ORIGINAL

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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCKET CONTROL

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

IN THE MATTER OF THE APPLICATION OF CORONADO 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 BASED THEREON.

DOCKET NO. SW-04305A-09-0291

STAFF'S NOTICE OF FILING FINAL SCHEDULES

The Staff of the Arizona Corporation Commission ("Staff") hereby files its final schedules in the above-referenced matter.

RESPECTFULLY SUBMITTED this 17th day of May, 2010.

Ayesha Vohra, Attorney
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

Original and thirteen (13) copies of the foregoing filed this 17th day of May, 2010 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
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MAY 17 2010
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Copies of the foregoing mailed this 17th day of May, 2010 to:

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3003 North Central Avenue
Phoenix, Arizona 85012
Attorneys for Coronado Utilities, Inc.

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Coronado Utilities, Inc.
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CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
Test Year ended December 31, 2008

FINAL SCHEDULES OF Gary T. McMurry

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CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
Test Year ended December 31, 2008

Final Schedule GTM-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	$ 3,536,648	$ 3,536,648	$ 3,531,742	$ 3,531,742
2	Adjusted Operating Income (Loss)	$ 154,497	$ 154,497	$ 168,209	$ 168,209
3	Current Rate of Return (L2 / L1)	4.37%	4.37%	4.76%	4.76%
4	Required Rate of Return	7.36%	7.36%	7.36%	7.36%
5	Required Operating Income (L4* L1)	$ 260,297	$ 260,297	$ 259,936	$ 259,936
6	Operating Income Deficiency (L5 - L2)	$ 105,800	$ 105,800	$ 91,727	$ 91,727
7	Gross Revenue Conversion Factor	1.4792	1.4792	1.5396	1.5396
8	Required Revenue Increase (L7 * L6)	$ 156,498	$ 156,498	**$ 141,223**	**$ 141,223**
9	Adjusted Test Year Revenue	$ 868,904	$ 868,904	$ 868,904	$ 868,904
10	Proposed Annual Revenue (L8 + L9)	$ 1,025,401	$ 1,025,401	$ 1,010,127	$ 1,010,127
11	Required Increase in Revenue (%)	18.01%	18.01%	16.25%	16.25%
12	Rate of Return on Common Equity (%)	14.00%	14.00%	10.50%	10.50%

References:
Column (A): Company Schedule B-1
Column (B): Company Schedules A-1, A-2, & D-1
Column (C): Staff Schedule GTM-2 , GTM-3 & GTM-7
Column (D): Staff Schedule GTM-2 , GTM-3 & GTM-7

CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
Test Year ended December 31, 2008

Final Schedule GTM-2

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)
	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 Tax Rate (Line 17) + Property Tax Rate (Line 23)	35.0479%			
5	Subtotal (L3 - L4)	64.9521%			
6	**Revenue Conversion Factor (L1 / L5)**	1.539596735			
	Calculation of Uncollectible Factor:				
7	Unity	100.0000%			
8	Combined Federal and State Tax Rate (Line 17)	33.6840%			
9	One Minus Combined Income Tax Rate (L7 - L8)	66.3160%			
10	Uncollectible Rate	0.0000%			
11	Uncollectible Factor (L9 * L10)	0			
	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 53)	28.7170%			
16	Effective Federal Income Tax Rate (L14 x L15)	26.7160%			
17	Combined Federal and State Income Tax Rate (L13 +L16)	33.6840%			
	Calculation of Effective Property Tax Factor				
18	Unity	100.0000%			
19	Combined Federal and State Tax Rate (Line 17)	33.6840%			
20	One Minus Combined Income Tax Rate (L18 - L19)	66.3160%			
21	Property Tax Factor (GTM-11, L24)	2.0567%			
22	Effective Property Tax Factor (L 20* L 21)	1.3639%			
23	Combined Federal and State Tax and Property Tax Rate (L17+L22)		35.0479%		
24	Required Operating Income (Schedule GTM-1, Line 5)	$ 259,936			
25	AdjustedTest Year Operating Income (Loss) (Schedule GTM-7, Line 34)	$ 168,209			
26	Required Increase in Operating Income (L24 - L25)		$ 91,727		
27	Income Taxes on Recommended Revenue (Col. (D), L52)	$ 49,888			
28	Income Taxes on Test Year Revenue (Col. (B), L52)	$ 3,296			
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		$ 46,591		
30	Recommended Revenue Requirement (Schedule GTM-1, Line 10)	$ 1,010,127			
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. (L32 - L33)		$ -		
35	Property Tax with Recommended Revenue (GTM-11, L19)	$ 56,516			
36	Property Tax on Test Year Revenue (GTM-11, L 16)	$ 53,612			
37	Increase in Property Tax Due to Increase in Revenue (GTM-11, L22)		$ 2,905		
38	Total Required Increase in Revenue (L26 + L29 + L34+L37)		$ 141,223		
	Calculation of Income Tax:	Test Year		STAFF Recommended	
39	Revenue (Schedule GTM-7, Col.[C], Line 5 & Sch. GTM-1, Col. [B], Line 10)	$ 868,904		$ 1,010,127	
40	Operating Expenses Excluding Income Taxes	$ 697,398		$ 700,303	
41	Synchronized Interest (L56)	$ 155,750		$ 155,750	
42	Arizona Taxable Income (L39 - L40- L41)	$ 15,755		$ 154,074	
43	Arizona State Income Tax Rate	6.9680%		6.9680%	
44	Arizona Income Tax (L42 x L43)		$ 1,098		$ 10,736
45	Federal Taxable Income (L42 - L44)	$ 14,658		$ 143,338	
46	Federal Tax on First Income Bracket ($1 - $50,000) @ 15%	$ 2,199		$ 7,500	
47	Federal Tax on Second Income Bracket ($50,001 - $75,000) @ 25%	$ -		$ 6,250	
48	Federal Tax on Third Income Bracket ($75,001 - $100,000) @ 34%	$ -		$ 8,500	
49	Federal Tax on Fourth Income Bracket ($100,001 - $335,000) @ 39%	$ -		$ 16,902	
50	Federal Tax on Fifth Income Bracket ($335,001 -$10,000,000) @ 34%	$ -		$ -	
51	Total Federal Income Tax		$ 2,199		$ 39,152
52	Combined Federal and State Income Tax (L44 + L51)		$ 3,296		$ 49,888
53	Applicable Federal Income Tax Rate [Col. (D), L51 - Col. (B), L51] / [Col. (C), L45 - Col. (A), L45]				28.72%
	Calculation of Interest Synchronization:				
54	Rate Base (Schedule GTM-3, Col. [C], Line (14))	$ 3,531,742			
55	Weighted Average Cost of Debt (Schedule C-2, p 14)	4.41%			
56	Synchronized Interest (L45 X L46)	$ 155,750			

CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
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Final Schedule GTM-3

RATE BASE - ORIGINAL COST

LINE NO.		(A) COMPANY AS FILED	(B) STAFF ADJUSTMENTS	REF	(C) STAFF AS ADJUSTED
1	Plant in Service	$ 4,428,471	$ -		$ 4,428,471
2	Less: Accumulated Depreciation	398,932	7,225		406,157
3	Net Plant in Service	$ 4,029,539	$ (7,225)		$ 4,022,314
	LESS:				
4	Contributions in Aid of Construction (CIAC)	$ 603,201	$ -		$ 603,201
5	Less: Accumulated Amortization	9,755	-		9,755
6	Net CIAC	$ 593,446	$ -		$ 593,446
7	Advances in Aid of Construction (AIAC)	-	-		-
8	Customer Deposits	19,809	-		19,809
9	Deferred Income Tax Credits	-	-		-
	ADD:				
10	Unamortized Finance Charges	82,938	-		82,938
11	Deferred Income Tax Debits	37,425	2,319		39,744
12	Working Capital	-	-		-
13	Rounding	1	-		1
14	**Original Cost Rate Base**	$ 3,536,648	$ (4,906)		$ 3,531,742

References:
Column (A), Company Schedule B-1 , GTM-4
Column [B]: Column [C] - Column [A]
Column [C], Staff Adjusted Total Col.

CORONADO UTILITIES, INC.
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Final Schedule GTM-4

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	Deferred Taxes GTM-5 [B] ADJ #1	Accumulated Depreciation GTM-6 [C] ADJ #2	[D] ADJ #	[E] ADJ #	[F] ADJ #	[G] STAFF ADJUSTED
	PLANT IN SERVICE:								
1	351	Organization Cost	$ 5,194	$ -	$ -	$ -	$ -	$ -	$ 5,194
2	352	Franchise Cost	-	-	-	-	-	-	-
3	353	Land and Land Rights	315,001	-	-	-	-	-	315,001
4	354	Structures and Improvements	1,858	-	-	-	-	-	1,858
5	355	Power Generation Equipment	-	-	-	-	-	-	-
6	360	Collection Sewer Forced	-	-	-	-	-	-	-
7	361	Collection Sewer Gravity	59,350	-	-	-	-	-	59,350
8	362	Special Collecting Structures	1,576	-	-	-	-	-	1,576
9	363	Customer Services	-	-	-	-	-	-	-
10	364	Flow Measuring Devices	-	-	-	-	-	-	-
11	365	Flow Measuring Installation	-	-	-	-	-	-	-
12	366	Reuse Services	-	-	-	-	-	-	-
13	367	Reuse Meters and Installation	-	-	-	-	-	-	-
14	370	Receiving Wells	16,133	-	-	-	-	-	16,133
15	371	Pumping Equipment	15,223	-	-	-	-	-	15,223
16	374	Resue Distribution Reservoirs	-	-	-	-	-	-	-
17	375	Reuse Transmission & Distrib. System	-	-	-	-	-	-	-
18	380	Treatment & Disposal Equipment	3,243,375	-	-	-	-	-	3,243,375
19	381	Plant Sewers	-	-	-	-	-	-	-
20	382	Outfall Sewer Lines	540,205	-	-	-	-	-	540,205
21	389	Other Sewer Plant & Equipment	178,135	-	-	-	-	-	178,135
22	390	Office Furniture and Equipment	-	-	-	-	-	-	-
23	390.1	Computers and Software	-	-	-	-	-	-	-
24	391	Transportation Equipment	-	-	-	-	-	-	-
25	392	Stores Equipment	-	-	-	-	-	-	-
26	393	Tools, Shop and Garage Equipment	-	-	-	-	-	-	-
27	394	Laboratory Equipment	-	-	-	-	-	-	-
28	396	Communication Equipment	-	-	-	-	-	-	-
29	398	Other Tangible Plant	52,423	-	-	-	-	-	52,423
30		Rounding	(2)	-	-	-	-	-	(2)
31		Subtotal Plant in Service	$ 4,428,471	$ -	$ -	$ -	$ -	$ -	$ 4,428,471
32									
33	Add:								
34	Other 1	Construction Work in Progress	-	-	-	-	-	-	-
35	Other 2	General Office Plant Allocation	-	-	-	-	-	-	-
36	Less:								
37	Other 3	Post Test Year Plant	-	-	-	-	-	-	-
38	Other 4	General Office Plant Allocation	-	-	-	-	-	-	-
39									
40	Total Plant in Service:		$ 4,428,471	$ -	$ -	$ -	$ -	$ -	$ 4,428,471
41	Less: Accumulated Depreciation		398,932	-	7,225	-	-	-	$ 406,157
42		Intentionally Left Blank	-	-	-	-	-	-	-
43	Net Plant in Service (L59 - L 60)		$ 4,029,539	$ -	$ (7,225)	$ -	$ -	$ -	$ 4,022,314
44									
45	*LESS:*								
46	Contributions in Aid of Construction (CIAC)		$ 603,201	$ -	$ -	$ -	$ -	$ -	603,201
47	Less: Accumulated Amortization		9,755	-	-	-	-	-	9,755
48	Net CIAC (L25 - L26)		$ 593,446	$ -	$ -	$ -	$ -	$ -	593,446
49	Advances in Aid of Construction (AIAC)		-	-	-	-	-	-	-
50	Customer Deposits		19,809	-	-	-	-	-	19,809
51	Deferred Income Tax Credits		-	-	-	-	-	-	-
52									
53	*ADD:*								
54	Unamortized Finance Charges		82,938	-	-	-	-	-	82,938
55	Deferred Income Tax Debits		37,425	2,319	-	-	-	-	39,744
56	Working Capital		-	-	-	-	-	-	-
57	Rounding		1	-	-	-	-	-	1
58	**Original Cost Rate Base**		$ 3,536,648	$ 2,319	$ (7,225)	$ -	$ -	$ -	$ 3,531,742

References:
Column [A] Schedule B-2

CORONADO UTILITIES, INC.
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Final Schedule GTM-5

ORIGINAL COST RATE BASE ADJUSTMENT # 1 - DEFERRED TAXES

Line No.	Account Number	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Deferred Income Tax Debits	$ 37,425	$ 2,319	$ 39,744

References:
Col [A]: Company Schedule B-1
Col [B]: GTM Testimony
Col [C]: Col. [A] + Col. [B]

CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
Test Year ended December 31, 2008

Final Schedule GTM-6

ORIGINAL COST RATE BASE ADJUSTMENT # 2 - ACCUMULATED DEPRECIATION

LINE NO.	Account Number	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1		Accumulated Depreciation	$ 398,932	$ 7,225	$ 406,157

			Rate used by Company	Rate approved by Commission (Dec. No. 68608)
2	371	Pumping Equipment	12.50%	10.00%
3	382	Outfall Sewer Lines	3.33%	4.00%

			Expensed by Company	Approved Depreciation Charge	Accumulated Depreciation
4	371	Pumping Equipment	951	761	(190)
5	382	Outfall Sewer Lines	36,854	44,269	7,415
6		Increase to Accumulated Depreciation			7,225

References:
Col [A]: Company Schedule B-1
Col [B]: GTM Testimony
Col [C]: Col. [A] + Col. [B]

CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
Test Year ended December 31, 2008

Final Schedule GTM-7

OPERATING INCOME STATEMENT - ADJUSTED TEST YEAR AND STAFF RECOMMENDED

LINE NO.	DESCRIPTION	[A] COMPANY ADJUSTED TEST YEAR AS FILED	[B] STAFF TEST YEAR ADJUSTMENTS	[C] STAFF TEST YEAR AS ADJUSTED	[D] STAFF PROPOSED CHANGES	[E] STAFF RECOMMENDED
1	*OPERATING REVENUES:*					
2	Flat Rate Revenues	$ 710,657	$ (14,626)	$ 696,031	$ 134,561	$ 830,592
3	Measured Revenues	157,655	-	157,655	6,662	164,317
4	Other Waste Water Revenues	15,218	-	15,218	-	15,218
5	**Total Operating Revenues**	$ 883,530	$ (14,626)	$ 868,904	$ 141,223	$ 1,010,127
6						
7	*OPERATING EXPENSES:*					
8	Salaries and Wages	$ 52,500	$ -	$ 52,500	$ -	$ 52,500
9	Purchased Wastewater Treatment	-	-	-	-	-
10	Sludge Removal Expenses	-	-	-	-	-
11	Purchased Power	54,218	-	54,218	-	54,218
12	Fuel for Power Production	-	-	-	-	-
13	Chemicals	27,790	-	27,790	-	27,790
14	Material and Supplies	2,978	-	2,978	-	2,978
15	Contractual Services	141,386	-	141,386	-	141,386
16	Contractual Services - Testing	3,676	-	3,676	-	3,676
17	Contractual Services - other	41,341	-	41,341	-	41,341
18	Equipment Rental	-	-	-	-	-
19	Rents - Building	-	-	-	-	-
20	Transportation Expenses	209	-	209	-	209
21	Insurance - General Liability	11,066	-	11,066	-	11,066
22	Insurance - Other	-	-	-	-	-
23	Regulatory Expenses	3,505	-	3,505	-	3,505
24	Regulatory Commission Expense	58,333	-	58,333	-	58,333
25	Miscellaneous Expense	37,081	-	37,081	-	37,081
26	Bad Debt Expense	46,313	(27,881)	18,432	-	18,432
27	Depreciation and Amortization	186,095	(344)	185,751	-	185,751
28	Taxes other than Income	5,521	-	5,521	-	5,521
29	Property Taxes	57,733	(4,121)	53,612	2,905	56,516
30	Income Tax	(711)	4,007	3,296	46,591	49,888
31	Rounding	(1)	1	-	-	-
32	**Total Operating Expenses**	$ 729,033	$ (28,338)	$ 700,695	$ 49,496	$ 750,191
33						
34	**Operating Income**	154,497	13,712	168,209	91,727	259,936

References:
Column [A]: Company Schedule C-1
Column [B]: Schedule GTM-8
Column [C]: Column [A] + Column [B]
Column [D]: Schedules GTM-1 and GTM-2
Column [E]: Column [C] + Column [D]

CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
Test Year ended December 31, 2008

Final Schedule GTM-8

SUMMARY OF OPERATING INCOME STATEMENT ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	Normalize Bad Debt Expense [B] ADJ #1	Depreciation Expense [C] ADJ #2	Property Taxes [D] ADJ #3	Income Taxes [E] ADJ #4	Moblile Home Park Annualization [F] ADJ #5	[H] STAFF ADJUSTED
1	*Operating Revenues:*							
2	Flat Rate Revenues	$ 710,657	$ -	$ -	$ -	$ -	$ (14,626)	$ 696,031
3	Measured Revenues	157,655	-	-	-	-	-	157,655
4	Other Waste Water Revenues	15,218	-	-	-	-	-	15,218
5	Total Operating Revenues	$ 883,530	$ -	$ -	$ -	$ -	$ (14,626)	$ 868,904
6								
7	*Operating Expenses:*							
8	Salaries and Wages	$ 52,500	$ -	$ -	$ -	$ -	$ -	52,500
9	Purchased Wastewater Treatment	-	-	-	-	-	-	-
10	Sludge Removal Expenses	-	-	-	-	-	-	-
11	Purchased Power	54,218	-	-	-	-	-	54,218
12	Fuel for Power Production	-	-	-	-	-	-	-
13	Chemicals	27,790	-	-	-	-	-	27,790
14	Material and Supplies	2,978	-	-	-	-	-	2,978
15	Contractual Services	141,386	-	-	-	-	-	141,386
16	Contractual Services - Testing	3,676	-	-	-	-	-	3,676
17	Contractual Services - other	41,341	-	-	-	-	-	41,341
18	Equipment Rental	-	-	-	-	-	-	-
19	Rents - Building	-	-	-	-	-	-	-
20	Transportation Expenses	209	-	-	-	-	-	209
21	Insurance - General Liability	11,066	-	-	-	-	-	11,066
22	Insurance - Other	-	-	-	-	-	-	-
23	Regulatory Expenses	3,505	-	-	-	-	-	3,505
24	Regulatory Commission Expense	58,333	-	-	-	-	-	58,333
25	Miscellaneous Expense	37,081	-	-	-	-	-	37,081
	Bad Debt Expense	46,313	(27,881)	-	-	-	-	18,432
26	Depreciation and Amortization	186,095	-	(344)	-	-	-	185,751
27	Taxes other than Income	5,521	-	-	-	-	-	5,521
28	Property Taxes	57,733	-	-	(4,121)	-	-	53,612
29	Income Tax	(711)	-	-	-	4,007	-	3,296
	Rounding	(1)						
30	Total Operating Expenses	$ 729,033	$ (27,881)	$ (344)	$ (4,121)	$ 4,007	$ -	$ 700,695
	Operating Income	$ 154,497	$ 27,881	$ 344	$ 4,121	$ (4,007)	$ (14,626)	$ 168,209

References:
Column [A]: Company Schedule C-1

CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
Test Year ended December 31, 2008

Final Schedule GTM-9

OPERATING INCOME ADJUSTMENT # 1 - NORMALIZE BAD DEBT EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Bad Debt Expense	$ 46,313	$ (27,881)	$ 18,432

	Bad Debt Expense	
2	2006	$ 3,483
3	2007	5,500
4	2008	46,312
5	Total	$ 55,295
		3
6	Normalized Amount	$ 18,432

References:
Col [A]: Company Schedeule C-1 Page 3
Col [B]: GTM Testimony
Col [C]: Col. [A] + Col. [B]

CORONADO UTILITIES, INC.
Docket No. SW-04305A-09-0291
Test Year ended December 31, 2008

Final Schedule GTM-10

OPERATING INCOME ADJUSTMENT # 2 - DEPRECIATION EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Operating Income	$ 186,095	$ (344)	$ 185,751

OPERATING INCOME ADJUSTMENT # - DEPRECIATION EXPENSE

Line No.	ACCT NO.	DESCRIPTION	[A] Company Proposed PLANT IN SERVICE BALANCE	[B] STAFF DEPR. PLANT BALANCE	[C] STAFF RECOMMENDED RATE	[D] STAFF RECOMMENDED EXPENSE
	Plant In Service					
2	351	Organization Cost	$ 5,194	5,194	0.00%	$ -
3	352	Franchise Cost	-	-	0.00%	-
4	353	Land and Land Rights	315,001	315,001	0.00%	-
5	354	Structures and Improvements	1,858	1,858	3.33%	62
6	355	Power Generation Equipment	-	-	5.00%	-
7	360	Collection Sewer Forced	-	-	2.00%	-
8	361	Collection Sewer Gravity	59,350	59,350	2.00%	1,187
9	362	*Special Collecting Structures*	1,576	1,576	2.00%	32
10	363	Customer Services	-	-	2.00%	-
11	364	Flow Measuring Devices	-	-	10.00%	-
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	16,133	16,133	3.33%	537
16	371	Pumping Equipment	15,223	15,223	12.50%	1,903
17	374	Resue Distribution Reservoirs	-	-	2.50%	-
18	375	Reuse Transmission & Distrib. System	-	-	2.50%	-
19	380	Treatment & Disposal Equipment	3,243,375	3,243,375	5.00%	162,169
20	381	Plant Sewers	-	-	5.00%	-
21	382	Outfall Sewer Lines	540,205	540,205	3.33%	17,989
22	389	Other Sewer Plant & Equipment	178,135	178,135	6.67%	11,882
23	390	Office Furniture and Equipment	-	-	6.67%	-
24	390	Computers and Software	-	-	20.00%	-
25	391	Transportation Equipment	-	-	20.00%	-
26	392	Stores Equipment	-	-	4.00%	-
27	393	Tools, Shop and Garage Equipment	-	-	5.00%	-
28	394	Laboratory Equipment	-	-	10.00%	-
29	396	Communication Equipment	-	-	10.00%	-
30	398	Other Tangible Plant	52,423	52,423	4.00%	2,097
		Subtotal General	$ 4,428,473	$ 4,428,473		$ 197,857
31		Less: Non- depreciable Account(s)	320,195	320,195		
32		Depreciable Plant (L29-L30)	$ 4,108,278	$ 4,108,278		
33		Contributions-in-Aid-of-Construction (CIAC)			$ 363,201	
34		Composite Depreciation/Amortization Rate			3.33%	
35		Less: Amortization of CIAC (L32 x L33)				$ 12,106
36		**Depreciation Expense - STAFF**				$ 185,751

CORONADO UTILITIES, INC.
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Final Schedule GTM-11

OPERATING INCOME ADJUSTMENT # 3 - PROPERTY TAXES

LINE NO.	Property Tax Calculation	STAFF AS ADJUSTED	STAFF RECOMMENDED
1	Staff Adjusted Test Year Revenues - 2008	$ 868,904	$ 868,904
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	$ 1,737,807	$ 1,737,807
4a	Staff Adjusted Test Year Revenues - 2008	868,904	
4b	Staff Recommended Revenue, Per Schedule GTM-1		1,010,127
5	Subtotal (Line 4 + Line 5)	$ 2,606,711	$ 2,747,934
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	$ 868,904	$ 915,978
8	Department of Revenue Mutilplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	$ 1,737,807	$ 1,831,956
10	Plus: 10% of CWIP -		-
11	Less: Net Book Value of Licensed Vehicles		-
12	Full Cash Value (Line 9 + Line 10 - Line 11)	$ 1,737,807	$ 1,831,956
13	Assessment Ratio	21.0%	21.0%
14	Assessment Value (Line 12 * Line 13)	364,940	$ 384,711
15	Composite Property Tax Rate (Per Company Schedule C-2, Page 3, Line 16)	14.6906%	14.6906%
16	Staff Proposed Property Tax Expense (Line 14 * Line 15)	$ 53,612	
17	Company Proposed Property Tax	57,733	
18	Staff Test Year Adjustment (Line 16-Line 17)	$ (4,121)	
19	Property Tax - Staff Recommended Revenue (Line 14 * Line 15)		$ 56,516
20	Staff Test Year Adjusted Property Tax Expense (Line 16)		$ 53,612
21	Increase/(Decrease) to Property Tax Expense Due to Revenue Increase/(Decrease)		$ 2,905
22	Decrease to Property Tax Expense		$ 2,905
23	Increase in Revenue Requirement		141,223
24	Decrease to Property Tax per Dollar Increase in Revenue (Line19/Line 20)		2.056684%

References:
Col [A]: Company Schedule C-1 Page 3
Col [B]: GTM Testimony
Col [C]:Schedule GTM-2

CORONADO UTILITIES, INC.
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Final Schedule GTM-12

OPERATING INCOME ADJUSTMENT # 4 - INCOME TAXES

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Income Tax	$ (711)	$ 4,007	$ 3,296
2				
3				
4				
5				
6				
7				
8				
9				
10				
11	References:			
12	Col [A]: Company Schedule C-1 Page 3			
13	Col [B]: GTM Testimony			
14	Col [C]: Schedule GTM-2			

CORONADO UTILITIES, INC.
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Final Schedule GTM-13

OPERATING INCOME ADJUSTMENT # 5 - SAN MANUEL HIGHLANDS REVENUE ADJUSTMENT

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS	[C] STAFF RECOMMENDED
1	Flat Rate Revenues	$ 710,657	$ (14,626)	$ 696,031
2	Measured Revenues	157,655		157,655
3	Other Waste Water Revenues	15,218		15,218
4		$ 883,530	$ (14,626)	$ 868,904
5				
6				
7				
8				
9				
10				
11				
12	References:			
13	Col [A]: Company Schedule C-1 Page 3			
14	Col [B]: GTM Testimony			
15	Col [C]: Schedule GTM-2			

RATE DESIGN

Monthly Fixed Charge	Present Rates	Company Proposed Rates	Staff Recommended Rates
Residential	$ 46.50	$ 54.73	$ 53.90
Commercial	$ 7.50	$ 8.83	$ 8.65
Mobile Home Park - Winter	$ 7.50	$ 8.83	N/A
Mobile Home Park - Summer	$ 31.86	$ 37.50	N/A
School	$ 7.50	$ 8.83	$ 8.65
Effluent	$ -	$ -	$ -
Mobile Home Park - Year Round			$ 34.25
Commodity Rates (M-gal)			
Residential			
From 1 to Infinite Gallons	$ -	$ -	$ -
Commercial			
From 1 to Infinite Gallons	$ 9.80	$ 11.54	$ 11.55
Mobile Home Park - Year Round			
From 1 to Infinite Gallons	$ 5.70	$ 6.71	$ -
Mobile Home Park - Summer			
From 1 to Infinite Gallons	$ -	$ -	$ -
School			
From 1 to Infinite Gallons	$ 3.12	$ 3.68	$ 3.65
Effluent			
From 1 to Infinite Gallons	$ 0.15	$ 0.20	$ 0.20

Service Charges	Present	Company Proposed	Staff Recommended
Establishment of Service	$25.00	$25.00	$25.00
Reconnection (delinquent)	$35.00	$35.00 + cost (a)	$35.00 + cost (b)
Deposit	(c)	(c)	(c)
Deposit Interest	(d)	3.50%	6.0%
Re-Establishment (After Hours)	(e)	(e)	(e)
Late fee	1.5%	1.5%	1.5%
NSF Check	25.00	$25.00	$25.00
Deferred Payment, Per Month	1.5%	1.50%	1.5%
Main Extension and additional facilities agreements	cost	cost	cost
Service Calls	NT	$40.00	$40.00

NT = No Tariff

(a) Reconnection fee "cost" of physical disconnection and reconnnection including parts, labor, overhead, and all applicable taxes.
(b) Company will be allowed to charge customer the actual "cost" of physical disconnection and reconnection only if 1) sewer provider is unable to negotiate a water termination services agreement with the water provider or 2) that the customer does not make current the account subsequent to water service termination.
(c) Residential - two times the average bill. Non-residential - two and one-half times the average bill as per R14-2-603(B).
(d) As per Commission Rule ACC R14-2-603 (B).
(e) As per Commission Rule ACC R14-2-603 (d).

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privelege, sales, use, and franchise tax. Per Commission Rule (14-2-409.D.5).
All advances and/or contributions are to include labor, materials, overheads and all applicable taxes,
Cost to include labor, materials and parts, overheads and all applicable taxes.

Typical Bill Analysis
Residential - flat rate

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	$ 46.50	$ 54.73	$ 8.23	17.70%
Median Usage	-	46.50	54.73	$ 8.23	17.70%
Staff Recommended					
Average Usage	-	$ 46.50	$ 53.90	$ 7.40	15.91%
Median Usage	-	46.50	53.90	$ 7.40	15.91%

Present & Proposed Rates (Without Taxes)
Residential - flat rate

Consumption	Rates	Rates	Increase	Rates	Increase
-	$ 46.50	$ 54.73	17.70%	$ 53.90	15.91%
1,000	46.50	54.73	17.70%	53.90	15.91%
2,000	46.50	54.73	17.70%	53.90	15.91%
3,000	46.50	54.73	17.70%	53.90	15.91%
4,000	46.50	54.73	17.70%	53.90	15.91%
5,000	46.50	54.73	17.70%	53.90	15.91%
6,000	46.50	54.73	17.70%	53.90	15.91%
7,000	46.50	54.73	17.70%	53.90	15.91%
8,000	46.50	54.73	17.70%	53.90	15.91%
9,000	46.50	54.73	17.70%	53.90	15.91%
10,000	46.50	54.73	17.70%	53.90	15.91%
11,000	46.50	54.73	17.70%	53.90	15.91%
12,000	46.50	54.73	17.70%	53.90	15.91%
13,000	46.50	54.73	17.70%	53.90	15.91%
14,000	46.50	54.73	17.70%	53.90	15.91%
15,000	46.50	54.73	17.70%	53.90	15.91%
16,000	46.50	54.73	17.70%	53.90	15.91%
17,000	46.50	54.73	17.70%	53.90	15.91%
18,000	46.50	54.73	17.70%	53.90	15.91%
19,000	46.50	54.73	17.70%	53.90	15.91%
20,000	46.50	54.73	17.70%	53.90	15.91%
25,000	46.50	54.73	17.70%	53.90	15.91%
30,000	46.50	54.73	17.70%	53.90	15.91%
35,000	46.50	54.73	17.70%	53.90	15.91%
40,000	46.50	54.73	17.70%	53.90	15.91%
45,000	46.50	54.73	17.70%	53.90	15.91%
50,000	46.50	54.73	17.70%	53.90	15.91%
75,000	46.50	54.73	17.70%	53.90	15.91%
100,000	46.50	54.73	17.70%	53.90	15.91%