

ORIGINAL



0000115616

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

2010 AUG 11 P 2:25

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

AUG 11 2010

DOCKETED BY

- 1
- 2 KRISTIN K. MAYES
CHAIRMAN
- 3 GARY PIERCE
COMMISSIONER
- 4 SANDRA D. KENNEDY
COMMISSIONER
- 5 PAUL NEWMAN
COMMISSIONER
- 6 BOB STUMP
COMMISSIONER
- 7

IN THE MATTER OF THE APPLICATION OF BELLA VISTA WATER CO., INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.

Docket No. W-02465A-09-0411

IN THE MATTER OF THE APPLICATION OF NORTHERN SUNRISE WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.

Docket No. W-20453A-09-0412

IN THE MATTER OF THE APPLICATION OF SOUTHERN SUNRISE WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.

Docket No. W-20454A-09-0413

IN THE MATTER OF THE JOINT APPLICATION OF BELLA VISTA WATER CO., INC., NORTHERN SUNRISE WATER COMPANY, INC., AND SOUTHERN SUNRISE WATER COMPANY, INC., FOR APPROVAL OF AUTHORITY TO CONSOLIDATE OPERATIONS, AND FOR

Docket No. W-02465A-09-0414
Docket No. W-20453A-09-0414
Docket No. W-20454A-09-0414

1 THE TRANSFER OF UTILITY ASSETS TO
2 BELLA VISTA WATER CO., INC,
3 PURSUANT TO ARIZONA REVISED
4 STATUTES 40-285.

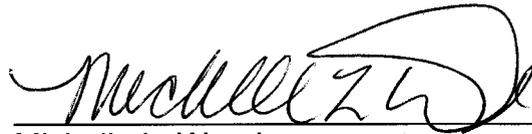
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

NOTICE OF ERRATA

The Residential Utility Consumer Office ("RUCO") hereby files this Notice of Errata in the above-referenced matter.

RUCO's Exhibit TJC-4 was filed with Timothy J. Coley's Surrebuttal Testimony on June 18, 2010. Attached is RUCO's **revised** Exhibit TJC-4.

RESPECTFULLY SUBMITTED this 11th day of August, 2010.



Michelle L. Wood
Counsel

AN ORIGINAL AND THIRTEEN COPIES of the foregoing filed this 11th day of August, 2010 with:

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

COPIES of the foregoing hand delivered/ mailed this 11th day of August, 2010 to:

Jane L. Rodda
Administrative Law Judge
Hearing Division
Arizona Corporation Commission

Steven M. Olea, Director
Utilities Division
Arizona Corporation Commission

Janice Alward, Chief Counsel
Robin Mitchell, Counsel
Legal Division
Arizona Corporation Commission

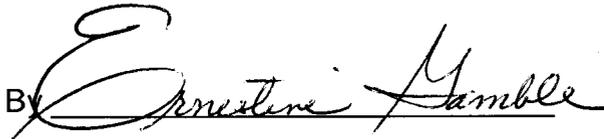
1 Jay L. Shapiro, Esq.
Fennemore Craig, P.C.
2 3003 N. Central Avenue
Suite 2600
3 Phoenix, AZ 85012

4

5

6

7

By 

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

Bella Vista Water Co., Inc.
W-02465A-09-0411 et al

RUCO'S REVISED EXHIBIT

TJC-4

WATER COMPANIES IN ARIZONA
TOTAL LABOR / WAGE DOLLARS PER CUSTOMER ANALYSIS
COMPARISON OF ALGONQUIN UTILITIES WITH OTHER ARIZONA WATER COMPANIES WITH SHARED SERVICES

Liberty Water Services						
	<u>Note</u>	<u>2008 Pro-Forma Wages Expensed</u>	<u>2008 Pro-Forma Customer Count</u>	<u>Annual Wage Cost Per Customer</u>	<u>Monthly Wage Cost Per Customer</u>	
Bella Vista Water Company (Consolidated)	1	\$ 1,627,526	9,309	\$ 174.83	\$ 14.57	
Arizona Water Company						
<u>Line No. Individual Systems:</u>	<u>Note</u>	<u>2007 Pro-Forma Wages Expensed</u>	<u>2007 Pro-Forma Customer Count</u>	<u>Annual Wage Cost Per Customer</u>	<u>Monthly Wage Cost Per Customer</u>	<u>Average Cost for AZ Water</u>
1 Coolidge Water	2	\$ 725,348	4,703	\$ 154.23	\$ 12.85	
2 Lakeside Water	2	739,441	4,954	149.26	12.44	
3 Sedona Water	2	960,852	6,298	152.56	12.71	
4 Casa Grande	2	3,319,563	22,529	147.35	12.28	
5 Winkelman	2	32,059	168	190.83	15.90	
6 Average Cost for the 5 AWC Districts listed Above						<u>13.24</u>
7 Total Arizona Water Company for All AWC 17 Water Systems	2	12,314,931	82,886	148.58		<u>12.38</u>
Arizona American Water Company						
	<u>Note</u>	<u>2007 Pro-Forma Wages Expensed</u>	<u>2007 Pro-Forma Customer Count</u>	<u>Annual Wage Cost Per Customer</u>	<u>Monthly Wage Cost Per Customer</u>	<u>Average Cost for AZ-AM</u>
8 Agua Fria Water	3	\$ 5,333,709	34,402	\$ 155.04	\$ 12.92	
9 Havasu Water	3	499,149	2,565	194.60	16.22	
10 Mohave Water	3	2,347,204	16,635	141.10	11.76	
11 Sun City Water	4	3,624,215	23,140	156.62	13.05	
12 Sun City West Water	3	2,204,885	15,465	142.57	11.88	
13 Average Cost for the 5 AZ-AM Districts listed Above						<u>13.17</u>
14 Average Cost per Month for All 10 Systems on Page 1 Above						<u>12.77</u>

Notes:

1. As Filed by the Company in Rejoinder in Docket No. W-02453A-09-0411 et al.
2. Test Year End As Originally Filed by the Company in Docket No. W-01445A-08-0440
3. As Filed by the Company in Rejoinder in Docket No. W-01303A-08-0227
4. As Filed by the Company in Rebuttal in Docket No. W-01303A-09-0343

**WATER COMPANIES IN ARIZONA
TOTAL LABOR / WAGE DOLLARS PER CUSTOMER ANALYSIS
COMPARISON OF ALGONQUIN UTILITIES WITH OTHER ARIZONA WATER COMPANIES WITH SHARED SERVICES**

Algonquin Water Services

	<u>Note</u>	2008 Pro-Forma <u>Wages Expensed</u>	2008 Pro-Forma <u>Customer Count</u>	Annual Wage Cost <u>Per Customer</u>	Monthly Wage Cost <u>Per Customer</u>
Bella Vista Water Company (Consolidated)	1	\$ 1,627,526	9,309	\$ 174.83	\$ 14.57

American States Water

	<u>Note</u>	2006 Pro-Forma <u>Wages Expensed</u>	2006 Average <u>Customer Count</u>	Annual Wage Cost <u>Per Customer</u>	Monthly Wage Cost <u>Per Customer</u>
12 Chaparral City Water Company	2	\$ 1,435,885	13,333	\$ 107.69	\$ 8.97
13 Total Average Costs for Total AWC 17 systems, 5 AZ-AM districts, and 1 Chaparral System that utilize the Shared Services Concept					<u>\$ 11.51</u>

Notes:

1. As Filed by the Company in Rejoinder in Docket No. W-02453A-09-0411 et al.
2. As Filed by the Company in Rejoinder in Docket No. W-02113A-07-0551

**TOTAL LABOR / WAGE DOLLARS PER CUSTOMER ANALYSIS
COMPARISON OF ALGONQUIN UTILITIES WITH OTHER ARIZONA WATER COMPANIES**

Algonquin Water Services

	<u>Note</u>	<u>2008 Pro-Forma Wages Expensed</u>	<u>2008 Pro-Forma Customer Count</u>	<u>Annual Wage Cost Per Customer</u>	<u>Monthly Wage Cost Per Customer</u>
Bella Vista Water Company (Consolidated)	1	\$ 1,627,526	9,309	\$ 174.83	\$ 14.57

Various Arizona Water Companies

<u>Line No.</u>	<u>Individual Systems:</u>	<u>Note</u>	<u>2008 Annual Report Wages Expensed</u>	<u>2008 Annual Report Customer Count</u>	<u>Annual Wage Cost Per Customer</u>	<u>Monthly Wage Cost Per Customer</u>	<u>Average Cost for Various Co.</u>
1	Rio Verde Utilities, Inc. - Water	2	\$ 257,754	1,688	\$ 152.70	\$ 12.72	
2	Bermuda Water Company	2	810,371	7,672	105.63	8.80	
3	Lago Del Oro Water Company	2	242,391	6,046	40.09	3.34	
4	Average Cost per Month for the 3 Systems listed Above						<u>8.29</u>
5	Average for Pages 1, 2, and 3 for Other Arizona Water Companies						<u>10.92</u>

Notes:

1. As Filed by the Company in Rejoinder in Docket No. W-02453A-09-0411 et al.
2. As Filed by the Company in its 2008 Annual Report Filed with the Commission

**TOTAL LABOR / WAGE DOLLARS PER CUSTOMER ANALYSIS
INCLUDING APT COSTS AS PROPOSED BY ALGONQUIN UTILITY SERVICES**

Liberty Water

Line No.	Note	Test Year Company Proposed Wages Expensed	Test Year Average Customer Count	Annual Wage Cost Proposed Per Customer	Monthly Wage Cost Proposed Per Customer
1	Black Mountain Sewer	1 \$ 558,868	2,106	\$ 265.37	\$ 22.11
2	LIPSCO Water Division	2 2,396,418	15,089	158.82	13.23
3	LIPSCO Sewer Division	2 2,802,435	14,589	192.09	16.01
4	Rio Rico Utilities, Inc Water	3 886,291	6,190	143.18	11.93
5	Rio Rico Utilities, Inc Sewer	3 480,249	2,071	231.89	19.32
6	Bella Vista Consolidated	4 1,627,526	9,309	174.83	14.57
7	Average for All Algonquin Water/Sewer Companies Above				16.20
8	Average for Algonquin Water Companies Above				13.25

Notes:

1. As Filed by the Company in Rejoinder in Docket No. SW-02361A-08-0609
2. As Filed by the Company in Rejoinder in Docket No. SW-01428A-09-0103
3. As Filed by the Company in Rejoinder in Docket No. WS-02676A-09-0257
4. As Filed by the Company in Rebuttal in Docket No. W-02453A-09-0411 et al.

**TOTAL LABOR / WAGE DOLLARS PER CUSTOMER ANALYSIS
WITHOUT THE APT CENTRAL OFFICE COSTS**

Liberty Water

Line No.	Note	Test Year Company Proposed Wages Expensed	Test Year Average Customer Count	Annual Wage Cost Proposed Per Customer	Monthly Wage Cost Proposed Per Customer
9	Black Mountain Sewer	1 \$ 526,966	2,106	\$ 250.22	\$ 20.85
10	LIPSCO Water Division	2 2,098,193	15,089	139.05	11.59
11	LIPSCO Sewer Division	2 2,472,319	14,589	169.46	14.12
12	Rio Rico Utilities, Inc Water	3 764,941	6,190	123.58	10.30
13	Rio Rico Utilities, Inc Sewer	3 440,223	2,071	212.57	17.71
14	Bella Vista Consolidated	4 1,508,391	9,309	162.04	13.50
15	Average for All Algonquin Water/Sewer Companies Above Without APT Cost Allocations				14.68
16	Average for Algonquin Water Companies Above Without APT Cost Allocations				11.80

1. As Filed by the Company in Rejoinder in Docket No. SW-02361A-08-0609
2. As Filed by the Company in Rejoinder in Docket No. SW-01428A-09-0103
3. As Filed by the Company in Rebuttal in Docket No. WS-02676A-09-0257
4. As Filed by the Company in Rejoinder in Docket No. W-02453A-09-0411 et al.

Utility Division
Corporate Cost Allocation based on Customer Counts

	BMSC	GCSC	TTUC	WMUC	LPSCO	BVWC	HR	PS	BE	HC	HH	TC	OM	Fox	RRUI	NSUN	SSUN	Total
Water Customers	-	-	-	-	15,089	8,166	1,883	185	608	236	479	29	253	220	6,190	338	805	34,481
Sewer Customers	2,028	5,378	1,172	1,373	16,080	-	150	181	357	329	-	24	233	219	2,089	-	-	29,613
	2,028	5,378	1,172	1,373	31,169	8,166	2,033	366	965	565	479	53	486	439	8,279	338	805	64,094
	3%	8%	2%	2%	49%	13%	3%	1%	2%	1%	1%	0%	1%	1%	13%	1%	1%	100%

Yearly

Water Customers	\$0	\$0	\$0	\$0	\$250,979	\$135,827	\$31,320	\$3,077	\$10,113	\$3,925	\$7,967	\$482	\$4,208	\$3,659	\$102,960	\$5,622	\$13,390	\$1,066,089
Sewer Customers	\$33,732	\$89,453	\$19,494	\$22,837	\$267,462	\$0	\$2,495	\$3,011	\$5,938	\$5,472	\$0	\$399	\$3,876	\$3,643	\$34,747	\$0	\$0	\$0
Annual APT Mgmt Fe	\$33,732	\$89,453	\$19,494	\$22,837	\$518,441	\$135,827	\$33,815	\$6,088	\$16,051	\$9,398	\$7,967	\$882	\$8,084	\$7,302	\$137,706	\$5,622	\$13,390	\$1,066,089

Monthly

Water Customers	\$0	\$0	\$0	\$0	\$20,915	\$11,319	\$2,610	\$256	\$843	\$327	\$664	\$40	\$351	\$305	\$8,580	\$469	\$1,116	\$88,841
Sewer Customers	\$2,811	\$7,454	\$1,625	\$1,903	\$22,289	\$0	\$208	\$251	\$495	\$456	\$0	\$33	\$323	\$304	\$2,896	\$0	\$0	\$0
Monthly APT Mgmt F	\$2,811	\$7,454	\$1,625	\$1,903	\$43,203	\$11,319	\$2,818	\$507	\$1,338	\$783	\$664	\$73	\$674	\$608	\$11,476	\$469	\$1,116	\$88,841