.

Q. How long have you been employed by the Commission?

A. I have been employed by the Commission since October 2005.

Q. What are your responsibilities as a Utilities Engineer - Water/Wastewater?

A. My main responsibilities are to inspect, investigate and evaluate water and wastewater systems. This includes obtaining data, preparing reconstruction cost new and/or original cost studies, investigative reports, interpreting rules and regulations, and to suggest corrective action and provide technical recommendations on water and wastewater system deficiencies. I also provide written and oral testimony in rate cases and other cases before the Commission.

Q. How many companies have you analyzed for the Utilities Division?

A. I have analyzed more than 40 companies fulfilling these various responsibilities for Utilities Division Staff ("Staff").

Q. Have you previously testified before this Commission?

A. Yes, I have testified on numerous occasions before this Commission.

Q. What is your educational background?

A. I am a Ph.D. Candidate in Geotechnical Engineering from Arizona State University ("ASU"). I have a Master of Science Degree in Natural Science from ASU and a Master of Science Degree in Civil Engineering from Institute of Rock & Soil Mechanics ("IRSM"), Academy of Sciences, China.

Q. Briefly describe your pertinent work experience.

A. From 1982 to 2000, I was employed by IRSM, SCS Engineers, and URS Corporation as a Civil and Environmental Engineer. In 2000, I joined the Arizona Department of Environmental Quality ("ADEQ"). My responsibilities with ADEQ included review and approval of water distribution systems, sewer distribution systems, and on-site wastewater treatment facilities. I remained with ADEQ until transferring to the Commission in October 2005.

Q. Please state your professional membership, registrations, and licenses.

A. I am a licensed professional civil engineer in the State of Arizona.

PURPOSE OF TESTIMONY

Q. What was your assignment in this rate proceeding?

A. My assignment was to provide Staff's engineering evaluation of the subject rate proceeding. I reviewed the Company's application and responses to data requests, and I inspected the water and wastewater systems. This testimony and its attachments present Staff's engineering evaluation. The findings of my engineering evaluation are contained in the Engineering Reports that I have prepared for this proceeding. The reports are included as Exhibits JWL-1 and JWL-2 in this pre-filed testimony.

ENGINEERING REPORTS

Q. Please describe the information contained in your Engineering Reports.

A. The Reports are divided into three general sections: 1) *Executive Summary*; 2) *Engineering Report Discussion*, and 3) *Engineering Report Exhibits*. The *Discussions* section for Water System can be further divided into ten subsections: A) Location of Company; B) Description of the Water System; C) Maricopa County Environmental Services Department ("MCESD") Compliance or ADEQ Compliance; D) ACC Compliance; E) Arizona Department Of Water Resources ("ADWR") compliance; F) Water Testing Expenses, G) Water Usage, H) Growth; I) Depreciation Rates; J) Other Issues. The *Discussions* section for Wastewater System is divided into eight subsections: A) Location of Company; B) Description of the Wastewater System; C) Wastewater Flow; D) Growth; E) ADEQ Compliance; F) ACC Compliance; G) Depreciation Rates; H) Other Issues.

RECOMMENDATIONS AND CONCLUSIONS

Q. What are Staff's conclusions and recommendations regarding the Company's operations?

A. Staff's conclusions and recommendations regarding the Company's operations are listed below.

Rio Rico Utilities, Inc. - Water

CONCLUSIONS:

1. ADEQ regulates The Rio Rico Utilities, Inc. ("Rio Rico Utilities" or "Companies") Water System under ADEQ Public Water System ("PWS") No. 12-011. Based on compliance information submitted by the Company, the system has no deficiencies and ADEQ has determined that the system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4. (ADEQ report dated June 3, 09).

2. Rio Rico Utilities is located within the Santa Cruz Active Management Area ("AMA") and is subject to its AMA reporting and conservation requirements. Staff received an ADWR compliance status report in November 2009. ADWR reported that Rio Rico Utilities is currently in compliance with departmental requirements governing water providers and/or community water systems.

3. Staff concludes that the Rio Rico Utilities has adequate production capacity and storage capacity to serve the existing customer base and reasonable growth.

4. A check with the Utilities Division Compliance Section showed no delinquent compliance items for Rio Rico Utilities.

5. Rio Rico Utilities has approved Curtailment Plan and Backflow Prevention Tariffs on file with the Commission.

6. Staff can <u>not</u> conclude that the proposed Hook Up Fee Tariff ("HUF") tariff is reasonable and appropriate.

7. The Company reported 855,207,000 gallons pumped and 767,792,000 gallons sold (and used), resulting in a water loss of 10.22% for 2008.

RECOMMENDATIONS:

1. Staff recommends that Rio Rico Utilities use Staff's depreciation rates by individual National Association of Regulatory Utility Commissioners ("NARUC") category as delineated in Table B of Exhibit JWL-1.

2. Staff recommends the annual water testing expense of $27,451 reported by the Company be used for purposes of this application.

3. Staff recommends that the adoption of an installation charge of "At Cost" for all meter sizes as delineated in Table C of Exhibit JWL-1.

4. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a detailed plan demonstrating how the Company will reduce its water loss to less than 10 percent. If the Company finds that reduction of water loss to less than 10 percent is not cost-effective, the Company should submit a detailed cost analysis and explanation demonstrating why water loss reduction to less than 10 percent is not cost-effective. In any event water loss shall not exceed 15 percent. The water loss reduction plan or the detailed cost analysis, whichever is submitted, shall be docketed as a compliance item within 90 days of a Decision in this matter.

5. Staff recommends the proposed HUF tariff be denied.

Rio Rico Utilities, Inc. - Wastewater

CONCLUSIONS:

1. ADEQ regulates the Rio Rico Utilities wastewater treatment plant under Permit No. 14919. Per the November 12, 2009 Compliance Status Reports issued by ADEQ, the system is in compliance with ADEQ requirements.

2. A check with the Utilities Division Compliance Section showed no delinquent compliance items. (ACC Compliance Section Email dated 11/13/09).

3. Staff can not conclude that the proposed HUF tariff is reasonable and appropriate.

4. Staff concludes that Rio Rico Utilities has adequate treatment capacity to serve the existing customer base and reasonable growth.

RECOMMENDATIONS:

1. It is recommended that the Company use the depreciation rates presented in Table G-1 by individual NARUC category.

2. Staff recommends adoption of an installation charge of "At Cost" for all service line sizes as delineated in Table C of Exhibit JWL-2.

3. Staff recommends the proposed HUF tariff be denied.

Q. Does this conclude your Direct Testimony?

A. Yes, it does.

EXHIBIT JWL-1

ENGINEERING REPORT FOR

RIO RICO UTILITIES, INC. - WATER

DOCKET NO. WS-02676A-09-0257 (RATES)

JIAN W LIU

DECEMBER 15, 2009

Engineering Report for:
Rio Rico Utilities, Inc.
Docket No. WS-02676A-09-0257 (Rates)

By: Jian W Liu
Utilities Engineer

December 15, 2009

EXECUTIVE SUMMARY

CONCLUSIONS:

1. Arizona Department of Environmental Quality ("ADEQ") regulates Rio Rico Utilities, Inc. ("Rio Rico Utilities" or "Company")'s Water System under ADEQ Public Water System ("PWS") No. 12-011. Based on compliance information submitted by the Company, the system has no deficiencies and ADEQ has determined that the system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4. (ADEQ report dated June 3, 09).

2. Rio Rico Utilities is located within the Santa Cruz Active Management Area ("AMA") and is subject to its AMA reporting and conservation requirements. Staff received an Arizona Department of Water Resources ("ADWR") compliance status report in November 2009. ADWR reported that Rio Rico Utilities is currently in compliance with departmental requirements governing water providers and/or community water systems.

3. Staff concludes that the Rio Rico Utilities has adequate production capacity and storage capacity to serve the existing customer base and reasonable growth.

4. A check with the Utilities Division Compliance Section showed no delinquent compliance items for Rio Rico Utilities.

5. Rio Rico Utilities has approved Curtailment Plan and Backflow Prevention Tariffs on file with the Commission.

6. Staff can <u>not</u> conclude that the proposed Hook Up Fee ("HUF") tariff is reasonable and appropriate.

7. The Company reported 855,207,000 gallons pumped and 767,792,000 gallons sold (and used), resulting in a water loss of 10.22% for 2008.

RECOMMENDATIONS

1. Staff recommends that Rio Rico Utilities use Staff's depreciation rates by individual National Association of Regulatory Utility Commissioners ("NARUC") category as delineated in Table B of Exhibit JWL-1.

2. Staff recommends the annual water testing expense of $27,451 reported by the Company be used for purposes of this application.

3. Staff recommends that the adoption of an installation charge of "At Cost" for all meter sizes as delineated in Table C of Exhibit JWL-1.

4. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a detailed plan demonstrating how the Company will reduce its water loss to less than 10 percent. If the Company finds that reduction of water loss to less than 10 percent is not cost-effective, the Company should submit a detailed cost analysis and explanation demonstrating why water loss reduction to less than 10 percent is not cost-effective. In any event water loss shall not exceed 15 percent. The water loss reduction plan or the detailed cost analysis, whichever is submitted, shall be docketed as a compliance item within 90 days of a Decision in this matter.

5. Staff recommends the proposed HUF tariff be denied.

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A. LOCATION OF COMPANY

Rio Rico Utilities, Inc. ("Rio Rico Utilities" or "Company") is an Arizona public service corporation authorized to provide water and wastewater service within portions of Santa Cruz County, Arizona. On May 21, 2009, the Company filed an application with the Arizona Corporation Commission ("Commission" or "ACC") to increase its rates for water service. Rio Rico Utilities provided water service to 6,605 customers as of the test year ending December 31, 2008. Figure 1 shows the location of Rio Rico Utilities within Santa Cruz County and Figure 2 shows the certificated area.

B. DESCRIPTION OF THE WATER SYSTEM

The plant facilities were visited on November 5, 2009, by Jian Liu, Staff Utilities Engineer, in the accompaniment of Martin Garlant, and Dara Mora of the Company.

The drinking water system serving the community of Rio Rico is divided geographically by the Santa Cruz River, which runs south to north. Twelve inch and sixteen inch transmission mains cross the Santa Cruz River and allow the east and west sections of the water system to operate as a single unit. The terrain is very hilly and consequently the water system is divided into seven pressure zones at 150 feet intervals and dotted with about 26 small pressure tank and booster stations, which are in addition to the major pumping and storage facilities. Six groundwater wells provide the water source and feed into a lower pressure zone. All groundwater is disinfected with elemental chlorine. Staff concludes that Rio Rico Utilities has adequate production capacity and storage capacity to serve the existing customer base and reasonable growth.

(Tabular Description of Water System)

Well Data (active wells only)

ADWR ID No.	Pump HP	Pump GPM	Casing Depth(ft)	Casing Size(in)	Meter Size(in)	Year Drilled
55- 502579	200	1100	650	16	8	1983
55- 619359	75	625	250	10	6	1985
55- 604364	75	625	251	10	6	1968
55- 604363	75	650	603	12	8	1970
55- 587292	200	975	605	16	10	2003
55- 206176	250	1300	650	16	10	2005

Note: GPM = gallons per minute.

Storage Tanks		Pressure Tanks		Booster Pumps	
Capacity (gallons)	Quantity	Capacity (gallons)	Quantity	Capacity (HP)	Quantity
640,000	1	8,000	1	40	2
200,000	1	5,000	11	30	8
150,000	1	3,000	1	25	13
100,000	1	1,500	4	20	8
10,000	4	1,000	5	15	10
1,000,000	1	200	4	10	3
				7.5	9
Total 2,130,000				3	2

Mains		Customer Meters		Fire Hydrants
Size (inches)	Length (feet)	Size (inches)	Quantity	Quantity
4 and Under	325,458	5/8x3/4	6053	315
Over 4	1,478,264	3/4	8	
		1	86	
		1.5	18	
		2	49	
		3	18	
		4	5	
		6	2	
		Total	6,239	

C. ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY COMPLIANCE ("ADEQ")

ADEQ regulates the Company's Water System under ADEQ Public Water System ("PWS") #12-011. Based on compliance information submitted by the Company, the system has no deficiencies and ADEQ has determined that the system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4. (ADEQ report dated June 3, 2009).

D. ARIZONA CORPORATION COMMISSION ("ACC") COMPLIANCE

A check with the Utilities Division Compliance Section showed no delinquent compliance items for the Company.

E. ARIZONA DEPARTMENT OF WATER RESOURCES ("ADWR") COMPLIANCE

Rio Rico Utilities is located within the Santa Cruz Active Management Area ("AMA") and is subject to its AMA reporting and conservation requirements. Staff received an ADWR compliance status report in November 2009. ADWR reported that Rio Rico Utilities is currently in compliance with departmental requirements governing water providers and/or community water systems.

F. WATER TESTING EXPENSES

The Company reported a total water testing expense of $27451 during the test year, and provided the expenses in tabular form as follows. Staff reviewed these expenses and supporting documentation provided by the Company. Staff recommends the Company's reported annual water testing expense of $27451 be used for purposes of this application.

Table A. Water Testing Cost

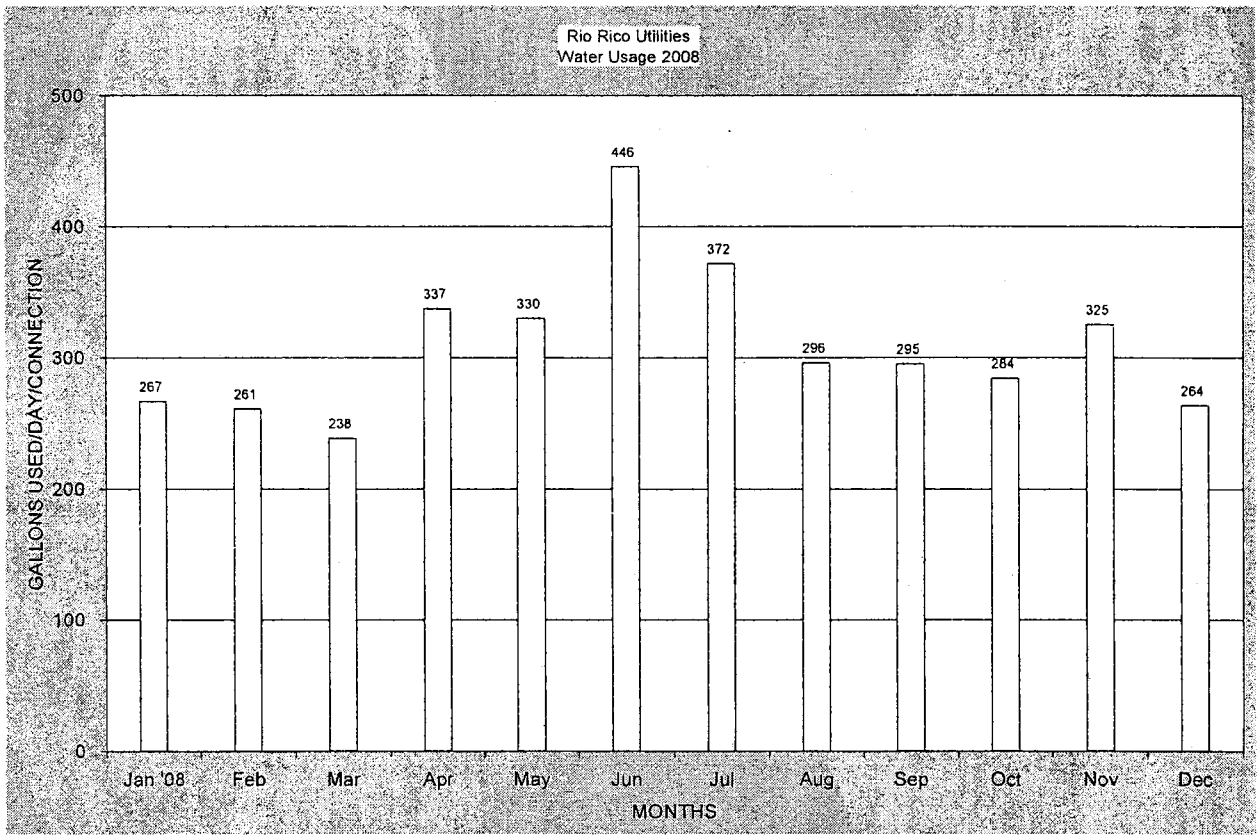
Sum of Debit Amount		
Originating Master Name	TRX Date	Total
Daniel A. Perra dba Desert Delivery Service	11/18/2008	102
	12/11/2008	34
Daniel A. Perra dba Desert Delivery Service Total		136
Desert Delivery Service	1/29/2008	470
	3/5/2008	105
	3/12/2008	25
	3/18/2008	25
	3/24/2008	90
	8/26/2008	588
	9/23/2008	187
	11/18/2008	119
	12/16/2008	34
Desert Delivery Service Total		1643
Turnor Laboratories, Inc	1/21/2008	150
	1/23/2008	7866
	1/28/2008	3881
	1/29/2008	150
	2/21/2008	150

	2/27/2008	150
	3/12/2008	40
	3/25/2008	75
	4/1/2008	2575
	4/17/2008	1020
	4/25/2008	150
	5/13/2008	150
	5/22/2008	150
	6/3/2008	150
	6/12/2008	80
	6/18/2008	1020
	6/24/2008	150
	7/8/2008	285
	7/17/2008	150
	7/29/2008	150
	8/13/2008	150
	8/22/2008	150
	9/12/2008	75
	9/16/2008	150
	9/25/2008	5600
	10/24/2008	300
	11/13/2008	80
	11/24/2008	150
	12/16/2008	150
	12/17/2008	75
	12/22/2008	150
	12/29/2008	150
Turnor Laboratories, Inc Total		25672
Grand Total		**27451**

G. WATER USE

Water Sold

Based on the information provided by the Company, water use for the year 2008 is presented below. The high monthly domestic water use was 446 gal/day per service connection in June and the low monthly domestic water use was 238 gal/day per service connection in March. The average annual use was 310 gal/day per service connection.



Non-account Water

Non-account water should be 10% or less and never more than 15%. It is important to be able to reconcile the difference between water sold and the water produced by the source. A water balance will allow a water company to identify water and revenue losses due to leakage, theft, and flushing. The Company reported 855,207,000 gallons pumped and 767,792,000 gallons sold (and used), resulting in a water loss of 10.22% for 2008.

Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a detailed plan demonstrating how the Company will reduce its water loss to less than 10 percent. If the Company finds that reduction of water loss to less than 10 percent is not cost-effective, the Company should submit a detailed cost analysis and explanation demonstrating why water loss reduction to less than 10 percent is not cost-effective. In any event water loss shall not exceed 15 percent. The water loss reduction plan or the detailed cost analysis, whichever is submitted, shall be docketed as a compliance item within 90 days of a Decision in this matter.

H. GROWTH

This Company experienced average annual growth rates of 8% from 1995 to 2007. In this changing economic climate it is hard for Staff to predict what level of growth is reasonable. The Company estimates a much lower growth rate in the area, as a result of the economic down-turn in the economy. The company expects the customer base to grow at approximately 1% per year for the next five years.

I. DEPRECIATION RATES

Staff recommends that Rio Rico Utilities use Staff's depreciation rates by individual National Association of Regulatory Utility Commissioners category as delineated in Table B of Exhibit JWL-1.

Table B. Depreciation Rates

NARUC Acct. No.	Depreciable Plant	Average Service Life (Years)	Annual Accrual Rate (%)
304	Structures & Improvements	30	3.33
305	Collecting & Impounding Reservoirs	40	2.50
306	Lake, River, Canal Intakes	40	2.50
307	Wells & Springs	30	3.33
308	Infiltration Galleries	15	6.67
309	Raw Water Supply Mains	50	2.00
310	Power Generation Equipment	20	5.00
311	Pumping Equipment	8	12.5
320	Water Treatment Equipment		
320.1	Water Treatment Plants	30	3.33
320.2	Solution Chemical Feeders	5	20.0
330	Distribution Reservoirs & Standpipes		
330.1	Storage Tanks	45	2.22
330.2	Pressure Tanks	20	5.00
331	Transmission & Distribution Mains	50	2.00
333	Services	30	3.33
334	Meters	12	8.33
335	Hydrants	50	2.00
336	Backflow Prevention Devices	15	6.67
339	Other Plant & Misc Equipment	15	6.67
340	Office Furniture & Equipment	15	6.67
340.1	Computers & Software	5	20.00
341	Transportation Equipment	5	20.00
342	Stores Equipment	25	4.00
343	Tools, Shop & Garage Equipment	20	5.00
344	Laboratory Equipment	10	10.00
345	Power Operated Equipment	20	5.00
346	Communication Equipment	10	10.00
347	Miscellaneous Equipment	10	10.00
348	Other Tangible Plant	----	----

NOTES:

1. These depreciation rates represent average expected rates. Water companies may experience different rates due to variations in construction, environment, or the physical and chemical characteristics of the water.

2. Acct. 348, Other Tangible Plant may vary from 5% to 50%. The depreciation rate would be set in accordance with the specific capital items in this account.

J. CURTAILMENT PLAN AND BACKFLOW PREVENTION TARIFF

Rio Rico Utilities has approved Curtailment Plan and Backflow Prevention Tariffs on file with the Commission.

K. METER AND SERVICE LINE INSTALLATION CHARGES

The Company requested permission to change its service line and meter installation charges. These charges are refundable advances and the Company proposes that all Service Line installation charges be at "cost," as opposed to the current stated rates of between $370 and $1,630 based on meter size. The reason for this request is that the Company is finding the actual cost of installation far exceeds the existing tariff amounts, and can vary widely based upon the length of the line installation.

Because the water service area of Rio Rico Utilities is very hilly and because installation costs can vary widely, Staff recommends adoption of an installation charge of "At Cost" for all meter sizes as delineated in Table C of Exhibit JWL-1.

Table C. Service Line and Meter Installation Charges

Meter Size	Current Service Line Charges	Current Meter Charges	Current **Total** Charges	Proposed Service Line Charges	Proposed[(1)] Meter Charges	Proposed **Total Charges**
5/8 x3/4-inch	370	130	$500	At Cost	At Cost	At Cost
3/4-inch	370	205	$575	At Cost	At Cost	At Cost
1-inch	420	240	$660	At Cost	At Cost	At Cost
1-1/2-inch	450	450	$900	At Cost	At Cost	At Cost
2-inch	580	$1,640	$2,220	At Cost	At Cost	At Cost
3-inch	765	$2,195	$2,960	At Cost	At Cost	At Cost
4-inch	1,120	$3,145	$4,265	At Cost	At Cost	At Cost
6-inch	1,630	$6,120	$7,750	At Cost	At Cost	At Cost
8-inch & Larger	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost

(1). Meter charge includes meter box or vault.

L. Proposed Hook Up Fee Tariff

Rio Rico Utilities proposed the establishment of a hook-up fee ("HUF") tariff in this rate application. The Company proposed an $1,800 hook-up fee per new 5/8" x 3/4" meter service connection The Company however has not provided documentation to support its proposed HUF fee amounts.

In order to calculate hook-up fees, and determine if proposed water plant items benefit the entire water system, Staff sent a Data Request to the Company on July 10, 2009. The Company refused to provide any documentation to support this proposed HUF tariffs. Therefore, Staff can not conclude that the proposed HUF tariffs are reasonable and appropriate. Therefore Staff recommends the proposed HUF tariff be denied.

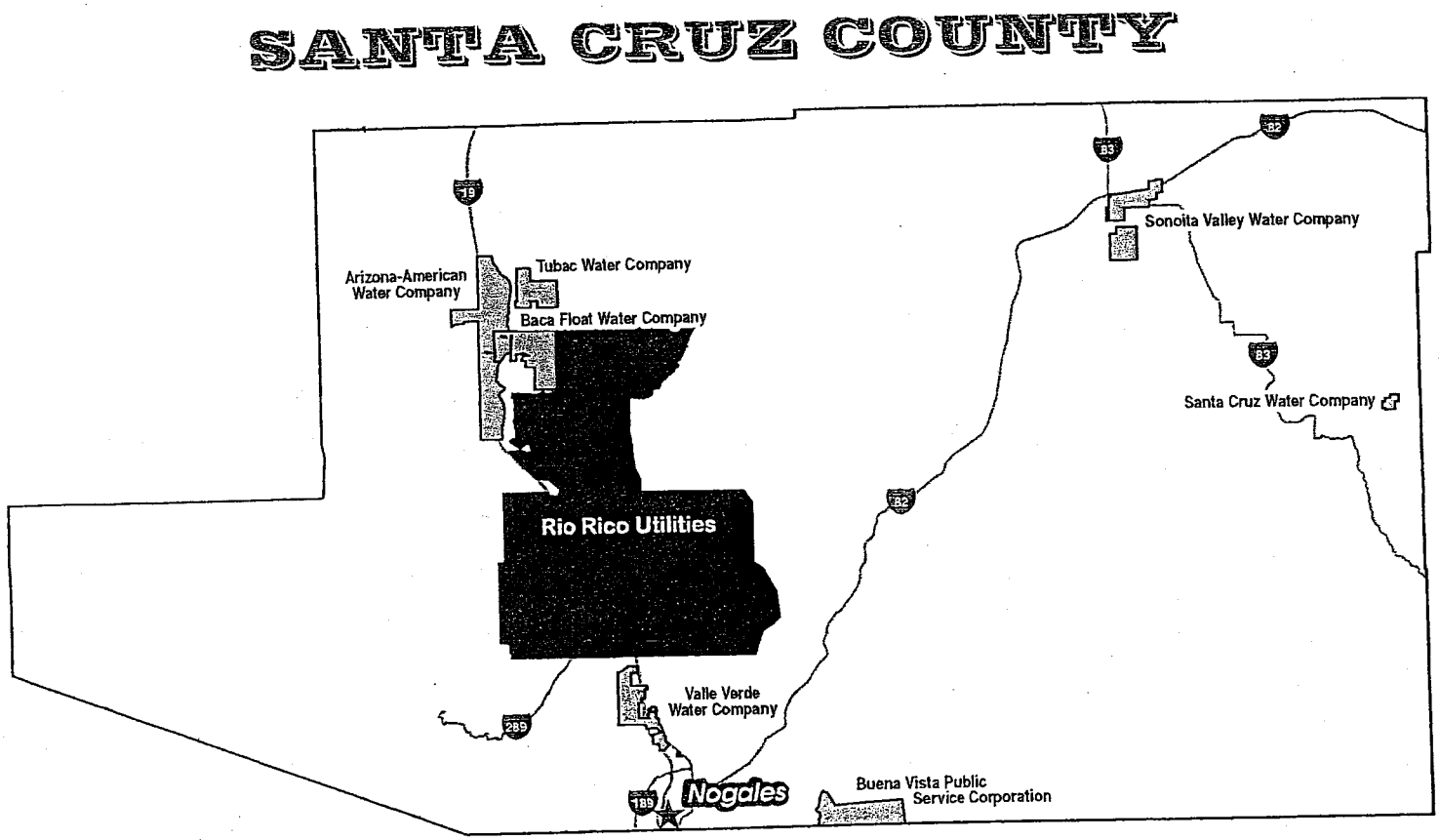


Figure 1: County Map

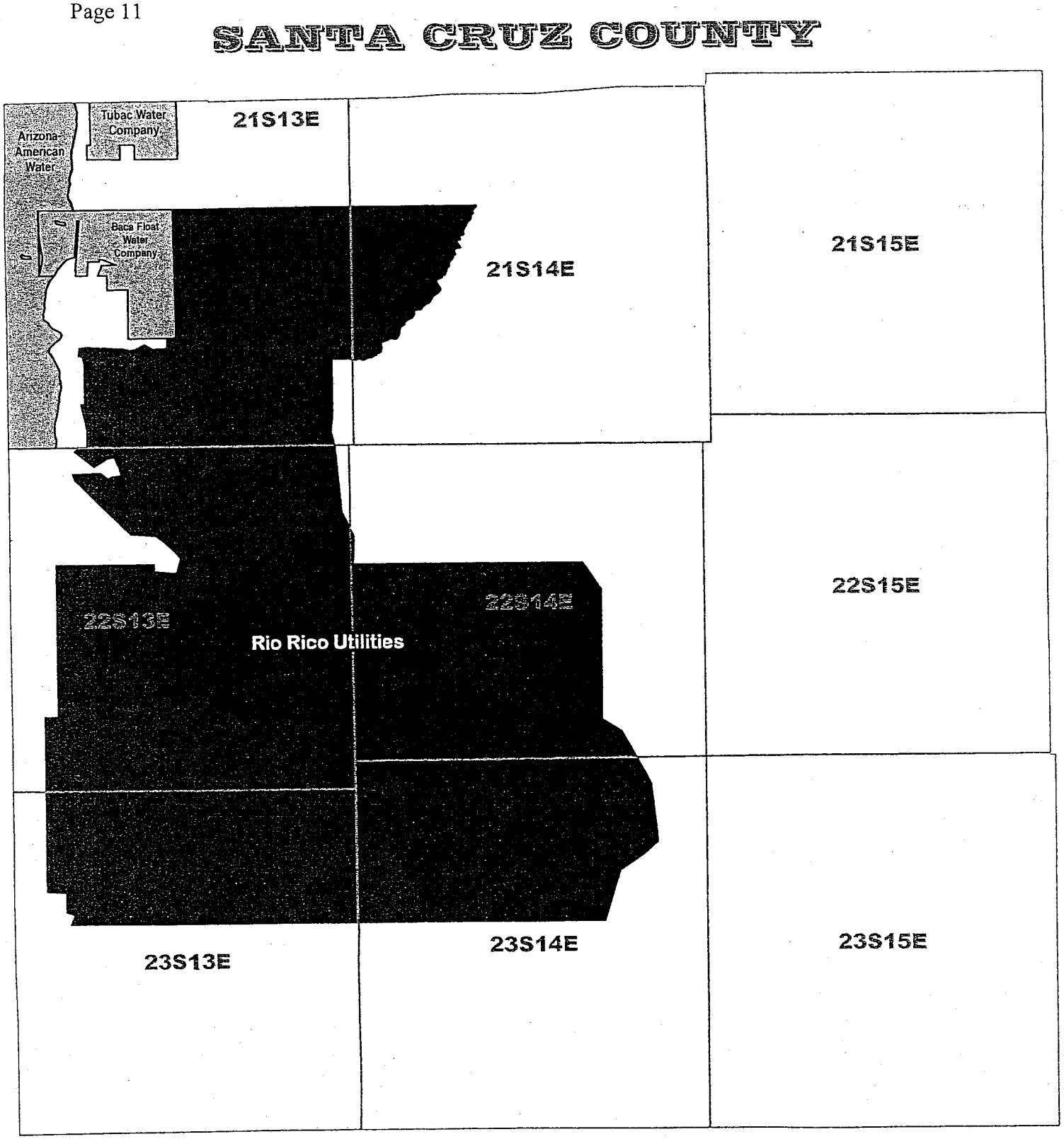


Figure 2: Certificated Area

EXHIBIT JWL-2

ENGINEERING REPORT FOR

RIO RICO UTILITIES, INC. - WASTEWATER

DOCKET NO. WS-02676A-09-0257 (RATES)

JIAN W LIU

DECEMBER 15, 2009

Engineering Report
Rio Rico Utilities, Inc.
Docket No. WS-02676A-09-0257
(Rates)

By Jian W Liu

December 15, 2009

EXECUTIVE SUMMARY

CONCLUSIONS:

1. Arizona Department of Environmental Quality ("ADEQ") regulates the Rio Rico Utilities wastewater treatment plant under Permit No. 14919. Per the November 12, 2009 Compliance Status Reports issued by ADEQ, the system is in compliance with ADEQ requirements.

2. A check with the Utilities Division Compliance Section showed no delinquent compliance items. (ACC Compliance Section Email dated 11/13/09).

3. Staff can not conclude that the proposed Hook Up Fee ("HUF") tariff is reasonable and appropriate.

4. Staff concludes that Rio Rico Utilities has adequate treatment capacity to serve the existing customer base and reasonable growth.

RECOMMENDATIONS:

1. It is recommended that the Company use the depreciation rates presented in Table G-1 by individual National Association of Regulatory Utility Commissioners ("NARUC") category.

2. Staff recommends adoption of an installation charge of "At Cost" for all service line sizes as delineated in Table C of Exhibit JWL-2.

3. Staff recommends the proposed HUF tariff be denied.

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FIGURE 3 WASTEWATER FLOW 9

A. LOCATION OF COMPANY

Rio Rico Utilities, Inc. ("Rio Rico Utilities" or "Company") is an Arizona public service corporation authorized to provide water and wastewater service within portions of Santa Cruz County, Arizona. On May 21, 2009, the Company filed an application with the Arizona Corporation Commission ("Commission" or "ACC") to increase its rates for wastewater service. Rio Rico Utilities provided wastewater service to approximately 2,300 customers as of the test year ending December 31, 2008. Figure 1 shows the location of Rio Rico Utilities within Santa Cruz County and Figure 2 shows the certificated area.

B. DESCRIPTION OF THE WASTEWATER SYSTEM

The plant facilities were visited on November 5, 2009, by Jian Liu, Staff Utilities Engineer, in the accompaniment of Martin Garlant, and Dara Mora of the Company.

There are two separate wastewater systems. The major wastewater system consists of collection mains and 5 large pumping stations. The wastewater from the last pumping station enters the City of Nogales sewerage collection system where it co-mingles and eventually reaches the Nogales International wastewater treatment facility. The Nogales International treatment plant is owned and operated by the Unites States International Boundary and Water Commission. The City of Nogales pays fixed and commodity charges for the use of the international facility. Rio Rico then sub-contracts with the City of Nogales for capacity in the international facility and pays sewer use fees directly to the City of Nogales.

There is also a small wastewater system which serves the "Villas Unit 12" subdivision. It consists of a single pumping station and an aerobic stabilization pond. This facility serves about 140 customers.

Lift Station

Location	Quantity of Pumps	Horsepower per Pump	Capacity per Pump (GPM)	Wet Well Capacity (gals.)
Lift Station # 1	2	88	725	32,313
Lift Station # 2	2	47	500	9,000
Lift Station # 3	2	47	500	9,000
Lift Station # 4	2	15	175	8,000
Lift Station # 5	2	3	27	1,608

Manholes

Type	Quantity
Standard	535
Drop	15

Force Mains

Size	Material	Length (Feet)
4-inch	PVC	3,714
4-inch	DI	120
6-inch	PVC	19,946
6-inch	DI	693

Cleanouts

Quantity
132

Collection Mains

Diameter	Length (Feet)
4-inch	2,845
6-inch	11,273
8-inch	216,971
10-inch	12,340
12-inch	14,554
14-inch	3,060
16-inch	494
18-inch	170

Service Laterals

Diameter	Material	Length (Feet)
4-inch	Various	1,556
6-inch	Various	324
8-inch	PVC	1
	Total:	1,881

C. WASTEWATER FLOW

Based on the information provided by the Company, wastewater flow for the year 2008 is presented in Figure 3. Customers experienced a high monthly average wastewater flow of 212 GPD per connection and a low monthly average wastewater flow of 181 GPD per connection for an average annual wastewater flow of 196 GPD per connection.

Staff concludes that Rio Rico Utilities has adequate treatment capacity to serve the existing customer base and reasonable growth.

D. GROWTH

This Company experienced average annual growth rates of 6% from 1995 to 2007. In this changing economic climate it is hard for Staff to predict what level of growth is reasonable. The Company estimates a much lower growth rate in the area, as a result of the economic down-turn in the economy. The company expects the customer base to grow at approximately 1% per year for the next five years.

E. ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY ("ADEQ") COMPLIANCE

ADEQ regulates the Rio Rico Utilities wastewater treatment plant under Permit No. 14919. Per the November 12, 2009 Compliance Status Reports issued by ADEQ, the system is in compliance with ADEQ requirements.

F. ARIZONA CORPORATION COMMISSION ("ACC") COMPLIANCE

A check with the Utilities Division Compliance Section showed no delinquent compliance items. (ACC Compliance Section Email dated 11/13/09).

G. DEPRECIATION RATES

In recent orders, the Commission has been shifting away from the use of composite depreciation rates in favor of individual depreciation rates by National Association of Regulatory Utility Commissioners ("NARUC") category. (For example, a uniform 2.50% composite rate would not really be appropriate for either vehicles or transmission mains and instead, different specific retirement rates should be used.)

Staff has developed typical and customary depreciation rates within a range of anticipated equipment life. These rates are presented in Table G-1 and it is recommended that the Company use these depreciation rates by individual NARUC category.

Table G-1. Wastewater Depreciation Rates

NARUC Acct. No.	Depreciable Plant	Average Service Life (Years)	Annual Accrual Rate (%)
354	Structures & Improvements	30	3.33
355	Power Generation Equipment	20	5.00
360	Collection Sewers – Force	50	2.0
361	Collection Sewers- Gravity	50	2.0
362	Special Collecting Structures	50	2.0
363	Services to Customers	50	2.0
364	Flow Measuring Devices	10	10.0
365	Flow Measuring Installations	10	10.00
366	Reuse Services	50	2.00
367	Reuse Meters & Meter Installations	12	8.33
370	Receiving Wells	30	3.33
371	Pumping Equipment	8	12.50
374	Reuse Distribution Reservoirs	40	2.50
375	Reuse Transmission & Distribution System	40	2.50
380	Treatment & Disposal Equipment	20	5.0
381	Plant Sewers	20	5.0
382	Outfall Sewer Lines	30	3.33
389	Other Plant & Miscellaneous Equipment	15	6.67
390	Office Furniture & Equipment	15	6.67
390.1	Computers & Software	5	20.0
391	Transportation Equipment	5	20.0
392	Stores Equipment	25	4.0
393	Tools, Shop & Garage Equipment	20	5.0
394	Laboratory Equipment	10	10.0
395	Power Operated Equipment	20	5.0
396	Communication Equipment	10	10.0
397	Miscellaneous Equipment	10	10.0
398	Other Tangible Plant	----	----

NOTE: Acct. 398, Other Tangible Plant may vary from 5% to 50%. The depreciation rate would be set in accordance with the specific capital items in this account.

H. SERVICE LINE INSTALLATION CHARGES

The Company requested permission to change its service line installation charges. These charges are refundable advances and the Company proposes that all Service Line installation charges be at "cost," as opposed to the current stated rates of between $500 and $1,200 based on service line size. The reason for this request is that the Company is finding the actual cost of installation far exceeds the existing tariff amounts, and can vary widely based upon the terrain and the length of the line to be installed.

Because the wastewater service area of Rio Rico Utilities is very hilly and because installation costs can vary widely, Staff recommends adoption of an installation charge of "At Cost" for all service line sizes as delineated in Table C of Exhibit JWL-2.

Table C. Service Line Installation Charges

Service Line Size	Current Charges	Proposed **Charges**
4-inch	500	At Cost
6 inch	650	At Cost
8-inch	800	At Cost
10-inch	1,000	At Cost
12-inch	1,200	At Cost

I. Proposed Hook Up Fee Tariff

Rio Rico Utilities proposed the establishment of a hook-up fee ("HUF") tariff in this rate application. The Company proposed an $1,800 hook-up fee per new Service Lateral based on the Equivalent Residential Unit of 320 gallons per day ("GPD"). The Company however has not provided documentation to support its proposed HUF fee amounts.

In order to calculate hook-up fees, and determine if proposed wastewater plant items benefit the entire wastewater system, Staff sent a Data Request to the Company on July 10, 2009. The Company refused to provide any documentation to support this proposed HUF tariffs. Therefore, Staff can not conclude that the proposed HUF tariffs are reasonable and appropriate and therefore recommends the proposed HUF tariff be denied.

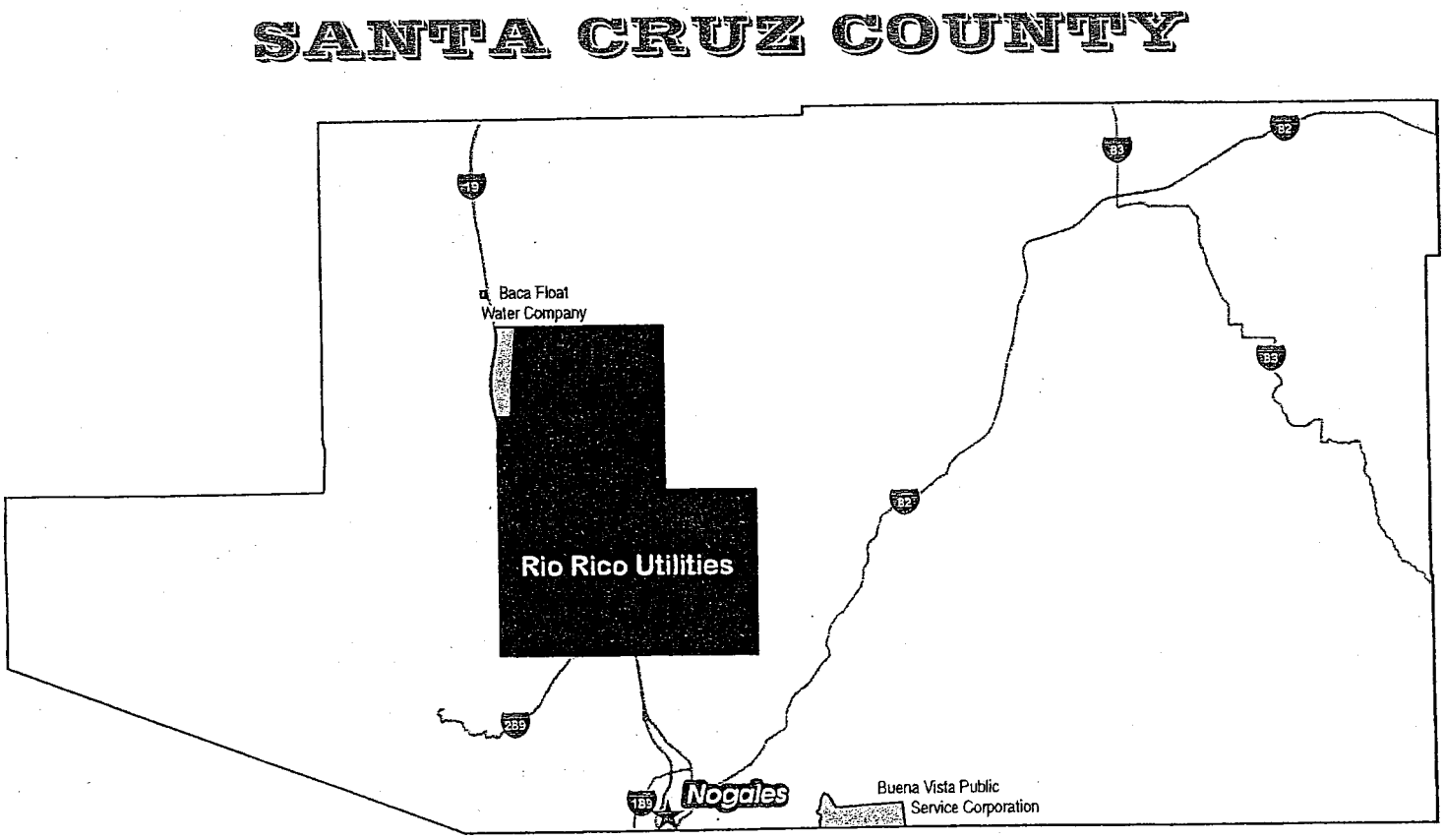

Figure 1: County Map

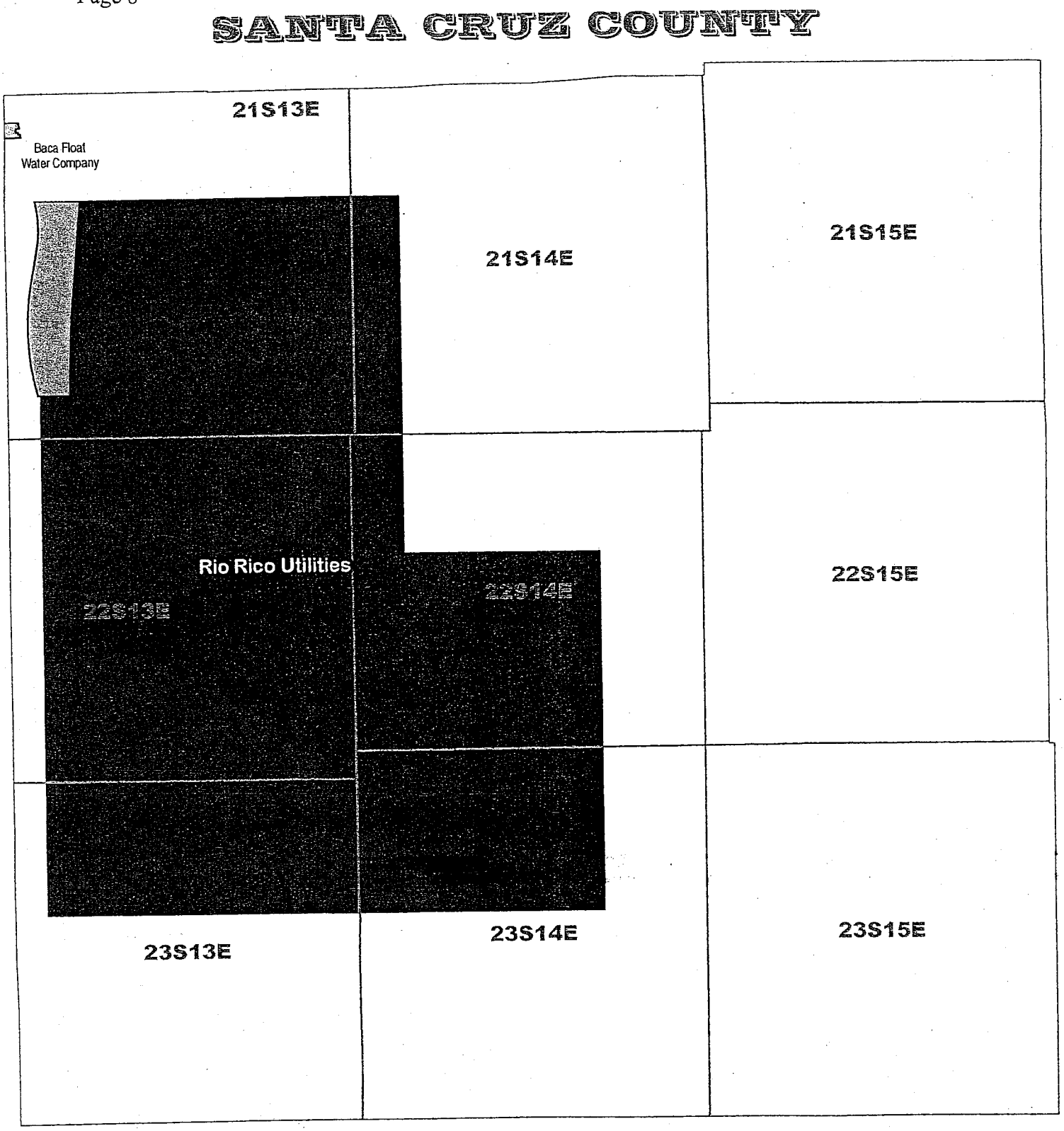

Figure 2: Certificated Area

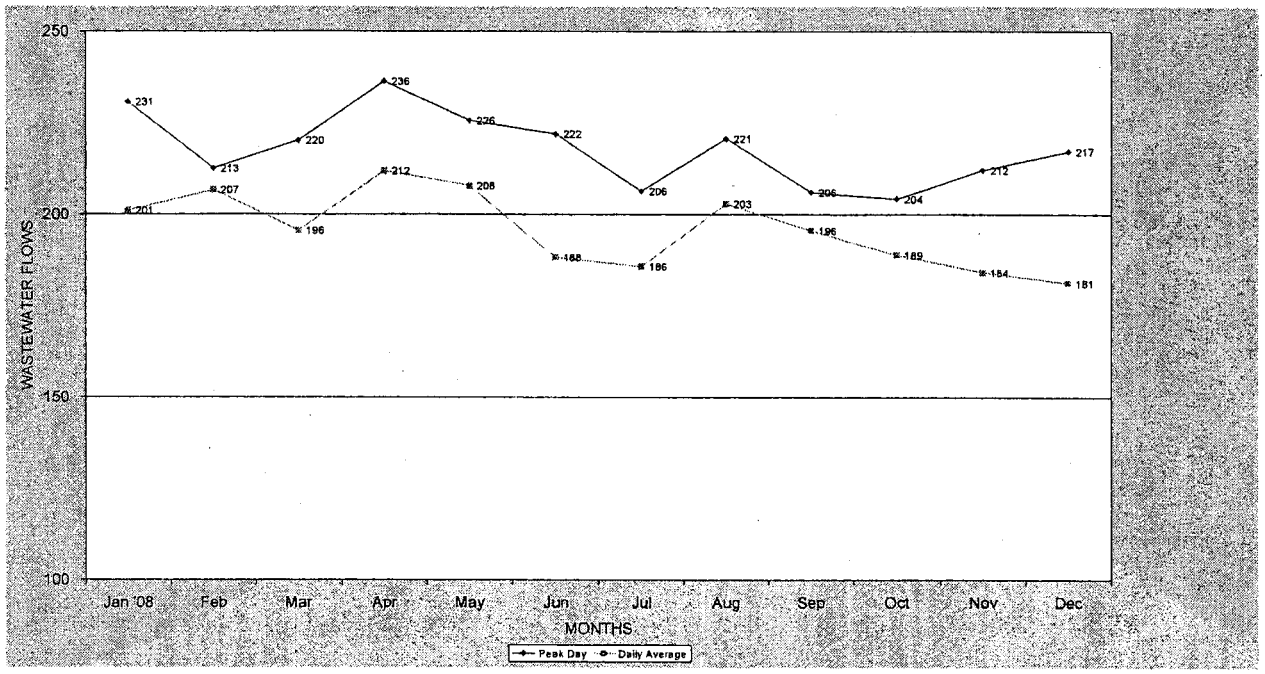

FIGURE 3 WASTEWATER FLOW

BEFORE THE ARIZONA CORPORATION COMMISSION

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

EXHIBIT
S9
ADMITTED

IN THE MATTER OF THE APPLICATION OF RIO RICO UTILITIES, INC. FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS WATER AND WASTEWATER RATES AND CHARGES FOR UTILITY SERVICE THEREON.	)	DOCKET NO. WS-02676A-09-0257

SURREBUTTAL

TESTIMONY

OF

JIAN W. LIU

UTILITIES ENGINEER

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

MARCH 2, 2010

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Rio Rico Utilities' Water System ..... Attachment 4

EXECUTIVE SUMMARY
RIO RICO UTILITIES, INC.
DOCKET NO. WS-02676A-09-0257

1. NON-ACCOUNT WATER

Staff recommends that Rio Rico Utilities be required to report in detail by March 8, 2010 how the 30.523 million gallons water used by the Company in 2008.

Staff recommends that Rio Rico Utilities file, annually after the effective date of the Decision in this matter, reports within 30 days of the end of each calendar year, with the Commission's Docket control, which indicate the quantity of water pumped and sold each month during the year. In the event the non-account water level for the Company exceeds 10% during a reporting period, the Company shall report on the efforts taken to reduce water loss, such as number of leaks repaired. If after three consecutive reports have been filed the Company's non-account water levels remain below the 10 percent threshold, Staff recommends that the reporting requirement be eliminated.

2. PROPOSED HOOK UP FEE TARIFF ("HUF")

Staff continues to recommend the proposed HUF tariffs be denied.

INTRODUCTION

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

A. My name is Jian W. Liu. My job title is Water/Wastewater Engineer. My place of employment is the Arizona Corporation Commission ("Commission"), Utilities Division ("Staff"), 1200 West Washington Street, Phoenix, Arizona 85007.

Q. Are you the same Jian W. Liu who filed direct testimony in this case?

A. Yes, I am.

Q. What is the purpose of your Surrebuttal Testimony in this proceeding?

A. The purpose of my Surrebuttal Testimony in this proceeding is to respond, on behalf of Staff, to the rebuttal testimony of Rio Rico Utilities ("Company") witness, Mr. Gregory S. Sorensen, regarding the unaccounted water, and hook up fee tariffs.

NON-ACCOUNT WATER

Q. Does the Company admit that it water loss exceeds Staff's recommended threshold?

A. Yes, the Company admits that the unaccounted water for 2008 was 10.22 percent.

Q. Did the Company propose any adjustments to account for some of the lost water?

A. Yes, the Company originally reported 843,205,000 gallons pumped and 735,442,000 gallons sold in 2008, resulting in a water loss of 12.78% for 2008. Rio Rico Utilities, in its response to data requests JWL 1.5 in July 2009, stated that Company used 30.523 million gallons water for flushing pipes, cleaning tanks, etc. Therefore, the water loss is reduced to approximately 10%.

system. The determination of a reasonable hook-up fee amount is based on the off-site plant that will be needed to meet future growth divided by the ultimate number of connections that can be served by the required plant.

Q. Is the Company a good candidate for hook up fees?

A. Staff does not believe that Rio Rico Utilities water system is a good candidate for hook-up fees. In order to make sure the proposed water plant items benefit the entire water system, Staff must know what water plant items would be funded using the Company's proposed hook-up fees. The water system for Rio Rico Utilities is divided into seven pressure zones at 150 feet intervals. Because of the variances in pressure zones, it is very likely that some future water plant items would be to support the higher pressure zones. Such plant would not be of benefit to the water system as a whole.

Q. Was the Company able to adequately demonstrate a need for hook up fees?

A. No. Attachments 2 and 3 to my surrebuttal testimony clearly demonstrate that the Company has failed to provide adequate documentation to support its proposed HUF tariffs. When asked, the Company could not provide a list of capital expenditures detailing the plant items in support of its request for a hook up fee. While the Company, in response to Staff data request JWL 1.14, indicated that it believes that "development should help pay for itself and the utilization of a HUF would assist in this manner", the Company did not provide any detail of any plant items, engineering analysis or studies to demonstrate the need for capital expenditures to be funded with hook up fees. In response to JWL 1.12, while the Company lodged an objection, it nevertheless responded: "The Company does not know at this time what capital expenditures will be funded with funds collected under the HUF tariff if approved, however, the general type of plant to be funded is described in the proposed form of tariff."

Q. Do you have any comments on the Company's proposed form of HUF tariff for the water and wastewater division?

A. Yes. The Company's proposed form of tariff differs from the standard tariff found on the Commission's website. For instance, the Company's proposed tariffs reference in several places that additional funds may be required from an applicant for plant. The hook up fee should be calculated to cover all necessary Off-site Facilities.

Q. Does Staff have a recommendation?

A. If the Commission decides to allow a hook up fee tariff for Rio Rico Utilities, the Company should be required to use the standard hook up fee tariff form.

Q. Did you attempt to address every issue the Company raised in its rebuttal testimony?

A. No. Staff limited its discussion to the specific issue as outlined above. Staff's lack of response to any issue in this proceeding should not be construed as agreement with the Company's position in its rebuttal testimony; rather where there is no response, Staff relies on its original direct testimony.

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does.

Attachment 1

Staff's First Set of Data Requests to Rio Rico Utilities

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

ARIZONA CORPORATION COMMISSION

MICHAEL P. KEARNS
Interim Executive Director

July 10, 2009

Via E-mail and United States Mail

Mr. Greg Sorensen
12725 West Indian School Road
Suite D-101
Avondale, Arizona 85392

Mr. Thomas Bourassa
139 West Wood Drive
Phoenix, Arizona 85029

Re: Staff's First Set of Data Requests to Rio Rico Utilities, Inc.; Docket No. WS-02676A-09-0257

Dear Mr. Sorensen:

Please treat this as Staff's First Set of Data Requests to Rio Rico Utilities, Inc. in the above matter.

For purposes of this data request set, the words "Rio Rico Utilities, Inc.," "Company," "you," and "your" refer to Rio Rico Utilities, Inc. and any representative, including every person and/or entity acting with, under the control of, or on behalf of Rio Rico Utilities, Inc. For each answer, please identify by name, title, and address each person providing information that forms the basis for the response provided.

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please respond within ten calendar days of your receipt of the copy of this letter. However, if you require additional time, please let us know.

Please provide one hard copy as well as* searchable PDF, DOC *or* EXCEL *files (via email or electronic media) of the requested data directly to each of the following addressees via overnight delivery services to:

(1) Jian Liu, Utilities Division, Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007.

(2) Amanda Ho, Staff Attorney, Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007.

Sincerely,

Amanda Ho
Staff Attorney, Legal Division
(602) 542-3402

AH:klc
Enclosure

cc: Gerald Tremblay
Jay Shapiro, Esq.

ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
RIO RICO UTILITIES, INC.
DOCKET NO. WS-02676A-09-0257
JULY 10, 2009

Subject: All information responses should ONLY be provided in searchable PDF, DOC or EXCEL files via email or electronic media.

JWL 1.1 Please provide a copy of the Arizona Department of Water Resources ("ADWR") Water Provider Compliance Status Report for the Company's water system.

JWL 1.2 Please provide a copy of Arizona Department of Environmental Quality (ADEQ) Compliance Status Report for the Company's water and wastewater systems.

JWL 1.3 How many connections does the Company expect to add each year for the next five years beginning in 2009 for each of Company's systems (both Water and Wastewater)?

JWL 1.4 The Company submitted its Water Use Data Sheet by Month from Jan 08 to Dec 08. For July 08, it reports that the gallons sold was 74,998,000, and the gallons pumped was 65,791,000. There was 9 million more gallons of water sold than gallons pumped for that month. This is impossible (assuming there isn't another water source not identified). Please explain and verify the correctness of this figure.

JWL 1.5 The Company reported 843,205,000 gallons pumped and 735,442,000 gallons sold in 2008, resulting in a water loss of 12.78% for 2008. Please explain.

JWL 1.6 Please submit ADEQ's Monitoring Assistance Program ("MAP") invoice if Company participated this program in 2008.

JWL 1.7 Please use Arizona Corporation Commission's ("ACC") TARIFF SCHEDULE Revised on 1/8/2009 for Company's WATER OFF-SITE HOOK-UP FEE application. This form is located at ACC's Website. (http://www.azcc.gov/Divisions/Utilities/forms/HUF_Tariff_updated_1-8-09%20_Water_.pdf).

JWL 1.8 Please use ACC's TARIFF SCHEDULE Revised on 6/10/2009 for the Company's WASTEWATER OFF-SITE HOOK-UP FEE application. This form is located at ACC's Website. (http://www.azcc.gov/Divisions/Utilities/forms/HUF_Tariff_Wastewater_6-10-09.pdf).

JWL 1.9 Please provide a list of the capital expenditures that would be funded using the Company's proposed hook-up fees for both Water and Wastewater systems.

ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
RIO RICO UTILITIES, INC.
DOCKET NO. WS-02676A-09-0257
JULY 10, 2009

Subject: All information responses should ONLY be provided in searchable PDF, DOC or EXCEL files via email or electronic media.

JWL 1.10 Please provide a detailed description of the plant items included in the capital expenditures listed above. This description should include justification of need and the scheduled plant construction start and in-service dates. Provide copies of any engineering analysis or studies that were prepared in support of the proposed plant additions for both Water and Wastewater systems.

JWL 1.11 Describe in detail how the subject capital expenditures were used to develop/calculate the Company's proposed hook-up fee amounts both Water and Wastewater systems.

JWL 1.12 Please explain in detail how proposed water plant items benefit the entire water system.

JWL 1.13 Please explain in detail how proposed wastewater plant items benefit the entire wastewater system.

JWL 1.14 Why does the Company believe that its systems are a good candidate for the hook-up fee tariff? Please explain the benefits and drawbacks for the Rio Rico Utilities, Inc. with the proposed hook-up fee tariff.

Attachment 2

Rio Rico Utilities' Objections to data requests

Jian Liu

From: BIRK, WHITNEY [WBIRK@FCLAW.com]
Sent: Thursday, July 16, 2009 5:39 PM
To: Amanda Ho; Jian Liu; Karyn Christine
Cc: SHAPIRO, JAY
Subject: RRUI (09-0257) - objections to Staff's 1st set DRs

Importance: High

Attachments: RRUI - Response to Staff 1st DR (09-0257)_v1.pdf

RRUI - Response to Staff 1st D...

Attached is the response document for Staff's first set of data requests to Rio Rico. Objections to data requests 1.7-1.13 have been inserted. The Company will provide responses by Thursday, July 23rd.

Whitney Birk | Certified Paralegal | Fennemore Craig, P.C.
3003 North Central Avenue, Suite 2600 | Phoenix, AZ 85012-2913 |
Tel: 602.916.5720 | Fax: 602.916.5920
Fennemore Craig, P.C.
Denver | Las Vegas | Nogales | Phoenix | Tucson www.FennemoreCraig.com

IRS CIRCULAR 230 DISCLOSURE: To ensure compliance with requirements imposed by the IRS, we inform you that, to the extent this communication (or any attachment) addresses any tax matter, it was not written to be (and may not be) relied upon to (i) avoid tax-related penalties under the Internal Revenue Code, or (ii) promote, market or recommend to another party any transaction or matter addressed herein (or in any such attachment). For additional information regarding this disclosure please visit our web site.

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Attachment 3

Rio Rico Utilities responses to data requests

Jian Liu

From: BIRK, WHITNEY [WBIRK@FCLAW.com]
Sent: Thursday, July 23, 2009 12:49 AM
To: aho@azcc.goc; Jian Liu; Karyn Christine
Cc: SHAPIRO, JAY
Subject: RRUI (09-0257) - responses to Staff DRs 1.1-1.6
Attachments: JWL 1.01_ADWR gpcd compliance.pdf; JWL 1.02 Water Compliance Status.pdf; JWL 1.02 WW Compliance Insp V-12.pdf; JWL 1.02 WW Compliance Insp V-13.pdf; RRUI Response to Staff's 1st set DRs.pdf; JWL 1 03 Projected Growth.xls; JWL 1.05 RRUI Sold and Unaccounted for Water_2008.xls

Rio Rico Utilities hereby submits its responses to data requests JML 1.1 through 1.6. Provided herewith is the response document, along with attachments to 1.1, 1.2, 1.3, and 1.5.

Responses to 1.11 and 1.14 are forthcoming.

Please let us know if you have any questions.

Thanks.

Whitney Birk | Certified Paralegal | Fennemore Craig, P.C.

3003 North Central Avenue, Suite 2600 | Phoenix, AZ 85012-2913 |

Tel: 602.916.5720 | Fax: 602.916.5920

FENNEMORE CRAIG

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CONFIDENTIALITY NOTICE: The information contained in this message may be protected by the attorney-client privilege. If you believe that it has been sent to you in error, do not read it. Please immediately reply to the sender that you have received the message in error. Then delete it. Thank you.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 23, 2009

Response provided by:	Greg Sorensen
Title:	Director of Operations
Company Name:	Algonquin Water Services
Address:	12725 W Indian School Rd Suite D-101 Avondale, AZ 85392

Company Response Number: JWL 1.1

Q. Please provide a copy of the Arizona Department of Water Resources ("ADWR") Water Provider Compliance Status Report for the Company's water system.

RESPONSE: Please see the attached document.

ARIZONA DEPARTMENT OF WATER RESOURCES
3550 North Central Avenue, Phoenix, Arizona 85012
Telephone 602 771-8500
Fax 602 771-8681

Janet Napolitano
Governor

Herbert R. Guenther
Director

October 24, 2008

RECEIVED
NOV 05 REC'D
RIO RICO UTILITIES

Rio Rico Utilities Inc.
Attn: Dara Mora
1060 Yavapai Ste. 9
Rio Rico, Az 85648

Notification 2000 through 2006 Gallons per Capita per Day (GPCD)

Dear Ms. Mora:

The Santa Cruz Ama has completed its review of your 2000 through 2006 Annual Water Withdrawal and Use Reports. Based on the reported water use and the service area population estimate for your system for those years, the Department has calculated both the Annual Total GPCD Requirement and the Annual Total GPCD rate and has adjusted your flexibility account balance accordingly. The Department has also calculated the total Lost and Unaccounted for water percentage for your system in those years. The purpose of this letter is to notify you of the status of your system's compliance with the Third Management Plan Conservation Requirements for Large Municipal Providers (see Table 1).

The actual calculations used to determine the Annual Total GPCD Requirement, Annual Total GPCD rate and total Lost and Unaccounted for water and flexibility account balance for your system for each year are included in the enclosed attachments.

The flexibility account balance began in calendar year 1992 at the beginning of the Second Management Plan. The flexibility account balance is carried forward and adjusted based on the water use each calendar year. However, the annual balance is subject to the following limitations: the maximum allowable credit forwarded may not exceed 30 GPCD; the maximum allowable debit forwarded may not exceed -10 GPCD. If your flexibility account is in a debit situation and exceeds the maximum allowable debit -10 GPCD, you are in violation of the total GPCD requirement.

Lost and unaccounted for water is water that is lost from the system during transportation or distribution due to seepage, evaporation, leaks, breaks, phreatophyte use or other causes. It is calculated by subtracting metered or estimated water deliveries from total water withdrawn, diverted or received during the year. Large providers are required by the management plan to limit their annual lost and unaccounted for water to ten percent of the total amount of water withdrawn, diverted or received during the year.

Based on the information provided to the Department in the Annual Water Withdrawal and Use Reports for your system, the Department has determined that Rio Rico Utilities Inc. is currently in compliance with the Annual Total GPCD Requirement and the allowable Lost and Unaccounted for Water percentage from the years 2000 through 2006.

Printed on recycled paper. Each ton of recycled paper saves 7,000 gallons of water.

If you have any questions regarding this matter, please contact Nick Kilb at 520-761-1814.

Sincerely,

Alejandro Barcenas

Alejandro Barcenas
Area Director
Santa Cruz AMA

Printed on recycled paper. Each ton of recycled paper saves 7,000 gallons of water.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 23, 2009

Response provided by:	Greg Sorensen
Title:	Director of Operations
Company Name:	Algonquin Water Services
Address:	12725 W Indian School Rd Suite D-101 Avondale, AZ 85392
Company Response Number:	JWL 1.2

Q. Please provide a copy of Arizona Department of Environmental Quality (ADEQ) Compliance Status Report for the Company's water and wastewater systems.

RESPONSE: Please see the attached documents.

Arizona Department of Environmental Quality
Drinking Water Monitoring and Protection Unit
Mail Code 5415B-2
1110 West Washington Street
Phoenix, AZ 85007

Drinking Water Compliance Status Report

System Name		System Type		Is system consecutive?
RIO RICO UTILITIES, INC	X	Community		Yes, to PWS #
System ID #		Non-transient Non-community		
12011		Transient Non-community	X	No

Overall compliance status	X	No major deficiencies		Major deficiencies
Monitoring and Reporting status	X	No major deficiencies		Major deficiencies

Comments: None

Operation and Maintenance status	X	No major deficiencies		Major deficiencies
Date of last Sanitary Survey: 8/30/07		Inspector: Steve Devereaux, SRO		

Major unresolved/ongoing operation and maintenance deficiencies:

[ ] unable to maintain 20psi
[ ] cross connection/backflow problems
[ ] treatment deficiencies
[ ] certified operator
[ ] inadequate storage
[ ] surface water treatment rule
[ ] approval to construct/of construction
[ ] other

Comments: None

Is an ADEQ administrative order in effect?		Yes	X	No

Comments: None

System Information				
Population Served	10,257			
Service Connections	3,541			
Number of Entry Points to the Distribution System	8			
Number of Sources	8			
Initial Monitored Year	1995			
Monitoring Assistance Program (MAP) System		Yes	X	No

Evaluation completed by:	Donna Calderon, Manager Drinking Water Monitoring and Protection Unit		
Phone:	602-771-4641	Date:	June 3, 2009

X	Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4, and PWS is in compliance.
	Based upon the monitoring and reporting deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4, and/or PWS is not in compliance.
	Based upon the operation and maintenance deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4, and/or PWS is not in compliance.

This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.

Revised April 2008

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street ▪ Phoenix, Arizona 85007
(602) 771-2300 ▪ www.azdeq.gov

Janice K. Brewer
Governor

Patrick J. Cunningham
Acting Director

June 5, 2009

RECEIVED
JUN 11 2009
RIO RICO UTILITIES

Insp. #: 141058

APP Permit#: Type 1.09 General

Rio Rico Utilities, Inc.
Attention: Dara Mora
1060 Yavapai Dr., Suite 9
Rio Rico, Arizona 85648-4165

Subject: APP Wastewater Compliance Inspection of the Josephine Canyon Wastewater Treatment Facility (aka Villas No. 12 WWTF); Place ID #112963

Dear Ms. Mora:

Enclosed is a copy of an Inspection Report prepared by Raymond D. Morgan of our staff concerning the referenced facility. An inspection was performed on June 3, 2009, in accordance with Arizona Revised Statutes (A.R.S.) §49-241 *et seq.* and with the Arizona Administrative Code (A.A.C.) R18-9-101 *et seq.*

No deficiencies were found in the operation, maintenance or certified operator status of this system at the time of inspection. No further action will result from this inspection. However, if information regarding violations is discovered, or if violations occur, ADEQ may reconsider its position and take additional action as appropriate and as allowed by law.

Please call Raymond D. Morgan at (520) 628-6733, if you have any further questions regarding this report.

Sincerely,

Raymond D. Morgan
for Martin D. McCarthy, P.E.
Regional Compliance Manager
Southern Regional Office

xc: Cynthia Campbell, Manager, WQCS, WQD, ADEQ
Michele Robertson, Manager, GPS, WQD, ADEQ
Santa Cruz County Health Department

INSPECTION REPORT – WASTEWATER

APP #: Type 1.09 GP

INSPECTION #: 141058

AZPDES # N/A

FACILITY: Josephine Canyon WWTF

INSPECTED BY: Raymond D. Morgan

INSP. DATE: 6/3/09

ACCOMPANIED BY: Dara Mora & Ruben Alcantar

COUNTY: Santa Cruz

OPERATOR: Martin Garlant

GRADE 1

	YES	NO	N/A
1. This system meets the requirements of the following permits.			
A. Ground Water Protection Permit			√
B. Aquifer Protection Permit.....(Type 1.09 General Permit)	√		
C. Reuse Permit			√
D. General Permit			√
E. AZPDES Permit			√
F. Unified Permit			√
2. The effluent quality of this system meets ADEQ and USEPA Standards	√		
3. The method of effluent disposal is in accordance with ADEQ and USEPA	√		
4. The operator of the system holds the required certification as required by ADEQ rules	√		
5. This facility met the ADEQ standards for physical facilities, at the time of the inspection	√		

System Description

The system consists of three treatment lagoons with a combined design capacity of 45,000 gpd, a lift station and a collection system serving 178 connections at the present time. The actual flow to the lagoons is very low.

Inspector Comments

In general, the operating conditions of the wastewater treatment system looked good. My comments are listed as follows:

1. There was minimal odor and the top of the berms and the inside of the berms were generally clear of vegetation except right next to the water surface.
2. One lagoon has a small amount of wastewater in it and the other two are completely dry.
3. The lift station supplying wastewater to the WWTF had minimal odor but all exposed metal was severely corroded.
4. The water spigot at this facility has a reduced pressure backflow prevention assembly installed upstream of it.
5. A degreasing compound is being added to the lift station.
6. The present wastewater flow ranges from 1,100 to 1,200 gpd.

Summary

The results of this inspection indicate that at this time your wastewater treatment facility does not appear to have any operation, maintenance, monitoring or reporting deficiencies according to the Arizona Department of Environmental Quality rules and regulations.

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street ▪ Phoenix, Arizona 85007
(602) 771-2300 ▪ www.azdeq.gov

Janice K. Brewer
Governor

Patrick J. Cunningham
Acting Director

RECEIVED
JUN 11 2009
RIO RICO UTILITIES

Insp. #: 141066

APP Permit #: Type 1.09 General

June 5, 2009

Rio Rico Utilities, Inc.
Attention: Dara Mora
1060 Yavapai Dr., Suite 9
Rio Rico, Arizona 85648-4165

Subject: APP Wastewater Compliance Inspection of the Peck Canyon Wastewater Treatment Facility; Place ID #1597

Dear Ms. Mora:

Enclosed is a copy of an Inspection Report prepared by Raymond D. Morgan of our staff concerning the referenced facility. An inspection was performed on June 3, 2009, in accordance with Arizona Revised Statutes (A.R.S.) §49-241 *et seq.* and with the Arizona Administrative Code (A.A.C.) R18-9-101 *et seq.*

No deficiencies were found in the operation, maintenance or certified operator status of this system at the time of inspection. No further action will result from this inspection. However, if information regarding violations is discovered, or if violations occur, ADEQ may reconsider its position and take additional action as appropriate and as allowed by law.

Please call Raymond D. Morgan at (520) 628-6733, if you have any further questions regarding this report.

Sincerely,

Raymond D. Morgan
for Martin D. McCarthy, P.E.
Regional Compliance Manager
Southern Regional Office

xc: Cynthia Campbell, Manager, WQCS, WQD, ADEQ
Michele Robertson, Manager, GPS, WQD, ADEQ
Santa Cruz County Health Department

INSPECTION REPORT – WASTEWATER

INSPECTION #:	141066	APP #:	Type 1.09 GP
		AZPDES #	N/A
FACILITY:	Peck Canyon WWTF	INSP. DATE:	6/3/09
INSPECTED BY:	Raymond D. Morgan	COUNTY:	Santa Cruz
ACCOMPANIED BY:	Dara Mora & Ruben Alcantar	T.F. GRADE	1
OPERATOR:	Martin Garlant	C.S. GRADE	2

	YES	NO	N/A
1. This system meets the requirements of the following permits.			
A. Ground Water Protection Permit			√
B. Aquifer Protection Permit.....(Type 1.09 General Permit)	√		
C. Reuse Permit			√
D. General Permit			√
E. AZPDES Permit			√
F. Unified Permit			√
2. The effluent quality of this system meets ADEQ and USEPA Standards	√		
3. The method of effluent disposal is in accordance with ADEQ and USEPA	√		
4. The operator of the system holds the required certification as required by ADEQ rules	√		
5. This facility met the ADEQ standards for physical facilities, at the time of the inspection	√		

System Description

The system consists of three treatment lagoons used for emergency storage only, four pump stations and a collection system. The lagoons are located next to pump station # 5. If pump station # 5 fails, the flow can easily be diverted into the lagoons with the use of a portable pump. Pump station # 5 discharges to pump station # 3. Flows to pump station #3 can be diverted back to pump station #5 and then into the lagoons, if necessary. Pump station #3 normally discharges to pump station #2 which in turn discharges to pump station #1. The flow from all the upstream pump stations and associated collection system is then pumped to the Nogales International Wastewater (WWTF) from pump station #1, the last pump station. The wastewater flow ranges from 400,000 to 450,000 gpd. There are approximately 2,000 connections to the wastewater collection system at the present time.

Inspector Comments

The operating conditions of the wastewater treatment system and the downstream pump stations looked good. My comments are listed as follows:

1. The top and inside of the berms were clear of deep rooted vegetation.
2. Enzymes were being discharged to the wet well at pump station #3 to prevent hydrogen sulfide generation and associated odors.
3. A degreasing compound is being added to the pump stations.
4. A backup pump is in inventory for use if needed.

Summary

The results of this inspection indicate that your wastewater treatment facility has no apparent operation, maintenance or certified operator deficiencies at this time according to the Arizona Department of Environmental Quality rules and regulations.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 23, 2009

Response provided by:	Greg Sorensen
Title:	Director of Operations
Company Name:	Algonquin Water Services
Address:	12725 W Indian School Rd Suite D-101 Avondale, AZ 85392
Company Response Number:	JWL 1.3

Q. How many connections does the Company expect to add each year for the next five years beginning in 2009 for each of Company's systems (both Water and Wastewater)?

RESPONSE: With the current state of the economy, it is very difficult for anyone to confidently predict future growth rates. For planning purposes, the Company looks at low, middle, and high growth rate estimates. This uses a conservative 1% rate, a moderate 3% rate, and a 5% rate which is closer to, but still less than, the prior 5 years' growth rates of approximately 8% water and 6.5% sewer, and which now seems aggressive given the current real estate market. Please see the attached excel file.

Rio Rico Utilities, Inc.

Projected Growth*	2009	2010	2011	2012	2013
*Assumes 1% growth					
Water Connections	6,672	6,738	6,806	6,874	6,943
Wastewater Connections South Sewer Basin	2,075	2,096	2,117	2,138	2,159
Wastewater Connections North Sewer Basin	103	104	105	106	107
Total Wastewater Connections	2,178	2,200	2,222	2,244	2,266

*Assumes 3% growth	2009	2010	2011	2012	2013
Water Connections	6,672	6,872	7,078	7,290	7,509
Wastewater Connections South Sewer Basin	2,075	2,137	2,201	2,267	2,335
Wastewater Connections North Sewer Basin	103	106	109	113	116
Total Wastewater Connections	2,178	2,243	2,311	2,380	2,451

*Assumes 5% growth	2009	2010	2011	2012	2013
Water Connections	6,672	7,005	7,355	7,723	8,109
Wastewater Connections South Sewer Basin	2,075	2,179	2,288	2,402	2,522
Wastewater Connections North Sewer Basin	103	108	114	119	125
Total Wastewater Connections	2,178	2,287	2,401	2,521	2,647

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 23, 2009

Response provided by: Greg Sorensen

Title: Director of Operations

Company Name: Algonquin Water Services

Address: 12725 W Indian School Rd Suite D-101
Avondale, AZ 85392

Company Response Number: JWL 1.4

Q. The Company submitted its Water Use Data Sheet by Month from Jan 08 to Dec 08. For July 08, it reports that the gallons sold was 74,998,000, and the gallons pumped was 65,791,000. There was 9 million more gallons of water sold than gallons pumped for that month. This is impossible (assuming there isn't another water source not identified). Please explain and verify the correctness of this figure.

RESPONSE: The Company bills in two cycles, which happen not to coincide with month end. The "gallons sold" figure is based on these bills, which are generated from customer meter reads performed on various days throughout the month. On the other hand, the "gallons pumped" figure is derived from meter reads on wells taken at the end of each month. Therefore, in any given month, there might be a difference between gallons sold and gallons pumped, which has nothing to do with error, but rather, timing. It is more accurate to consider these figures over a 12 or 24 month period. The figures are correct (except for the inadvertent exclusion of "company use" water, which is explained in the response to data request JWL 1.5).

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 23, 2009

Response provided by:	Greg Sorensen
Title:	Director of Operations
Company Name:	Algonquin Water Services
Address:	12725 W Indian School Rd Suite D-101 Avondale, AZ 85392
Company Response Number:	JWL 1.5

Q. The Company reported 843,205,000 gallons pumped and 735,442,000 gallons sold in 2008, resulting in a water loss of 12.78% for 2008. Please explain.

RESPONSE: Please see the attached spreadsheet. The figures originally submitted did not take into consideration the water used by the Company, which amount should be excluded from the water loss calculation. This water is used for flushing pipes, cleaning tanks, etc. This reduces the water loss to approximately 10%.

Rio Rico Utilities, Sold and Unaacounted for Water, 2008

Month	Total Pumped		Total Sold		Comm. Sold		Residential Sold		Company Use		Accounted For		Unaccounted For		Unacct.
	MG's	Ac. Ft	MG's	Ac. Ft.	MG's	Ac. Ft	MG's	Ac. Ft.	MG	Ac. Ft.	MG's	Ac. Ft.	MG's	Ac. Ft.	%
Jan	59.615	182.95	51.640	158.48	9.392	28.82	42.248	129.65	1.034	3.17	52.674	161.65	6.941	21.30	*11.64*
Feb	55.860	171.43	49.138	150.80	8.935	27.42	40.203	123.38	1.025	3.15	50.163	153.94	5.697	17.48	*10.20*
Mar	67.686	207.72	47.924	147.07	9.347	28.68	38.577	118.39	0.942	2.89	48.866	149.96	18.820	57.76	*27.80*
Apr	78.475	240.83	65.739	201.75	14.157	43.45	51.582	158.30	4.307	13.22	70.046	214.96	8.429	25.87	*10.74*
May	86.180	264.48	66.500	204.08	20.391	62.58	46.109	141.50	1.362	4.18	67.862	208.26	18.318	56.22	*21.26*
June	93.385	286.59	87.027	267.08	22.190	68.10	64.837	198.98	1.066	3.27	88.093	270.35	5.292	16.24	*5.67*
July	65.792	201.91	74.998	230.16	18.141	55.67	56.857	174.49	1.125	3.45	76.123	233.61	-10.331	-31.70	*-15.70*
Aug	72.031	221.06	59.955	184.00	20.468	62.81	39.487	121.18	2.393	7.34	62.348	191.34	9.683	29.72	*13.44*
Sept	73.199	224.64	57.964	177.88	12.631	38.76	45.333	139.12	2.353	7.22	60.317	185.11	12.882	39.53	*17.60*
Oct	73.549	225.71	58.038	178.11	13.391	41.10	44.647	137.02	5.291	16.24	63.329	194.35	10.220	31.36	*13.90*
Nov	68.563	210.41	64.345	197.47	15.630	47.97	48.715	149.50	5.844	17.93	70.189	215.40	-1.626	-4.99	*-2.37*
Dec	60.872	186.81	54.001	165.72	11.255	34.54	42.746	131.18	3.781	11.60	57.782	177.33	3.090	9.48	*5.08*
Totals	*855.207*	*2624.53*	*737.269*	*2262.60*	*175.928*	*539.90*	*561.341*	*1722.69*	*30.523*	*93.67*	*767.792*	*2356.27*	*87.415*	*268.27*	*10.22*

?

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 23, 2009

Response provided by:	Greg Sorensen
Title:	Director of Operations
Company Name:	Algonquin Water Services
Address:	12725 W Indian School Rd Suite D-101 Avondale, AZ 85392
Company Response Number:	JWL 1.6

Q. Please submit ADEQ's Monitoring Assistance Program ("MAP") invoice if Company participated this program in 2008.

RESPONSE: The Company does not participate in ADEQ's MAP.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 16, 2009

Response provided by:

Title:

Company Name:

Address:

Company Response Number: JWL 1.7

Q. Please use Arizona Corporation Commission's ("ACC") TARIFF SCHEDULE Revised on 1/8/2009 for Company's WATER OFF-SITE HOOK-UP FEE application. This form is located at ACC's Website. (http://www.azcc.gov/Divisions/Utilities/forms/HUF_Tariff_updated_1-8-09%20_Water_.pdf).

OBJECTION: The Company has submitted a proposed form of hook up fee tariff with its direct filing and is seeking Commission approval of this form of tariff. It is inappropriate for Staff to direct the Company to change its proposed tariff.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 16, 2009

Response provided by:

Title:

Company Name:

Address:

Company Response Number: JWL 1.8

Q. Please use ACC's TARIFF SCHEDULE Revised on 6/10/2009 for the Company's WASTEWATER OFF-SITE HOOK-UP FEE application. This form is located at ACC's Website. (http://www.azcc.gov/Divisions/Utilities/forms/HUF_Tariff_Wastewater_6-10-09.pdf).

OBJECTION: The Company has submitted a proposed form of hook up fee tariff with its direct filing and is seeking Commission approval of this form of tariff. It is inappropriate for Staff to direct the Company to change its proposed tariff.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 16, 2009

Response provided by:

Title:

Company Name:

Address:

Company Response Number: JWL 1.9

Q. Please provide a list of the capital expenditures that would be funded using the Company's proposed hook-up fees for both Water and Wastewater systems.

OBJECTION: The Company does not know at this time what capital expenditures will be funded with funds collected under this tariff if approved, however, the general type of plant to be funded is described in the proposed form of tariff.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 16, 2009

Response provided by:

Title:

Company Name:

Address:

Company Response Number: JWL 1.10

Q. Please provide a detailed description of the plant items included in the capital expenditures listed above. This description should include justification of need and the scheduled plant construction start and in-service dates. Provide copies of any engineering analysis or studies that were prepared in support of the proposed plant additions for both Water and Wastewater systems.

OBJECTION: The Company does not know at this time what capital expenditures will be funded with funds collected under the HUF tariff if approved, however, the general type of plant to be funded is described in the proposed form of tariff.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 24, 2009

Response provided by:	Greg Sorensen
Title:	Director of Operations
Company Name:	Algonquin Water Services
Address:	12725 W Indian School Rd Suite D-101 Avondale, AZ 85392
Company Response Number:	JWL 1.11

Q. Describe in detail how the subject capital expenditures were used to develop/calculate the Company's proposed hook-up fee amounts both Water and Wastewater systems.

OBJECTION: The Company does not know at this time what capital expenditures will be funded with funds collected under the HUF tariff if approved, however, the general type of plant to be funded is described in the proposed form of tariff.

RESPONSE: Without waiving its objection, RRUI responds as follows. Please see Sorensen Testimony page 11. Additionally, the cost of sewer capacity is currently anticipated to be between $8 and $20 per gallon, with a standard home using between 200 and 320 gallons per day.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 16, 2009

Response provided by:

Title:

Company Name:

Address:

Company Response Number: JWL 1.12

Q. Please explain in detail how proposed water plant items benefit the entire water system.

OBJECTION: The Company does not know at this time what capital expenditures will be funded with funds collected under the HUF tariff if approved, however, the general type of plant to be funded is described in the proposed form of tariff.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 16, 2009

Response provided by:

Title:

Company Name:

Address:

Company Response Number: JWL 1.13

Q. Please explain in detail how proposed wastewater plant items benefit the entire wastewater system.

OBJECTION: The Company does not know at this time what capital expenditures will be funded with funds collected under the HUF tariff if approved, however, the general type of plant to be funded is described in the proposed form of tariff.

RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257
RESPONSE TO STAFF'S FIRST SET OF DATA REQUESTS

July 24, 2009

Response provided by:	Greg Sorensen
Title:	Director of Operations
Company Name:	Algonquin Water Services
Address:	12725 W Indian School Rd Suite D-101 Avondale, AZ 85392
Company Response Number:	JWL 1.14

Q. Why does the Company believe that its systems are a good candidate for the hook-up fee tariff? Please explain the benefits and drawbacks for the Rio Rico Utilities, Inc. with the proposed hook-up fee tariff.

RESPONSE: See Sorensen Testimony page 11. Additionally, the company believes that development should help pay for itself, and the utilization of a HUF would assist in this manner. The Parent Company currently has a significant rate base investment in the utility, and believes it would help keep rates down if there was a HUF to infuse CIAC for centralized plant for water (wells/pressure/storage) and sewer capacity/lift stations.

Attachment 4

Production capacity and storage capacity calculation for Rio Rico Utilities' Water System

spreadsheet file: wtrchk.xls

LETTER FILE NAME		
DATE		
WATER COMPANY		
MAIN EXTENSION WITH	Rio Rico Utilities	
	PWS #12-011	
PEAK MONTH	Jun-08	
DAYS IN PEAK MONTH		30
WATER USE DURING PEAK MONTH (GAL)		87,027,000
NUMBER OF SERVICE CONNECTIONS IN PEAK MONTH.....		6,506
NUMBER OF SERVICE CONNECTIONS AT PRESENT.....		6,605
EXISTING STORAGE (GAL)		2,130,000
LARGEST PRODUCING WELL/SOURCE (GAL/MIN).....		1,300
TOTAL WELL/SOURCE PRODUCTION (GAL/MIN).....		5,275
FIRE FLOW (GAL/MIN)		1,150
DURATION (HOURS)		2
AVERAGE DAILY WATER USE DURING PEAK MONTH (GAL/DAY-SERVICE)		446
IS ADDITIONAL STORAGE REQUIRED?		no
AMT OF ADDITIONAL STORAGE REQ'D (GAL)		none
DEMAND ON PEAK DAY (GALLONS) (PEAK DAY= 1.25x MONTH AVG)		3,681,303
TOTAL DAILY SOURCE PRODUCTION (GAL)		7,596,000
IS ADDITIONAL PRODUCTION REQUIRED?		no
AMT OF ADD'L PRODUCTION REQ'D (GAL/MIN)		none
ADDITIONAL CONNECTIONS ALLOWABLE BASED ON STORAGE		10,700
ADDITIONAL CONNECTIONS ALLOWABLE BASED ON PRODUCTION		7,024

Jian Liu

From: Martin.Garlant@LibertyWater.com
Sent: Friday, March 12, 2010 4:43 PM
To: Robin Mitchell; Jian Liu
Cc: 'SHAPIRO, JAY'
Subject: RRUI HUF Calcs
Attachments: Copy of HUF_RRUI.xls

Attached, thank you.

Martin K. Garlant
Business Manager, Southern Arizona
Liberty Water
1060 Yavapai Dr. Suite 9
Rio Rico, AZ 85648
520.281.7000
520.281.7433 Fax

EXHIBIT
S10
ADMITTED

	A	B	C	D	E	F	G	H	I	J
1		**Potable Water Connection Fee Determination - Rio Rico**								
2										
3		**Assumptions:**	122	gallons per capita per day (gpcd)						
4			2.8	persons per service (pps)						
5			300	residential units (RU)		(Booster & Storage)				
6			2	Peak Day Factor (PDF)						
7			3.5	Peak Hour Factor (PHF)						
8			400	gpm deep well	(	843	RUs)			
9			1,500	gpm for 2 hours (fire flow)		*Note: This requirement will vary by Fire district*				
10			Storage Requirement	Ave. Day Demand (ADD) x 1.75 plus Fire Flow			($1.25/gallon)**			
11			Booster Station:	PHD or PDD plus fire flow (whichever is greater)						
12										
13										
14										
15										
16		**Capacity Determinations:**	ADD equals:		gpcd x pps x RU =	102,480	gals			
17			Peak Day Demand (PDD) equals:		ADD x PDF =	204,960	gals			
18			Peak Hour Demand (PHD) equals:		ADD x PHF =	358,680	gals			
19			Fire Flow gals equal:		Fire flow x 120 min =	180,000	gals			
20			Storage equals:	ADD x 1.75 + fire flow gals =		359,340	gals			
21			Booster equals:	PDD + Fire Flow =		384,960	gals			
22										
23										
24		**Capital Investment:**								
25										
26		**Description**		**Cost**		**HUF/RU**				
27										
28		Deep Well*		$ 600,000		$712				
29		(Includes:Analysis of existing well data in the area; ADWR submittal for permit; pilot and production well; and ADWR hydrology report demonstrating water adequacy)								
30		Booster Station (400kgal/day)		$ 400,000		$1,333				
31										
32		Storage Tank (350kgal)		$ 437,500		$1,458				
33										
34										
35										
36			**Total Anticipated Offsite Cost:**			**$3,503**				
37										
38		*If deeper well is required, either by regulators or lack of water, costs could exceed $1M								
39		**Cost is size dependent - ranging from approximately $0.75 to $2.50 per gallon								
40										

	A	B	C	D	E	F	G
1		**Waste Water Connection Fee Determination - Rio Rico**					
2							
3		**Assumptions:**	58	gallons per capita per day (gpcd)		(Established residential flow per MP)	
4			2.8	persons per service (pps)			
5			300	residential units (RU)			
6			2	Peak Day Factor (PDF)			
7			$8.00	Cost per gallon		(NIWTP, If Available)	
8			$20	Cost per gallon		(Building WWTP)	
9							
10							
11							
12							
13							
14							
15		**Capacity Determinations:**	ADD equals:		gpcd x pps x RU =	48,720	gals
16			Peak Day Demand (PDD) equals:		ADD x PDF =	97,440	gals
17							
18		**Capital Investment:**					
19							
20		**Description**		**Cost**		**HUF/RU**	
21							
22	Option 1	**Treatment Capacity if Available, purchased from Nogales**		**$ 779,520**		**$2,598**	
23							
24	Option 2	**Construction of Treatment Plant, 100k Gallons**		**$ 2,000,000**		**$6,667**	
25							
26		*Costs can vary greatly because of uncertainty of availability of treatment capacity for					
27		purchase from City of Nogales.					

TARIFF SCHEDULE

UTILITY: _____ DECISION NO. _____
DOCKET NO. _____ EFFECTIVE DATE: _____

OFF-SITE HOOK-UP FEE (WATER)

I. Purpose and Applicability

The purpose of the off-site hook-up fees payable to _____ ("the Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities to provide water production, delivery, storage and pressure among all new service connections. These charges are applicable to all new service connections established after the effective date of this tariff. The charges are one-time charges and are payable as a condition to Company's establishment of service, as more particularly provided below.

II. Definitions

Unless the context otherwise requires, the definitions set forth in R-14-2-401 of the Arizona Corporation Commission's ("Commission") rules and regulations governing water utilities shall apply interpreting this tariff schedule.

"Applicant" means any party entering into an agreement with Company for the installation of water facilities to serve new service connections, and may include Developers and/or Builder of new residential subdivisions.

"Company" means _____.

"Main Extension Agreement" means any agreement whereby an Applicant, Developer and/or Builder agrees to advance the costs of the installation of water facilities to the Company to serve new service connections, or install water facilities to serve new service connections and transfer ownership of such water facilities to the Company, which agreement shall require the approval of the Commission pursuant to A.A.C. R-14-2-406, and shall have the same meaning as "Water Facilities Agreement" or "Line Extension Agreement."

"Off-site Facilities" means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

"Service Connection" means and includes all service connections for single-family residential or other uses, regardless of meter size.

EXHIBIT
S4
ADMITTED

III. Off-Site Water Hook-up Fee

For each new service connection, the Company shall collect an off-site hook-up fee derived from the following table:

OFF-SITE WATER HOOK-UP FEE TABLE		
Meter Size	**Size Factor**	**Total Fee**
5/8" x 3/4"	1	$
3/4"	1.5	$
1"	2.5	$
1-1/2"	5	$
2"	8	$
3"	16	$
4"	25	$
6" or larger	50	$

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Hook-up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

(B) Use of Off-Site Hook-up Fee: Off-site hook-up fees may only be used to pay for capital items of off-site facilities, or for repayment of loans obtained for installation of off-site facilities. Off-site hook-up fees shall not be used for repairs, maintenance, or operational purposes.

(C) Time of Payment:

1) In the event that the person or entity that will be constructing improvements ("Applicant", "Developer" or "Builder") is required to enter into a Main Extension Agreement, whereby the Applicant, Developer or Builder agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements in order to extend service in accordance with R-14-2-406(B), payment of the fees required hereunder shall be made by the Applicant, Developer or Builder no later than within 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

2) In the event that the Applicant, Developer or Builder for service is not required to enter into a Main Extension Agreement, the charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.

(D) Off-Site Facilities Construction By Developer: Company and Applicant, Developer, or Builder may agree to construction of off-site facilities necessary to serve a particular

development by Applicant, Developer or Builder, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant, Developer or Builder and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant, Developer or Builder and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall be refunded the difference upon acceptance of the off-site facilities by the Company.

(E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to provide water service to any Developer, Builder or other applicant for service in the event that the Developer, Builder or other applicant for service has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment has not been paid.

(F) Large Subdivision Projects: In the event that the Developer or Builder is engaged in the development of a residential subdivision containing more than 150 lots, the Company may, in its discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Developer's or Builder's construction schedule and water service requirements.

(G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.

(H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site hook-up fees shall be deposited into a separate interest bearing trust account and used solely for the purposes of paying for the costs of off-site facilities, including repayment of loans obtained for the installation of off-site facilities that will benefit the entire water system.

(I) Off-Site Hook-up Fee in Addition to On-site Facilities: The off-site hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Main Extension Agreement.

(J) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site hook-up fees, or if the off-site hook-up fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(K) Fire Flow Requirements: In the event the applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up Fee, the Company may require the applicant to install such additional facilities as are

required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 20XX, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the amount of money spent from the account, the amount of interest earned on the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

TARIFF SCHEDULE

UTILITY: _____ DECISION NO. _____
DOCKET NO.:_____ EFFECTIVE DATE: _____

OFF-SITE FACILITIES HOOK-UP FEE (WASTEWATER)

I. Purpose and Applicability

The purpose of the off-site facilities hook-up fees payable to _____ ("the Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities to provide wastewater treatment plant facilities among all new service laterals. These charges are applicable to all new service laterals established after the effective date of this tariff. The charges are one-time charges and are payable as a condition to Company's establishment of service, as more particularly provided below.

II. Definitions

Unless the context otherwise requires, the definitions set forth in R-14-2-601 of the Arizona Corporation Commission's ("Commission") rules and regulations governing sewer utilities shall apply interpreting this tariff schedule.

"Applicant" means any party entering into an agreement with Company for the installation of wastewater facilities to serve new service laterals, and may include Developers and/or Builder of new residential subdivisions.

"Company" means _____.

"Collection Main Extension Agreement" means any agreement whereby an Applicant, Developer and/or Builder agrees to advance the costs of the installation of wastewater facilities to the Company to serve new service laterals, or install wastewater facilities to serve new service laterals and transfer ownership of such wastewater facilities to the Company, which agreement does not require the approval of the Commission pursuant to A.A.C. R-14-2-606, and shall have the same meaning as "Wastewater Facilities Agreement".

"Off-site Facilities" means the wastewater treatment plant, sludge disposal facilities, effluent disposal facilities and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include lift stations, transportation mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and benefit the entire wastewater system.

"Service Lateral" means and includes all service laterals for single-family residential or other uses.

EXHIBIT
S12
ADMITTED

III. Off-Site Facilities Hook-up Fee

For each new service lateral, the Company shall collect an off-site facilities hook-up fee as listed in the following table:

TREATMENT PLANT HOOK-UP FEE TARIFF TABLE		
Service Lateral Size	Factor	Fee
4-inch	1	$
6-inch	2.25	$
8-inch	4	$
10-inch	6.25	$

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Facilities Hook-up Fee: The off-site facilities hook-up fee may be assessed only once per parcel, service lateral, or lot within a subdivision (similar to a service lateral installation charge).

(B) Use of Off-Site Facilities Hook-up Fee: Off-site facilities hook-up fees may only be used to pay for capital items of off-site facilities, or for repayment of loans obtained for installation of off-site facilities. Off-site hook-up fees shall not be used for repairs, maintenance, or operational purposes.

(C) Time of Payment:

(1) In the event that the person or entity that will be constructing improvements ("Applicant", "Developer" or "Builder") is otherwise required to enter into a Collection Main Extension Agreement, payment of the fees required hereunder shall be made by the Applicant, Developer or Builder when operational acceptance is issued for the on-site wastewater facilities constructed to serve the improvement.

(2) In the event that the Applicant, Developer or Builder for service is not required to enter into a Collection Main Extension Agreement, the charges hereunder shall be due and payable at the time wastewater service is requested for the property.

(D) Off-Site Facilities Construction by Developer: Company and Applicant, Developer, or Builder may agree to construction of off-site facilities necessary to serve a particular development by Applicant, Developer or Builder, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant, Developer or Builder and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant, Developer or Builder and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall be refunded the difference upon acceptance of the off-site facilities by the Company.

(E) Failure to Pay Charges; Delinquent Payments:. The Company will not be obligated to provide wastewater service to any Developer, Builder or other applicant for service in the event that the Developer, Builder or other applicant for service has not paid in full all charges hereunder. Under no circumstances will the Company connect service or otherwise allow service to be established if the entire amount of any payment has not been paid.

(F) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company pursuant to the off-site facilities hook-up fee tariff shall be non-refundable contributions in aid of construction.

(G) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site facilities hook-up fees shall be deposited into a separate interest bearing trust account and used solely for the purposes of paying for the costs of off-site facilities, including repayment of loans obtained for the installation of off-site facilities.

(H) Off-Site Facilities Hook-up Fee in Addition to On-site Facilities: The off-site facilities hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Collection Main Extension Agreement.

(I) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site facilities hook-up fees, or if the off-site facilities hook-up fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(J) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Facilities Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 20XX, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the amount of money spent from the account, the amount of interest earned on the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

EXHIBIT
S13
ADMITTED

BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION OF RIO RICO UTILITIES INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WASTEWATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.	)	DOCKET NO. WS-02676A-09-0257

DIRECT

TESTIMONY

OF

JUAN C. MANRIQUE

PUBLIC UTILITIES ANALYST I

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

DECEMBER 15, 2009

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EXECUTIVE SUMMARY
RIO RICO UTILITIES INC.
DOCKET NO. WS-02676A-09-0257

The direct testimony of Staff witness Juan C. Manrique addresses the following issues:

Capital Structure – Staff recommends that the Commission adopt a capital structure for Rio Rico Utilities Inc. ("Applicant") for this proceeding consisting of 0.0 percent debt and 100.0 percent equity.

Cost of Equity – Staff recommends that the Commission adopt a 9.2 percent return on equity ("ROE") for the Applicant. Staff's estimated ROE for the Applicant is based on cost of equity estimates for the sample companies ranging from 9.9 percent for the discounted cash flow method ("DCF") to 11.0 percent for the capital asset pricing model ("CAPM"). Staff's ROE recommendation includes a 1.3 percent downward adjustment to reflect a lower financial risk in the Applicant's capital structure compared to that of the sample companies.

Overall Rate of Return – Staff recommends that the Commission adopt a 9.2 percent overall rate of return ("ROR").

Mr. Bourassa's Testimony – The Commission should reject the Company proposed 12.4 percent ROE for the following reasons:

> Mr. Bourassa's DCF estimates rely heavily on analyst's forecasts and provide little weight to historical dividend per share growth rates.

I. INTRODUCTION

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

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

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

A. In my position as a Public Utilities Analyst, I perform studies to estimate the cost of capital component in rate filings to determine the overall revenue requirement and analyze requests for financing authorizations.

Q. Please describe your educational background and professional experience.

A. I graduated from Arizona State University and received a Bachelor of Science degree in Finance. My course of studies included courses in corporate and international finance, investments, accounting, statistics, and economics. I began employment as a Staff Public Utilities Analyst in October 2008. My professional experience includes two years as a Loan Officer with a homebuilder and as an Associate for an Investor Relations firm.

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

A. My testimony provides Staff's recommended capital structure, return on equity ("ROE") and overall rate of return ("ROR") for establishing the revenue requirements for Rio Rico Utilities, Inc.'s ("Rio Rico" or "Applicant") pending water division and wastewater division rate applications.

Q. Please provide a brief description of Rio Rico.

A. Rio Rico is an Arizona Corporation that is engaged in the business of providing public water (approximately 6,600 customers) and wastewater (approximately 2,300 customers) utility service in and near the community of Rio Rico within portions of Santa Cruz County, Arizona.

Q. Please provide a brief description of Rio Rico and its relation to affiliates.

A. Rio Rico is owned by Algonquin Water Resources of America, Inc. ("AWRA"). AWRA is an indirect wholly-owned subsidiary of Algonquin Power Income Fund which is publicly traded on the Toronto Stock Exchange. Rio Rico is a sister company to other public service corporations regulated by the Commission including: Bella Vista Water Company, Black Mountain Sewer Corporation, Litchfield Park Service Company, Northern Sunrise Water Company, Southern Sunrise Water Company and Gold Canyon Sewer Company.

Summary of Testimony and Recommendations

Q. Briefly summarize how Staff's cost of capital testimony is organized.

A. Staff's cost of capital testimony is presented in ten sections. Section I is this introduction. Section II discusses the concept of weighted average cost of capital ("WACC"). Section III presents the concept of capital structure and presents Staff's recommended capital structure for Rio Rico in this proceeding. Section IV discusses the concepts of return on equity ("ROE") and risk. Section V presents the methods employed by Staff to estimate Rio Rico's ROE. Section VI presents the findings of Staff's ROE analysis. Section VII presents Staff's final cost of equity estimates for Rio Rico. Section VIII presents Staff's ROR recommendation. Section IX presents Staff's comments on the direct testimony of

the Applicant's witness, Mr. Thomas J. Bourassa. Finally, section X presents the conclusions.

Q. Have you prepared any exhibits to accompany your testimony?

A. Yes. I prepared eight schedules (JCM-1 to JCM-9) that support Staff's cost of capital analysis.

Q. What is Staff's recommended rate of return for Rio Rico?

A. Staff recommends a 9.2 percent overall ROR as shown in Schedule JCM-1. Staff's ROR recommendation is based on cost of equity estimates for Rio Rico that range from 9.9 percent using the discounted cash flow method ("DCF") to 11.0 percent using the capital asset pricing model ("CAPM"). Staff's ROR recommendation reflects a 1.3 percent downward adjustment to the estimated ROE to account for a lower financial risk in the Applicant's capital structure compared to that of the sample companies.

Rio Rico's Proposed Overall Rate of Return

Q. Briefly summarize Rio Rico's proposed capital structure, cost of debt, return on equity and overall rate of return for this proceeding.

A. Table 1 summarizes the Applicant's proposed capital structure, cost of debt, return on equity and overall rate of return in this proceeding:

Table 1

	Weight	Cost	Weighted Cost
Long-term Debt	0.0%	0.0%	0.0%
Common Equity		12.4%	12.4%
Cost of Capital/ROR			**12.4%**

Rio Rico is proposing an overall rate of return of 12.4 percent.

II. THE WEIGHTED AVERAGE COST OF CAPITAL

Q. Briefly explain the cost of capital concept.

A. The cost of capital is the opportunity cost of choosing one investment over others with equivalent risk. In other words, the cost of capital is the return that stakeholders expect for investing their financial resources in a determined business venture over another business venture.

Q. What is the overall cost of capital?

A. The cost of capital to a company issuing a variety of securities (i.e., stock and indebtedness) is an average of the cost rates on all issued securities adjusted to reflect the relative amounts for each security in the company's entire capital structure. Thus, the overall cost of capital is the weighted average cost of capital ("WACC").

Q. How is the WACC calculated?

A. The WACC is calculated by adding the weighted expected returns of a firm's securities. The WACC formula is:

Equation 1.

$$WACC = \sum_{i=1}^{n} W_i * r_i$$

In this equation, W_i is the weight given to the ith security (the proportion of the ith security relative to the portfolio) and r_i is the expected return on the ith security.

Q. Can you provide an example demonstrating application of Equation 1?

A. Yes. For this example, assume that an entity has a capital structure composed of 60 percent debt and 40 percent equity. Also, assume that the embedded cost of debt is 6.0 percent and the expected return on equity, i.e. the cost of equity, is 10.5 percent. Calculation of the WACC is as follows:

WACC = (60% * 6.0%) + (40% * 10.5%)

WACC = 3.60% + 4.20%

WACC = 7.80%

The weighted average cost of capital in this example is 7.80 percent. The entity in this example would need to earn an overall rate of return of 7.80 percent to cover its cost of capital.

III. CAPITAL STRUCTURE

Background

Q. Please explain the capital structure concept.

A. The capital structure of a firm is the relative proportions of each type of security--short-term debt, long-term debt (including capital leases), preferred stock and common stock--that are used to finance the firm's assets.

Q. How is the capital structure expressed?

A. The capital structure of a company is expressed as the percentage of each component of the capital structure (capital leases, short-term debt, long-term debt, preferred stock and common stock) relative to the entire capital structure.

As an example, the capital structure for an entity that is financed by $20,000 of capital leases, $85,000 of long-term debt, $15,000 of preferred stock and $80,000 of common stock is shown in Table 2.

Table 2

Component			%
Capital Leases	$20,000	($20,000/$200,000)	10.0%
Long-Term Debt	$85,000	($85,000/$200,000)	42.5%
Preferred Stock	$15,000	($15,000/$200,000)	7.5%
Common Stock	$80,000	($80,000/$200,000)	40.0%
Total	$200,000		100%

The capital structure in this example is composed of 0.0 percent short-term debt, 10.0 percent capital leases, 42.5 percent long-term debt, 7.5 percent preferred stock and 40.0 percent common stock.

Rio Rico's Capital Structure

Q. What capital structure does Rio Rico propose?

A. The Applicant proposes a capital structure composed of 0.0 percent debt and 100.0 percent common equity.

Q. How does Rio Rico's capital structure compare to capital structures of publicly traded water utilities?

A. The Applicant's capital structure is composed of 0.0 percent debt and 100.0 percent equity. Schedule JCM-4 shows the capital structures of six publicly traded water companies ("sample water companies") as of June 2009. The average capital structure for

the sample water utilities is comprised of approximately 50.2 percent debt and 49.8 percent equity.

Staff's Capital Structure

Q. What is Staff's recommended capital structure for Rio Rico?

A. Staff recommends a capital structure composed of 0.0 percent debt and 100.0 percent equity, i.e., Staff concurs with the Applicant's proposed capital structure.

IV. RETURN ON EQUITY

Background

Q. Please define the term "cost of equity capital."

A. The cost of equity is the rate of return that investors expect to earn on their investment in a business entity given its risk. In other words, the cost of equity to the entity is the investors' expected rate of return on other investments of similar risk. As investors have a wide selection of stocks to choose from, they will choose stocks with similar risks but higher returns. Therefore, the market determines the entity's cost of equity.

Q. Is there a correlation between interest rates and the cost of equity?

A. Yes. The cost of equity tends to move in the same direction as interest rates. This relationship is part of the capital asset pricing model ("CAPM") formula. The CAPM is a market-based model employed by Staff for estimating the cost of equity. The CAPM is further discussed in Section V of this testimony.

Q. What has been the general trend of interest rates in recent years?

A. A chronological chart of interest rates is a good tool to show interest rate history and identify trends. Chart 1 graphs intermediate U.S. treasury rates from November 1999 to November 2009.

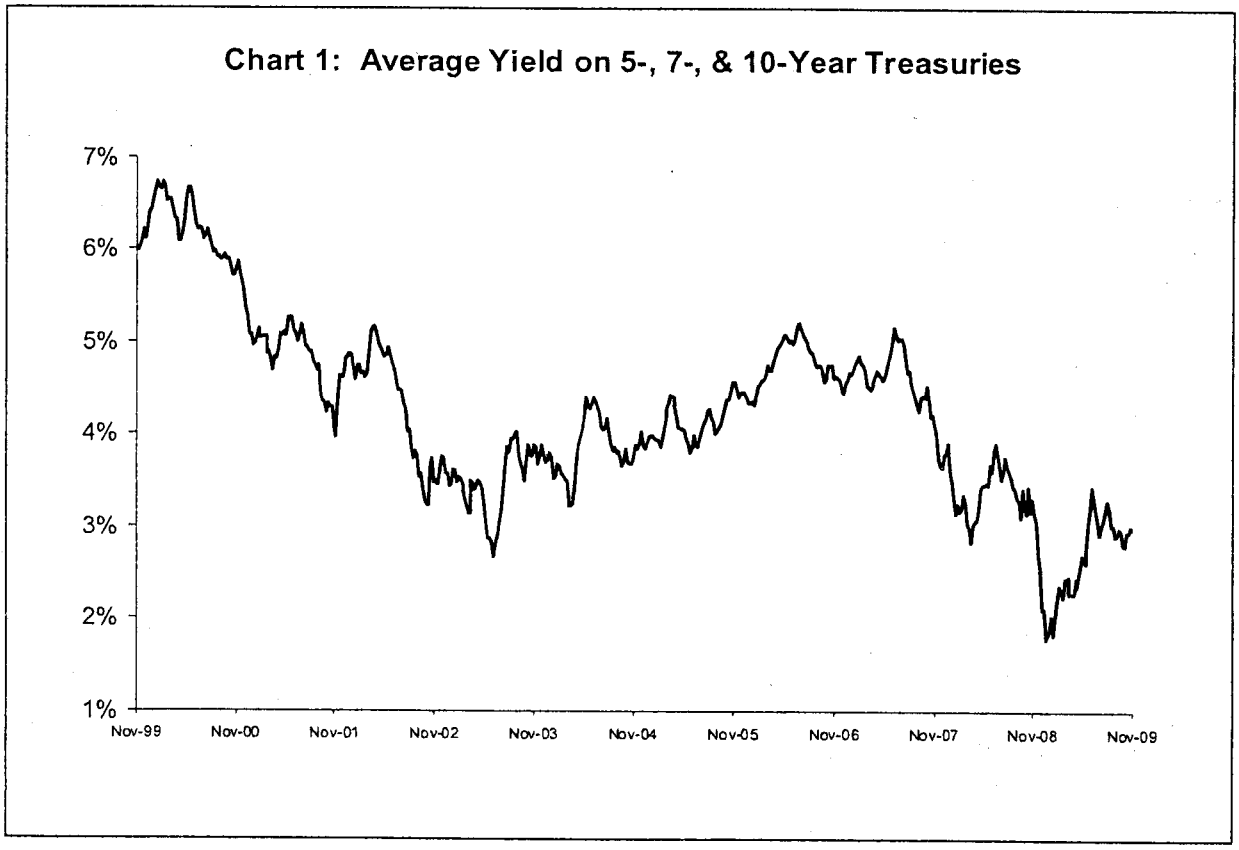
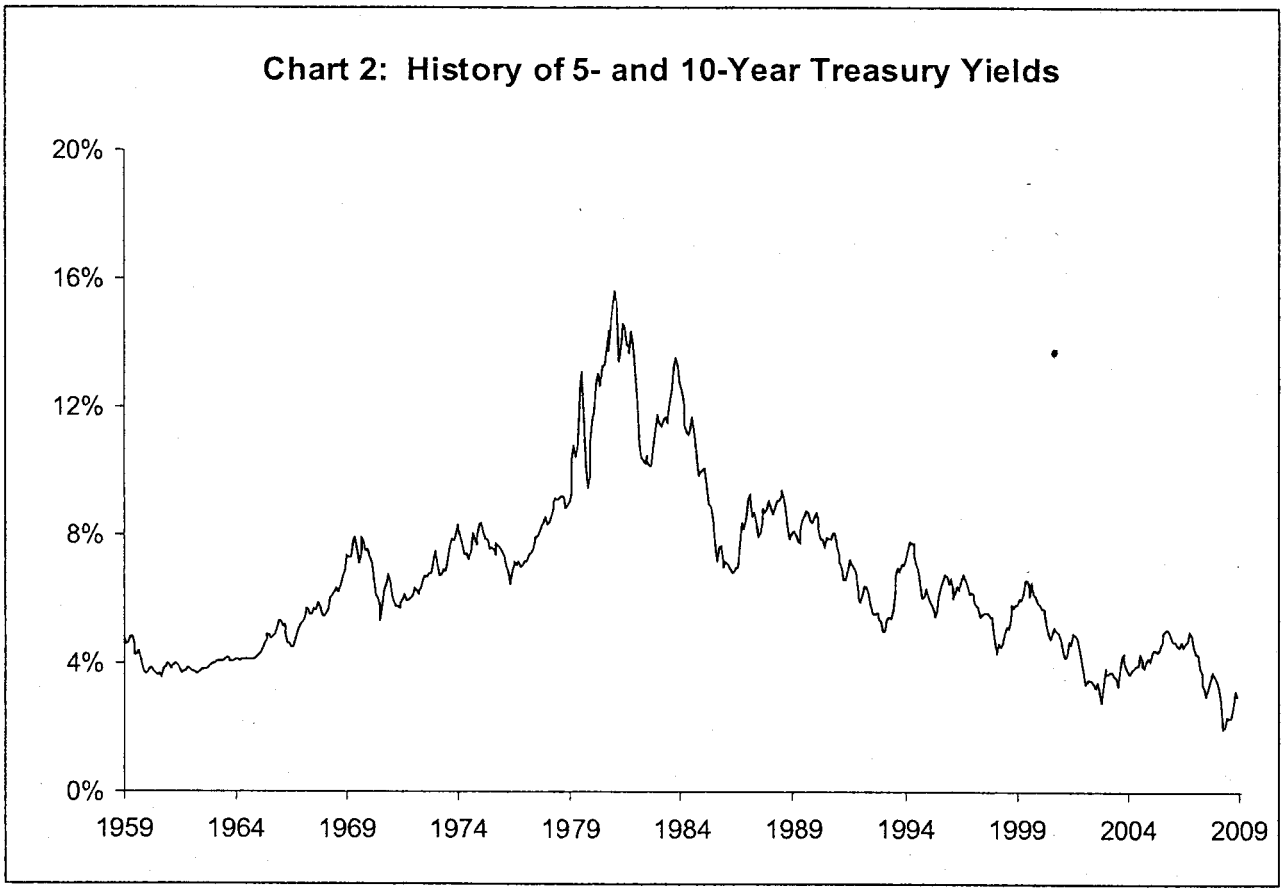


Chart 1 shows that intermediate interest rates trended downward from 2000 to mid-2003 then turned slightly upward until mid-2007 and have trended downward in the past two years.

Q. What has been the general trend in interest rates longer term?

A. U.S. Treasury rates from 1959 to present are shown in Chart 2. The chart shows that interest rates trended upward through the mid-1980s and have trended downward over the last 25 years.



Q. Do these trends suggest anything in terms of cost of equity?

A. Yes. As previously demonstrated, interest rates and cost of equity tend to move in the same direction; therefore cost of equity has declined in the past 25 years.

Q. Do actual returns represent the cost of equity?

A. No. The cost of equity represents investors' *expected* returns and not realized returns.

Q. Is there any information available that leads to an understanding of the relationship between the equity returns required for a regulated water utility and those required in the market as a whole?

A. Yes. A comparison of betas, a component of the CAPM discussed in Section V, for the water utility industry and the market provide insight into this relationship. The average beta (0.80)[1] for a water utility is lower than the theoretical average beta for all stocks (1.0). According to the CAPM formula, the cost of equity capital moves in the same direction as beta. Since the beta for the water utility industry is lower than the beta for the market, the implication is that the required return on equity for a regulated water utility is below the average required return on the market.

Risk

Q. Please define risk in relation to cost of capital.

A. Risk, as it relates to an investment, is the variability or uncertainty of the returns on a particular security. Investors are risk averse and require a greater potential return to invest in relatively greater risk opportunities, i.e., investors require compensation for taking on additional risk. Risk is generally separated into two components. Those components are market risk (systematic risk) and non-market risk (diversifiable risk or firm-specific risk).

Q. What is market risk?

A. Market risk or systematic risk is the risk of an investment that cannot be reduced through diversification. Market risk stems from factors that affect all securities such as recessions, war, inflation and high interest rates. Since these factors affect the entire market they cannot be eliminated through diversification. Market risk does not impact each security to

[1] See Schedule JCM-7

the same degree. The degree to which any security's returns is affected by the market can be measured using Beta. Beta reflects the business risk and the financial risk of a security.

Q. Please define business risk.

A. Business risk is the fluctuation of earnings inherent in a firm's operations and environment such as competition and adverse economic conditions that may impair its ability to provide returns on investment. Companies in the same or similar line of business tend to experience the same fluctuations in business cycles.

Q. Please define financial risk.

A. Financial risk is the fluctuation of earnings inherent in using debt financing by a firm that may impair its ability to provide adequate return. The more a company uses debt financing, the more the company becomes exposed to financial risk.

Q. Do business risk and financial risk affect the cost of equity?

A. Yes.

Q. Is a firm subject to any other risk?

A. Yes. Firms are also subject to unsystematic or firm-specific risk. Examples of unsystematic risk include losses caused by labor problems, nationalization of assets, loss of a big client or weather conditions. Investors can eliminate firm-specific risk by holding a diverse portfolio; thus, it is not of concern to diversified investors.

Q. How does Rio Rico's financial risk compare to the sample water companies' financial risk from the perspective of an investor?

A. From an investor's perspective Rio Rico's capital structure is less risky than the sample water companies. Schedule JCM-4 shows the capital structures of the six publicly traded water companies ("sample water companies") as of June 2009, as well as Rio Rico's actual capital structure. As of June 2009, the sample water utilities were capitalized with approximately 50.2 percent debt and 49.8 percent equity, while Rio Rico's actual capital structure consists of approximately 0.0 percent debt and 100.0 percent equity. Thus, Rio Rico's shareholders bear less financial risk than the shareholders of the sample companies.

Q. Is firm-specific risk measured by beta?

A. No. Firm-specific risk is not measured by beta.

Q. Is the cost of equity affected by firm-specific risk?

A. No. Since firm-specific risk can be eliminated through diversification, it does not affect the cost of equity.

Q. Can investors expect additional returns for firm-specific risk?

A. No. Investors who hold diversified portfolios can eliminate firm-specific risk, and consequently, do not require any additional return. Since investors who choose to be less than fully diversified must compete in the market with fully diversified investors, the former cannot expect to be compensated for unique risk.

V. ESTIMATING THE COST OF EQUITY

Introduction

Q. Did Staff directly estimate the cost of equity for Rio Rico?

A. No. Since Rio Rico is not a publicly-traded company, Staff is unable to directly estimate Rio Rico's cost of equity due to the unavailability of financial information. Instead, Staff uses an average of a representative sample group to reduce the sample error resulting from random fluctuations in the market at the time the information is gathered.

Q. What companies did Staff select as proxies or comparables for Rio Rico?

A. Staff's sample consists of the following six publicly-traded water utilities: American States Water, California Water, Connecticut Water Services, Middlesex Water, Aqua America and SJW Corp. Staff chose these companies because they are publicly traded and receive the majority of their earnings from regulated operations.

Q. Please explain the relevance of using six water companies as a proxy for the wastewater division of Rio Rico.

A. While the provision of wastewater service is different from the provision of water service, water and wastewater utilities are subject to similar risk factors and regulatory oversight. Therefore, the sample water companies are an appropriate proxy for the wastewater division of Rio Rico as well as the water division.

Q. What models did Staff implement to estimate Rio Rico's cost of equity?

A. Staff used two market-based models to estimate the cost of equity for Rio Rico: the discounted cash flow ("DCF") model and the capital asset pricing model ("CAPM").

Q. Please explain why Staff chose the DCF and CAPM models.

A. Staff chose to use the DCF and CAPM models because they are widely recognized market based models and have been used extensively to estimate the cost of equity. An explanation of the DCF and CAPM models follows.

Discounted Cash Flow Model Analysis

Q. Please provide a brief summary of the theory upon which the DCF method of estimating the cost of equity is based.

A. The DCF method of stock valuation is based on the theory that the value of an investment is equal to the sum of the future cash flows generated from the aforementioned investment discounted to the present time. This method uses expected dividends, market price and dividend growth rate to calculate the cost of capital. Professor Myron Gordon pioneered the DCF method in the 1960s. The DCF method has become widely used to estimate the cost of equity for public utilities due to its theoretical merit and its simplicity. Staff used the financial information for the relevant six sample companies in the DCF model and averaged the results to determine an estimated cost of equity for the sample companies.

Q. Does Staff use more than one version of the DCF Model?

A. Yes. Staff uses two versions of the DCF model: the constant-growth DCF Model and the multi-stage or non-constant growth DCF. The constant-growth DCF Model assumes that an entity's dividends will grow indefinitely at the same rate. The multi-stage growth DCF model assumes the dividend growth rate will change at some point in the future.

The Constant-Growth DCF

Q. What is the mathematical formula used in Staff's constant-growth DCF analysis?

A. The constant-growth DCF formula used in Staff's analysis is:

Equation 2:

$$K = \frac{D_1}{P_0} + g$$

where:

K	=	the cost of equity
D_1	=	the expected annual dividend
P_0	=	the current stock price
g	=	the expected infinite annual growth rate of dividends

Equation 2 assumes that the entity has a constant earnings retention rate and that its earnings are expected to grow at a constant rate. According to Equation 2, a stock with a current market price of $10 per share, an expected annual dividend of $0.45 per share and an expected dividend growth rate of 3.0 percent per year has a cost of equity to the entity of 7.5 percent reflected by the sum of the dividend yield ($0.45/ $10 = 4.5 percent) and the 3.0 percent annual dividend growth rate.

Q. How did Staff calculate the dividend yield component (D_1/P_0) of the constant-growth DCF formula?

A. Staff calculated the yield component of the DCF formula by dividing the expected annual dividend[2] (D_1) by the spot stock price (P_0) after the close of the market November 4, 2009, as reported by *MSN Money*.

[2] Value Line Summary & Index. 11-06-09

Q. Why did Staff use the November 4, 2009, spot price rather than a historical average stock price to calculate the dividend yield component of the DCF formula?

A. Current, rather than historic, market stock price is used in order to be consistent with finance theory, i.e., the efficient market hypothesis. The efficient market hypothesis asserts that the current stock price reflects all available information on a stock including investors' expectations of future returns. Use of a historical average of stock prices illogically discounts the most recent information in favor of less recent information. The latter is stale and is representative of underlying conditions that may have changed.

Q. How did Staff estimate the dividend growth (g) component of the constant-growth DCF model represented by Equation 2?

A. The dividend growth component used by Staff is determined by the average of six different estimation methods as shown in Schedule JCM-8. Staff calculated historical and projected growth estimates on dividend-per-share ("DPS"),[3] earnings-per-share ("EPS")[4] and sustainable growth bases.

Q. Why did Staff examine EPS growth to estimate the dividend growth component of the constant-growth DCF model?

A. Historic and projected EPS growth are used because dividends are related to earnings. Dividend distributions may exceed earnings in the short run but cannot continue indefinitely. In the long term, dividend distributions are dependent on earnings.

[3] Derived from information provided by *Value Line*
[4] Derived from information provided by *Value Line*

Q. How did Staff estimate historical DPS growth?

A. Staff estimated historical DPS growth by calculating the average rate of growth in DPS of the sample water companies from 1998 to 2008. The results of that calculation are shown in Schedule JCM-5. Staff calculated an average historical DPS growth rate of 3.1 percent for the sample water utilities for the aforementioned period.

Q. How did Staff estimate the projected DPS growth?

A. Staff calculated an average of the projected DPS growth rates for the sample water utilities from *Value Line*. The average projected DPS growth rate is 4.1 percent as shown in Schedule JCM-5.

Q. How did Staff calculate the historical EPS growth rate?

A. Staff estimated historical EPS growth by calculating the average rate of growth in EPS of the sample water companies from 1998 to 2008. Staff calculated an average historical EPS growth rate of 3.3 percent for the sample water utilities for the aforementioned period as shown in Schedule JCM-5.

Q. How did Staff estimate the projected EPS growth?

A. Staff calculated an average of the projected EPS growth rates for the sample water utilities from *Value Line*. The average projected EPS growth rate is 9.7 percent as shown in Schedule JCM-5.

Q. How does Staff calculate its historical and projected sustainable growth rates?

A. Historical and projected sustainable growth rates are calculated by adding their respective retention growth rate terms (br) to their respective stock financing growth rate terms (vs) as shown in Schedule JCM-6.

Q. What is retention growth?

A. Retention growth is the growth in dividends due to the retention of earnings. The retention growth concept is based on the theory that dividend growth cannot be achieved unless the company retains and reinvests some of its earnings. The retention growth is used in Staff's calculation of sustainable growth shown in Schedule JCM-6.

Q. What is the formula for the retention growth rate?

A. The retention growth rate is the product of the retention ratio and the book/accounting return on equity. The retention growth rate formula is:

Equation 3:

$$\text{Retention Growth Rate} = br$$

where: b = the retention ratio (1 – dividend payout ratio)
r = the accounting/book return on common equity

Q. How did Staff calculate the average historical retention growth rate (br) for the sample water utilities?

A. Staff calculated the historical retention rates by averaging the retention rates for the sample water companies from 1999 to 2008. The historical average retention (br) growth for the sample water utilities is 3.0 percent, as shown in Schedule JCM-6.

Q. How did Staff determine projected retention growth rate (br) for the sample water utilities?

A. Staff used the retention growth projections for the sample water utilities for the period 2012 to 2014 from *Value Line.* The projected average retention growth rate for the sample water utilities is 6.1 percent, as shown in Schedule JCM-6.

Q. When can retention growth provide a reasonable estimate of future dividend growth?

A. The retention growth rate is a reasonable estimate of future dividend growth when the retention ratio is reasonably constant and the entity's market price to book value ("market-to-book ratio") is expected to be 1.0. The average retention ratio has been reasonably constant in recent years. However, the market-to-book ratio for the sample water utilities is 1.7, notably higher than 1.0, as shown in Schedule JCM-7.

Q. Is there any financial implication of a market-to-book ratio greater than 1.0?

A. Yes. A market-to-book ratio greater than 1.0 implies that investors expect an entity to earn an accounting/book return on its equity that exceeds its cost of equity. The relationship between required returns and expected cash flows is readily observed in the fixed securities market. For example, assume an entity contemplating issuance of bonds with a face value of $10 million at either 6 percent or 8 percent, and thus, paying annual interest of $600,000 or $800,000, respectively. Regardless of investors' required return on similar bonds, investors will be willing to pay more for the bonds if issued at 8 percent than if the bonds are issued at 6 percent. For example, if the current interest rate required by investors is 6 percent, then they would bid $10 million for the 6 percent bonds and more than $10 million for the 8 percent bonds. Similarly, if equity investors require a 9 percent return and expect an entity to earn accounting/book returns of 13 percent, the

market will bid up the price of the entity's stock to provide the required return of 9 percent.

Q. How has Staff generally recognized a market-to-book ratio exceeding 1.0 in its cost of equity analyses in recent years?

A. Staff has assumed that investors expect the market-to-book ratio to remain greater than 1.0. Given that assumption, Staff has added a stock financing growth rate (vs) term to the retention ratio (br) term to calculate its historical and projected sustainable growth rates.

Q. Do the historical and projected sustainable growth rates Staff uses to develop its DCF cost of equity in this case continue to include a stock financing growth rate term?

A. Yes.

Q. What is stock financing growth?

A. Stock financing growth is the growth in an entity's dividends due to the sale of stock by that entity. Stock financing growth is a concept derived by Myron Gordon and discussed in his book *The Cost of Capital to a Public Utility.*[5] Stock financing growth is the product of the fraction of the funds raised from the sale of stock that accrues to existing shareholders (v) and the fraction resulting from dividing the funds raised from the sale of stock by the existing common equity (s).

[5] Gordon, Myron J. *The Cost of Capital to a Public Utility.* MSU Public Utilities Studies, Michigan, 1974. pp 31-35.

Q. What is the mathematical formula for the stock financing growth rate?

A. The mathematical formula for stock financing growth is:

Equation 4 :

$$\text{Stock Financing Growth} = vs$$

where : v = Fraction of the funds raised from the sale of stock that accrues to existing shareholders

s = Funds raised from the sale of stock as a fraction of the existing common equity

Q. How is the variable v presented above calculated?

A. Variable v is calculated as follows:

Equation 5 :

$$v = 1 - \left(\frac{book\ value}{market\ value} \right)$$

For example, assume that a share of stock has a $30 book value and is selling for $45. Then, to find the value of v, the formula is applied:

$$v = 1 - \left(\frac{30}{45} \right)$$

In this example, v is equal to 0.33.

Q. How is the variable s presented above calculated?

A. Variable s is calculated as follows:

Equation 6:

$$s = \frac{\text{Funds raised from the issuance of stock}}{\text{Total existing common equity before the issuance}}$$

For example, assume that an entity has $150 in existing equity, and it sells $30 of stock. Then, to find the value of *s*, the formula is applied:

$$s = \left(\frac{30}{150}\right)$$

In this example, *s* is equal to 20.0 percent.

Q. What is the *vs* term when the market-to-book ratio is equal to 1.0?

A. A market-to-book ratio equal to 1.0 reflects that investors expect an entity to earn a book/accounting return on their equity investment equal to the cost of equity. When the market-to-book ratio is equal to 1.0, none of the funds raised from the sale of stock by the entity accrues to the benefit of existing shareholders, i.e., the term *v* is equal to zero (0.0). Consequently, the *vs* term is also equal to zero (0.0). When stock financing growth is zero, dividend growth depends solely on the *br* term.

Q. What is the effect of the *vs* term when the market-to-book ratio is greater than 1.0?

A. A market-to-book ratio greater than 1.0 reflects that investors expect an entity to earn a book/accounting return on their equity investment greater than the cost of equity. Equation 5 shows that when the market-to-book ratio is greater than 1.0 the *v* term is also greater than zero. The excess by which new shares are issued and sold over book value per share of outstanding stock is a contribution that accrues to existing stockholders in the form of a higher book value. The resulting higher book value leads to higher expected earnings and dividends. Continued growth from the *vs* term is dependent upon the continued issuance and sale of additional shares at a price that exceeds book value per share.

Q. What *vs* estimate did Staff calculate from its analysis of the sample water utilities?

A. Staff estimated an average stock financing growth of 2.0 percent for the sample water utilities as shown in Schedule JCM-6.

Q. What would occur if an entity had a market-to-book ratio greater than 1.0 as a result of investors expecting earnings to exceed the cost of equity capital and the entity subsequently experienced newly-authorized rates equal to its cost of equity capital?

A. Market pressure on the entity's stock price to reflect the change in future expected cash flows would cause the market-to-book ratio to move toward 1.0.

Q. Is inclusion of the vs term necessary if the average market-to-book ratio of the sample water utilities falls to 1.0 due to authorized ROEs equaling the cost of equity?

A. No. As discussed above, when the market-to-book ratio is equal to 1.0, none of the funds raised from the sale of stock by the entity accrues to the benefit of existing shareholders because the *v* term equals to zero, and consequently, the *vs* term also equals zero. When the market-to-book ratio equals 1.0, dividend growth depends solely on the *br* term. Staff's inclusion of the *vs* term assumes that the market-to-book ratio continues to exceed 1.0 and that the water utilities will continue to issue and sell stock at prices above book value with the effect of benefitting existing shareholders.

Q. What are Staff's historical and projected sustainable growth rates?

A. Staff's estimated historical sustainable growth rate is 5.0 percent based on an analysis of earnings retention for the sample water companies. Staff's projected sustainable growth rate is 9.0 percent based on retention growth projected by *Value Line.* Schedule JCM-6 presents Staff's estimates of the sustainable growth rate.

Q. What is Staff's expected infinite annual growth rate in dividends?

A. Staff's expected infinite annual growth rate in dividends is 5.7 percent which is the average of historical and projected dividends per share ("DPS"), earnings per share ("EPS"), and sustainable growth estimates. Staff's calculation of the expected infinite annual growth rate in dividends is shown in Schedule JCM-8.

Q. What is Staff's constant-growth DCF estimate for the sample utilities?

A. Staff's constant-growth DCF estimate is 9.4 percent as shown in Schedule JCM-3.

The Multi-Stage DCF

Q. Why did Staff implement the multi-stage DCF model to estimate Rio Rico's cost of equity?

A. Staff generally uses the multi-stage DCF model to consider the assumption that dividends may not grow at a constant rate. The multi-stage DCF uses two stages of growth. The first stage is four years followed by the second constant growth stage.

Q. What is the mathematical formula for the multi-stage DCF?

A. The multi-stage DCF formula is shown in the following equation:

Equation 7 :

$$P_0 = \sum_{t=1}^{n} \frac{D_t}{(1+K)^t} + \frac{D_n(1+g_n)}{K-g_n}\left[\frac{1}{(1+K)}\right]^n$$

Where :
P_0 = current stock price
D_t = dividends expected during stage 1
K = cost of equity
n = years of non – constant growth
D_n = dividend expected in year n
g_n = constant rate of growth expected after year n

Q. What steps did Staff take to implement its multi-stage DCF cost of equity model?

A. First, Staff projected future dividends for each of the sample water utilities using near-term and long-term growth rates. Second, Staff calculated the rate (cost of equity) which equates the present value of the forecasted dividends to the current stock price for each of the sample water utilities. Lastly, Staff calculated an average of the individual sample company cost of equity estimates.

Q. How did Staff calculate near-term (stage-1) growth?

A. The stage-1 growth rate is based on *Value Lines's* projected dividends for the next twelve months, when available, and on the average dividend growth rate (5.7 percent) calculated in Staff's constant DCF analysis for the remainder of the stage.

Q. How did Staff estimate long-term (stage-2) growth?

A. Staff calculated the stage-2 growth rate using the arithmetic mean rate of growth in GDP from 1929 to 2008.[6] Using the GDP growth rate assumes that the water utility industry is expected to grow at the same rate as the overall economy.

Q. What is the historical GDP growth rate that Staff used to estimate stage-2 growth?

A. Staff used 6.7 percent to estimate the stage-2 growth rate.

Q. What is Staff's multi-stage DCF estimate for the sample utilities?

A. Staff's multi-stage DCF estimate is 10.3 percent, as shown in Schedule JCM-3.

[6] www.bea.doc.gov

Q. What is Staff's overall DCF estimate for the sample utilities?

A. Staff's overall DCF estimate is 9.9 percent. Staff calculated the overall DCF estimate by averaging the constant growth DCF (9.4%) and multi-stage DCF (10.3%) estimates as shown in Schedule JCM-3.

Capital Asset Pricing Model

Q. Please describe the CAPM.

A. The CAPM is used to determine the prices of securities in a competitive market. The CAPM model describes the relationship between a security's investment risk and its market rate of return. Under the CAPM an investor requires the expected return of a security to equal the rate on a risk-free security plus a risk premium. If the investor's expected return does not meet or beat the required return, the investment is not economically justified. The model also assumes that investors will sufficiently diversify their investments to eliminate any non-systematic or unique risk.[7] In 1990, Professors Harry Markowitz, William Sharpe, and Merton Miller earned the Nobel Prize in Economic Sciences for their contribution to the development of the CAPM.

Q. Did Staff use the same sample water utilities in its CAPM and DCF cost of equity estimation analyses?

A. Yes. Staff's CAPM cost of equity estimation analysis uses the same sample water companies as its DCF cost of equity estimation analysis.

[7] The CAPM makes the following assumptions: 1) single holding period; 2) perfect and competitive securities market; 3) no transaction costs; 4) no restrictions on short selling or borrowing; 5) the existence of a risk-free rate; and 6) homogeneous expectations.

Q. What is the mathematical formula for the CAPM?

A. The mathematical formula for the CAPM is:

Equation 8:

$$K = R_f + \beta (R_m - R_f)$$

where:

R_f	=	risk free rate
R_m	=	return on market
β	=	beta
$R_m - R_f$	=	market risk premium
K	=	expected return

The equation shows that the expected return (K) on a risky asset is equal to the risk-free interest rate (R_f) plus the product of the market risk premium ("Rp") ($R_m - R_f$) multiplied by beta (β) where beta represents the riskiness of the investment relative to the market.

Q. What is the risk free rate?

A. The risk free rate is the rate of return of an investment with zero risk.

Q. What does Staff use as surrogates to represent estimations of the risk-free rates of interest in its historical and current market risk premium CAPM methods?

A. Staff uses separate parameters as surrogates for the estimations of the risk-free rates of interest for the historical market risk premium CAPM cost of equity estimation and the current market risk premium CAPM cost of equity estimation. Staff uses the average of three (five-, seven-, and ten-year) intermediate-term U.S. Treasury securities' spot rates in its historical market risk premium CAPM cost of equity estimation, and the 30-year U.S.

Treasury bond spot rate in its current market risk premium CAPM cost of equity estimation. U.S. Treasuries are largely verifiable and readily available.

Q. What does beta measure?

A. Beta measures the volatility, or systematic risk, of a security relative to the market. Since systematic risk cannot be diversified away, it is the only risk that is relevant when estimating a security's required return. Using a baseline market beta of 1.0, a security with a beta less than 1.0 will be less volatile than the market. A security with a beta greater than 1.0 will be more volatile than the market.

Q. How did Staff estimate Rio Rico's beta?

A. Staff used the average of the *Value Line* betas for the sample water utilities as a proxy for Rio Rico's beta. Schedule JCM-7 shows the *Value Line* betas for each of the sample water utilities. The 0.80 average beta for the sample water utilities is Staff's estimated beta for Rio Rico. A security with a 0.80 beta has less volatility than the market.

Q. Please describe expected market risk premium ($R_m - R_f$)?

A. The expected market risk premium is the expected return on the market above the risk free rate. Simplified, it is the return an investor expects as compensation for market risk.

Q. What did Staff use for the market risk premium?

A. Staff uses separate calculations for the market risk premium in its historical and current market risk premium CAPM methods.

Q. How did Staff calculate an estimate for the market risk premium in its historical market risk premium CAPM method?

A. Staff uses the intermediate-term government bond income returns published in the Ibbotson Associates' *Stocks, Bonds, Bills, and Inflation 2008 Yearbook* to calculate the historical market risk premium. Ibbotson Associates calculates the historical risk premium by averaging the historical arithmetic differences between the S&P 500 and the intermediate-term government bond income returns for the period 1926-2008. Staff's historical market risk premium estimate is 6.9 percent as shown in Schedule JCM-3.

Q. How did Staff calculate an estimate for the market risk premium in its current market risk premium CAPM method?

A. Staff solves equation 8 above to arrive at a market risk premium using a DCF derived expected return (K) of 15.54 (2.2 + 13.34[8]) percent using the expected dividend yield (2.2 percent over the next twelve months) and the annual per share growth rate (13.34 percent) that *Value Line* projects for all dividend-paying stocks under its review[9] along with the current long-term risk-free rate (30-year Treasury note at 4.41 percent) and the market's average beta of 1.0. Staff calculated the current market risk premium as 11.13[10] as shown in Schedule JCM-3.

Q. What is the result of Staff's historical market risk premium CAPM and current market risk premium CAPM cost of equity estimations for the sample utilities?

A. Staff's cost of equity estimates are 8.6 percent using the historical market risk premium CAPM and 13.3 using the current market risk premium CAPM.

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[8] The three to five year price appreciation is 65%. $1.65^{0.25} - 1 = 13.34\%$
[9] November 6, 2009 issue date.
[10] 15.54% = 4.41% + (1) (11.13%)

Q. What is Staff's overall CAPM estimate for the sample utilities?

A. Staff's overall CAPM cost of equity estimate is 11.0 percent which is the average of the historical market risk premium CAPM (8.6 percent) and the current market risk premium CAPM (13.3 percent) estimates as shown in Schedule JCM-3.

VI. SUMMARY OF STAFF'S COST OF EQUITY ANALYSIS

Q. What is the result of Staff's constant-growth DCF analysis to estimate of the cost of equity to the sample water utilities?

A. Schedule JCM-3 shows the result of Staff's constant-growth DCF analysis. The result of Staff's constant-growth DCF analysis is as follows:

$$k = 3.7\% + 5.7\%$$

$$k = \mathbf{9.4\%}$$

Staff's constant-growth DCF estimate of the cost of equity to the sample water utilities is 9.4 percent.

Q. What is the result of Staff's multi-stage DCF analysis to estimate of the cost of equity for the sample utilities?

A. Schedule JCM-9 shows the result of Staff's multi-stage DCF analysis. The result of Staff's multi-stage DCF analysis is:

Company	**Equity Cost Estimate (k)**
American States Water	9.8%
California Water	10.0%
Aqua America	10.2%
Connecticut Water	10.7%
Middlesex Water	11.4%
SJW Corp	9.8%
Average	**10.3%**

Staff's multi-stage DCF estimate of the cost of equity for the sample water utilities is 10.3 percent.

Q. What is Staff's overall DCF estimate of the cost of equity for the sample utilities?

A. Staff's overall DCF estimate of the cost of equity for the sample utilities is 9.9 percent. Staff calculated an overall DCF cost of equity estimate by averaging Staff's constant growth DCF (9.4 percent) and Staff's multi-stage DCF (10.3 percent) estimates as shown in Schedule JCM-3.

Q. What is the result of Staff's historical market risk premium CAPM analysis to estimate of the cost of equity for the sample utilities?

A. Schedule JCM-3 shows the result of Staff's CAPM analysis using the historical risk premium estimate. The result is as follows:

$$k = 3.0\% + 0.80 * 6.9\%$$

$$k = 8.6\%$$

Staff's CAPM estimate (using the historical market risk premium) of the cost of equity to the sample water utilities is 8.6 percent.

Q. What is the result of Staff's current market risk premium CAPM analysis to estimate the cost of equity for the sample utilities?

A. Schedule JCM-3 shows the result of Staff's CAPM Analysis using the current market risk premium estimate. The result is:

$$k = 4.4\% + 0.80 * 11.1\%$$

$$k = 13.3\%$$

Staff's CAPM estimate (using the current market risk premium) of the cost of equity to the sample water utilities is 13.3 percent.

Q. What is Staff's overall CAPM estimate of the cost of equity for the sample utilities?

A. Staff's overall CAPM estimate for the sample utilities is 11.0 percent. Staff's overall CAPM estimate is the average of the historical market risk premium CAPM (8.6 percent) and the current market risk premium CAPM (13.3 percent) estimates as shown in Schedule JCM-3.

Q. Please summarize the results of Staff's cost of equity analysis for the sample utilities.

A. The following table shows the results of Staff's cost of equity analysis:

Table 2

Method	Estimate
Average DCF Estimate	9.9%
Average CAPM Estimate	11.0%
Overall Average	**10.5%**

Staff's average estimate of the cost of equity to the sample water utilities is 10.5 percent.

VII. FINAL COST OF EQUITY ESTIMATES FOR RIO RICO

Q. Please compare Rio Rico's capital structure to that of the six sample water companies.

A. The average capital structure for the sample water utilities is composed of 49.8 percent equity and 50.2 percent debt, as shown in Schedule JCM-4. Rio Rico's capital structure is composed of 100.0 percent equity and 0.0 percent debt. In this case, since Rio Rico's capital structure is less leveraged than that of the average sample water utilities' capital

structure, its stockholders bear less financial risk than the sample water utilities. Accordingly, Rio Rico's cost of equity is lower than that of the sample water utilities.

Q. What method does Staff use to calculate the effect on the cost of equity capital of the different financial risks posed by Rio Rico versus the sample companies?

A. Staff uses the methodology developed by Professor Robert Hamada of the University of Chicago, which incorporates capital structure theory with the CAPM, to estimate the effect of Rio Rico's capital structure on its cost of equity. Staff calculated a financial risk adjustment for Rio Rico of negative 130 basis points (1.3 percent) based on the Company's capital structure of 100.0 percent equity and 0.0 percent debt in order to reflect the Company's actual financial risk. Rio Rico's cost of equity adjusted for financial risk (9.2 percent) can be determined by subtracting this 1.3 percent financial risk adjustment from Staff's average estimate of the cost of equity to the sample water utilities (10.5 percent).

Q. Does Staff's 130 basis point downward financial risk adjustment to the cost of equity reflect the full downward measure to the cost of equity due to difference in financial risk in Rio Rico's capital structure compared to the sample water utilities?

A. No. Staff calculated its recommended 130 basis point downward financial risk adjustment assuming that the sample companies had a capital structure comprised of 60 percent equity and 40 percent debt instead of the actual average capital structure for the sample companies and assuming that the Company's capital structure is composed of 100.0 percent equity and 0.0 percent debt. The calculated downward financial risk adjustment would have been greater than 130 basis points if measured using 100.0 percent equity for the Company's capital structure and the sample companies' actual average equity of 49.8 percent. Staff measured the financial risk adjustment assuming the 60 percent equity for

the sample companies to recognize that a capital structure composed of 60 percent equity and 40 percent debt is reasonable even though it is less leveraged than that of the sample companies and to encourage the Company to maintain a healthy capital structure.

Q. What is Staff's ROE estimate for Rio Rico?

A. Staff determined an ROE estimate of 10.5 percent for the Applicant based on cost of equity estimates for the sample companies ranging from 9.9 percent for the CAPM to 11.0 percent for the DCF. Staff recommends adoption of a 130 basis point downward financial risk adjustment of the ROE to 9.2 percent.

VIII. RATE OF RETURN RECOMMENDATION

Q. What overall rate of return did Staff determine for Rio Rico?

A. Staff determined a 9.2 percent ROR for the Applicant as shown in Schedule JCM-1 and the following table:

Table 3

	Weight	Cost	Weighted Cost
Long-term Debt	0.0%	0.0%	0.0%
Common Equity	100.0%	9.2%	9.2%
Overall ROR			**9.2%**

IX. STAFF RESPONSE TO APPLICANT'S COST OF CAPITAL WITNESS MR. THOMAS J. BOURASSA

Q. Please summarize Mr. Bourassa's analyses and recommendations.

A. Mr. Bourassa recommends a 12.4 percent ROE based on analyses for two constant growth DCF models (Past and Future Growth and Future Only Growth), as well as historical and

current market risk premium CAPM for the same sample of water companies selected by Staff. Mr. Bourassa also asserts that Rio Rico faces additional risks not captured by the market models, such as regulatory and financial risk, and he concludes that 12.4 percent ROE presents a reasonable balance resulting from his analyses. Mr. Bourassa also proposes 12.4 percent for the overall ROR with a capital structure consisting of 100.0 percent equity and 0.0 percent debt.

Constant-Growth DCF

Q. Does Mr. Bourassa give equal weight to historical data and analysts' projections to estimate the growth component of his DCF cost of equity estimate?

A. No. Mr. Bourassa's DCF cost of equity estimate is based on the midpoint of his (1) Past and Future Growth estimate and (2) Future Growth estimate. Half of the Past and Future Growth estimate relies on analysts' projections of earnings growth and all of the Future Growth estimate relies on analysts' projections of earnings growth. Thus, choosing the midpoint of the two methods provides analysts' projections with 75 percent of the weight compared to 25 percent for historical data. In addition, Mr. Bourassa's Past and Future Growth estimate provides equal weight to stock price, book value per share, earnings per share and dividends per share. Thus, only one-eighth (12.5 percent) of his method of estimating the dividend growth relies on the growth in dividends per share.

Q. Does Staff have any comments on Mr. Bourassa's heavy reliance on analysts' forecasts to estimate DPS growth in his constant growth DCF estimates?

A. Yes. Generally, analysts' forecasts are known to be overly optimistic. Heavy use of analysts' forecasts to calculate the growth in dividends (g), will cause inflated growth, and consequently, inflated cost of equity estimates unless investors give the same strong weight to analysts' forecasts. Also, heavy reliance on analysts' forecasts of earnings

growth to forecast DPS is inappropriate because it assumes that investors discount other relevant information such as past dividend and earnings growth.

Q. Does Staff have any evidence to support its assertion that heavy reliance on analysts' forecasts of earnings growth in the DCF model would result in inflated cost of equity estimates?

A. Yes. Experts in the financial community have commented on the optimism in analysts' forecasts of future earnings.[11] A study cited by David Dreman in his book *Contrarian Investment Strategies: The Next Generation* found that *Value Line* analysts were optimistic in their forecasts by 9 percent annually, on average for the 1987 – 1989 period. Another study conducted by David Dreman found that between 1982 and 1997, analysts overestimated the growth of earnings of companies in the S&P 500 by 188 percent.

Also, Burton Malkiel of Princeton University studied the one-year and five-year earnings forecasts made by some of the most respected names in the investment business. His results showed that the five-year estimates of professional analysts, when compared with actual earnings growth rates, were much worse than the predictions from several naïve forecasting models, such as the long-run rate of growth of national income. In the following excerpt from Professor Malkiel's book *A Random Walk Down Wall Street*, he discusses the results of his study:

> When confronted with the poor record of their five-year growth estimates, *the security analysts honestly, if sheepishly, admitted that five years ahead is really too far in advance to make reliable projections*. They protested that although long-term projections are admittedly important, they really ought to be judged on their ability to project earnings changes one year ahead. Believe it or

[11] See Seigel, Jeremy J. Stocks for the Long Run. 2002. McGraw-Hill. New York. p. 100. Dreman, David. *Contrarian Investment Strategies: The Next Generation*. 1998. Simon & Schuster. New York. pp. 97-98. Malkiel, Burton G. *A Random Walk Down Wall Street*. 2003. W.W. Norton & Co. New York. p. 175.
Testimony of Professors Myron J. Gordon and Lawrence I. Gould, consultant to the Trial Staff (Common Carrier Bureau), FCC Docket 79-63, p. 95.

> not, it turned out that their one-year forecasts were even worse than their five-year projections.
>
> The analysts fought back gamely. They complained that it was unfair to judge their performance on a wide cross section of industries, because earnings for high-tech firms and various "cyclical" companies are notoriously hard to forecast. *"Try us on utilities," one analyst confidently asserted. At the time they were considered among the most stable group of companies because of government regulation. So we tried it and they didn't like it. Even the forecasts for the stable utilities were far off the mark.*[12] (Emphasis added)

Q. Are investors aware of the problems related to analysts' forecasts?

A. Yes. In addition to books, there are numerous published articles appearing in *The Wall Street Journal* and other financial publications that cast doubt as to how accurate research analysts are in their forecasts.[13] Investors, being keenly aware of these inherent biases in forecasts, will use other methods to assess future growth.

Q. Does Staff have any comments on the study cited by Mr. Bourassa, conducted by David A. Gordon, Myron J. Gordon and Lawrence I. Gould[14] that he asserts supports exclusive use of analysts' forecasts in the DCF model?

A. Yes. The article cited by Mr. Bourassa does not conclude that investors ignore past growth when pricing stocks. Instead, the article describes more generally that methods exclusively using analysts' forecasts are "popular or attractive models", but the article does not support the conclusion that these forecasts should be used alone.

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[12] Malkiel, Burton G. A Random Walk Down Wall Street. 2003. W.W. Norton & Co. New York. p. 175

[13] See Smith, Randall & Craig, Suzanne. "Big Firms Had Research Ploy: Quiet Payments Among Rivals." *The Wall Street Journal*. April 30, 2003. Brown, Ken. "Analysts: Still Coming Up Rosy." *The Wall Street Journal*. January 27, 2003. p. C1. Karmin, Craig. "Profit Forecasts Become Anybody's Guess." *The Wall Street Journal*. January 21, 2003. p. C1. Gasparino, Charles. "Merrill Lynch Investigation Widens." *The Wall Street Journal*. April 11, 2002. p. C4. Elstein, Aaron. "Earnings Estimates Are All Over the Map." *The Wall Street Journal*. August 2, 2001. p. C1. Dreman, David. "Don't Count on those Earnings Forecasts." *Forbes*. January 26, 1998. p. 110.

[14] Gordon, David A., Myron J. Gordon, Lawrence I. Gould. "Choice Among Methods of Estimating Share Yield." *The Journal of Portfolio Management*. Spring 1989. pp. 50-55. (Bourassa's direct testimony, page 29, footnote.)

Q. Does Professor Gordon recommend relying exclusively on analysts' forecasts as the measure of growth in the DCF model?

A. No. Subsequent to the study cited by Mr. Bourassa,[15] Professor Gordon provided the keynote address at the 30th Financial Forum of the Society of Utility and Regulatory Financial Analysts, in which he stated:

> I understand that companies coming before regulatory agencies liked and advocated the high growth rates in security analyst forecasts for arriving at their cost of equity capital. Instead of rejecting these forecasts, I understand that FERC and other regulatory agencies have decided to compromise with them. In particular, in arriving at the cost of equity for company X, the FERC has decided to arrive at the growth rate in my dividend growth model by using an average of two growth rates. One is security analysts forecast of the short-term growth rate in earnings provided by IBES or Value Line and the other a more long run and typically lower figure such as the past growth in GNP.
>
> Such an average can be questioned on various grounds. However, my judgment is that between the short-term forecast alone and its average with the past growth rate in GNP, *the latter may be a more reasonable figure.*[16] (Emphasis added)

Simply stated, Professor Gordon would temper the typically higher analysts' forecasts with the typically lower GNP growth rate by averaging the two.

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[15] Ibid.

[16] Gordon, M. J. Keynote Address at the 30th Financial Forum of the Society of Utility and Regulatory Financial Analysts. May 8, 1998. Transparency 3.

Q. How does Staff respond to Mr. Bourassa's statement, "Logically, in estimating future growth, financial institutions and analysts have taken into account all relevant historical information on a company as well as other more recent information. To the extent that past results provide useful indications of future growth prospects, analysts' forecasts would already incorporate that information."? (Bourassa's Direct Testimony, Page 29, line 5-9)

A. The appropriate growth rate to use in the DCF formula is the dividend growth rate expected by *investors*, not analysts. Therefore, while analysts may have considered historical measures of growth, it is reasonable to assume that investors rely to some extent on past growth as well. This calls for consideration of both analysts' forecasts as well as past growth.

Q. Does Staff have any comments on Mr. Bourassa's slight reliance on historical DPS growth to estimate DPS growth constant growth DCF estimates?

A. Yes. As previously stated on section V of this testimony, the current market price of a stock is equal to the present value of all expected future dividends, not future earnings. Professor Jeremy Siegel from the Wharton School of Finance stated:

> Note that the price of the stock is always equal to the present value of all future *dividends* and not the present value of future earnings. Earnings not paid to investors can have value only if they are paid as dividends or other cash disbursements at a later date. Valuing stock as the present discounted value of future earnings is manifestly wrong and greatly overstates the value of the firm.[17]

In other words, investors pay attention to earnings as long as they are paid as dividends. Earnings can easily be overstated. If investors do not receive dividends or other cash disbursement at a later date, then such earnings are meaningless. Accordingly, historical

[17] Seigel, Jeremy J. Stocks for the Long Run. 2002. McGraw-Hill. New York. P. 93.

DPS growth should receive appropriate consideration in the estimation of DPS growth component of the DCF cost of equity estimation model.

Q. Does Staff have any comment on data in Mr. Bourassa Schedule D-4.4 which he uses to calculate a DCF dividend growth rate in his Past and Future DCF method?

A. Yes. Schedule D-4.4 presents calculations based on five years of historical data. Using only five years of data could result in significant variances in the outcomes due to a single high or low data point. A larger number of data points, i.e., use of more years, is usually preferable. Also, five years may be too limited to capture a full business cycle, resulting in unnecessary skewing of the outcomes.

Firm-Specific Risk

Q. Mr. Bourassa asserts that the Company "has 2-3 times as much zero-cost capital (advances-in-aid of construction and contributions-in-aid of construction) in its capitalization."[18] He further states "Ultimately, however, both types of zero cost capital have detrimental impacts on the long-term cash flows of the Company. Advanced plant and contributed plant still has to be maintained and eventually has to be replaced. This places additional stress on earnings and increases risk to the Company as the eventual plant replacements will require the Company to raise additional capital to fund the replacements."[19] What is Staff's response?

A. Staff agrees that advanced and contributed plant should be properly maintained; however, these repair and maintenance expenses are included in rates and paid by ratepayers, they are not borne by the Company. Contrary to Mr. Bourassa's assertion, advances and contributions provide many benefits to and are highly sought by utilities. Advances and

[18] Direct Testimony of Thomas J. Bourassa, Rio Rico Sewer Corporation, Docket No. WS-02676A-09-0257, page 18 lines 20-21

[19] Direct Testimony of Thomas J. Bourassa, Rio Rico Sewer Corporation, Docket No. WS-02676A-09-0257, page 19 lines 7-12

contributions allow utilities to postpone seeking capital funds to construct new facilities, and provide long planning horizons for funding replacement plant. Refunding advances is a mechanism allowing a utility to gradually and systematically provide capital funding for plant as revenues permit. Thus, access to zero cost capital via advances and contributions reduces a utility's firm-specific risk.

Q. Does Staff have any comment on Mr. Bourassa's statement that "Arizona water and wastewater utilities face legal constraints that limit their ability to obtain rate relief outside of a general rate case in which the 'fair value' of the utility's property is determined and used to set rates?"[20]

A. Yes. The unique regulatory environments of the sample companies and Rio Rico are firm specific risks for which investors cannot expect compensation. None of Mr. Bourassa's comments demonstrate that Arizona is a less favorable regulatory environment from those of the sample companies. Every regulatory jurisdiction has its own framework with its own specific identifiable advantages and disadvantages; however, it is the overall effect that is relevant. Nothing in Mr. Bourassa's testimony provides this overall perspective. The fact that investors continue to acquire Arizona utilities and invest capital in Arizona utilities debunks the notion that the regulatory environment in Arizona places utilities at some disadvantage. The regulatory framework in Arizona has many attractive attributes including: use of fair value rate base, ability to seek accounting orders, recognition of known and measurable changes, wide use of hook-up fees and regulatory responsiveness to utility industry concerns (e.g., arsenic cost recovery mechanisms and arsenic remedial surcharge mechanisms).

[20] Direct Testimony of Thomas J. Bourassa, Rio Rico Sewer Corporation, Docket No. WS-02676A-09-0257, page 20 lines 14-17

Q. What is Staff's response to Mr. Bourassa's contention that the market data provided by the sample water utilities does not capture all of the market risk associated with Rio Rico due to Arizona regulatory requirements' use of historical test years and limited out of period adjustment recognition?[21]

A. The examples cited by Mr. Bourassa are examples of firm-specific or unique risks. Existence of firm-specific risk does not necessarily indicate that a company has more total risk than others, as all companies have firm-specific risks. Moreover, as previously discussed, the market does not compensate investors for firm-specific risk because it can be eliminated through diversification.

Q. Does Staff have a response to Mr. Bourassa's citation that "in Chapter 7 of Morningstar's Ibbotson SBBI 2009 Valuation Yearbook, for example, Ibbotson reports that when betas are properly estimated, betas are larger for smaller companies than for larger companies"[22]**?**

A. Yes. It is generally understood that smaller companies tend to have higher betas than larger companies due to larger variations in earnings thus making the smaller companies more risky.

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[21] Direct Testimony of Thomas J. Bourassa, Rio Rico Sewer Corporation, Docket No. WS-02676A-09-0257, page 20 lines 21-22

[22] Direct Testimony of Thomas J. Bourassa, Rio Rico Sewer Corporation, Docket No. WS-02676A-09-0257, page 33 lines 2-5

Q. What is Staff's response to Mr. Bourassa's contention that Rio Rico should receive a higher cost of equity estimate because of its smaller size through a "small firm risk premium"[23] and to his assertion that Rio Rico is not comparable to the six publicly traded water utilities in the sample group due to a difference in size?[24]

A. Staff does not agree that Rio Rico should be allowed a small firm risk premium. The Commission has previously ruled that firm size does not warrant recognition of a risk premium. In Decision No. 64282, dated December 28, 2001, for Arizona Water, the Commission stated, "We do not agree with the Company's proposal to assign a risk premium to Arizona Water based on its size relative to other publicly traded water utilities…." In Decision No. 64727, dated April 17, 2002, for Black Mountain Gas, the Commission agreed with Staff that "the 'firm size phenomenon' does not exist for regulated utilities, and that therefore there is no need to adjust for risk for small firm size in utility rate regulation."

X. CONCLUSION

Q. Please summarize Staff's recommendations.

A. Staff recommends that the Commission adopt a capital structure for Rio Rico in this proceeding composed of 0.0 percent debt and 100.0 percent equity.

Staff also recommends that the Commission adopt a 9.2 percent ROR for the Applicant, based on Staff's cost of equity estimates that range from 9.9 percent to 11.0 percent for the sample companies and to reflect a 130 basis point downward financial risk adjustment.

[23] Direct Testimony of Thomas J. Bourassa, Rio Rico Utilities, Inc., Docket No. WS-02676A-09-0257, page 38 lines 15-16

[24] Direct Testimony of Thomas J. Bourassa, Rio Rico Utilities, Inc., Docket No. WS-02676A-09-0257, page 21 lines 11-13

Q. Does this conclude your direct testimony?

A. Yes, it does.

Rio Rico Utilities Cost of Capital Calculation
Capital Structure
And Weighted Average Cost of Capital
Staff Recommended and Company Proposed

[A]	[B]	[C]	[D]
Description	Weight (%)	Cost	Weighted Cost
Staff Recommended Structure			
Debt	0.0%	0.0%	0.0%
Common Equity	100.0%	9.2%	9.2%
Weighted Average Cost of Capital			**9.2%**
Company Proposed Structure			
Debt	0.0%	0.0%	0.0%
Common Equity	100.0%	12.4%	12.4%
Weighted Average Cost of Capital			**12.4%**

[D] : [B] x [C]

Supporting Schedules: JCM-3 and JCM-4.

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Rio Rico Utilities Cost of Capital Calculation
Final Cost of Equity Estimates
Sample Water Utilities

[A]	[B]		[C]		[D]		[E]
DCF Method			D_1/P_0 [1]	+	g [2]	=	k
Constant Growth DCF Estimate			3.7%	+	5.7%	=	9.4%
Multi-Stage DCF Estimate						=	10.3%
Average of DCF Estimates							**9.9%**
CAPM Method	Rf	+	β [5]	x	(Rp)	=	k
Historical Market Risk Premium [3]	3.0%	+	0.80	x	6.9% [6]	=	8.6%
Current Market Risk Premium [4]	4.4%	+	0.80	x	11.1% [7]	=	13.3%
Average of CAPM Estimates							**11.0%**
					Average		**10.5%**
					Financial risk adjustment		-1.3%
					Total		**9.2%**

1 MSN Money and Value Line

2 Schedule JCM-8

3 Risk-free rate (Rf) for 5, 7, and 10 year Treasury rates from the U.S. Treasury Department at www.ustreas.gov

4 Risk-free rate (Rf) for 30 Year Treasury bond rate from the U.S. Treasury Department at www.ustreas.gov

5 Value Line

6 Historical Market Risk Premium (Rp) calculated from Ibbotson Associates SBBI 2009 Yearbook data

7 Testimony

Rio Rico Utilities Cost of Capital Calculation
Average Capital Structure of Sample Water Utilities

[A]	[B]	[C]	[D]
Company	Debt	Common Equity	Total
American States Water	48.4%	51.6%	100.0%
California Water	47.9%	52.1%	100.0%
Aqua America	52.7%	47.3%	100.0%
Connecticut Water	50.7%	49.3%	100.0%
Middlesex Water	53.2%	46.8%	100.0%
SJW Corp	48.6%	51.4%	100.0%
Average Sample Water Utilities	**50.2%**	**49.8%**	**100.0%**
Rio Rico - Actual Capital Structure	**0.0%**	**100.0%**	**100.0%**

Source:
Sample Water Companies from Value Line

Rio Rico Utilities Cost of Capital Calculation
Growth in Earnings and Dividends
Sample Water Utilities

[A]	[B]	[C]	[D]	[E]
Company	Dividends Per Share 1998 to 2008 DPS[1]	Dividends Per Share Projected DPS[1]	Earnings Per Share 1998 to 2008 EPS[1]	Earnings Per Share Projected EPS[1]
American States Water	1.8%	4.6%	3.7%	10.9%
California Water	0.9%	2.8%	2.7%	6.9%
Aqua America	7.0%	5.0%	6.2%	11.4%
Connecticut Water	1.3%	No Projection	1.0%	No Projection
Middlesex Water	2.1%	No Projection	2.9%	No Projection
SJW Corp	5.5%	No Projection	3.0%	No Projection
Average Sample Water Utilities	**3.1%**	**4.1%**	**3.3%**	**9.7%**

1 Value Line

Rio Rico Utilities Cost of Capital Calculation
Sustainable Growth
Sample Water Utilities

[A]	[B]	[C]	[D]	[E]	[F]
Company	Retention Growth **1999 to 2008** br	Retention Growth Projected br	Stock Financing Growth vs	Sustainable Growth **1999 to 2008** br + vs	Sustainable Growth Projected br + vs
American States Water	3.0%	6.4%	1.4%	4.4%	7.8%
California Water	2.0%	6.1%	3.9%	5.9%	10.0%
Aqua America	4.8%	5.7%	3.5%	8.3%	9.2%
Connecticut Water	2.6%	No Projection	0.8%	3.4%	No Projection
Middlesex Water	1.4%	No Projection	2.4%	3.8%	No Projection
SJW Corp	4.5%	No Projection	0.1%	4.6%	No Projection
Average Sample Water Utilities	**3.0%**	**6.1%**	**2.0%**	**5.0%**	**9.0%**

[B]: Value Line
[C]: Value Line
[D]: Value Line and MSN Money
[E]: [B]+[D]
[F]: [C]+[D]

Rio Rico Utilities Cost of Capital Calculation
Selected Financial Data of Sample Water Utilities

[A]	[B]	[C]	[D]	[E]	[F]	[G]
Company	Symbol	Spot Price 11/4/2009	Book Value	Mkt To Book	*Value Line* Beta β	Raw Beta β *raw*
American States Water	AWR	**32.84**	17.75	1.8	**0.80**	0.67
California Water	CWT	**35.75**	20.13	1.8	**0.75**	0.60
Aqua America	WTR	**15.71**	8.22	1.9	**0.65**	0.45
Connecticut Water	CTWS	**22.67**	12.64	1.8	**0.85**	0.75
Middlesex Water	MSEX	**15.58**	10.93	1.4	**0.80**	0.67
SJW Corp	SJW	**21.62**	14.77	1.5	**0.95**	0.90
Average				**1.7**	**0.80**	**0.67**

[C]: Msn Money

[D]: Value Line

[E]: [C] / [D]

[F]: Value Line

[G]: (-0.35 + [F]) / 0.67

Rio Rico Utilities Cost of Capital Calculation
Calculation of Expected Infinite Annual Growth in Dividends
Sample Water Utilities

[A]	[B]
Description	g
DPS Growth - Historical[1]	3.1%
DPS Growth - Projected[1]	4.1%
EPS Growth - Historical[1]	3.3%
EPS Growth - Projected[1]	9.7%
Sustainable Growth - Historical[2]	5.0%
Sustainable Growth - Projected[2]	9.0%
Average	**5.7%**

1 Schedule JCM-5

2 Schedule JCM-6

Rio Rico Utilities Cost of Capital Calculation
Multi-Stage DCF Estimates
Sample Water Utilities

[A]	[B]	[C]	[D]	[E]	[F]	[H]	[I]
Company	Current Mkt. Price (P_o)[1] 11/4/2009	Projected Dividends[2] (Stage 1 growth) (D_t) d_1	d_2	d_3	d_4	Stage 2 growth[3] (g_n)	Equity Cost Estimate (K)[4]
American States Water	32.8	1.06	1.12	1.18	1.25	6.7%	9.8%
California Water	35.8	1.23	1.30	1.37	1.45	6.7%	10.0%
Aqua America	15.7	0.57	0.60	0.64	0.67	6.7%	10.2%
Connecticut Water	22.7	0.92	0.98	1.03	1.09	6.7%	10.7%
Middlesex Water	15.6	0.75	0.79	0.84	0.89	6.7%	11.4%
SJW Corp	21.6	0.69	0.73	0.77	0.81	6.7%	9.8%

Average **10.3%**

$$P_0 = \sum_{t=1}^{n} \frac{D_t}{(1+K)^t} + \frac{D_n(1+g_n)}{K-g_n}\left[\frac{1}{(1+K)}\right]^n$$

Where : P_0 = current stock price

D_t = dividends expected during stage 1

K = cost of equity

n = years of non – constant growth

D_n = dividend expected in year n

g_n = constant rate of growth expected after year n

1 [B] see Schedule JCM-7

2 Derived from Value Line Information

3 Average annual growth in GDP 1929 - 2008 in current dollars.

4 Internal Rate of Return of Projected Dividends

EXHIBIT
S14
ADMITTED

BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION OF RIO RICO UTILITIES, INC., 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. WS-02676A-09-0257

SURREBUTTAL

TESTIMONY

OF

JUAN C. MANRIQUE

PUBLIC UTILITIES ANALYST I

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

MARCH 2, 2010

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EXECUTIVE SUMMARY
RIO RICO UTILITIES, INC.
DOCKET NO. WS-02676A-09-0257

The Surrebuttal Testimony of Staff witness Juan C. Manrique addresses the following issues:

Capital Structure – Staff recommends that the Commission adopt a capital structure for Rio Rico Utilities, Inc. ("Rio Rico" or "Applicant") for this proceeding consisting of 0.0 percent debt and 100.0 percent equity.

Cost of Equity – Staff recommends that the Commission adopt a 9.2 percent return on equity ("ROE") for the Applicant. Staff's estimated ROE for the Applicant is based on cost of equity estimates for the sample companies ranging from 9.9 percent for the discounted cash flow method ("DCF") to 10.6 percent for the capital asset pricing model ("CAPM"). Staff's ROE recommendation includes a 1.1 percent downward adjustment to reflect a lower financial risk in the Applicant's capital structure compared to that of the sample companies.

Overall Rate of Return – Staff recommends that the Commission adopt an overall rate of return ("ROR") of 9.2 percent.

Response to the Rebuttal Testimony of Applicant's witness Mr. Thomas J. Bourassa - The Commission should reject the Company's proposals to allow for a firm size adjustment, to selectively eliminate inputs in Staff's cost of equity estimation method with unfavorable outputs to create an unbalanced cost of equity estimation method and skewed result, and to rely heavily on analysts' forecasts for DCF estimates.

I. INTRODUCTION

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

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

Q. Are you the same Juan C. Manrique who filed direct testimony in this case?

A. Yes, I am.

Q. What is the purpose of your Surrebuttal Testimony in this rate proceeding?

A. The purpose of my Surrebuttal Testimony in this rate proceeding is to report on Staff's updated cost of capital analysis with its recommendations regarding Rio Rico Utilities, Inc.'s ("Rio Rico" or "Applicant") cost of capital and to respond to the cost of capital portion of the rebuttal testimony of Rio Rico's witness Mr. Thomas J. Bourassa ("Mr. Bourassa's Rebuttal").

Q. Please explain how Staff's Surrebuttal Testimony for cost of capital is organized.

A. Staff's surrebuttal testimony for cost of capital is presented in four sections. Section I is this introduction. Section II discusses Staff's updated cost of capital analysis. Section III presents Staff's comments on Mr. Bourassa's rebuttal testimony. Lastly, Section IV presents Staff's recommendations.

II. COST OF EQUITY AND OVERALL RATE OF RETURN

Q. Did Staff update its analysis concerning the Applicant's cost of equity ("COE") since it filed its Direct Testimony?

A. Yes. Staff updated its analysis to include the most updated data available.

Q. What is Staff's updated COE?

A. Staff's updated COE is 9.2 percent. In Staff's direct testimony, the COE was also 9.2 percent.

Q. What is Staff recommending for Rio Rico's COE?

A. Staff is recommending a COE of 9.2 percent derived from its updated cost of equity estimated range from 9.9 percent to 10.6 percent with a downward financial risk adjustment of 110 basis points (1.1 percent).

Q. Did Staff update its analysis concerning the Applicant's overall rate of return?

A. Yes.

Q. What is Staff's updated overall rate of return?

A. Staff's updated overall rate of return remains 9.2 percent.

Q. What is Staff recommending for Rio Rico's overall rate of return?

A. Staff is recommending an overall rate of return of 9.2 percent. Staff's recommendation is based on a COE of 9.2 percent and a capital structure of 100.0 percent equity and 0.0 percent debt, as shown in Surrebuttal Schedule JCM-1.

III. RESPONSE TO THE REBUTTAL TESTIMONY OF THE APPLICANT'S COST OF CAPITAL WITNESS

Mr. Bourassa's Rebuttal

Q. What is Staff's response to Mr. Bourassa's criticism of Staff's use of the Hamada risk adjustment on book value of equity since Professor Hamada developed his method using market values?[1]

A. Staff acknowledges that the Hamada methodology was developed using market values of equity for estimating a financial risk adjustment. However, Staff believes that the use of book values to estimate a financial risk adjustment is prudent and reasonable in a regulatory environment.

Q. Mr. Bourassa addresses a list "of the alleged 'attractive attributes' Mr. Manrique has identified," then proceeds to argue the merits of each one listed.[2] Does Staff have a response to these arguments?

A. Yes. Mr. Bourassa chose to cherry-pick certain aspects of other regulatory environments to dismiss the examples given in Staff's direct testimony of attractive attributes of Arizona ratemaking regulation. These arguments ignore the central tenet of Staff's argument:

> The unique regulatory environments of the sample companies and Rio Rico are *firm-specific risks* for which investors cannot expect compensation. None of Mr. Bourassa's comments demonstrate that Arizona is a less favorable regulatory environment from those of the sample companies. Every regulatory jurisdiction has its own framework with its own specific identifiable advantages and disadvantages; however, it is the overall effect that is relevant.[3]

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[1] Mr. Bourassa's Rebuttal, page 9.
[2] Mr. Bourassa's Rebuttal, pages 14-20
[3] Manrique Direct, page 41, lines 19-24

In other words, regulatory risk is a firm-specific risk whether it is in Arizona or another state. Investors cannot expect to be compensated for firm-specific risks as these can be diversified away.

Q. Does Staff have a response to Mr. Bourassa's assertion that "Again, if analysts' estimates already consider past growth, then Staff vastly overstates the impact of past growth rates in its DCF model."[4]?

A. Yes. Mr. Bourassa makes this assertion as if the *only* factor investors look at is analysts' growth rates. Investors do rely on analysts' forecasts as one factor in investment decisions; however, other factors such as historical data also factor into investors' investment decisions.

IV. STAFF RECOMMENDATIONS

Q. What are Staff's recommendations for Rio Rico's cost of capital?

A. Staff makes the following recommendations for Rio Rico's cost of capital:

1. Staff recommends a capital structure of 0.0 percent debt and 100.0 percent equity.
2. Staff recommends a cost of debt of 0.0 percent.
3. Staff recommends a cost of equity of 9.2 percent.
4. Staff recommends an overall rate of return of 9.2 percent.

Q. Does this conclude your testimony?

A. Yes, it does.

[4] Mr. Bourassa's Rebuttal, page 24, lines 12-14

Rio Rico Utilities Cost of Capital Calculation
Capital Structure
And Weighted Average Cost of Capital
Staff Recommended and Company Proposed

[A]	[B]	[C]	[D]
Description	Weight (%)	Cost	Weighted Cost
Staff Recommended Structure			
Debt	0.0%	0.0%	0.0%
Common Equity	100.0%	9.2%	9.2%
Weighted Average Cost of Capital			**9.2%**
Company Proposed Structure			
Debt	0.0%	0.0%	0.0%
Common Equity	100.0%	12.4%	12.4%
Weighted Average Cost of Capital			**12.4%**

[D] : [B] x [C]

Supporting Schedules: JCM-3 and JCM-4.

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Rio Rico Utilities Cost of Capital Calculation
Final Cost of Equity Estimates
Sample Water Utilities

[A]	[B]		[C]		[D]		[E]
DCF Method			D_1/P_0 [1]	+	g [2]	=	k
Constant Growth DCF Estimate			3.7%	+	5.7%	=	9.4%
Multi-Stage DCF Estimate						=	10.3%
Average of DCF Estimates							**9.9%**
CAPM Method	Rf	+	β [5]	x	(Rp)	=	k
Historical Market Risk Premium[3]	3.1%	+	0.79	x	6.9% [6]	=	8.6%
Current Market Risk Premium[4]	4.7%	+	0.79	x	10.0% [7]	=	12.6%
Average of CAPM Estimates							**10.6%**
					Average		**10.3%**
					Financial risk adjustment		-1.1%
					Total		**9.2%**

1 MSN Money and Value Line

2 Schedule JCM-8

3 Risk-free rate (Rf) for 5, 7, and 10 year Treasury rates from the U.S. Treasury Department at www.ustreas.gov

4 Risk-free rate (Rf) for 30 Year Treasury bond rate from the U.S. Treasury Department at www.ustreas.gov

5 Value Line

6 Historical Market Risk Premium (Rp) calculated from Ibbotson Associates SBBI 2009 Yearbook data

7 Testimony

Rio Rico Utilities Cost of Capital Calculation
Average Capital Structure of Sample Water Utilities

[A]	[B]	[C]	[D]
Company	Debt	Common Equity	Total
American States Water	50.2%	49.8%	100.0%
California Water	47.4%	52.6%	100.0%
Aqua America	53.6%	46.4%	100.0%
Connecticut Water	53.3%	46.7%	100.0%
Middlesex Water	53.0%	47.0%	100.0%
SJW Corp	48.3%	51.7%	100.0%
Average Sample Water Utilities	**51.0%**	**49.0%**	**100.0%**
Rio Rico - Actual Capital Structure	**0.0%**	**100.0%**	**100.0%**

Source:
Sample Water Companies from Value Line

Rio Rico Utilities Cost of Capital Calculation
Growth in Earnings and Dividends
Sample Water Utilities

[A]	[B]	[C]	[D]	[E]
Company	Dividends Per Share 1998 to 2008 DPS[1]	Dividends Per Share Projected DPS[1]	Earnings Per Share 1998 to 2008 EPS[1]	Earnings Per Share Projected EPS[1]
American States Water	1.8%	4.6%	3.7%	10.9%
California Water	0.9%	2.8%	2.7%	6.9%
Aqua America	7.0%	5.0%	6.2%	11.4%
Connecticut Water	1.3%	No Projection	1.0%	No Projection
Middlesex Water	2.1%	No Projection	2.9%	No Projection
SJW Corp	5.5%	No Projection	3.0%	No Projection
Average Sample Water Utilities	**3.1%**	**4.1%**	**3.3%**	**9.7%**

1 Value Line

Rio Rico Utilities Cost of Capital Calculation
Sustainable Growth
Sample Water Utilities

[A]	[B]	[C]	[D]	[E]	[F]
Company	Retention Growth 1999 to 2008 br	Retention Growth Projected br	Stock Financing Growth vs	Sustainable Growth 1999 to 2008 br + vs	Sustainable Growth Projected br + vs
American States Water	3.0%	6.4%	1.3%	4.3%	7.7%
California Water	2.0%	6.0%	3.8%	5.8%	9.8%
Aqua America	5.2%	5.7%	3.7%	8.9%	9.4%
Connecticut Water	2.6%	No Projection	0.8%	3.4%	No Projection
Middlesex Water	1.4%	No Projection	2.7%	4.1%	No Projection
SJW Corp	4.5%	No Projection	0.1%	4.6%	No Projection
Average Sample Water Utilities	**3.1%**	**6.0%**	**2.0%**	**5.2%**	**9.0%**

[B]: Value Line
[C]: Value Line
[D]: Value Line and MSN Money
[E]: [B]+[D]
[F]: [C]+[D]

Rio Rico Utilities Cost of Capital Calculation
Selected Financial Data of Sample Water Utilities

[A]	[B]	[C]	[D]	[E]	[F]	[G]
Company	Symbol	Spot Price 2/10/2010	Book Value	Mkt To Book	*Value Line* Beta β	Raw Beta β *raw*
American States Water	AWR	**31.76**	17.90	1.8	**0.80**	0.67
California Water	CWT	**35.59**	20.39	1.7	**0.75**	0.60
Aqua America	WTR	**16.8**	8.36	2.0	**0.65**	0.45
Connecticut Water	CTWS	**22.21**	12.74	1.7	**0.80**	0.67
Middlesex Water	MSEX	**16.52**	11.08	1.5	**0.80**	0.67
SJW Corp	SJW	**21.84**	15.03	1.5	**0.95**	0.90
Average				**1.7**	**0.79**	**0.66**

[C]: Msn Money

[D]: Value Line

[E]: [C] / [D]

[F]: Value Line

[G]: (-0.35 + [F]) / 0.67

Rio Rico Utilities Cost of Capital Calculation
Calculation of Expected Infinite Annual Growth in Dividends
Sample Water Utilities

[A] Description	[B] g
DPS Growth - Historical[1]	3.1%
DPS Growth - Projected[1]	4.1%
EPS Growth - Historical[1]	3.3%
EPS Growth - Projected[1]	9.7%
Sustainable Growth - Historical[2]	5.2%
Sustainable Growth - Projected[2]	9.0%
Average	5.7%

1 Schedule JCM-5
2 Schedule JCM-6

Rio Rico Utilities Cost of Capital Calculation
Multi-Stage DCF Estimates
Sample Water Utilities

[A]	[B]	[C]	[D]	[E]	[F]	[H]	[I]
Company	Current Mkt. Price (P_o)[1] 2/10/2010	Projected Dividends[2] (Stage 1 growth) (D_t) d_1	d_2	d_3	d_4	Stage 2 growth[3] (g_n)	Equity Cost Estimate (K)[4]
American States Water	31.8	1.08	1.15	1.21	1.28	6.7%	10.0%
California Water	35.6	1.25	1.32	1.39	1.47	6.7%	10.1%
Aqua America	16.8	0.60	0.64	0.68	0.72	6.7%	10.2%
Connecticut Water	22.2	0.94	0.99	1.05	1.11	6.7%	10.8%
Middlesex Water	16.5	0.75	0.79	0.84	0.89	6.7%	11.1%
SJW Corp	21.8	0.70	0.74	0.78	0.82	6.7%	9.8%

Average **10.3%**

$$P_0 = \sum_{t=1}^{n} \frac{D_t}{(1+K)^t} + \frac{D_n(1+g_n)}{K-g_n}\left[\frac{1}{(1+K)}\right]^n$$

Where : P_0 = current stock price
D_t = dividends expected during stage 1
K = cost of equity
n = years of non – constant growth
D_n = dividend expected in year n
g_n = constant rate of growth expected after year n

1 [B] see Schedule JCM-7
2 Derived from Value Line Information
3 Average annual growth in GDP 1929 - 2008 in current dollars.
4 Internal Rate of Return of Projected Dividends