

ORIGINAL

EDEN WATER CO.,
1488 N Hot Springs RD
EDEN, AZ 85535

NEW APPLICATION

(428)485-92
EDENWA



Thursday, September 02, 2010

Arizona Corporation Commission
Utilities Division
Ernest G. Johnson, Esq., Director

W-02068A-10-0376

Dear Mr. Johnson or Arizona Corporation Commission,

We are in need of an Emergence Water Rate Increase. We receive our water from Pima Utilities located in Pima, AZ. They raised our rates last month more than we expected. This is putting a hardship on our water Company.

We have been waiting for a couple of years to find out what Pima Utilities needed to do to take care of the Arsenic problem that they had. After which they took a year or two to go in for the increase.

We are in the process also of replacing some smaller lines to enhance the distribution of our water system. We urgently request relieve as soon as possible.

Sebrina Davis
Office Manager

Arizona Corporation Commission
DOCKETED

SEP 10 2010

DOCKETED BY	<i>nr</i>
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AZ CORP COMMISSION
DOCKET CONTROL

Company name: EDEN WATER COMPANY, INC

Schedule 1

Docket No./Decision No.: _____

Period Ending: 2009

**CLASS C, D & E WATER COMPANY RATE REVIEW
STATEMENT OF NET INCOME**

Acct. No.			
OPERATING REVENUES			
461	Metered Water Revenue	79,222	
460	Unmetered Water Revenue		
474	Other Water Revenues		
TOTAL OPERATING REVENUE			\$79,222
OPERATING EXPENSES			
601-603	Salaries and Wages	14,280	
610	Purchased Water	32,416	
615	Purchased Power		
618	Chemicals		
620	Materials & Supplies; repairs and maintenance	5,977	
621	Office Supplies and Expense	3,964	
630-636	Outside Services		
635	Water Testing	560	
640	Rents		
650	Transportation Expenses	1,200	
655	Insurance Expense	22,933	
665	Regulatory Commission Expenses – per last rate case		
675	Miscellaneous Expenses	1,107	
403	Depreciation Expense		
408	Taxes Other Than Income; property tax		
409	Income Tax		
TOTAL OPERATING EXPENSE			\$ 90,061
OPERATING INCOME/(LOSS)			\$ (10,603)
OTHER INCOME/(DEDUCTIONS)			
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
TOTAL OTHER INCOME/(EXPENSE)			\$ 0
NET INCOME/(LOSS)			\$ (10,603)

Company name: EDEN WATER COMPANY, INC

Schedule 2

Docket No./Decision No.: _____

Period Ending: 2009

**CLASS C, D & E WATER COMPANY RATE REVIEW
BALANCE SHEET**

Acct. No.	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	8,663	
124	Utility Investments		
141	Customer Accounts Receivable	7,360	
146	Notes Receivable from Associated Companies*		
151	Plant Material and Supplies	17,226	
174	Miscellaneous Current and Accrued Assets; prepayments		
	TOTAL CURRENT AND ACCRUED ASSETS		\$ 33,269
	FIXED ASSETS		
101	Utility Plant in Service	577,021	
103	Property Held for Future Use		
105	Construction Work in Progress	20,736	
108	Less Accumulated Depreciation – Utility Plant	(390,283)	
121	Non-Utility Property		
122	Less Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS		\$ 207,474
	TOTAL ASSETS		\$ 240,724

* Indicates a Class A account included here for convenience

Company name: EDEN WATER COMPANY, INC.

Schedule 2
(Continued)

Docket No./Decision No.: _____

Period Ending: 2009

**WATER COMPANY RATE REVIEW
BALANCE SHEET (Continued)**

Acct. No.	LIABILITIES and EQUITY	
	CURRENT LIABILITIES	
231	Accounts Payable	
232	Notes Payable	
235	Customer Deposits	5,435
236	Accrued Taxes	(8,381)
237	Accrued Interest	
241	Miscellaneous Current and Accrued Liabilities	667
	TOTAL CURRENT LIABILITIES	\$ (2,279)
	LONG-TERM DEBT (Over 12 Months)	
224	Long-Term Debt (indicate separately if any debt is payable to associated companies)	\$ 69,855
	DEFERRED CREDITS	
252	Advances for Construction	200,180
255	Accumulated Deferred Investment Tax Credits	
271	Contributions in Aid of Construction	58,758
272	Less: Amortization of Contributions	
281-283	Accumulated Deferred Income Tax	
	TOTAL DEFERRED CREDITS	\$ 200,180
	TOTAL LIABILITIES	\$ 325,846
	EQUITY	
201	Common Stock Issued	
204	Preferred Stock Issues	
211	Other Paid-In Capital	8,363
215	Retained Earnings	(94,280)
218	Proprietary Capital (for sole props. and partnerships)	
	TOTAL EQUITY	\$ 85,122
	TOTAL LIABILITIES AND EQUITY	\$ 240,724

Company name: EDEN WATER COMPANY, INC.

Schedule 3

Docket No./Decision No.: _____

Period Ending: 2009

**WATER COMPANY RATE REVIEW
STATEMENT OF RATE BASE**

Line No.	ACCOUNT DESCRIPTION		
1	PLANT		
2	Plant in Service	597,757	
3	Less: Accumulated Depreciation	(390,283)	
4	NET PLANT		\$ 207,475
5			
6	ADDITIONS/DEDUCTIONS		
7	<i>Advances (-)</i>		
8	Plant Advances		
9	Service Line & Meter Advances		
10	TOTAL ADVANCES		
11			
12	<i>Contributions (-)</i>		
13	Gross Contributions		
14	Less: Amortization of Contributions		
15	TOTAL NET CONTRIBUTIONS		\$ 0
16			
17	<i>Working Capital(+)</i>		
18	1/24 of Purchased Power Expense	1,351	
19	1/8 Operations & Maintenance expense	7,217	
20	Inventory	17,053	
21	Prepayments		
22	TOTAL WORKING CAPITAL		\$ 25,621
23			
24	TOTAL ADDITIONS & DEDUCTIONS		\$ 25,621
25			
26	RATE BASE		\$ 233,096

Company name: EDEN WATER COMPANY, INC.

Schedule 4

Docket No./Decision No.: _____

Period Ending: 2009

**WATER COMPANY RATE REVIEW
SUMMARY OF RESULTS**

Line No.		
1	PROFITABILITY RATIOS	
2	REGULATED PROFIT (Operating Income minus Interest Expense)	\$
3	RETURN ON EQUITY (Regulated Profit/Equity)	% -6.00%
4	RATE OF RETURN (Operating Income/Rate Base)	% 33.99%
5	OPERATING MARGIN (Operating Income/Total Operating Revenue)	% -13.38%
6		
7	FINANCIAL INTEGRITY RATIOS	
8	DEBT SERVICE COVERAGE RATIO ((Operating Income + Depreciation Expense + Tax Expense)/[Interest Expense + Debt Principle Repayments])	265.57%
9	TIMES INTEREST EARNED RATIO ((Operating Income + Tax Expense)/Interest Expense)	-177.36%
10	EBITDA COVERAGE RATIO ((Operating Income + Depreciation Expense + Tax Expense)/[Interest Expense])	482%

**WATER COMPANY RATE REVIEW
ADDITIONAL INFORMATION**

Test Year of last rate case	1994
Decision number of last rate case	59261
Rate base used in last rate case	86,799.78
Number of customers used in last rate case	88
Current number of customers	128