0000117741

Transcript Exhibit(s)

Docket #(s): WS-01303A-02-0867

WS-01303A-02-0868

WS-01303A-02-0869

WS-01303A-02-0870

W-01303A-02-0908

Exhibit # : A23 & A24

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Administrator/Owner

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January 9, 2004

WS-01303A-02-0867
WS-01303A-02-0868
WS-01303A-02-0869
WS-01303A-02-0870
W-01303A-02-0908

Ms. Teena Wolfe
Administrative Law Judge
ACC – HEARING DIVISION
1200 West Washington, 1st Floor
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED
JAN - 9 2004
DOCKETED BY

Case: Arizona-American Water Co.
Number: WS-01303A-02-0867, etc.
Dates: December 4, 5, 8 through 12, 22, and 23, 2003

Dear ALJ Wolfe:

With copy of this letter the original exhibits in this matter have been distributed, as follows:

Docket Control	A-1 through A-80, A-82 through A-102, and A-104
	H-1 and H-2
	RUCO-1 through RUCO-8, and RUCO-10 through RUCO-12
	S-1, S-2, S-4 through S-8, and S-11 through S-48
	SH-1
	Y-1 through Y-6
Returned to Applicant	A-81 and A-103
Returned to Staff	S-3, S-9 and S-10

Exhibits Nos. A-81, A-103, and S-3 are being returned to the Applicant and Staff, respectively, because they were withdrawn.

Exhibits Nos. S-9 and S-10 are being returned to Staff because they were not moved for admission on the record either inadvertently or by design.

We did not check out the Docket File.

Please let us know if you have any questions or if we may be of any further assistance.

Very truly yours,

Marta T. Hetzer
Administrator/Owner

Enclosure

Copy to: Arizona-American Water
AUIA
Docket Control
Frank Grimmelmann, Intervenor
RUCO
Staff
Sun City Taxpayers' Assoc.
Sun Health Corp.
Town of Youngtown

COPY FOR YOUR INFORMATION

FENNEMORE CRAIG
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Jay L. Shapiro (No. 014650)
3003 N. Central Avenue
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Phoenix, Arizona 85012
Attorneys for Arizona-American
Water Company, Inc.

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WEST WATER AND WASTEWATER DISTRICTS.	**DOCKET NOS. WS-01303A-02-0867** **WS-01303A-02-0868** **W-01303A-02-0869** **WS-01303A-02-0870** **W-01303A-02-0908**
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WATER AND WASTEWATER DISTRICTS.	
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS MOHAVE WATER AND HAVASU WATER DISTRICTS.	**ARIZONA-AMERICAN WATER COMPANY'S BOURASSA REBUTTAL SCHEDULES**

EXHIBIT
A-23
Admitted

FENNEMORE CRAIG
Norman D. James (No. 006901)
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3003 N. Central Avenue
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Phoenix, Arizona 85012
Attorneys for Arizona-American
Water Company, Inc.

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WEST WATER AND WASTEWATER DISTRICTS.	**DOCKET NOS. WS-01303A-02-0867** **WS-01303A-02-0868** **W-01303A-02-0869** **WS-01303A-02-0870** **W-01303A-02-0908**
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WATER AND WASTEWATER DISTRICTS.	
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS MOHAVE WATER AND HAVASU WATER DISTRICTS.	**ARIZONA-AMERICAN WATER COMPANY'S BOURASSA REBUTTAL SCHEDULES**

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM WATER, AGUA FRIA WATER AND ANTHEM/AGUA FRIA WASTEWATER DISTRICTS.
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS TUBAC WATER DISTRICT.

SUN CITY
WATER

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 44,279,756
2		
3	Adjusted Operating Income	648,077
4		
5	Current Rate of Return	1.46%
6		
7	Required Operating Income	$ 3,328,066
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 2,679,989
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 4,364,724

	Customer Classification		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
20	5/8 Inch	Residential	$ 2,662,562	$ 4,579,810	$ 1,917,248	72.01%
21	3/4 Inch	Residential	1,817	3,124	1,307	71.93%
22	1 Inch	Residential	66,498	114,318	47,819	71.91%
23	1.5 Inch	Residential	1,485,121	2,552,475	1,067,353	71.87%
24	2 Inch	Residential	632,378	1,086,839	454,461	71.87%
25	3 Inch	Residential	13,103	22,512	9,409	71.80%
26	6 Inch	Residential	6,383	10,973	4,589	71.89%
27	5/8 Inch	Commercial	25,941	44,577	18,636	71.84%
28	3/4 Inch	Commercial	3,226	5,544	2,318	71.84%
29	1 Inch	Commercial	48,884	84,060	35,176	71.96%
30	1.5 Inch	Commercial	150,893	259,380	108,487	71.90%
31	2 Inch	Commercial	280,522	482,054	201,532	71.84%
32	3 Inch	Commercial	71,578	122,990	51,412	71.83%
33	4 Inch	Commercial	71,802	123,331	51,529	71.77%
34	6 Inch	Commercial	203,846	350,119	146,273	71.76%
35	1 Inch	Irrigation	339	584	244	72.00%
36	1.5 Inch	Irrigation	98,009	168,756	70,747	72.18%
37	2 Inch	Irrigation	6,157	10,607	4,450	72.28%
38	3 Inch	Irrigation	1,142	1,965	823	72.06%
39	6 Inch	Irrigation	114,183	196,740	82,556	72.30%
40	3 Inch	Public Interruptible	3,193	5,491	2,299	72.00%
41	8 Inch	Public Interruptible	19	33	14	72.00%
42	3 Inch	Fire Protection	72	124	52	72.00%
43	4 Inch	Fire Protection	5,814	10,000	4,186	72.00%
44	6 Inch	Fire Protection	7,150	12,298	5,148	72.00%
45	8 Inch	Fire Protection	2,480	4,266	1,786	72.00%
46	Standby		2,646	4,551	1,905	72.00%
47	Miscellaneous Revenues		113,419	113,419	-	0.00%
48	Subtotal of Water Revenues		$ 6,079,178	$ 10,370,936	$ 4,291,758	70.60%

Arizona American - Sun City Water Company
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Schedule A-1
Page 2
Witness: Bourassa

Line No.						
1	Revenue Annualization					
2	5/8 Inch	Residential	$ 10,636	$ 18,306	$ 7,669	72.11%
3	1 Inch	Residential	404	695	291	71.93%
4	1.5 Inch	Residential	1,046	1,797	751	71.85%
5	2 Inch	Residential	5,905	10,148	4,244	71.87%
6	5/8 Inch	Commercial	421	724	303	72.10%
7	3/4 Inch	Commercial	(70)	(120)	(50)	72.09%
8	1 Inch	Commercial	(343)	(590)	(247)	72.01%
9	1.5 Inch	Commercial	863	1,484	621	71.94%
10	2 Inch	Commercial	5,008	8,605	3,597	71.84%
11	3 Inch	Commercial	(3,159)	(5,429)	(2,270)	71.85%
12	1.5 Inch	Irrigation	(4)	(6)	(3)	72.31%
13	2 Inch	Irrigation	(594)	(1,024)	(429)	72.27%
14	3 Inch	Irrigation	(97)	(167)	(70)	72.09%
15	6 Inch	Irrigation	83,116	143,212	60,096	72.30%
16	3 Inch	Public Interruptible	(3,193)	(5,491)	(2,299)	72.00%
17	4 Inch	Fire Protection	126	217	91	72.00%
18	6 Inch	Fire Protection	200	344	144	72.00%
19	8 Inch	Fire Protection	(80)	(138)	(58)	72.00%
20	Total Water Annualization		$ 100,185	$ 172,568	$ 72,382	72.25%
21	Total Water Revenues with Annualization		$ 6,179,363	$ 10,543,503	$ 4,364,140	70.62%
22						
23						
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44						
45	SUPPORTING SCHEDULES:					
46	Rebuttal B-1					
47	Rebuttal C-1					
48	Rebuttal D-1					
49	Rebuttal H-1					
50						

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Summary of Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 38,754,465	$ 81,489,402	$ 81,489,402
3	Less: Accumulated Depreciation	13,280,503	29,936,694	29,936,694
4				
5	Net Utility Plant in Service	$ 25,473,962	$ 51,552,708	$ 51,552,708
6				
7	Less:			
8	Advances in Aid of			
9	Construction	2,331,186	4,901,808	4,901,808
10	Contributions in Aid of			
11	Construction - Net of amortization	1,127,078	2,369,919	2,369,919
12	Customer Meter Deposits	1,225	1,225	1,225
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	9,671,646	-	-
21				
22	Total Rate Base	$ 31,686,119	$ 44,279,756	$ 44,279,756
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rebuttal B-2			Rebuttal A-1
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 39,396,793	(1)	(642,328)	$ 38,754,465
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	13,717,002	(2)	(436,499)	13,280,503
8					
9	Net Utility Plant				
10	in Service	$ 25,679,791			$ 25,473,962
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Onl	2,331,186			2,331,186
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,127,078			1,127,078
18	Purposes Only)				
19	Customer Meter Deposits	1,225			1,225
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	9,746,553	(3)	(74,907)	9,671,646
28					
29	Total	$ 31,966,856			$ 31,686,119
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
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39					
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42					

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2
Witness: Bourassa

Line No.	ccount No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 471	$ -	$ 471	$ -	$ -	$ -
3	302.00	Franchises	2,851	-	2,851	-	-	-
4	303.00	Miscellaneous Intangibles	4,591	-	4,591	-	-	-
5		**Subtotal Intangible**	$ 7,913	$ -	$ 7,913	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 180,083	$ -	$ 180,083	$ -	$ -	$ -
9	311.00	Structures and Improvements	682,896	192,348	875,244	335,530	-	335,530
10	312.00	Collecting and Impounding Res.	314	-	314	52	-	52
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	2,533,035	(641,491)	1,891,544	873,887	(389,255)	484,632
13		**Subtotal Source of Supply**	$ 3,396,328	$ (449,143)	$ 2,947,185	$ 1,209,469	$ (389,255)	$ 820,215
14								
15		**Pumping**						
16	320.00	*Land and Land Rights*	$ 8,456	$ -	$ 8,456	$ -	$ -	$ -
17	321.00	Structures and Improvements	582,491	-	582,491	248,302	-	248,302
18	323.00	Other Power Production	9,554	-	9,554	2,246	-	2,246
19	325.00	Electric Pumping Equipment	6,943,367	(274,572)	6,668,795	3,811,525	(61,567)	3,749,958
20	326.00	Diesel Pumping Equipment	25,151	-	25,151	6,379	-	6,379
21	328.10	Gas Engine Pumping Equipment	249,781	-	249,781	136,241	-	136,241
22		**Subtotal Pumping**	$ 7,818,799	$ (274,572)	$ 7,544,228	$ 4,204,693	$ (61,567)	$ 4,143,126
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	80,580	-	80,580	11,989	-	11,989
27	332.00	Water Treatment Equipment	407,427	(14,236)	393,191	145,994	(5,489)	140,505
28		**Subtotal Water Treatment**	$ 488,007	$ (14,236)	$ 473,771	$ 157,984	$ (5,489)	$ 152,495
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 10,493	$ -	$ 10,493	$ -	$ -	$ -
32	341.00	Structures and Improvements	28,604	-	28,604	654	-	654
33	342.00	Distribution, Reservoirs, & ST	1,819,148	(306,637)	1,512,510	538,875	(79,535)	459,340
34	343.00	Transmission and Distribution	13,940,066	94,037	14,034,103	3,373,284	-	3,373,284
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	4,783,796	-	4,783,796	2,239,686	-	2,239,686
37	346.00	Meters	3,232,044	-	3,232,044	912,761	-	912,761
38	348.00	Hydrants	1,797,909	16,772	1,814,681	676,068	-	676,068
39	349.00	Other Transmission & Distribution	523	-	523	241	-	241
40		**Subtotal Transmission and Distribution**	$ 25,612,583	$ (195,828)	$ 25,416,754	$ 7,741,568	$ (79,535)	$ 7,662,033
41								
42		**General**						
43	*389.00*	*Land and Land Rights*	$ 1,163	$ -	$ 1,163	$ -	$ -	$ -
44	390.00	Structures and Improvements	798,274	-	798,274	84,875	-	84,875
45	391.00	Office Funiture and Equipment	407,688	94,703	502,391	99,794	-	99,794
46	391.10	Computer Equipment	372,221	(144,900)	227,321	(129,373)	(8,779)	(138,153)
47	392.00	Transportation Equipment	605,009	(25,663)	579,346	348,216	-	348,216
48	393.00	Stores Equipment	6,848	-	6,848	2,120	-	2,120
49	394.00	Tools, Shop and Garage	121,574	(23,600)	97,974	8,830	-	8,830
50	395.00	Laboratory Equipment	33,835	(2,800)	31,035	4,648	-	4,648
51	396.00	Power Operated Equipment	30,379	(1,859)	28,520	12,240	(88)	12,152
52	397.00	Communication Equipment	229,443	(51,644)	177,800	90,675	-	90,675
53	398.00	Miscellaneous Equipment	66,047	(3,608)	62,439	32,476	(3,608)	28,868
54		**Subtotal General**	$ 2,672,482	$ (159,371)	$ 2,513,111	$ 554,500	$ (12,475)	$ 542,025
55								
56								
57		Youngtown Plant *	(148,497)	-	(148,497)	(39,391)	-	(39,391)
58		ADFUC adjustment 3/95 **	(450,822)	450,822	-	(111,822)	111,822	(0)
59		TOTAL WATER PLANT	$ 39,396,793	$ (642,328)	$ 38,754,465	$ 13,717,002	$ (436,499)	$ 13,280,503
60								
61								
62		SUPPORTING SCHEDULES:						
63		Rebuttal B-2, page 2a, 2b, 3a, 3b						
64								
65								

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	ccount No.	Description	Direct Original Cost	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Mispost Adjustment 3	Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 471					-
3	302.00	Franchises	2,851					-
4	303.00	Miscellaneous Intangibles	4,591					-
5		**Subtotal Intangible**	$ 7,913	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 180,083					-
9	311.00	Structures and Improvements	682,896					192,348
10	312.00	Collecting and Impounding Res.	314					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	2,533,035	(407,025)			(88,746)	(145,720)
13		**Subtotal Source of Supply**	$ 3,396,328	$ (407,025)	$ -	$ -	$ (88,746)	$ 46,628
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 8,456					-
17	321.00	Structures and Improvements	582,491					-
18	323.00	Other Power Production	9,554					-
19	325.00	Electric Pumping Equipment	6,943,367	(31,714)		(171,390)		(71,468)
20	326.00	Diesel Pumping Equipment	25,151					-
21	328.10	Gas Engine Pumping Equipment	249,781					-
22		**Subtotal Pumping**	$ 7,818,799	$ (31,714)	$ -	$ (171,390)	$ -	$ (71,468)
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	80,580					-
27	332.00	Water Treatment Equipment	407,427	(19,594)				5,357
28		**Subtotal Water Treatment**	$ 488,007	$ (19,594)	$ -	$ -	$ -	$ 5,357
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 10,493					-
32	341.00	Structures and Improvements	28,604					-
33	342.00	Distribution, Reservoirs, & ST	1,819,148	(319,215)				12,578
34	343.00	Transmission and Distribution	13,940,066					94,037
35	344.00	Fire Mains	-					-
36	345.00	Services	4,783,796					-
37	346.00	Meters	3,232,044					-
38	348.00	Hydrants	1,797,909					16,772
39	349.00	Other Transmission & Distribution	523					-
40		**Subtotal Transmission and Distributio**	$ 25,612,583	$ (319,215)	$ -	$ -	$ -	$ 123,387
41								
42		**General**						
43	389.00	Land and Land Rights	$ 1,163					-
44	390.00	Structures and Improvements	798,274					-
45	391.00	Office Funiture and Equipment	407,688					94,703
46	391.10	Computer Equipment	372,221					-
47	392.00	Transportation Equipment	605,009					(25,663)
48	393.00	Stores Equipment	6,848					-
49	394.00	Tools, Shop and Garage	121,574					(23,600)
50	395.00	Laboratory Equipment	33,835					(2,800)
51	396.00	Power Operated Equipment	30,379					(1,700)
52	397.00	Communication Equipment	229,443					(51,644)
53	398.00	Miscellaneous Equipment	66,047					-
54		**Subtotal General**	$ 2,672,482	$ -	$ -	$ -	$ -	$ (10,704)
55								
56								
57		Youngtown Plant *	(148,497)					
58		ADPUC adjustment 3/95 **	(450,822)					
59		TOTAL WATER PLANT	$ 39,396,793	$ (777,547)	$ -	$ (171,390)	$ (88,746)	$ 93,200
60								
61			ADJ #		Reference			
62			1	Plant Not Used and Useful	ACC Staff			
63			2	Unidentified Plant	ACC Staff			
64			3	Mis-posted Plant	ACC Staff			
65			4	Plant Removed by Prev. Decision	ACC Staff			
66			5	Post Test Year Plant	ACC Staff			
67								

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	ccount No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ 471
3	302.00	Franchises						-	2,851
4	303.00	Miscellaneous Intangibles						-	4,591
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,913
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ 180,083
9	311.00	Structures and Improvements						192,348	875,244
10	312.00	Collecting and Impounding Res.						-	314
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(641,491)	1,891,544
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ (449,143)	$ 2,947,185
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ 8,456
17	321.00	Structures and Improvements						-	582,491
18	323.00	Other Power Production						-	9,554
19	325.00	Electric Pumping Equipment						(274,572)	6,668,795
20	326.00	Diesel Pumping Equipment						-	25,151
21	328.10	Gas Engine Pumping Equipment						-	249,781
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ (274,572)	$ 7,544,228
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights						-	$ -
26	331.00	Structures and Improvements						-	80,580
27	332.00	Water Treatment Equipment						(14,236)	393,191
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ (14,236)	$ 473,771
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ 10,493
32	341.00	Structures and Improvements						-	28,604
33	342.00	Distribution, Reservoirs, & ST						(306,637)	1,512,510
34	343.00	Transmission and Distribution						94,037	14,034,103
35	344.00	Fire Mains						-	-
36	345.00	Services						-	4,783,796
37	346.00	Meters						-	3,232,044
38	348.00	Hydrants						16,772	1,814,681
39	349.00	Other Transmission & Distribution						-	523
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ (195,828)	$ 25,416,754
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ 1,163
44	390.00	Structures and Improvements			-			-	798,274
45	391.00	Office Funiture and Equipment			-			94,703	502,391
46	391.10	Computer Equipment			(144,900)			(144,900)	227,321
47	392.00	Transportation Equipment			-			(25,663)	579,346
48	393.00	Stores Equipment			-			-	6,848
49	394.00	Tools, Shop and Garage			-			(23,600)	97,974
50	395.00	Laboratory Equipment			-			(2,800)	31,035
51	396.00	Power Operated Equipment			(159)			(1,859)	28,520
52	397.00	Communication Equipment			-			(51,644)	177,800
53	398.00	Miscellaneous Equipment			(3,608)			(3,608)	62,439
54		***Subtotal General***	$ -	$ -	$ (148,667)	$ -	$ -	$ (159,371)	$ 2,513,111
55									
56									
57		Youngtown Plant *						-	(148,497)
58		ADFUC adjustment 3/95 **	450,822					450,822	-
59		TOTAL WATER PLANT	$ 450,822	$ -	$ (148,667)	$ -	$ -	$ (642,328)	$ 38,754,465
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	ccount No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Mispost Adjustment 3	Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		***Intangible***						
2	301.00	Organization	$ -	-	-			
3	302.00	Franchises	-	-	-			
4	303.00	Miscellaneous Intangibles	-	-	-			
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -	-	-			
9	311.00	Structures and Improvements	335,530	-	-			
10	312.00	Collecting and Impounding Res.	52	-	-			
11	313.00	Lakes, Rivers, Other Intakes	-	-	-			
12	314.00	Wells and Springs	873,887	(389,255)	-			
13		**Subtotal Source of Supply**	$ 1,209,469	$ (389,255)	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -	-	-			
17	321.00	Structures and Improvements	248,302	-	-			
18	323.00	Other Power Production	2,246	-	-			
19	325.00	Electric Pumping Equipment	3,811,525	(17,018)	-	(44,549)		
20	326.00	Diesel Pumping Equipment	6,379	-	-			
21	328.10	Gas Engine Pumping Equipment	136,241	-	-			
22		**Subtotal Pumping**	$ 4,204,693	$ (17,018)	$ -	$ (44,549)	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	-	-			
26	331.00	Structures and Improvements	11,989	-	-			
27	332.00	Water Treatment Equipment	145,994	(5,489)	-			
28		**Subtotal Water Treatment**	$ 157,984	$ (5,489)	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -	-	-			
32	341.00	Structures and Improvements	654	-	-			
33	342.00	Distribution, Reservoirs, & ST	538,875	(79,535)	-			
34	343.00	Transmission and Distribution	3,373,284	-	-			
35	344.00	Fire Mains	-	-	-			
36	345.00	Services	2,239,686	-	-			
37	346.00	Meters	912,761	-	-			
38	348.00	Hydrants	676,068	-	-			
39	349.00	Other Transmission & Distribution	241	-	-			
40		**Subtotal Transmission and Distributio**	$ 7,741,568	$ (79,535)	$ -	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -	-	-			
44	390.00	Structures and Improvements	84,875	-	-			
45	391.00	Office Funiture and Equipment	99,794	-	-			
46	391.10	Computer Equipment	(129,373)	-	-			
47	392.00	Transportation Equipment	348,216	-	-			
48	393.00	Stores Equipment	2,120	-	-			
49	394.00	Tools, Shop and Garage	8,830	-	-			
50	395.00	Laboratory Equipment	4,648	-	-			
51	396.00	Power Operated Equipment	12,240	-	-			
52	397.00	Communication Equipment	90,675	-	-			
53	398.00	Miscellaneous Equipment	32,476	-	-			
54		**Subtotal General**	$ 554,500	$ -	$ -	$ -	$ -	$ -
55								
56								
57		Youngtown Plant *	(39,391)	-	-			
58		ADFUC adjustment 3/95 **	(111,822)	-	-			
59		TOTAL WATER PLANT	$ 13,717,002	$ (491,296)	$ -	$ (44,549)	$ -	$ -
60								
61								
62								
63								
64								
65								
66								
67								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Schedule B-2, Page 8
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Decisi	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	ccount No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						-	335,530
10	312.00	Collecting and Impounding Res.						-	52
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(389,255)	484,632
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ (389,255)	$ 820,215
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ -
17	321.00	Structures and Improvements						-	248,302
18	323.00	Other Power Production						-	2,246
19	325.00	Electric Pumping Equipment						(61,567)	3,749,958
20	326.00	Diesel Pumping Equipment						-	6,379
21	328.10	Gas Engine Pumping Equipment						-	136,241
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ (61,567)	$ 4,143,126
23									
24		**Water Treatment**							
25	330.00	*Land and Land Rights*						$ -	$ -
26	331.00	Structures and Improvements						-	11,989
27	332.00	Water Treatment Equipment						(5,489)	140,505
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ (5,489)	$ 152,495
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	654
33	342.00	Distribution, Reservoirs, & ST						(79,535)	459,340
34	343.00	Transmission and Distribution						-	3,373,284
35	344.00	Fire Mains						-	-
36	345.00	Services						-	2,239,686
37	346.00	Meters						-	912,761
38	348.00	Hydrants						-	676,068
39	349.00	Other Transmission & Distribution						-	241
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ (79,535)	$ 7,662,033
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			-			-	84,875
45	391.00	Office Funiture and Equipment			-			-	99,794
46	391.10	Computer Equipment			(8,779)			(8,779)	(138,153)
47	392.00	Transportation Equipment			-			-	348,216
48	393.00	Stores Equipment			-			-	2,120
49	394.00	Tools, Shop and Garage			-			-	8,830
50	395.00	Laboratory Equipment			-			-	4,648
51	396.00	Power Operated Equipment			(88)			(88)	12,152
52	397.00	Communication Equipment			-			-	90,675
53	398.00	Miscellaneous Equipment			(3,608)			(3,608)	28,868
54		**Subtotal General**	$ -	$ -	$ (12,475)	$ -	$ -	$ (12,475)	$ 542,025
55									
56									
57		Youngtown Plant *						-	(39,391)
58		ADFUC adjustment 3/95 **	111,822					111,822	(0)
59		TOTAL WATER PLANT	$ 111,822	$ -	$ (12,475)	$ -	$ -	$ (436,499)	$ 13,280,503
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									

Arizona American - Sun City Water
Common Plant Allocation
at December 31, 2002

Exhibit
Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost	Rebuttal Allocated Original Cost	Rebuttal Allocated Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.23835	$ 1,163	$ 1,163	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.23835	798,274	798,274	-	74,118	74,118	-
5	391.00	Office Funiture and Equipment	0.23835	237,788	237,788	-	85,925	85,925	-
6	391.10	Computer Equipment	0.23835	340,444	195,544	(144,900)	(103,610)	(112,390)	(8,779)
7	392.00	Transportation Equipment	0.23835	428,409	428,409	-	247,444	247,444	-
8	393.00	Stores Equipment	0.23835	6,847	6,847	-	1,855	1,855	-
9	394.00	Tools, Shop and Garage	0.23835	97,973	97,973	-	4,347	4,347	-
10	395.00	Laboratory Equipment	0.23835	31,035	31,035	-	5,471	5,471	-
11	396.00	Power Operated Equipment	0.23835	28,679	28,520	(159)	10,204	10,117	(88)
12	397.00	Communication Equipment	0.23835	137,643	137,643	-	79,275	79,275	-
13	398.00	Miscellaneous Equipment	0.23835	66,047	62,439	(3,608)	30,617	27,009	(3,608)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 2,174,303	$ 2,025,636	$ (148,667)	$ 435,645	$ 423,170	$ (12,475)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-2, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00	0	$ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	Communication Equipment	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345		(607,932)				
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051						
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325		(669)				
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101	(458)		(14,679)			
13		**Subtotal General**	$ 9,122,373	$ (458)	$ (608,601)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	Computer Equipment	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										

ADJ #	Reference
6	
7	
8	
9	
10	

Arizona-American Sun City Water
Plant Not Used and Useful

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Rebuttal Schedule B-2
Page 8

Asset Id	Asset Desc.	Class	Acq. Date	Original Cost	A/D	RCN	Adjust O.C.	Adjust A/D	Adjust RCND	Adj.RCN A/D
1673884	Well	W31400	19710701	13,810	(10,242)	57,712	(13,810)	(13,810)	(57,712)	(57,712)
1673898	Well	W31400	19720701	21,201	(15,209)	80,003	(21,201)	(21,201)	(80,003)	(80,003)
1673908	Well	W31400	19730701	290,901	(201,565)	1,001,050	(290,901)	(290,901)	(1,001,050)	(1,001,050)
1674256	CASING EACH	W31400	19780701	5,357	(3,063)	12,054	(5,357)	(5,357)	(12,054)	(12,054)
1674257	WELL EACH	W31400	19780701	21,259	(12,157)	47,836	(21,259)	(21,259)	(47,836)	(47,836)
1674885	WELL EACH	W31400	19881001	25,937	(8,541)	37,004	(25,937)	(25,937)	(37,004)	(37,004)
1674662	WELL	W31400	19950715	17,565	(6,636)	20,971	(17,565)	(6,636)	(20,971)	(7,923)
1674663	WELL	W31400	19950715	10,995	(4,154)	13,127	(10,995)	(4,154)	(13,127)	(4,959)
				407,025	(261,566)	1,269,757	(407,025)	(389,255)	(1,269,757)	(1,248,541)
1674266	BOOSTER PUMP	W32500	19950715	4,014	(3,426)	4,793	(4,014)	(3,426)	(4,793)	(4,091)
1674782	VALVE	W32500	19950715	1,643	(917)	1,961	(1,643)	(917)	(1,961)	(1,095)
1674783	MOTOR 200 HP	W32500	19950715	2,236	(1,248)	2,669	(2,236)	(1,248)	(2,669)	(1,490)
1674899	STARTER MOTOR	W32500	19950715	395	(210)	472	(395)	(210)	(472)	(251)
1674911	BOOSTER PUMP	W32500	19950715	2,920	(1,530)	3,486	(2,920)	(1,530)	(3,486)	(1,827)
1674912	BOOSTER PUMP	W32500	19950715	2,500	(1,302)	2,984	(2,500)	(1,302)	(2,984)	(1,554)
1674913	BOOSTER PUMP	W32500	19950715	3,168	(1,650)	3,782	(3,168)	(1,650)	(3,782)	(1,970)
1675023	BOOSTER PUMP	W32500	19950715	1,026	(496)	1,225	(1,026)	(496)	(1,225)	(592)
1675025	VALVE	W32500	19950715	4,573	(2,222)	5,460	(4,573)	(2,222)	(5,460)	(2,652)
1675026	VALVE	W32500	19950715	1,375	(665)	1,641	(1,375)	(665)	(1,641)	(794)
1675205	VALVE	W32500	19950715	1,248	(557)	1,490	(1,248)	(557)	(1,490)	(665)
1675713	BOOSTER PUMP	W32500	19950715	1,671	(559)	1,995	(1,671)	(559)	(1,995)	(667)
1675714	BOOSTER PUMP	W32500	19950715	2,595	(868)	3,098	(2,595)	(868)	(3,098)	(1,036)
1675024	BOOSTER PUMP	W32500	19950715	1,904	(921)	2,273	(1,904)	(921)	(2,273)	(1,099)
1674896	GAUGE EACH	W32500	19880101	448.23	-238.34	655.49	(448)	(448)	(655)	(655)
				31,714	(16,808)	37,983	(31,714)	(17,018)	(37,983)	(20,438)
1675214	DESANDER	W33200	19950715	2,450	(835)	2,925	(2,450)	(835)	(2,925)	(997)
1675215	DESANDER	W33200	19950715	11,662	(3,961)	13,923	(11,662)	(3,961)	(13,923)	(4,729)
1676937	WEIGHING EQUIPT	W33200	19981015	2,166	(274)	2,436	(2,166)	(274)	(2,436)	(308)
1676939	WEIGHING EQUIPT	W33200	19981015	1,742	(220)	1,960	(1,742)	(220)	(1,960)	(248)
1676940	WEIGHING EQUIPT	W33200	19981015	1,574	(199)	1,771	(1,574)	(199)	(1,771)	(224)
				19,594	(5,489)	23,015	(19,594)	(5,489)	(23,015)	(6,506)
1674459	500000 GAL STEEL	W34200	19950715	152,316	(47,711)	181,850	(152,316)	(47,711)	(181,850)	(56,962)
1674785	2000 G HYDROPNE	W34200	19950715	15,045	(3,509)	17,962	(15,045)	(3,509)	(17,962)	(4,190)
1674932	OVERFLOW PIPE	W34200	19950715	5,475	(1,190)	6,537	(5,475)	(1,190)	(6,537)	(1,420)
1675220	TANK	W34200	19950715	145,645	(26,989)	173,886	(145,645)	(26,989)	(173,886)	(32,222)
1675222	2000 G HYDROPNE	W34200	19950715	734	(136)	876	(734)	(136)	(876)	(162)
				319,215	(79,535)	381,111	(319,215)	(79,535)	(381,111)	(94,957)
3046186		W39110	19991031	72,580	(5,084)	80,113	(72,580)	(5,084)	(80,113)	(5,611)
3046187		W39110	19991031	4,381	(307)	4,836	(4,381)	(307)	(4,836)	(339)
3046188		W39110	19991031	12,077	(846)	13,330	(12,077)	(846)	(13,330)	(934)
3046189		W39110	19991031	14,149	(985)	15,618	(14,149)	(985)	(15,618)	(1,087)
3046190		W39110	19991031	130,655	(9,145)	144,217	(130,655)	(9,145)	(144,217)	(10,095)
3046191	Banner mods and	W39110	19991031	32,027	(2,243)	35,352	(32,027)	(2,243)	(35,352)	(2,476)
3046192	S/W & Consultant	W39110	19991031	326,134	(22,826)	359,987	(326,134)	(22,826)	(359,987)	(25,196)
3057430	Invoice # 58029	W39110	19991231	1,322	452	1,459	(1,322)	452	(1,459)	499
3057431		W39110	19991231	727	248	802	(727)	248	(802)	274
3057433	Invoice # 57874	W39110	19991231	178	61	197	(178)	61	(197)	67
3058309		W39110	19991231	6,352	2,170	7,011	(6,352)	2,170	(7,011)	2,395
3058310		W39110	19991231	4,910	1,677	5,419	(4,910)	1,677	(5,419)	1,851
3139716	Laptop, Dell C61	W39110	20011231	2,440	(5)	2,440	(2,440)	(5)	(2,440)	(5)
				607,932	(36,834)	670,782	(607,932)	(36,834)	(670,782)	(40,657)
1675121	TRASH PUMP	W39600	19950715	669	(368)	799	(669)	(368)	(799)	(440)

Arizona American - Sun City Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

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Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 87,395,276	(1)	(5,905,874)	$ 81,489,402
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	31,018,998	(2)	(1,082,304)	29,936,694
8					
9	Net Utility Plant				
10	in Service	$ 56,376,278			$ 51,552,708
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only	5,171,351	(3)	(269,543)	4,901,808
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	2,500,237	(4)	(130,318)	2,369,919
18	Purposes Only)				
19	Customer Meter Deposits	1,225			1,225
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 48,703,466			$ 44,279,756
30					
31					
32	(1) See B-3, Page 2				
33	(2) See B-3, Page 3				
34	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36					
37					
38					
39					
40					

Arizona American - Sun City Water
RCND Plant Summary
at December 31, 2001

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Lin No.	ccount No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 471	$ -	$ 471	$ -	$ -	$ -
3	302.00	Franchises	7,100	(4,249)	2,851	-	-	-
4	303.00	Miscellaneous Intangibles	12,986	(8,395)	4,591	-	-	-
5		**Subtotal Intangible**	$ 20,557	$ (12,644)	$ 7,913	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 462,571	$ (282,489)	$ 180,083	$ -	$ -	$ -
9	311.00	Structures and Improvements	1,600,238	127,771	1,728,009	789,160	(31,934)	757,227
10	312.00	Collecting and Impounding Res.	371	(27)	344	61	(4)	57
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	5,294,542	(1,748,298)	3,546,244	1,849,967	(967,688)	882,280
13		**Subtotal Source of Supply**	$ 7,357,722	$ (1,903,042)	$ 5,454,680	$ 2,639,189	$ (999,625)	$ 1,639,563
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 19,028	$ (10,572)	$ 8,456	$ -	$ -	$ -
17	321.00	Structures and Improvements	1,498,347	(50,275)	1,448,072	631,067	(21,012)	610,055
18	323.00	Other Power Production	11,219	(109)	11,109	2,601	(23)	2,577
19	325.00	Electric Pumping Equipment	13,870,177	3,465,362	17,335,539	7,655,201	2,098,904	9,754,104
20	326.00	Diesel Pumping Equipment	29,633	76	29,709	7,404	17	7,421
21	328.10	Gas Engine Pumping Equipment	575,961	118,278	694,239	305,985	61,552	367,538
22		**Subtotal Pumping**	$ 16,004,366	$ 3,522,759	$ 19,527,125	$ 8,602,257	$ 2,139,438	$ 10,741,696
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	112,317	(4,879)	107,438	16,447	(685)	15,761
27	332.00	Water Treatment Equipment	615,391	(38,503)	576,888	216,357	(13,159)	203,198
28		**Subtotal Water Treatment**	$ 727,709	$ (43,382)	$ 684,326	$ 232,804	$ (13,845)	$ 218,959
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 43,849	$ (33,356)	$ 10,493	$ -	$ -	$ -
32	341.00	Structures and Improvements	28,951	1	28,952	659	0	659
33	342.00	Distribution, Reservoirs, & ST	4,116,541	(869,680)	3,246,861	1,420,628	(224,970)	1,195,657
34	343.00	Transmission and Distribution	33,665,538	(5,968,530)	27,697,008	8,606,899	(1,608,537)	6,998,363
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	12,220,450	(1,946,894)	10,273,556	5,629,215	(887,369)	4,741,846
37	346.00	Meters	6,283,128	(311,082)	5,972,046	1,736,141	(83,950)	1,652,191
38	348.00	Hydrants	4,435,480	1,336,272	5,771,752	1,641,510	482,983	2,124,493
39	349.00	Other Transmission & Distribution	1,073	(195)	878	488	(88)	400
40		**Subtotal Transmission and Distribution**	$ 60,795,010	$ (7,793,464)	$ 53,001,547	$ 19,035,541	$ (2,321,931)	$ 16,713,610
41								
42		**General**						
43	389.00	Land and Land Rights	$ 3,010	$ (1,847)	$ 1,163	$ -	$ -	$ -
44	390.00	Structures and Improvements	1,083,429	(28,289)	1,055,140	131,376	(3,952)	127,425
45	391.00	Office Funiture and Equipment	476,645	94,987	571,632	133,553	2,257	135,811
46	391.10	Computer Equipment	410,452	(163,619)	246,832	(141,018)	(8,461)	(149,479)
47	392.00	Transportation Equipment	650,624	(32,309)	618,315	376,206	(3,992)	372,214
48	393.00	Stores Equipment	8,929	92	9,021	2,875	86	2,961
49	394.00	Tools, Shop and Garage	148,449	(23,808)	124,640	7,845	98	7,943
50	395.00	Laboratory Equipment	38,724	(3,170)	35,553	5,696	(26)	5,670
51	396.00	Power Operated Equipment	38,492	(1,310)	37,182	15,398	101	15,499
52	397.00	Communication Equipment	258,135	(54,162)	203,973	110,439	(699)	109,740
53	398.00	Miscellaneous Equipment	94,021	(6,401)	87,620	48,725	(6,623)	42,103
54		**Subtotal General**	$ 3,210,909	$ (219,837)	$ 2,991,072	$ 691,097	$ (21,210)	$ 669,887
55								
56								
57		Youngtown Plant *	(177,260)	-	(177,260)	(47,020)	-	(47,020)
58		AFUDC adjustment 3/95 **	(543,736)	543,736	(0)	(134,869)	134,869	0
59		TOTAL WATER PLANT	$ 87,395,276	$ (5,905,874)	$ 81,489,402	$ 31,018,998	$ (1,082,304)	$ 29,936,694
60								
61								
62		SUPPORTING SCHEDULES:						
63		Rebuttal B-3, page 2a, 2b, 3a, 3b						
64								
65								

Arizona American - Sun City Water
Plant Summary
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Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Mispost Adjustment 3	Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 471					-
3	302.00	Franchises	7,100					-
4	303.00	Miscellaneous Intangibles	12,986					-
5		**Subtotal Intangible**	$ 20,557	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 462,571					-
9	311.00	Structures and Improvements	1,600,238					192,348
10	312.00	Collecting and Impounding Res.	371					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	5,294,542	(1,269,757)				(145,720)
13		**Subtotal Source of Supply**	$ 7,357,722	$ (1,269,757)	$ -	$ -	$ -	$ 46,628
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 19,028					-
17	321.00	Structures and Improvements	1,498,347					-
18	323.00	Other Power Production	11,219					-
19	325.00	Electric Pumping Equipment	13,870,177	(37,983)		(206,713)		(71,468)
20	326.00	Diesel Pumping Equipment	29,633					-
21	328.10	Gas Engine Pumping Equipment	575,961					-
22		**Subtotal Pumping**	$ 16,004,366	$ (37,983)	$ -	$ (206,713)	$ -	$ (71,468)
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	112,317					-
27	332.00	Water Treatment Equipment	615,391	(23,015)				5,357
28		**Subtotal Water Treatment**	$ 727,709	$ (23,015)	$ -	$ -	$ -	$ 5,357
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 43,849					-
32	341.00	Structures and Improvements	28,951					-
33	342.00	Distribution, Reservoirs, & ST	4,116,541	(381,111)				12,578
34	343.00	Transmission and Distribution	33,665,538					94,037
35	344.00	Fire Mains	-					-
36	345.00	Services	12,220,450					-
37	346.00	Meters	6,283,128					-
38	348.00	Hydrants	4,435,480					16,772
39	349.00	Other Transmission & Distribution	1,073					-
40		**Subtotal Transmission and Distributio**	$ 60,795,010	$ (381,111)	$ -	$ -	$ -	$ 123,387
41								
42		**General**						
43	389.00	Land and Land Rights	$ 3,010					-
44	390.00	Structures and Improvements	1,083,429					-
45	391.00	Office Funiture and Equipment	476,645					94,703
46	391.10	Computer Equipment	410,452					-
47	392.00	Transportation Equipment	650,624					(25,663)
48	393.00	Stores Equipment	8,929					-
49	394.00	Tools, Shop and Garage	148,449					(23,600)
50	395.00	Laboratory Equipment	38,724					(2,800)
51	396.00	Power Operated Equipment	38,492					(1,700)
52	397.00	Communication Equipment	258,135					(51,644)
53	398.00	Miscellaneous Equipment	94,021					-
54		**Subtotal General**	$ 3,210,909	$ -	$ -	$ -	$ -	$ (10,704)
55								
56								
57		Youngtown Plant *	(177,260)					
58		ADFUC adjustment 3/95 **	(543,736)					
59		TOTAL WATER PLANT	$ 87,395,276	$ (1,711,866)	$ -	$ (206,713)	$ -	$ 93,200
60								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Sched B-3, Page 8
2	Unidentified Plant	Blank
3	Mis-posted Plant	Trended ACC Staff Adj.
4	Plant Removed by Prev. Decisio	Blank
5	Post Test Year Plant	ACC Staff

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Plant Summary
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Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				-		$ -	$ 471
3	302.00	Franchises				(4,249)		(4,249)	2,851
4	303.00	Miscellaneous Intangibles				(8,395)		(8,395)	4,591
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (12,644)	$ -	$ (12,644)	$ 7,913
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				(282,489)		$ (282,489)	$ 180,083
9	311.00	Structures and Improvements				(64,577)		127,771	1,728,009
10	312.00	Collecting and Impounding Res.				(27)		(27)	344
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(332,821)		(1,748,298)	3,546,244
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (679,913)	$ -	$ (1,903,042)	$ 5,454,680
14									
15		**Pumping**							
16	320.00	Land and Land Rights				(10,572)		$ (10,572)	$ 8,456
17	321.00	Structures and Improvements				(50,275)		(50,275)	1,448,072
18	323.00	Other Power Production				(109)		(109)	11,109
19	325.00	Electric Pumping Equipment				3,781,527		3,465,362	17,335,539
20	326.00	Diesel Pumping Equipment				76		76	29,709
21	328.10	Gas Engine Pumping Equipment				118,278		118,278	694,239
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 3,838,924	$ -	$ 3,522,759	$ 19,527,125
23									
24		**Water Treatment**				-		$ -	
25	330.00	Land and Land Rights				-		-	$ -
26	331.00	Structures and Improvements				(4,879)		(4,879)	107,438
27	332.00	Water Treatment Equipment				(20,846)		(38,503)	576,888
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (25,725)	$ -	$ (43,382)	$ 684,326
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				(33,356)		$ (33,356)	$ 10,493
32	341.00	Structures and Improvements				1		1	28,952
33	342.00	Distribution, Reservoirs, & ST				(501,147)		(869,680)	3,246,861
34	343.00	Transmission and Distribution				(6,062,567)		(5,968,530)	27,697,008
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(1,946,894)		(1,946,894)	10,273,556
37	346.00	Meters				(311,082)		(311,082)	5,972,046
38	348.00	Hydrants				1,319,500		1,336,272	5,771,752
39	349.00	Other Transmission & Distribution				(195)		(195)	878
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ (7,535,740)	$ -	$ (7,793,464)	$ 53,001,547
41									
42		**General**							
43	389.00	Land and Land Rights			(1,847)			$ (1,847)	$ 1,163
44	390.00	Structures and Improvements			(28,289)			(28,289)	1,055,140
45	391.00	Office Funiture and Equipment			284			94,987	571,632
46	391.10	Computer Equipment			(163,619)			(163,619)	246,832
47	392.00	Transportation Equipment			(6,646)			(32,309)	618,315
48	393.00	Stores Equipment			92			92	9,021
49	394.00	Tools, Shop and Garage			(208)			(23,808)	124,640
50	395.00	Laboratory Equipment			(370)			(3,170)	35,553
51	396.00	Power Operated Equipment			390			(1,310)	37,182
52	397.00	Communication Equipment			(2,518)			(54,162)	203,973
53	398.00	Miscellaneous Equipment			(6,401)			(6,401)	87,620
54		**Subtotal General**	$ -	$ -	$ (209,133)	$ -	$ -	$ (219,837)	$ 2,991,072
55									
56									
57		Youngtown Plant 3						-	(177,260)
58		ADFUC adjustment 3/95 **	543,736					543,736	(0)
59		TOTAL WATER PLANT	$ 543,736	$ -	$ (209,133)	$ (4,415,098)	$ -	$ (5,905,874)	$ 81,489,402
60									
61			ADJ #		Reference				
62			6	Remove Trended AFUDC Adjustment					
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Sun City Water
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Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Mispost Adjustment 3	Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -	-	-			
3	302.00	Franchises	-	-	-			
4	303.00	Miscellaneous Intangibles	-	-	-			
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -	-	-			
9	311.00	Structures and Improvements	789,160	-	-			
10	312.00	*Collecting and Impounding Res.*	61	-	-			
11	313.00	Lakes, Rivers, Other Intakes	-	-	-			
12	314.00	Wells and Springs	1,849,967	(1,248,541)	-			
13		**Subtotal Source of Supply**	$ 2,639,189	$ (1,248,541)	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -	-	-			
17	321.00	Structures and Improvements	631,067	-	-			
18	323.00	Other Power Production	2,601	-	-			
19	325.00	Electric Pumping Equipment	7,655,201	(20,438)	-	(91,263)		
20	326.00	Diesel Pumping Equipment	7,404	-	-			
21	328.10	Gas Engine Pumping Equipment	305,985	-	-			
22		**Subtotal Pumping**	$ 8,602,257	$ (20,438)	$ -	$ (91,263)	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	-	-			
26	331.00	Structures and Improvements	16,447	-	-			
27	332.00	Water Treatment Equipment	216,357	(6,506)	-			
28		**Subtotal Water Treatment**	$ 232,804	$ (6,506)	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -	-	-			
32	341.00	Structures and Improvements	659	-	-			
33	342.00	Distribution, Reservoirs, & ST	1,420,628	(94,957)	-			
34	343.00	Transmission and Distribution	8,606,899	-	-			
35	344.00	Fire Mains	-	-	-			
36	345.00	Services	5,629,215	-	-			
37	346.00	Meters	1,736,141	-	-			
38	348.00	Hydrants	1,641,510	-	-			
39	349.00	Other Transmission & Distribution	488	-	-			
40		**Subtotal Transmission and Distributio**	$ 19,035,541	$ (94,957)	$ -	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -	-	-			
44	390.00	Structures and Improvements	131,376	-	-			
45	391.00	Office Funiture and Equipment	133,553	-	-			
46	391.10	Computer Equipment	(141,018)	-	-			
47	392.00	Transportation Equipment	376,206	-	-			
48	393.00	Stores Equipment	2,875	-	-			
49	394.00	Tools, Shop and Garage	7,845	-	-			
50	395.00	Laboratory Equipment	5,696	-	-			
51	396.00	Power Operated Equipment	15,398	-	-			
52	397.00	Communication Equipment	110,439	-	-			
53	398.00	Miscellaneous Equipment	48,725	-	-			
54		**Subtotal General**	$ 691,097	$ -	$ -	$ -	$ -	$ -
55								
56								
57		Youngtown Plant *	(47,020)	-	-			
58		ADFUC adjustment 3/95 *	(134,869)	-	-			
59		TOTAL WATER PLANT	$ 31,018,998	$ (1,370,441)	$ -	$ (91,263)	$ -	$ -
60								
61								
62								
63								
64								
65								
66								
67								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Sched B-3, Page 8
2	Unidentified Plant	Blank
3	Mis-posted Plant	Trended ACC Staff Adj.
4	Plant Removed by Prev. Decisi	Blank
5	Post Test Year Plant	ACC Staff

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plan Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				-		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				-		$ -	$ -
9	311.00	Structures and Improvements				(31,934)		(31,934)	757,227
10	312.00	Collecting and Impounding Res.				(4)		(4)	57
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				280,853		(967,688)	882,280
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ 248,916	$ -	$ (999,625)	$ 1,639,563
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ -
17	321.00	Structures and Improvements				(21,012)		(21,012)	610,055
18	323.00	Other Power Production				(23)		(23)	2,577
19	325.00	Electric Pumping Equipment				2,210,605		2,098,904	9,754,104
20	326.00	Diesel Pumping Equipment				17		17	7,421
21	328.10	Gas Engine Pumping Equipment				61,552		61,552	367,538
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 2,251,140	$ -	$ 2,139,438	$ 10,741,696
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights				-		$ -	$ -
26	331.00	Structures and Improvements				(685)		(685)	15,761
27	332.00	Water Treatment Equipment				(6,654)		(13,159)	203,198
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (7,339)	$ -	$ (13,845)	$ 218,959
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				0		0	659
33	342.00	Distribution, Reservoirs, & ST				(130,014)		(224,970)	1,195,657
34	343.00	Transmission and Distribution				(1,608,537)		(1,608,537)	6,998,363
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(887,369)		(887,369)	4,741,846
37	346.00	Meters				(83,950)		(83,950)	1,652,191
38	348.00	Hydrants				482,983		482,983	2,124,493
39	349.00	Other Transmission & Distribution				(88)		(88)	400
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ (2,226,974)	$ -	$ (2,321,931)	$ 16,713,610
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			(3,952)			(3,952)	127,425
45	391.00	Office Funiture and Equipment			2,257			2,257	135,811
46	391.10	Computer Equipment			(8,461)			(8,461)	(149,479)
47	392.00	Transportation Equipment			(3,992)			(3,992)	372,214
48	393.00	Stores Equipment			86			86	2,961
49	394.00	Tools, Shop and Garage			98			98	7,943
50	395.00	Laboratory Equipment			(26)			(26)	5,670
51	396.00	Power Operated Equipment			101			101	15,499
52	397.00	Communication Equipment			(699)			(699)	109,740
53	398.00	Miscellaneous Equipment			(6,623)			(6,623)	42,103
54		**Subtotal General**	$ -	$ -	$ (21,210)	$ -	$ -	$ (21,210)	$ 669,887
55									
56									
57		Youngtown Plant *						-	(47,020)
58		ADFUC adjustment 3/95 **	134,869					134,869	0
59		TOTAL WATER PLANT	$ 134,869	$ -	$ (21,210)	$ 265,742	$ -	$ (1,082,304)	$ 29,936,694
60									

ADJ #		Reference
61		
62	6	Remove Trended AFUDC Adjustment
63	7	Acquisition Adjustment Blank
64	8	Common Plant Adjustments Rebuttal B-3, Page 4
65	9	Adjust to Rebuttal RCN Study Rebuttal B-4
66	10	
67		

Arizona American - Sun City Water
RCND Common Plant Allocation
at December 31, 2002

Exhibit
Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.23835	$ 3,010	$ 1,163	$ (1,847)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.23835	1,083,429	1,055,140	(28,289)	120,618	116,667	(3,952)
5	391.00	Office Funiture and Equipment	0.23835	306,744	307,027	284	119,685	121,942	2,257
6	391.10	Computer Equipment	0.23835	378,675	215,055	(163,619)	(115,255)	(123,716)	(8,461)
7	392.00	Transportation Equipment	0.23835	474,024	467,378	(6,646)	275,434	271,442	(3,992)
8	393.00	Stores Equipment	0.23835	8,929	9,021	92	2,610	2,696	86
9	394.00	Tools, Shop and Garage	0.23835	124,849	124,640	(208)	3,362	3,460	98
10	395.00	Laboratory Equipment	0.23835	35,924	35,553	(370)	6,519	6,493	(26)
11	396.00	Power Operated Equipment	0.23835	36,792	37,182	390	13,363	13,464	101
12	397.00	Communication Equipment	0.23835	166,335	163,816	(2,518)	99,039	98,340	(699)
13	398.00	Miscellaneous Equipment	0.23835	94,021	87,620	(6,401)	46,867	40,244	(6,623)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 2,712,731	$ 2,503,598	$ (209,133)	$ 572,243	$ 551,032	$ (21,210)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00	0	$ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment	1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment	1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment	1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment	37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage	523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment	150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment	154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment	697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment	394,470	(26,855)	367,615	196,632	(27,786)	168,847
13								
14								
15		TOTALCOMMON PLANT	$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	Computer Equipment	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
15									
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17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		**Subtotal General**	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946
14										
15										
16										
17										
18										
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20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	Laboratory Equipment	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	Miscellaneous Equipment	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments	O.C. Adjusted A/D
1		**Intangible**						
2	301.00	Organization	471	-	471	-	-	-
3	302.00	Franchises	2,851	-	2,851	-	-	-
4	303.00	Miscellaneous Intangibles	4,591	-	4,591	-	-	-
5		**Subtotal Intangible**	7,913	-	7,913	-	-	-
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	180,083	-	180,083	-	-	-
9	311.00	*Structures and Improvements*	661,796	-	661,796	327,261	-	327,261
10	312.00	Collecting and Impounding Res.	314	-	314	49	-	49
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	2,387,315	(495,771)	1,891,544	843,819	(389,255)	454,564
13		**Subtotal Source of Supply**	3,229,508	(495,771)	2,733,737	1,171,129	(389,255)	781,874
14								
15		**Pumping**	-	-				
16	320.00	Land and Land Rights	8,456	-	8,456	-	-	-
17	321.00	Structures and Improvements	582,491	-	582,491	243,441	-	243,441
18	323.00	Other Power Production	9,554	-	9,554	2,035	-	2,035
19	325.00	Electric Pumping Equipment	6,605,868	(203,104)	6,402,764	3,665,585	(61,567)	3,604,017
20	326.00	Diesel Pumping Equipment	25,151	-	25,151	5,751	-	5,751
21	328.10	Gas Engine Pumping Equipment	249,781	-	249,781	129,986	-	129,986
22		**Subtotal Pumping**	7,481,300	(203,104)	7,278,197	4,046,797	(61,567)	3,985,230
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	-	-	-	-	-	-
26	331.00	Structures and Improvements	80,580	-	80,580	11,317	-	11,317
27	332.00	Water Treatment Equipment	407,427	(19,594)	387,833	137,849	(5,489)	132,360
28		**Subtotal Water Treatment**	488,007	(19,594)	468,414	149,166	(5,489)	143,677
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	10,493	-	10,493	-	-	-
32	341.00	Structures and Improvements	28,604	-	28,604	368	-	368
33	342.00	Distribution, Reservoirs, & ST	1,374,148	(319,215)	1,054,933	527,406	(79,535)	447,871
34	343.00	Transmission and Distribution	12,357,895	-	12,357,895	3,278,830	-	3,278,830
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	4,783,796	-	4,783,796	2,180,392	-	2,180,392
37	346.00	Meters	3,232,044	-	3,232,044	872,216	-	872,216
38	348.00	Hydrants	1,797,909	-	1,797,909	658,097	-	658,097
39	349.00	Other Transmission & Distribution	523	-	523	235	-	235
40		**Subtotal Trans & Dist**	23,585,412	(319,215)	23,266,197	7,517,543	(79,535)	7,438,008
41								
42		**General**						
43	389.00	Land and Land Rights	2,125	-	2,125	-	-	-
44	390.00	Structures and Improvements	1,288,964	-	1,288,964	236,191	-	236,191
45	391.00	Office Funiture and Equipment	604,605	-	604,605	327,480	-	327,480
46	391.10	Computer Equipment	1,248,360	(607,932)	640,428	(441,711)	(36,834)	(478,545)
47	392.00	Transportation Equipment	806,501	-	806,501	534,409	-	534,409
48	393.00	Stores Equipment	13,553	-	13,553	6,606	-	6,606
49	394.00	Tools, Shop and Garage	223,236	-	223,236	20,886	-	20,886
50	395.00	Laboratory Equipment	9,560	-	9,560	3,301	-	3,301
51	396.00	Power Operated Equipment	78,354	(669)	77,685	30,100	(368)	29,732
52	397.00	Communication Equipment	221,454	-	221,454	194,632	-	194,632
53	398.00	Miscellaneous Equipment	75,435	-	75,435	49,564	-	49,564
54		**Subtotal General**	4,572,145	(608,601)	3,963,544	961,458	(37,202)	924,256
55								
56								
57								
58								
59								
60		TOTAL WATER PLANT	39,364,286	(1,646,284)	37,718,001	13,846,094	(573,048)	13,273,046

Arizona-American Sun City Water
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa

Line No.	Account No.	Description	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	Adjustment (B-3, page 2b, Adj. #9) RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1		**Intangible**					
3	301.00	Organization	471	-	471	-	471
4	302.00	Franchises	7,100	-	7,100	(4,249)	2,851
5	303.00	Miscellaneous Intangibles	12,986	-	12,986	(8,395)	4,591
6		**Subtotal Intangible**	20,557	-	20,557	(12,644)	7,913
7							
8		**Source of Supply**					
9	310.00	Land and Land Rights	462,571	-	462,571	(282,489)	180,083
10	311.00	Structures and Improvements	1,579,138	-	1,579,138	(64,577)	1,514,561
11	312.00	Collecting and Impounding Res.	371	-	371	(27)	344
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-
13	314.00	Wells and Springs	5,148,822	(1,269,757)	3,879,065	(332,821)	3,546,244
14		**Subtotal Source of Supply**	7,190,902	(1,269,757)	5,921,145	(679,913)	5,241,232
15							
16		**Pumping**					
17	320.00	Land and Land Rights	19,028	-	19,028	(10,572)	8,456
18	321.00	Structures and Improvements	1,498,347	-	1,498,347	(50,275)	1,448,072
19	323.00	Other Power Production	11,219	-	11,219	(109)	11,109
20	325.00	Electric Pumping Equipment	13,532,678	(244,697)	13,287,981	3,781,527	17,069,508
21	326.00	Diesel Pumping Equipment	29,633	-	29,633	76	29,709
22	328.10	Gas Engine Pumping Equipment	575,961	-	575,961	118,278	694,239
23		**Subtotal Pumping**	15,666,867	(244,697)	15,422,170	3,838,924	19,261,095
24							
25		**Water Treatment**					
26	330.00	Land and Land Rights	-	-	-	-	-
27	331.00	Structures and Improvements	112,317	-	112,317	(4,879)	107,438
28	332.00	Water Treatment Equipment	615,391	(23,015)	592,376	(20,846)	571,531
29		**Subtotal Water Treatment**	727,709	(23,015)	704,693	(25,725)	678,969
30							
31		**Transmission and Distribution**					
32	340.00	Land and Land Rights	43,849	-	43,849	(33,356)	10,493
33	341.00	Structures and Improvements	28,951	-	28,951	1	28,952
34	342.00	Distribution, Reservoirs, & ST	3,671,541	(381,111)	3,290,430	(501,147)	2,789,283
35	343.00	Transmission and Distribution	32,083,367	-	32,083,367	(6,062,567)	26,020,800
36	344.00	Fire Mains	-	-	-	-	-
37	345.00	Services	12,220,449	-	12,220,449	(1,946,894)	10,273,555
38	346.00	Meters	6,283,128	-	6,283,128	(311,082)	5,972,046
39	348.00	Hydrants	4,435,480	-	4,435,480	1,319,500	5,754,980
40	349.00	Other Transmission & Distribution	1,073	-	1,073	(195)	878
41		**Subtotal Trans & Dist**	58,767,838	(381,111)	58,386,728	(7,535,740)	50,850,988
42							
43		**General**				**(Common Plant, B-2, Page 6)**	
44	389.00	Land and Land Rights	8,880	-	8,880	(6,755)	2,125
45	390.00	Structures and Improvements	2,291,516	-	2,291,516	(78,054)	2,213,462
46	391.00	Office Funiture and Equipment	829,727	-	829,727	5,995	835,722
47	391.10	Computer Equipment	1,388,207	(670,782)	717,425	(12,717)	704,708
48	392.00	Transportation Equipment	904,565	-	904,565	(14,376)	890,189
49	393.00	Stores Equipment	19,104	-	19,104	732	19,836
50	394.00	Tools, Shop and Garage	282,255	-	282,255	1,875	284,130
51	395.00	Laboratory Equipment	12,663	-	12,663	(52)	12,611
52	396.00	Power Operated Equipment	103,372	(799)	102,573	3,730	106,303
53	397.00	Communication Equipment	283,483	-	283,483	(1,313)	282,170
54	398.00	Miscellaneous Equipment	122,244	-	122,244	12,635	134,880
55		**Subtotal General**	6,246,016	(671,581)	5,574,436	(88,300)	5,486,136
56							
57							
58							
59							
60		TOTAL WATER PLANT	88,619,890	(2,590,161)	86,029,729	(4,503,398)	81,526,331

Arizona-American Sun City Water
B-3 Adjustments

Exhibit B-4
Page A3
Witness: Bourassa

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1								
2		**Intangible**						
3	301.00	Organization	-	-	-	1.0000	-	-
4	302.00	Franchises	-	-	-	1.0000	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	1.0000	-	-
6		**Subtotal Intangible**	-	-	-		-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	-	-	1.0000	-	-
10	311.00	Structures and Improvements	780,892	-	780,892	2.2886	748,958	(31,934)
11	312.00	*Collecting and Impounding Res.*	57	-	57	1.0956	53	(4)
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	1,819,899	(1,248,541)	571,358	1.8748	852,212	280,853
14		**Subtotal Source of Supply**	2,600,848	(1,248,541)	1,352,307		1,601,223	248,916
15								
16		**Pumping**						
17	320.00	Land and Land Rights	-	-	-	1.0000	-	-
18	321.00	Structures and Improvements	626,205	-	626,205	2.4860	605,193	(21,012)
19	323.00	Other Power Production	2,390	-	2,390	1.1628	2,366	(23)
20	325.00	Electric Pumping Equipment	7,509,260	(111,701)	7,397,559	2.6660	9,608,164	2,210,605
21	326.00	Diesel Pumping Equipment	6,776	-	6,776	1.1813	6,793	17
22	328.10	Gas Engine Pumping Equipment	299,731	-	299,731	2.7794	361,283	61,552
23		**Subtotal Pumping**	8,444,361	(111,701)	8,332,660		10,583,800	2,251,140
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	15,774	-	15,774	1.3333	15,089	(685)
28	332.00	Water Treatment Equipment	208,212	(6,506)	201,707	1.4736	195,053	(6,654)
29		**Subtotal Water Treatment**	223,986	(6,506)	217,481		210,142	(7,339)
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	1.0000	-	-
33	341.00	Structures and Improvements	373	-	373	1.0122	373	0
34	342.00	Distribution, Reservoirs, & ST	1,409,158	(94,957)	1,314,202	2.6440	1,184,188	(130,014)
35	343.00	Transmission and Distribution	8,512,444	-	8,512,444	2.1056	6,903,908	(1,608,537)
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	5,569,921	-	5,569,921	2.1476	4,682,552	(887,369)
38	346.00	Meters	1,695,596	-	1,695,596	1.8478	1,611,646	(83,950)
39	348.00	Hydrants	1,623,539	-	1,623,539	3.2009	2,106,522	482,983
40	349.00	Other Transmission & Distribution	483	-	483	1.6788	395	(88)
41		**Subtotal Trans & Dist**	18,811,515	(94,957)	18,716,559		16,489,584	(2,226,974)
42								
43		**General**						**(Common Plant, B-2, Page 7)**
44	389.00	Land and Land Rights	-	-	-	1.0000	-	-
45	390.00	Structures and Improvements	419,900	-	419,900	1.7172	405,598	(14,303)
46	391.00	Office Funiture and Equipment	449,415	-	449,415	1.3823	452,662	3,247
47	391.10	Computer Equipment	(491,194)	(40,657)	(531,850)	1.1004	(526,577)	5,273
48	392.00	Transportation Equipment	599,389	-	599,389	1.1038	589,862	(9,526)
49	393.00	Stores Equipment	9,312	-	9,312	1.4636	9,668	357
50	394.00	Tools, Shop and Garage	26,407	-	26,407	1.2728	26,583	175
51	395.00	Laboratory Equipment	4,373	-	4,373	1.3191	4,355	(18)
52	396.00	Power Operated Equipment	39,711	(440)	39,272	1.3684	40,685	1,414
53	397.00	Communication Equipment	249,148	-	249,148	1.2742	247,995	(1,154)
54	398.00	Miscellaneous Equipment	80,320	-	80,320	1.7880	88,622	8,302
55		**Subtotal General**	1,386,782	(41,096)	1,345,686		1,339,453	(6,233)
56								
57								
58								
59								
60		TOTAL WATER PLANT	31,467,494	(1,502,801)	29,964,693		30,224,202	259,509

Trended RCN
Handy-Whitman

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W30100	ORGANIZATION	2001	470	180.2	180.2	1.0000	470	470
	W30100	Class Totals	470				470	470
W30200	FRANCH/CONSENTS	1962	710	0.0	0.0	1.0000	710	710
W30200	FRANCH/CONSENTS	1965	18	0.0	0.0	1.0000	18	18
W30200	FRANCH/CONSENTS	1977	107	180.2	59.9	3.0083	324	107
W30200	FRANCH/CONSENTS	1995	938	180.2	152.2	1.1840	1,111	938
W30200	FRANCH/CONSENTS	1997	1,075	180.2	160.6	1.1220	1,206	1,075
	W30200	Class Totals	2,850				3,371	2,850
W30300	MISC INTANG PLNT	1974	2,282	180.2	47.7	3.7778	8,622	2,282
W30300	MISC INTANG PLNT	1975	2,308	180.2	52.6	3.4259	7,908	2,308
	W30300	Class Totals	4,591				16,531	4,591
W31000	LAND/LAND RIGHTS	1962	16,496	0.0	0.0	1.0000	16,496	16,496
W31000	LAND/LAND RIGHTS	1966	76	180.2	33.0	5.4606	420	76
W31000	LAND/LAND RIGHTS	1971	3,101	180.2	39.5	4.5620	14,148	3,101
W31000	LAND/LAND RIGHTS	1972	962	180.2	40.8	4.4167	4,252	962
W31000	LAND/LAND RIGHTS	1973	12,589	180.2	43.1	4.1810	52,636	12,589
W31000	LAND/LAND RIGHTS	1975	903	180.2	52.6	3.4259	3,096	903
W31000	LAND/LAND RIGHTS	1976	858	180.2	55.8	3.2294	2,773	858

Trended RCN
Handy-Whitman

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31000	LAND/LAND RIGHTS	1978	113,644	180.2	65.0	2.7723	315,055	113,644
W31000	LAND/LAND RIGHTS	1979	3,572	180.2	72.6	2.4821	8,866	3,572
W31000	LAND/LAND RIGHTS	1982	7	180.2	97.4	1.8501	12	7
W31000	LAND/LAND RIGHTS	1987	24	180.2	113.2	1.5919	38	24
W31000	LAND/LAND RIGHTS	1996	27,845	180.2	156.6	1.1507	32,041	27,845
	W31000	Class Totals	180,082				449,839	180,082
W31100	STRUCT AND IMPROV	1963	301	350.0	61.0	5.7377	1,732	1,732
W31100	STRUCT AND IMPROV	1964	52	350.0	63.0	5.5556	294	294
W31100	STRUCT AND IMPROV	1965	3,352	350.0	64.0	5.4688	18,333	18,333
W31100	STRUCT AND IMPROV	1967	94	350.0	66.0	5.3030	503	503
W31100	STRUCT AND IMPROV	1969	32,765	350.0	74.0	4.7297	154,970	154,970
W31100	STRUCT AND IMPROV	1970	18,408	350.0	80.0	4.3750	80,536	80,536
W31100	STRUCT AND IMPROV	1971	9,931	350.0	88.0	3.9773	39,498	39,498
W31100	STRUCT AND IMPROV	1972	2,807	350.0	93.0	3.7634	10,565	10,565
W31100	STRUCT AND IMPROV	1974	50,290	350.0	121.0	2.8926	145,471	145,471
W31100	STRUCT AND IMPROV	1975	52,331	350.0	136.0	2.5735	134,674	134,674
W31100	STRUCT AND IMPROV	1976	178,775	350.0	140.0	2.5000	446,939	446,939
W31100	STRUCT AND IMPROV	1977	13,575	350.0	149.0	2.3490	31,888	31,888
W31100	STRUCT AND IMPROV	1978	10,806	350.0	164.0	2.1341	23,062	23,062
W31100	STRUCT AND IMPROV	1979	108,702	350.0	182.0	1.9231	209,044	209,044
W31100	STRUCT AND IMPROV	1982	711	350.0	226.0	1.5487	1,102	1,102
W31100	STRUCT AND IMPROV	1983	5,003	350.0	233.0	1.5021	7,515	7,515
W31100	STRUCT AND IMPROV	1986	12,659	350.0	246.0	1.4228	18,011	18,011
W31100	STRUCT AND IMPROV	1987	463	350.0	249.0	1.4056	651	651

Trended RCN
Handy-Whitman

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31100	STRUCT AND IMPROV	1988	1,951	350.0	249.0	1.4056	2,743	2,743
W31100	STRUCT AND IMPROV	1988	5,253	350.0	255.0	1.3725	7,210	7,210
W31100	STRUCT AND IMPROV	1989	264	350.0	253.0	1.3834	365	365
W31100	STRUCT AND IMPROV	1989	973	350.0	250.0	1.4000	1,363	1,363
W31100	STRUCT AND IMPROV	1990	375	350.0	259.0	1.3514	507	507
W31100	STRUCT AND IMPROV	1991	6,265	350.0	260.0	1.3462	8,434	8,434
W31100	STRUCT AND IMPROV	1991	619	350.0	262.0	1.3359	827	827
W31100	STRUCT AND IMPROV	1992	4,102	350.0	259.0	1.3514	5,544	5,544
W31100	STRUCT AND IMPROV	1993	1,284	350.0	274.0	1.2774	1,640	1,640
W31100	STRUCT AND IMPROV	1994	9,088	350.0	286.0	1.2238	11,122	11,122
W31100	STRUCT AND IMPROV	1994	2,329	350.0	291.0	1.2027	2,801	2,801
W31100	STRUCT AND IMPROV	1995	2,507	350.0	296.0	1.1824	2,965	2,965
W31100	STRUCT AND IMPROV	1995	44,056	350.0	298.0	1.1745	51,744	51,744
W31100	STRUCT AND IMPROV	1996	44,278	350.0	303.0	1.1551	51,146	51,146
W31100	STRUCT AND IMPROV	1996	9,268	350.0	308.0	1.1364	10,533	10,533
W31100	STRUCT AND IMPROV	1997	4,959	350.0	314.0	1.1146	5,527	5,527
W31100	STRUCT AND IMPROV	1998	6,820	350.0	316.0	1.1076	7,554	7,554
W31100	STRUCT AND IMPROV	1998	2,829	350.0	318.0	1.1006	3,113	3,113
W31100	STRUCT AND IMPROV	1999	13,531	350.0	324.0	1.0802	14,617	14,617
	W31100	Class Totals	661,796				1,514,560	1,514,560
W31200	COL/IMPOUND RESER	1996	313	275.0	251.0	1.0956	343	343
	W31200	Class Totals	313				343	343

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31400	WELLS AND SPRINGS	1960	70,926	321.0	57.0	5.6316	399,430	399,430
W31400	WELLS AND SPRINGS	1961	58,744	321.0	59.0	5.4407	319,609	319,609
W31400	WELLS AND SPRINGS	1962	4,214	321.0	61.0	5.2623	22,176	22,176
W31400	WELLS AND SPRINGS	1965	3,118	321.0	65.0	4.9385	15,400	15,400
W31400	WELLS AND SPRINGS	1967	24,030	321.0	69.0	4.6522	111,793	111,793
W31400	WELLS AND SPRINGS	1968	5,938	321.0	73.0	4.3973	26,114	26,114
W31400	WELLS AND SPRINGS	1969	51,109	321.0	77.0	4.1688	213,066	213,066
W31400	WELLS AND SPRINGS	1974	102,220	321.0	120.0	2.6750	273,439	273,439
W31400	WELLS AND SPRINGS	1975	216,558	321.0	134.0	2.3955	518,765	518,765
W31400	WELLS AND SPRINGS	1979	58,018	321.0	190.0	1.6895	98,021	98,021
W31400	WELLS AND SPRINGS	1983	32,441	321.0	221.0	1.4525	47,121	47,121
W31400	WELLS AND SPRINGS	1992	2,164	321.0	246.0	1.3049	2,824	2,824
W31400	WELLS AND SPRINGS	1993	4,807	321.0	252.0	1.2738	6,123	6,123
W31400	WELLS AND SPRINGS	1994	427,830	321.0	263.0	1.2205	522,167	522,167
W31400	WELLS AND SPRINGS	1995	10,823	321.0	274.0	1.1715	12,680	12,680
W31400	WELLS AND SPRINGS	1995	20,069	321.0	274.0	1.1715	23,511	23,511
W31400	WELLS AND SPRINGS	1996	17,001	321.0	281.0	1.1423	19,421	19,421
W31400	WELLS AND SPRINGS	1996	13,957	321.0	288.0	1.1146	15,556	15,556
W31400	WELLS AND SPRINGS	1997	12,549	321.0	291.0	1.1031	13,843	13,843
W31400	WELLS AND SPRINGS	1997	1,228	321.0	296.0	1.0845	1,332	1,332
W31400	WELLS AND SPRINGS	1998	1,376	321.0	301.0	1.0664	1,467	1,467
W31400	WELLS AND SPRINGS	1999	841,160	321.0	306.0	1.0490	882,377	882,377
	W31400	Class Totals	1,980,290				3,546,244	3,546,244
W32000	LAND/LAND RIGHTS	1978	8,456	180.2	65.0	2.7723	23,443	8,456

	W32000	Class Totals	8,456				23,443	8,456
W32100	STRUCT AND IMPROV	1969	2,346	350.0	74.0	4.7297	11,098	11,098
W32100	STRUCT AND IMPROV	1971	60,021	350.0	88.0	3.9773	238,725	238,725
W32100	STRUCT AND IMPROV	1972	3,834	350.0	93.0	3.7634	14,429	14,429
W32100	STRUCT AND IMPROV	1973	86,088	350.0	100.0	3.5000	301,310	301,310
W32100	STRUCT AND IMPROV	1974	3,949	350.0	121.0	2.8926	11,423	11,423
W32100	STRUCT AND IMPROV	1975	23,909	350.0	136.0	2.5735	61,530	61,530
W32100	STRUCT AND IMPROV	1976	6,036	350.0	140.0	2.5000	15,091	15,091
W32100	STRUCT AND IMPROV	1977	124,472	350.0	149.0	2.3490	292,386	292,386
W32100	STRUCT AND IMPROV	1978	89,050	350.0	164.0	2.1341	190,041	190,041
W32100	STRUCT AND IMPROV	1979	118,042	350.0	182.0	1.9231	227,006	227,006
W32100	STRUCT AND IMPROV	1980	127	350.0	207.0	1.6908	216	216
W32100	STRUCT AND IMPROV	1981	844	350.0	220.0	1.5909	1,344	1,344
W32100	STRUCT AND IMPROV	1984	4,682	350.0	238.0	1.4706	6,885	6,885
W32100	STRUCT AND IMPROV	1986	10,679	350.0	246.0	1.4228	15,195	15,195
W32100	STRUCT AND IMPROV	1987	459	350.0	249.0	1.4056	646	646
W32100	STRUCT AND IMPROV	1989	648	350.0	253.0	1.3834	896	896
W32100	STRUCT AND IMPROV	1992	31,816	350.0	266.0	1.3158	41,864	41,864
W32100	STRUCT AND IMPROV	1994	1,958	350.0	291.0	1.2027	2,355	2,355
W32100	STRUCT AND IMPROV	1995	186	350.0	296.0	1.1824	221	221
W32100	STRUCT AND IMPROV	1996	13,333	350.0	303.0	1.1551	15,401	15,401
	W32100	Class Totals	582,490				1,448,072	1,448,072
W32300	OTH PWR PROD EQUIP	1991	682	531.0	357.0	1.4874	1,014	1,014
W32300	OTH PWR PROD EQUIP	1993	611	531.0	369.0	1.4390	879	879
W32300	OTH PWR PROD EQUIP	1997	8,260	531.0	476.0	1.1155	9,214	9,214

	W32300	Class Totals	9,554				11,109	11,109
W32500	ELEC PUMP EQUIP	1961	64,390	531.0	71.0	7.4789	481,566	481,566
W32500	ELEC PUMP EQUIP	1971	305,173	531.0	93.0	5.7097	1,742,447	1,742,447
W32500	ELEC PUMP EQUIP	1972	262,129	531.0	96.0	5.5313	1,449,919	1,449,919
W32500	ELEC PUMP EQUIP	1973	820,755	531.0	100.0	5.3100	4,358,212	4,358,212
W32500	ELEC PUMP EQUIP	1974	123,050	531.0	122.0	4.3525	535,576	535,576
W32500	ELEC PUMP EQUIP	1975	218,004	531.0	155.0	3.4258	746,838	746,838
W32500	ELEC PUMP EQUIP	1976	233,148	531.0	174.0	3.0517	711,500	711,500
W32500	ELEC PUMP EQUIP	1977	438,048	531.0	184.0	2.8859	1,264,165	1,264,165
W32500	ELEC PUMP EQUIP	1978	123,984	531.0	192.0	2.7656	342,890	342,890
W32500	ELEC PUMP EQUIP	1979	426,430	531.0	205.0	2.5902	1,104,538	1,104,538
W32500	ELEC PUMP EQUIP	1980	4,879	531.0	222.0	2.3919	11,672	11,672
W32500	ELEC PUMP EQUIP	1981	23,107	531.0	245.0	2.1673	50,081	50,081
W32500	ELEC PUMP EQUIP	1982	4,950	531.0	260.0	2.0423	10,111	10,111
W32500	ELEC PUMP EQUIP	1983	13,513	531.0	271.0	1.9594	26,479	26,479
W32500	ELEC PUMP EQUIP	1984	11,352	531.0	277.0	1.9170	21,763	21,763
W32500	ELEC PUMP EQUIP	1985	4,098	531.0	282.0	1.8830	7,717	7,717
W32500	ELEC PUMP EQUIP	1986	18,077	531.0	284.0	1.8697	33,799	33,799
W32500	ELEC PUMP EQUIP	1987	22,271	531.0	299.0	1.7759	39,551	39,551
W32500	ELEC PUMP EQUIP	1988	49,117	531.0	330.0	1.6091	79,034	79,034
W32500	ELEC PUMP EQUIP	1988	105,047	531.0	303.0	1.7525	184,095	184,095
W32500	ELEC PUMP EQUIP	1989	14,830	531.0	309.0	1.7184	25,485	25,485
W32500	ELEC PUMP EQUIP	1989	13,481	531.0	336.0	1.5804	21,306	21,306
W32500	ELEC PUMP EQUIP	1990	41,246	531.0	340.0	1.5618	64,418	64,418
W32500	ELEC PUMP EQUIP	1990	11,842	531.0	349.0	1.5215	18,019	18,019
W32500	ELEC PUMP EQUIP	1991	40,995	531.0	357.0	1.4874	60,976	60,976
W32500	ELEC PUMP EQUIP	1991	60,631	531.0	350.0	1.5171	91,983	91,983

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W32500	ELEC PUMP EQUIP	1992	132,146	531.0	363.0	1.4628	193,303	193,303
W32500	ELEC PUMP EQUIP	1993	50,676	531.0	369.0	1.4390	72,923	72,923
W32500	ELEC PUMP EQUIP	1993	130,016	531.0	378.0	1.4048	182,647	182,647
W32500	ELEC PUMP EQUIP	1994	234,554	531.0	420.0	1.2643	296,547	296,547
W32500	ELEC PUMP EQUIP	1994	60,743	531.0	426.0	1.2465	75,716	75,716
W32500	ELEC PUMP EQUIP	1995	260,968	531.0	438.0	1.2123	316,371	316,371
W32500	ELEC PUMP EQUIP	1995	239,733	531.0	437.0	1.2151	291,300	291,300
W32500	ELEC PUMP EQUIP	1996	12,760	531.0	454.0	1.1696	14,925	14,925
W32500	ELEC PUMP EQUIP	1996	204,598	531.0	446.0	1.1906	243,594	243,594
W32500	ELEC PUMP EQUIP	1997	96,582	531.0	454.0	1.1696	112,963	112,963
W32500	ELEC PUMP EQUIP	1997	120,888	531.0	476.0	1.1155	134,851	134,851
W32500	ELEC PUMP EQUIP	1998	185,802	531.0	485.0	1.0948	203,416	203,416
W32500	ELEC PUMP EQUIP	1998	122,056	531.0	486.0	1.0926	133,358	133,358
W32500	ELEC PUMP EQUIP	1999	38,644	531.0	499.0	1.0641	41,121	41,121
W32500	ELEC PUMP EQUIP	1999	640,085	531.0	499.0	1.0641	681,115	681,115
W32500	ELEC PUMP EQUIP	2000	138,367	531.0	523.0	1.0153	140,484	140,484
W32500	ELEC PUMP EQUIP	2000	132,385	531.0	532.0	0.9981	132,133	132,133
W32500	ELEC PUMP EQUIP	2001	318,581	531.0	531.0	1.0000	318,581	318,581
	W32500	Class Totals	6,574,153				17,069,508	17,069,508
W32600	DIESEL PUMP EQUIP	1992	496	531.0	363.0	1.4628	725	725
W32600	DIESEL PUMP EQUIP	1992	5,500	531.0	370.0	1.4351	7,893	7,893
W32600	DIESEL PUMP EQUIP	1993	1,736	531.0	369.0	1.4390	2,498	2,498
W32600	DIESEL PUMP EQUIP	1997	539	531.0	476.0	1.1155	601	601
W32600	DIESEL PUMP EQUIP	1998	1,040	531.0	486.0	1.0926	1,137	1,137

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W32600	DIESEL PUMP EQUIP	1999	15,838	531.0	499.0	1.0641	16,854	16,854
	W32600 Class Totals		25,150				29,709	29,709
W32800	OTHER PUMP EQUIP	1965	1,640	531.0	74.0	7.1757	11,768	11,768
W32800	OTHER PUMP EQUIP	1969	55,567	531.0	84.0	6.3214	351,261	351,261
W32800	OTHER PUMP EQUIP	1970	10,904	531.0	89.0	5.9663	65,056	65,056
W32800	OTHER PUMP EQUIP	1974	986	531.0	122.0	4.3525	4,291	4,291
W32800	OTHER PUMP EQUIP	1982	34,586	531.0	260.0	2.0423	70,634	70,634
W32800	OTHER PUMP EQUIP	1986	22,608	531.0	284.0	1.8697	42,270	42,270
W32800	OTHER PUMP EQUIP	1988	4,556	531.0	330.0	1.6091	7,331	7,331
W32800	OTHER PUMP EQUIP	1990	3,972	531.0	340.0	1.5618	6,203	6,203
W32800	OTHER PUMP EQUIP	1990	7,647	531.0	349.0	1.5215	11,634	11,634
W32800	OTHER PUMP EQUIP	1993	8,191	531.0	369.0	1.4390	11,787	11,787
W32800	OTHER PUMP EQUIP	1994	11,353	531.0	420.0	1.2643	14,353	14,353
W32800	OTHER PUMP EQUIP	1995	53	531.0	438.0	1.2123	64	64
W32800	OTHER PUMP EQUIP	1995	10,804	531.0	437.0	1.2151	13,129	13,129
W32800	OTHER PUMP EQUIP	1996	3,483	531.0	454.0	1.1696	4,073	4,073
W32800	OTHER PUMP EQUIP	1996	5,722	531.0	446.0	1.1906	6,812	6,812
W32800	OTHER PUMP EQUIP	1997	1,392	531.0	476.0	1.1155	1,553	1,553
W32800	OTHER PUMP EQUIP	1998	55,493	531.0	485.0	1.0948	60,754	60,754
W32800	OTHER PUMP EQUIP	1999	6,812	531.0	499.0	1.0641	7,248	7,248
	W32800 Class Totals		245,772				690,230	690,230
W32810	OTHER PUMP EQUIPMNT	2001	4,008	531.0	531.0	1.0000	4,008	4,008

	W32810	Class Totals	4,008				4,008	4,008
W33100	WATER TREAT EQUIP STRUCT &	1985	36,846	350.0	241.0	1.4523	53,511	53,511
W33100	WATER TREAT EQUIP STRUCT &	1986	3,014	350.0	246.0	1.4228	4,288	4,288
W33100	WATER TREAT EQUIP STRUCT &	1994	39,361	350.0	286.0	1.2238	48,170	48,170
W33100	WATER TREAT EQUIP STRUCT &	1999	1,358	350.0	324.0	1.0802	1,467	1,467
	W33100	Class Totals	80,580				107,438	107,438
W33200	WATER TREAT EQUIP	1976	56,577	403.0	158.0	2.5506	144,305	144,305
W33200	WATER TREAT EQUIP	1977	10,679	403.0	169.0	2.3846	25,465	25,465
W33200	WATER TREAT EQUIP	1978	2,307	403.0	183.0	2.2022	5,080	5,080
W33200	WATER TREAT EQUIP	1979	12,079	403.0	200.0	2.0150	24,339	24,339
W33200	WATER TREAT EQUIP	1981	1,500	403.0	239.0	1.6862	2,529	2,529
W33200	WATER TREAT EQUIP	1985	19,187	403.0	282.0	1.4291	27,420	27,420
W33200	WATER TREAT EQUIP	1986	34,830	403.0	287.0	1.4042	48,908	48,908
W33200	WATER TREAT EQUIP	1988	20,637	403.0	295.0	1.3661	28,192	28,192
W33200	WATER TREAT EQUIP	1988	473	403.0	299.0	1.3478	638	638
W33200	WATER TREAT EQUIP	1989	15,616	403.0	301.0	1.3389	20,908	20,908
W33200	WATER TREAT EQUIP	1989	3,464	403.0	309.0	1.3042	4,517	4,517
W33200	WATER TREAT EQUIP	1990	7,646	403.0	311.0	1.2958	9,908	9,908
W33200	WATER TREAT EQUIP	1991	2,940	403.0	312.0	1.2917	3,798	3,798
W33200	WATER TREAT EQUIP	1991	6,840	403.0	313.0	1.2875	8,806	8,806
W33200	WATER TREAT EQUIP	1993	14,552	403.0	327.0	1.2324	17,934	17,934
W33200	WATER TREAT EQUIP	1994	13,327	403.0	334.0	1.2066	16,081	16,081
W33200	WATER TREAT EQUIP	1995	8,911	403.0	337.0	1.1958	10,656	10,656
W33200	WATER TREAT EQUIP	1995	8,662	403.0	335.0	1.2030	10,421	10,421
W33200	WATER TREAT EQUIP	1996	8,289	403.0	347.0	1.1614	9,627	9,627

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W33200	WATER TREAT EQUIP	1997	60,943	403.0	360.0	1.1194	68,219	68,219
W33200	WATER TREAT EQUIP	1998	1,598	403.0	367.0	1.0981	1,755	1,755
W33200	WATER TREAT EQUIP	1998	47,611	403.0	370.0	1.0892	51,857	51,857
W33200	WATER TREAT EQUIP	1999	7,863	403.0	379.0	1.0633	8,360	8,360
W33200	WATER TREAT EQUIP	2000	15,052	403.0	390.0	1.0333	15,554	15,554
W33200	WATER TREAT EQUIP	2001	6,243	403.0	403.0	1.0000	6,243	6,243
	W33200	Class Totals	387,833				571,530	571,530
W34000	LAND/LAND RIGHTS	1971	10,493	180.2	39.5	4.5620	47,869	10,493
	W34000	Class Totals	10,493				47,869	10,493
W34100	STRUCT AND IMPROV	2000	9,793	350.0	338.0	1.0355	10,141	10,141
W34100	STRUCT AND IMPROV	2001	18,810	350.0	350.0	1.0000	18,810	18,810
	W34100	Class Totals	28,603				28,951	28,951
W34200	DIST RESRV & STNDPIP	1960	13,595	275.0	35.0	7.8571	106,817	106,817
W34200	DIST RESRV & STNDPIP	1961	18,743	275.0	35.0	7.8571	147,265	147,265
W34200	DIST RESRV & STNDPIP	1962	26,217	275.0	35.0	7.8571	205,989	205,989
W34200	DIST RESRV & STNDPIP	1964	179	275.0	44.0	6.2500	1,118	1,118
W34200	DIST RESRV & STNDPIP	1965	2,632	275.0	45.0	6.1111	16,084	16,084
W34200	DIST RESRV & STNDPIP	1967	197	275.0	47.0	5.8511	1,152	1,152
W34200	DIST RESRV & STNDPIP	1968	1,435	275.0	49.0	5.6122	8,053	8,053

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W34200	DIST RESRV & STNDPIP	1969	77,841	275.0	53.0	5.1887	403,893	403,893
W34200	DIST RESRV & STNDPIP	1970	15,971	275.0	75.0	3.6667	58,560	58,560
W34200	DIST RESRV & STNDPIP	1971	95,796	275.0	82.0	3.3537	321,271	321,271
W34200	DIST RESRV & STNDPIP	1973	226,928	275.0	100.0	2.7500	624,052	624,052
W34200	DIST RESRV & STNDPIP	1975	138,944	275.0	159.0	1.7296	240,317	240,317
W34200	DIST RESRV & STNDPIP	1977	141,840	275.0	172.0	1.5988	226,773	226,773
W34200	DIST RESRV & STNDPIP	1979	221,555	275.0	178.0	1.5449	342,280	342,280
W34200	DIST RESRV & STNDPIP	1987	1,594	275.0	196.0	1.4031	2,236	2,236
W34200	DIST RESRV & STNDPIP	1988	15,953	275.0	221.0	1.2443	19,850	19,850
W34200	DIST RESRV & STNDPIP	1990	19,811	275.0	221.0	1.2443	24,650	24,650
W34200	DIST RESRV & STNDPIP	1990	4,881	275.0	232.0	1.1853	5,785	5,785
W34200	DIST RESRV & STNDPIP	1991	17,862	275.0	259.0	1.0618	18,965	18,965
W34200	DIST RESRV & STNDPIP	1993	2,668	275.0	254.0	1.0827	2,889	2,889
W34200	DIST RESRV & STNDPIP	1996	10,289	275.0	251.0	1.0956	11,273	11,273
	W34200	Class Totals	1,054,932				2,789,283	2,789,283
W34300	TRANS/DISTR	1960	193,258	324.0	71.0	4.5634	881,917	881,917
W34300	TRANS/DISTR	1961	167,353	324.0	73.0	4.4384	742,783	742,783
W34300	TRANS/DISTR	1962	51,943	324.0	75.0	4.3200	224,393	224,393
W34300	TRANS/DISTR	1963	3,271	324.0	76.0	4.2632	13,944	13,944
W34300	TRANS/DISTR	1964	5,411	324.0	78.0	4.1538	22,476	22,476
W34300	TRANS/DISTR	1965	122,945	324.0	77.0	4.2078	517,327	517,327
W34300	TRANS/DISTR	1966	50,891	324.0	78.0	4.1538	211,391	211,391
W34300	TRANS/DISTR	1967	151,320	324.0	79.0	4.1013	620,608	620,608
W34300	TRANS/DISTR	1968	219,191	324.0	80.0	4.0500	887,723	887,723

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W34300	TRANS/DISTR	1969	494,464	324.0	83.0	3.9036	1,930,189	1,930,189
W34300	TRANS/DISTR	1970	717,460	324.0	87.0	3.7241	2,671,892	2,671,892
W34300	TRANS/DISTR	1971	938,981	324.0	95.0	3.4105	3,202,394	3,202,394
W34300	TRANS/DISTR	1972	415,282	324.0	98.0	3.3061	1,372,963	1,372,963
W34300	TRANS/DISTR	1973	154,207	324.0	100.0	3.2400	499,630	499,630
W34300	TRANS/DISTR	1974	576,214	324.0	133.0	2.4361	1,403,714	1,403,714
W34300	TRANS/DISTR	1975	491,054	324.0	151.0	2.1457	1,053,654	1,053,654
W34300	TRANS/DISTR	1976	421,249	324.0	259.0	1.2510	526,982	526,982
W34300	TRANS/DISTR	1977	771,092	324.0	166.0	1.9518	1,505,017	1,505,017
W34300	TRANS/DISTR	1978	537,503	324.0	179.0	1.8101	972,934	972,934
W34300	TRANS/DISTR	1979	79,226	324.0	193.0	1.6788	133,004	133,004
W34300	TRANS/DISTR	1980	37,126	324.0	209.0	1.5502	57,552	57,552
W34300	TRANS/DISTR	1981	5,197	324.0	224.0	1.4464	7,516	7,516
W34300	TRANS/DISTR	1982	115,434	324.0	239.0	1.3556	156,482	156,482
W34300	TRANS/DISTR	1983	203,331	324.0	246.0	1.3171	267,807	267,807
W34300	TRANS/DISTR	1984	205,847	324.0	244.0	1.3279	273,344	273,344
W34300	TRANS/DISTR	1985	402,276	324.0	248.0	1.3065	525,573	525,573
W34300	TRANS/DISTR	1986	216,958	324.0	245.0	1.3224	286,905	286,905
W34300	TRANS/DISTR	1987	84,025	324.0	252.0	1.2857	108,031	108,031
W34300	TRANS/DISTR	1988	36,272	324.0	264.0	1.2273	44,516	44,516
W34300	TRANS/DISTR	1989	15,509	324.0	269.0	1.2045	18,681	18,681
W34300	TRANS/DISTR	1989	42,156	324.0	273.0	1.1868	50,031	50,031
W34300	TRANS/DISTR	1990	193,331	324.0	273.0	1.1868	229,445	229,445
W34300	TRANS/DISTR	1990	27,808	324.0	275.0	1.1782	32,763	32,763
W34300	TRANS/DISTR	1991	16,573	324.0	277.0	1.1697	19,385	19,385
W34300	TRANS/DISTR	1991	75,224	324.0	279.0	1.1613	87,358	87,358
W34300	TRANS/DISTR	1992	45,705	324.0	274.0	1.1825	54,047	54,047

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W34300	TRANS/DISTR	1992	39,159	324.0	277.0	1.1697	45,804	45,804
W34300	TRANS/DISTR	1993	90,163	324.0	281.0	1.1530	103,958	103,958
W34300	TRANS/DISTR	1993	353,750	324.0	285.0	1.1368	402,143	402,143
W34300	TRANS/DISTR	1994	162,743	324.0	291.0	1.1134	181,198	181,198
W34300	TRANS/DISTR	1994	46,812	324.0	289.0	1.1211	52,480	52,480
W34300	TRANS/DISTR	1995	8,337	324.0	291.0	1.1134	9,282	9,282
W34300	TRANS/DISTR	1995	579,727	324.0	286.0	1.1329	656,773	656,773
W34300	TRANS/DISTR	1996	9,211	324.0	289.0	1.1211	10,327	10,327
W34300	TRANS/DISTR	1996	214,561	324.0	292.0	1.1096	238,077	238,077
W34300	TRANS/DISTR	1997	21,633	324.0	297.0	1.0909	23,599	23,599
W34300	TRANS/DISTR	1997	827,980	324.0	299.0	1.0836	897,200	897,200
W34300	TRANS/DISTR	1998	21,585	324.0	301.0	1.0764	23,234	23,234
W34300	TRANS/DISTR	1998	63,933	324.0	300.0	1.0800	69,047	69,047
W34300	TRANS/DISTR	1999	165,542	324.0	313.0	1.0351	171,353	171,353
W34300	TRANS/DISTR	1999	788,437	324.0	306.0	1.0588	834,797	834,797
W34300	TRANS/DISTR	2000	285,362	324.0	316.0	1.0253	292,582	292,582
W34300	TRANS/DISTR	2001	54,943	324.0	320.0	1.0125	55,630	55,630
W34300	TRANS/DISTR	2001	338,915	324.0	324.0	1.0000	338,915	338,915
	W34300	Class Totals	12,357,894				26,020,799	26,020,799
W34500	SERVICES	1960	63,549	288.0	50.0	5.7600	366,045	366,045
W34500	SERVICES	1961	34,032	288.0	53.0	5.4340	184,934	184,934
W34500	SERVICES	1962	20,983	288.0	56.0	5.1429	107,913	107,913
W34500	SERVICES	1964	620	288.0	59.0	4.8814	3,026	3,026
W34500	SERVICES	1965	34,232	288.0	61.0	4.7213	161,619	161,619

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34500	SERVICES	1966	26,624	288.0	62.0	4.6452	123,673	123,673
W34500	SERVICES	1967	39,930	288.0	66.0	4.3636	174,238	174,238
W34500	SERVICES	1968	115,737	288.0	68.0	4.2353	490,180	490,180
W34500	SERVICES	1969	176,946	288.0	72.0	4.0000	707,784	707,784
W34500	SERVICES	1970	220,816	288.0	83.0	3.4699	766,209	766,209
W34500	SERVICES	1971	288,610	288.0	88.0	3.2727	944,533	944,533
W34500	SERVICES	1972	238,166	288.0	92.0	3.1304	745,554	745,554
W34500	SERVICES	1973	122,650	288.0	100.0	2.8800	353,232	353,232
W34500	SERVICES	1974	323,748	288.0	118.0	2.4407	790,171	790,171
W34500	SERVICES	1975	167,514	288.0	124.0	2.3226	389,068	389,068
W34500	SERVICES	1976	124,332	288.0	129.0	2.2326	277,583	277,583
W34500	SERVICES	1977	273,052	288.0	142.0	2.0282	553,804	553,804
W34500	SERVICES	1978	313,458	288.0	150.0	1.9200	601,839	601,839
W34500	SERVICES	1979	21,291	288.0	168.0	1.7143	36,499	36,499
W34500	SERVICES	1980	22,423	288.0	181.0	1.5912	35,679	35,679
W34500	SERVICES	1981	13,473	288.0	192.0	1.5000	20,209	20,209
W34500	SERVICES	1982	21,350	288.0	198.0	1.4545	31,054	31,054
W34500	SERVICES	1983	26,931	288.0	207.0	1.3913	37,469	37,469
W34500	SERVICES	1984	19,872	288.0	211.0	1.3649	27,123	27,123
W34500	SERVICES	1985	109,744	288.0	211.0	1.3649	149,789	149,789
W34500	SERVICES	1986	36,431	288.0	222.0	1.2973	47,261	47,261
W34500	SERVICES	1987	41,048	288.0	227.0	1.2687	52,078	52,078
W34500	SERVICES	1988	36,876	288.0	228.0	1.2632	46,581	46,581
W34500	SERVICES	1988	1,937	288.0	230.0	1.2522	2,425	2,425
W34500	SERVICES	1989	379	288.0	221.0	1.3032	494	494
W34500	SERVICES	1989	71,382	288.0	224.0	1.2857	91,775	91,775
W34500	SERVICES	1990	109,759	288.0	226.0	1.2743	139,867	139,867

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34500	SERVICES	1990	1,766	288.0	228.0	1.2632	2,231	2,231
W34500	SERVICES	1991	53,059	288.0	235.0	1.2255	65,024	65,024
W34500	SERVICES	1991	1,764	288.0	236.0	1.2203	2,153	2,153
W34500	SERVICES	1992	140,410	288.0	241.0	1.1950	167,790	167,790
W34500	SERVICES	1992	5,404	288.0	251.0	1.1474	6,201	6,201
W34500	SERVICES	1993	80,892	288.0	251.0	1.1474	92,816	92,816
W34500	SERVICES	1994	228,666	288.0	265.0	1.0868	248,515	248,515
W34500	SERVICES	1994	2,237	288.0	250.0	1.1520	2,577	2,577
W34500	SERVICES	1995	9,679	288.0	253.0	1.1383	11,018	11,018
W34500	SERVICES	1995	171,847	288.0	255.0	1.1294	194,084	194,084
W34500	SERVICES	1996	180,773	288.0	262.0	1.0992	198,706	198,706
W34500	SERVICES	1997	126,662	288.0	266.0	1.0827	137,137	137,137
W34500	SERVICES	1998	2,262	288.0	261.0	1.1034	2,495	2,495
W34500	SERVICES	1999	115,020	288.0	271.0	1.0627	122,231	122,231
W34500	SERVICES	1999	214,872	288.0	274.0	1.0511	225,852	225,852
W34500	SERVICES	2000	120,499	288.0	278.0	1.0360	124,837	124,837
W34500	SERVICES	2001	7,649	288.0	285.0	1.0105	7,729	7,729
W34500	SERVICES	2001	202,428	288.0	288.0	1.0000	202,428	202,428
	W34500	Class Totals	4,783,796				10,273,555	10,273,555
W34600	METERS	1961	576	350.0	57.0	6.1404	3,536	3,536
W34600	METERS	1962	475	350.0	59.0	5.9322	2,817	2,817
W34600	METERS	1968	42,970	350.0	73.0	4.7945	206,019	206,019
W34600	METERS	1969	75,877	350.0	78.0	4.4872	340,475	340,475
W34600	METERS	1970	153,578	350.0	85.0	4.1176	632,372	632,372

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34600	METERS	1971	158,205	350.0	89.0	3.9326	622,156	622,156
W34600	METERS	1972	138,812	350.0	94.0	3.7234	516,852	516,852
W34600	METERS	1973	114,682	350.0	100.0	3.5000	401,387	401,387
W34600	METERS	1974	158,596	350.0	118.0	2.9661	470,411	470,411
W34600	METERS	1975	1,167	350.0	129.0	2.7132	3,166	3,166
W34600	METERS	1976	725	350.0	137.0	2.5547	1,852	1,852
W34600	METERS	1977	38,542	350.0	151.0	2.3179	89,337	89,337
W34600	METERS	1978	22,650	350.0	162.0	2.1605	48,935	48,935
W34600	METERS	1979	950	350.0	174.0	2.0115	1,910	1,910
W34600	METERS	1980	781	350.0	190.0	1.8421	1,438	1,438
W34600	METERS	1981	3,462	350.0	202.0	1.7327	5,998	5,998
W34600	METERS	1982	6,863	350.0	219.0	1.5982	10,968	10,968
W34600	METERS	1983	15,061	350.0	235.0	1.4894	22,431	22,431
W34600	METERS	1984	8,096	350.0	241.0	1.4523	11,757	11,757
W34600	METERS	1985	15,064	350.0	239.0	1.4644	22,059	22,059
W34600	METERS	1986	20,748	350.0	248.0	1.4113	29,281	29,281
W34600	METERS	1987	4,795	350.0	253.0	1.3834	6,633	6,633
W34600	METERS	1988	4,139	350.0	256.0	1.3672	5,659	5,659
W34600	METERS	1989	2,654	350.0	257.0	1.3619	3,614	3,614
W34600	METERS	1989	152	350.0	261.0	1.3410	204	204
W34600	METERS	1990	19,912	350.0	262.0	1.3359	26,600	26,600
W34600	METERS	1991	8,202	350.0	274.0	1.2774	10,477	10,477
W34600	METERS	1991	656	350.0	276.0	1.2681	833	833
W34600	METERS	1992	60,802	350.0	278.0	1.2590	76,549	76,549
W34600	METERS	1992	3,184	350.0	283.0	1.2367	3,938	3,938
W34600	METERS	1993	99,149	350.0	292.0	1.1986	118,840	118,840
W34600	METERS	1993	33,930	350.0	295.0	1.1864	40,255	40,255

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34600	METERS	1994	129,135	350.0	304.0	1.1513	148,673	148,673
W34600	METERS	1994	387	350.0	297.0	1.1785	456	456
W34600	METERS	1995	41,393	350.0	303.0	1.1551	47,813	47,813
W34600	METERS	1995	860,095	350.0	303.0	1.1551	993,496	993,496
W34600	METERS	1996	261,924	350.0	318.0	1.1006	288,274	288,274
W34600	METERS	1997	132,763	350.0	322.0	1.0870	144,313	144,313
W34600	METERS	1998	600	350.0	325.0	1.0769	646	646
W34600	METERS	1998	8,480	350.0	322.0	1.0870	9,218	9,218
W34600	METERS	1999	126,344	350.0	329.0	1.0638	134,405	134,405
W34600	METERS	1999	132,471	350.0	332.0	1.0542	139,651	139,651
W34600	METERS	2000	95,879	350.0	339.0	1.0324	98,985	98,985
W34600	METERS	2001	39,525	350.0	348.0	1.0057	39,751	39,751
W34600	METERS	2001	187,581	350.0	350.0	1.0000	187,581	187,581
W34600	Class Totals		3,232,044				5,972,046	5,972,046
W34800	HYDRANTS	1965	1,549	527.0	63.0	8.3651	12,957	12,957
W34800	HYDRANTS	1966	41,384	527.0	65.0	8.1077	335,529	335,529
W34800	HYDRANTS	1967	18,072	527.0	68.0	7.7500	140,058	140,058
W34800	HYDRANTS	1968	27,195	527.0	72.0	7.3194	199,051	199,051
W34800	HYDRANTS	1969	43,102	527.0	76.0	6.9342	298,877	298,877
W34800	HYDRANTS	1970	114,857	527.0	84.0	6.2738	720,589	720,589
W34800	HYDRANTS	1971	140,746	527.0	91.0	5.7912	815,088	815,088
W34800	HYDRANTS	1972	72,100	527.0	95.0	5.5474	399,967	399,967
W34800	HYDRANTS	1973	31,052	527.0	100.0	5.2700	163,644	163,644
W34800	HYDRANTS	1974	86,586	527.0	126.0	4.1825	362,145	362,145

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34800	HYDRANTS	1975	62,958	527.0	150.0	3.5133	221,191	221,191
W34800	HYDRANTS	1976	73,081	527.0	164.0	3.2134	234,838	234,838
W34800	HYDRANTS	1977	116,348	527.0	175.0	3.0114	350,370	350,370
W34800	HYDRANTS	1978	94,389	527.0	192.0	2.7448	259,078	259,078
W34800	HYDRANTS	1979	13,633	527.0	206.0	2.5583	34,877	34,877
W34800	HYDRANTS	1980	4,607	527.0	220.0	2.3955	11,036	11,036
W34800	HYDRANTS	1981	1,557	527.0	235.0	2.2426	3,491	3,491
W34800	HYDRANTS	1982	19,671	527.0	260.0	2.0269	39,871	39,871
W34800	HYDRANTS	1983	51,619	527.0	278.0	1.8957	97,854	97,854
W34800	HYDRANTS	1984	23,478	527.0	280.0	1.8821	44,187	44,187
W34800	HYDRANTS	1985	48,913	527.0	287.0	1.8362	89,814	89,814
W34800	HYDRANTS	1986	57,394	527.0	297.0	1.7744	101,840	101,840
W34800	HYDRANTS	1987	14,547	527.0	309.0	1.7055	24,810	24,810
W34800	HYDRANTS	1989	1,733	527.0	328.0	1.6067	2,785	2,785
W34800	HYDRANTS	1989	10,153	527.0	338.0	1.5592	15,831	15,831
W34800	HYDRANTS	1990	15,811	527.0	349.0	1.5100	23,875	23,875
W34800	HYDRANTS	1990	7,024	527.0	354.0	1.4887	10,458	10,458
W34800	HYDRANTS	1991	2,049	527.0	359.0	1.4680	3,008	3,008
W34800	HYDRANTS	1992	1,575	527.0	359.0	1.4680	2,312	2,312
W34800	HYDRANTS	1992	7,029	527.0	361.0	1.4598	10,261	10,261
W34800	HYDRANTS	1993	6,340	527.0	366.0	1.4399	9,129	9,129
W34800	HYDRANTS	1993	92,172	527.0	368.0	1.4321	132,000	132,000
W34800	HYDRANTS	1994	20,420	527.0	373.0	1.4129	28,851	28,851
W34800	HYDRANTS	1995	6,245	527.0	373.0	1.4129	8,824	8,824
W34800	HYDRANTS	1995	4,100	527.0	373.0	1.4129	5,793	5,793
W34800	HYDRANTS	1996	37,133	527.0	377.0	1.3979	51,908	51,908
W34800	HYDRANTS	1996	79,144	527.0	379.0	1.3905	110,050	110,050

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			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34800	HYDRANTS		1997	5,408	527.0	442.0	1.1923	6,448	6,448
W34800	HYDRANTS		1997	15,821	527.0	453.0	1.1634	18,407	18,407
W34800	HYDRANTS		1998	34,443	527.0	467.0	1.1285	38,869	38,869
W34800	HYDRANTS		1998	61,261	527.0	466.0	1.1309	69,281	69,281
W34800	HYDRANTS		1999	28,561	527.0	482.0	1.0934	31,229	31,229
W34800	HYDRANTS		1999	102,850	527.0	484.0	1.0888	111,983	111,983
W34800	HYDRANTS		2000	43,880	527.0	498.0	1.0582	46,434	46,434
W34800	HYDRANTS		2001	6,767	527.0	515.0	1.0233	6,925	6,925
W34800	HYDRANTS		2001	49,139	527.0	527.0	1.0000	49,139	49,139
		W34800 Class Totals		1,797,908				5,754,980	5,754,980
W34900	OTH TRANS/DISTR PLNT								
		W34900 Class Totals	1979	523	324.0	193.0	1.6788	878	878
W38900	LAND/LAND RIGHTS								
		W38900 Class Totals	1971	2,125	180.2	39.5	4.5620	9,694	2,125
W39000	MISC STRUCTURES		1971	162,295	350.0	88.0	3.9773	645,495	645,495
W39000	MISC STRUCTURES		1973	1,048	350.0	100.0	3.5000	3,668	3,668
W39000	MISC STRUCTURES		1975	39,506	350.0	136.0	2.5735	101,668	101,668
W39000	MISC STRUCTURES		1976	12,442	350.0	140.0	2.5000	31,105	31,105
W39000	MISC STRUCTURES		1977	1,968	350.0	149.0	2.3490	4,622	4,622

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39000	MISC STRUCTURES	1980	8,588	350.0	207.0	1.6908	14,520	14,520
W39000	MISC STRUCTURES	1981	25,091	350.0	220.0	1.5909	39,917	39,917
W39000	MISC STRUCTURES	1982	1,433	350.0	226.0	1.5487	2,219	2,219
W39000	MISC STRUCTURES	1983	506	350.0	233.0	1.5021	760	760
W39000	MISC STRUCTURES	1986	123,898	350.0	246.0	1.4228	176,282	176,282
W39000	MISC STRUCTURES	1987	10,337	350.0	249.0	1.4056	14,529	14,529
W39000	MISC STRUCTURES	1988	6,567	350.0	249.0	1.4056	9,230	9,230
W39000	MISC STRUCTURES	1990	674,080	350.0	262.0	1.3359	900,504	900,504
W39000	MISC STRUCTURES	1991	35,330	350.0	260.0	1.3462	47,561	47,561
W39000	MISC STRUCTURES	1992	290	350.0	259.0	1.3514	393	393
W39000	MISC STRUCTURES	1993	4,890	350.0	274.0	1.2774	6,246	6,246
W39000	MISC STRUCTURES	1993	54,459	350.0	277.0	1.2635	68,810	68,810
W39000	MISC STRUCTURES	1994	24,439	350.0	291.0	1.2027	29,392	29,392
W39000	MISC STRUCTURES	1995	21,953	350.0	298.0	1.1745	25,784	25,784
W39000	MISC STRUCTURES	1996	69,451	350.0	303.0	1.1551	80,223	80,223
W39000	MISC STRUCTURES	1996	1,000	350.0	308.0	1.1364	1,137	1,137
W39000	MISC STRUCTURES	2001	9,388	350.0	350.0	1.0000	9,388	9,388
	W39000	Class Totals	1,288,963				2,213,461	2,213,461
W39100	OFFICE FURN/EQUIP	1969	148	180.2	36.3	4.9642	734	734
W39100	OFFICE FURN/EQUIP	1971	6,713	180.2	39.5	4.5620	30,624	30,624
W39100	OFFICE FURN/EQUIP	1972	2,583	180.2	40.8	4.4167	11,408	11,408
W39100	OFFICE FURN/EQUIP	1974	4,804	180.2	47.7	3.7778	18,148	18,148
W39100	OFFICE FURN/EQUIP	1975	12,623	180.2	52.6	3.4259	43,245	43,245
W39100	OFFICE FURN/EQUIP	1976	49	180.2	55.8	3.2294	158	158

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39100	OFFICE FURN/EQUIP	1977	1,563	180.2	59.9	3.0083	4,701	4,701
W39100	OFFICE FURN/EQUIP	1978	293	180.2	65.0	2.7723	812	812
W39100	OFFICE FURN/EQUIP	1979	74	180.2	72.6	2.4821	183	183
W39100	OFFICE FURN/EQUIP	1980	1,142	180.2	83.3	2.1633	2,470	2,470
W39100	OFFICE FURN/EQUIP	1981	1,076	180.2	91.9	1.9608	2,109	2,109
W39100	OFFICE FURN/EQUIP	1982	164	180.2	97.4	1.8501	303	303
W39100	OFFICE FURN/EQUIP	1983	1,947	180.2	99.0	1.8202	3,543	3,543
W39100	OFFICE FURN/EQUIP	1984	3,392	180.2	103.6	1.7394	5,900	5,900
W39100	OFFICE FURN/EQUIP	1985	10,373	180.2	108.0	1.6685	17,307	17,307
W39100	OFFICE FURN/EQUIP	1986	15,267	180.2	109.8	1.6412	25,056	25,056
W39100	OFFICE FURN/EQUIP	1987	3,188	180.2	113.2	1.5919	5,074	5,074
W39100	OFFICE FURN/EQUIP	1988	3,795	180.2	117.7	1.5310	5,810	5,810
W39100	OFFICE FURN/EQUIP	1989	12,387	180.2	123.3	1.4615	18,104	18,104
W39100	OFFICE FURN/EQUIP	1989	1,476	180.2	123.3	1.4615	2,157	2,157
W39100	OFFICE FURN/EQUIP	1990	70,087	180.2	129.4	1.3926	97,603	97,603
W39100	OFFICE FURN/EQUIP	1990	1,107	180.2	129.4	1.3926	1,541	1,541
W39100	OFFICE FURN/EQUIP	1991	26,927	180.2	136.2	1.3231	35,627	35,627
W39100	OFFICE FURN/EQUIP	1991	5,490	180.2	136.2	1.3231	7,263	7,263
W39100	OFFICE FURN/EQUIP	1992	29,877	180.2	141.0	1.2780	38,183	38,183
W39100	OFFICE FURN/EQUIP	1993	38,262	180.2	145.5	1.2385	47,388	47,388
W39100	OFFICE FURN/EQUIP	1993	91,873	180.2	145.5	1.2385	113,785	113,785
W39100	OFFICE FURN/EQUIP	1994	47,629	180.2	148.7	1.2118	57,717	57,717
W39100	OFFICE FURN/EQUIP	1994	5,775	180.2	148.7	1.2118	6,998	6,998
W39100	OFFICE FURN/EQUIP	1995	1,315	180.2	152.2	1.1840	1,556	1,556
W39100	OFFICE FURN/EQUIP	1995	42,872	180.2	152.2	1.1840	50,760	50,760
W39100	OFFICE FURN/EQUIP	1996	49,567	180.2	156.6	1.1507	57,036	57,036
W39100	OFFICE FURN/EQUIP	1996	13,229	180.2	156.6	1.1507	15,223	15,223

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39100	OFFICE FURN/EQUIP	1997	6,735	180.2	160.6	1.1220	7,557	7,557
W39100	OFFICE FURN/EQUIP	1997	22,818	180.2	160.6	1.1220	25,602	25,602
W39100	OFFICE FURN/EQUIP	1998	7,545	180.2	163.6	1.1015	8,310	8,310
W39100	OFFICE FURN/EQUIP	1998	35,692	180.2	163.6	1.1015	39,314	39,314
W39100	OFFICE FURN/EQUIP	1999	22,336	180.2	167.8	1.0739	23,987	23,987
W39100	OFFICE FURN/EQUIP	2001	2,404	180.2	180.2	1.0000	2,404	2,404
	W39100	Class Totals	604,604				835,721	835,721
W39110	COMPUTER EQUIPMENT	1993	23,177	180.2	145.5	1.2385	28,705	28,705
W39110	COMPUTER EQUIPMENT	1995	3,032	180.2	152.2	1.1840	3,589	3,589
W39110	COMPUTER EQUIPMENT	1995	30,761	180.2	152.2	1.1840	36,421	36,421
W39110	COMPUTER EQUIPMENT	1996	25,576	180.2	156.6	1.1507	29,431	29,431
W39110	COMPUTER EQUIPMENT	1996	89,888	180.2	156.6	1.1507	103,434	103,434
W39110	COMPUTER EQUIPMENT	1997	37,841	180.2	160.6	1.1220	42,458	42,458
W39110	COMPUTER EQUIPMENT	1997	89,734	180.2	160.6	1.1220	100,682	100,682
W39110	COMPUTER EQUIPMENT	1998	34,404	180.2	163.6	1.1015	37,896	37,896
W39110	COMPUTER EQUIPMENT	1998	35,824	180.2	163.6	1.1015	39,460	39,460
W39110	COMPUTER EQUIPMENT	1999	124,877	180.2	167.8	1.0739	134,105	134,105
W39110	COMPUTER EQUIPMENT	2000	78,376	180.2	173.1	1.0410	81,590	81,590
W39110	COMPUTER EQUIPMENT	2001	11,210	180.2	180.2	1.0000	11,210	11,210
W39110	COMPUTER EQUIPMENT	2001	55,722	180.2	180.2	1.0000	55,722	55,722
	W39110	Class Totals	640,427				704,708	704,708
W39200	TRANSPORT EQUIP	1978	780	180.2	65.0	2.7723	2,162	2,162

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39200	TRANSPORT EQUIP	1981	1,484	180.2	91.9	1.9608	2,909	2,909
W39200	TRANSPORT EQUIP	1986	304	180.2	109.8	1.6412	499	499
W39200	TRANSPORT EQUIP	1989	1,378	180.2	123.3	1.4615	2,013	2,013
W39200	TRANSPORT EQUIP	1990	16,461	180.2	129.4	1.3926	22,923	22,923
W39200	TRANSPORT EQUIP	1991	2,428	180.2	136.2	1.3231	3,212	3,212
W39200	TRANSPORT EQUIP	1992	3,125	180.2	141.0	1.2780	3,994	3,994
W39200	TRANSPORT EQUIP	1993	25,625	180.2	145.5	1.2385	31,737	31,737
W39200	TRANSPORT EQUIP	1994	39,474	180.2	148.7	1.2118	47,834	47,834
W39200	TRANSPORT EQUIP	1995	72,026	180.2	152.2	1.1840	85,278	85,278
W39200	TRANSPORT EQUIP	1996	8,890	180.2	156.6	1.1507	10,230	10,230
W39200	TRANSPORT EQUIP	1996	41,442	180.2	156.6	1.1507	47,687	47,687
W39200	TRANSPORT EQUIP	1997	195,280	180.2	160.6	1.1220	219,104	219,104
W39200	TRANSPORT EQUIP	1998	1,431	180.2	163.6	1.1015	1,576	1,576
W39200	TRANSPORT EQUIP	1999	111,254	180.2	167.8	1.0739	119,476	119,476
W39200	TRANSPORT EQUIP	1999	30,312	180.2	167.8	1.0739	32,553	32,553
W39200	TRANSPORT EQUIP	2000	53,438	180.2	173.1	1.0410	55,629	55,629
W39200	TRANSPORT EQUIP	2001	125,437	180.2	180.2	1.0000	125,437	125,437
W39200	TRANSPORT EQUIP	2001	75,925	180.2	180.2	1.0000	75,925	75,925
	W39200	Class Totals	806,500				890,188	890,188
W39300	STORES EQUIPMENT	1981	1,000	180.2	91.9	1.9608	1,960	1,960
W39300	STORES EQUIPMENT	1987	2,393	180.2	113.2	1.5919	3,809	3,809
W39300	STORES EQUIPMENT	1988	473	180.2	117.7	1.5310	724	724
W39300	STORES EQUIPMENT	1990	8,694	180.2	129.4	1.3926	12,107	12,107
W39300	STORES EQUIPMENT	1992	180	180.2	141.0	1.2780	230	230

Trended RCN
Handy-Whitman

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39300	STORES EQUIPMENT	1993	716	180.2	145.5	1.2385	887	887
W39300	STORES EQUIPMENT	1994	95	180.2	148.7	1.2118	115	115
	W39300 Class Totals		13,552				19,836	19,836
W39400	TOOLS AND WORK EQUIP	1975	1,257	180.2	52.6	3.4259	4,306	4,306
W39400	TOOLS AND WORK EQUIP	1976	346	180.2	55.8	3.2294	1,117	1,117
W39400	TOOLS AND WORK EQUIP	1977	663	180.2	59.9	3.0083	1,994	1,994
W39400	TOOLS AND WORK EQUIP	1979	7,047	180.2	72.6	2.4821	17,491	17,491
W39400	TOOLS AND WORK EQUIP	1980	267	180.2	83.3	2.1633	577	577
W39400	TOOLS AND WORK EQUIP	1981	1,224	180.2	91.9	1.9608	2,400	2,400
W39400	TOOLS AND WORK EQUIP	1984	365	180.2	103.6	1.7394	635	635
W39400	TOOLS AND WORK EQUIP	1985	1,420	180.2	108.0	1.6685	2,369	2,369
W39400	TOOLS AND WORK EQUIP	1986	1,678	180.2	109.8	1.6412	2,753	2,753
W39400	TOOLS AND WORK EQUIP	1987	3,553	180.2	113.2	1.5919	5,656	5,656
W39400	TOOLS AND WORK EQUIP	1988	2,533	180.2	117.7	1.5310	3,879	3,879
W39400	TOOLS AND WORK EQUIP	1988	2,021	180.2	117.7	1.5310	3,094	3,094
W39400	TOOLS AND WORK EQUIP	1989	8,965	180.2	123.3	1.4615	13,103	13,103
W39400	TOOLS AND WORK EQUIP	1990	11,444	180.2	129.4	1.3926	15,937	15,937
W39400	TOOLS AND WORK EQUIP	1990	9,173	180.2	129.4	1.3926	12,774	12,774
W39400	TOOLS AND WORK EQUIP	1991	3,332	180.2	136.2	1.3231	4,409	4,409
W39400	TOOLS AND WORK EQUIP	1991	1,016	180.2	136.2	1.3231	1,344	1,344
W39400	TOOLS AND WORK EQUIP	1992	6,022	180.2	141.0	1.2780	7,696	7,696
W39400	TOOLS AND WORK EQUIP	1993	9,561	180.2	145.5	1.2385	11,842	11,842
W39400	TOOLS AND WORK EQUIP	1993	2,479	180.2	145.5	1.2385	3,070	3,070
W39400	TOOLS AND WORK EQUIP	1994	12,342	180.2	148.7	1.2118	14,956	14,956

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39400	TOOLS AND WORK EQUIP	1995	1,225	180.2	152.2	1.1840	1,451	1,451
W39400	TOOLS AND WORK EQUIP	1995	16,753	180.2	152.2	1.1840	19,835	19,835
W39400	TOOLS AND WORK EQUIP	1996	1,849	180.2	156.6	1.1507	2,127	2,127
W39400	TOOLS AND WORK EQUIP	1996	32,647	180.2	156.6	1.1507	37,567	37,567
W39400	TOOLS AND WORK EQUIP	1997	2,406	180.2	160.6	1.1220	2,699	2,699
W39400	TOOLS AND WORK EQUIP	1997	28,822	180.2	160.6	1.1220	32,338	32,338
W39400	TOOLS AND WORK EQUIP	1998	8,480	180.2	163.6	1.1015	9,341	9,341
W39400	TOOLS AND WORK EQUIP	1998	17,971	180.2	163.6	1.1015	19,795	19,795
W39400	TOOLS AND WORK EQUIP	1999	14,896	180.2	167.8	1.0739	15,997	15,997
W39400	TOOLS AND WORK EQUIP	2000	2,302	180.2	173.1	1.0410	2,397	2,397
W39400	TOOLS AND WORK EQUIP	2001	9,166	180.2	180.2	1.0000	9,166	9,166
	W39400	Class Totals	223,235				284,130	284,130
W39500	LAB EQUIP	1987	1,649	180.2	113.2	1.5919	2,625	2,625
W39500	LAB EQUIP	1988	791	180.2	117.7	1.5310	1,212	1,212
W39500	LAB EQUIP	1989	673	180.2	123.3	1.4615	984	984
W39500	LAB EQUIP	1992	795	180.2	141.0	1.2780	1,016	1,016
W39500	LAB EQUIP	1993	2,289	180.2	145.5	1.2385	2,835	2,835
W39500	LAB EQUIP	1994	1,400	180.2	148.7	1.2118	1,697	1,697
W39500	LAB EQUIP	1995	961	180.2	152.2	1.1840	1,137	1,137
W39500	LAB EQUIP	1996	107	180.2	156.6	1.1507	123	123
W39500	LAB EQUIP	1997	243	180.2	160.6	1.1220	273	273
W39500	LAB EQUIP	1998	319	180.2	163.6	1.1015	352	352
W39500	LAB EQUIP	1999	327	180.2	167.8	1.0739	352	352

W39500	Class Totals		9,560				12,611	12,611
W39600	PWR OPER EQUIP	1979	9,138	180.2	72.6	2.4821	22,681	22,681
W39600	PWR OPER EQUIP	1980	1,134	180.2	83.3	2.1633	2,453	2,453
W39600	PWR OPER EQUIP	1981	1,442	180.2	91.9	1.9608	2,827	2,827
W39600	PWR OPER EQUIP	1988	2,239	180.2	117.7	1.5310	3,428	3,428
W39600	PWR OPER EQUIP	1989	5,076	180.2	123.3	1.4615	7,418	7,418
W39600	PWR OPER EQUIP	1990	3,198	180.2	129.4	1.3926	4,453	4,453
W39600	PWR OPER EQUIP	1991	671	180.2	136.2	1.3231	888	888
W39600	PWR OPER EQUIP	1992	1,860	180.2	141.0	1.2780	2,377	2,377
W39600	PWR OPER EQUIP	1992	2,651	180.2	141.0	1.2780	3,387	3,387
W39600	PWR OPER EQUIP	1995	21,702	180.2	152.2	1.1840	25,695	25,695
W39600	PWR OPER EQUIP	1997	163	180.2	160.6	1.1220	183	183
W39600	PWR OPER EQUIP	1999	28,408	180.2	167.8	1.0739	30,507	30,507
W39600	Class Totals		77,684				106,303	106,303
W39700	COMM EQUIP	1985	4,182	180.2	108.0	1.6685	6,977	6,977
W39700	COMM EQUIP	1987	2,397	180.2	113.2	1.5919	3,815	3,815
W39700	COMM EQUIP	1988	501	180.2	117.7	1.5310	767	767
W39700	COMM EQUIP	1988	296	180.2	117.7	1.5310	453	453
W39700	COMM EQUIP	1989	49,276	180.2	123.3	1.4615	72,018	72,018
W39700	COMM EQUIP	1990	25,507	180.2	129.4	1.3926	35,521	35,521
W39700	COMM EQUIP	1991	5,800	180.2	136.2	1.3231	7,673	7,673
W39700	COMM EQUIP	1992	2,469	180.2	141.0	1.2780	3,155	3,155
W39700	COMM EQUIP	1993	12,096	180.2	145.5	1.2385	14,981	14,981
W39700	COMM EQUIP	1993	20,776	180.2	145.5	1.2385	25,731	25,731
W39700	COMM EQUIP	1994	8,167	180.2	148.7	1.2118	9,897	9,897

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39700	COMM EQUIP	1995	934	180.2	152.2	1.1840	1,105	1,105
W39700	COMM EQUIP	1995	24,066	180.2	152.2	1.1840	28,495	28,495
W39700	COMM EQUIP	1996	6,528	180.2	156.6	1.1507	7,512	7,512
W39700	COMM EQUIP	1997	10,347	180.2	160.6	1.1220	11,610	11,610
W39700	COMM EQUIP	1998	28,638	180.2	163.6	1.1015	31,545	31,545
W39700	COMM EQUIP	1999	19,467	180.2	167.8	1.0739	20,906	20,906
	W39700	Class Totals	221,453				282,169	282,169
W39800	MISC EQUIP	1975	14,275	180.2	52.6	3.4259	48,904	48,904
W39800	MISC EQUIP	1976	1,236	180.2	55.8	3.2294	3,991	3,991
W39800	MISC EQUIP	1977	546	180.2	59.9	3.0083	1,642	1,642
W39800	MISC EQUIP	1978	340	180.2	65.0	2.7723	942	942
W39800	MISC EQUIP	1979	1,109	180.2	72.6	2.4821	2,752	2,752
W39800	MISC EQUIP	1980	1,539	180.2	83.3	2.1633	3,329	3,329
W39800	MISC EQUIP	1981	271	180.2	91.9	1.9608	531	531
W39800	MISC EQUIP	1983	125	180.2	99.0	1.8202	227	227
W39800	MISC EQUIP	1985	3,045	180.2	108.0	1.6685	5,080	5,080
W39800	MISC EQUIP	1986	688	180.2	109.8	1.6412	1,129	1,129
W39800	MISC EQUIP	1987	1,184	180.2	113.2	1.5919	1,884	1,884
W39800	MISC EQUIP	1988	2,036	180.2	117.7	1.5310	3,118	3,118
W39800	MISC EQUIP	1988	1,590	180.2	117.7	1.5310	2,434	2,434
W39800	MISC EQUIP	1989	1,336	180.2	123.3	1.4615	1,953	1,953
W39800	MISC EQUIP	1990	3,192	180.2	129.4	1.3926	4,445	4,445
W39800	MISC EQUIP	1991	24,851	180.2	136.2	1.3231	32,881	32,881
W39800	MISC EQUIP	1992	528	180.2	141.0	1.2780	675	675

Company Code: 4003 Business Area: 4504 Sun City Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39800	MISC EQUIP	1993	1,618	180.2	145.5	1.2385	2,004	2,004
W39800	MISC EQUIP	1994	519	180.2	148.7	1.2118	629	629
W39800	MISC EQUIP	1995	1,397	180.2	152.2	1.1840	1,654	1,654
W39800	MISC EQUIP	1996	442	180.2	156.6	1.1507	509	509
W39800	MISC EQUIP	1997	1,653	180.2	160.6	1.1220	1,855	1,855
W39800	MISC EQUIP	1998	183	180.2	163.6	1.1015	202	202
W39800	MISC EQUIP	1999	280	180.2	167.8	1.0739	301	301
W39800	MISC EQUIP	1999	3,657	180.2	167.8	1.0739	3,927	3,927
W39800	MISC EQUIP	2000	1,993	180.2	173.1	1.0410	2,074	2,074
W39800	MISC EQUIP	2001	2,120	180.2	180.2	1.0000	2,120	2,120
W39800	MISC EQUIP	2001	3,673	180.2	180.2	1.0000	3,673	3,673
W39800	Class Totals		75,435				134,879	134,879
Company Code: 4003	Business Area: 4504		37,978,137				81,868,482	81,526,331

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 6,079,671			$ 6,079,671	4,364,140	$ 10,443,811
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	113,419			113,419		113,419
5		$ 6,193,090		$ -	$ 6,193,090	$ 4,364,140	$ 10,557,230
6	**Operating Expenses**						
7	Salaries and Wages	$ 1,167,073	1/6	(170,260)	$ 996,813		$ 996,813
8	Purchased Water	-			-		-
9	Purchased Power	1,416,410			1,416,410		1,416,410
10	Chemicals	17,413			17,413		17,413
11	Repairs and Maintenance	540,349			540,349		540,349
12	Office Supplies and Expense	483,141	7	(66,552)	416,589		416,589
13	Outside Services	93,641			93,641		93,641
14	Service Company Charges	926,122	10	(30,953)	895,168		895,168
15	Water Testing	6,878			6,878		6,878
16	Rents	28,369			28,369		28,369
17	Transportation Expenses	22			22		22
18	Insurance - General Liability	87,848	8	(8,261)	79,587		79,587
19	Insurance - health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	40,874			40,874		40,874
21	Miscellaneous Expense	300,122	9	343	300,465		300,465
22	Depreciation Expense	1,025,028	3	(17,336)	1,007,693		1,007,693
23	Taxes Other Than Income	62,065	2	688	62,753		62,753
24	Property Taxes	186,779	4		186,779		186,779
25	Income Tax	(665,050)		120,261	(544,789)		1,139,720
26					-		-
27	**Total Operating Expenses**	$ 5,717,083		$ (172,070)	$ 5,545,013	$ -	$ 7,229,522
28	**Operating Income**	$ 476,007		$ 172,070	$ 648,077	$ 4,364,140	$ 3,327,708
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(1,533,935)	5	19,235	(1,514,700)		(1,514,700)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (1,533,935)		$ 19,235	$ (1,514,700)	$ -	$ (1,514,700)
36	**Net Profit (Loss)**	$ (1,057,928)		$ 191,306	$ (866,622)	$ 4,364,140	$ 1,813,008
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-2					Rebuttal A-1	
40							
41							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Sun City Water
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ 35,339
	6	Adjust to Actual 2002 Additional (Corporate)	(205,598)
Purchased Water	11	Adjust to annualized 2001 qty ordered	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(66,552)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(30,953)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(8,261)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	343
Depreciation Expense	3	Depreciation Expense	(17,336)
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	688
Property Taxes	4	Property Taxes	-
Income Tax			120,261
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (172,070)
Operating Income			$ 172,070

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.			Amount
1	Projected Salaries & Wages and Related Expenses		
2			
3	Actual 2002 Wages and Salaries		
4	601	Salaries & Wages	$ 769,786
5			
6	Direct Filing Proposed Wages and Salaries		
7	601	Salaries & Wages	$ 734,448
8			
9	Increase (Decrease)		$ 35,339
10			
11	Adjustment to Revenues and/or Expenses		$ 35,339
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.			Amount
1	Projected Salaries & Wages and Related Expenses		
2			
3	PR Taxes Based on Actual 2002 Wages and Salaries		
4	408	Taxes Other Than Income	62,753
5			
6	Direct Filing Proposed PR Taxes		
7	408	Taxes Other Than Income	62,065
8			
9	Increase (Decrease)		$ 688
10			
11	Adjustment to Revenues and/or Expenses		$ 688
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.

1 Depreciation Expense

Line	Account No.	Description	Rebuttak Original Cost	Rate	Depreciation Expense
2					
3					
4					
5		**Intangible**			
6	301.00	Organization	$ 471	0.00%	$ -
7	302.00	Franchises	2,851	0.00%	-
8	303.00	Miscellaneous Intangibles	4,591	0.00%	-
9		**Subtotal Intangible**	$ 7,913		$ -
10					
11		**Source of Supply**			
12	310.00	Land and Land Rights	$ 180,083	0.00%	$ -
13	311.00	Structures and Improvements	875,244	2.50%	21,881
14	312.00	Collecting and Impounding Res.	314	2.50%	8
15	313.00	Lakes, Rivers, Other Intakes	-	0.00%	-
16	314.00	Wells and Springs	1,891,544	2.52%	47,667
17		**Subtotal Source of Supply**	$ 2,947,185		$ 69,556
18					
19		**Pumping**			
20	320.00	Land and Land Rights	$ 8,456	0.00%	$ -
21	321.00	Structures and Improvements	582,491	1.67%	9,728
22	323.00	Other Power Production	9,554	4.42%	422
23	325.00	Electric Pumping Equipment	6,668,795	4.42%	294,761
24	326.00	Diesel Pumping Equipment	25,151	5.00%	1,258
25	328.10	Gas Engine Pumping Equipment	249,781	5.01%	12,514
26		**Subtotal Pumping**	$ 7,544,228		$ 318,682
27					
28		**Water Treatment**			
29	330.00	Land and Land Rights	$ -	0.00%	$ -
30	331.00	Structures and Improvements	80,580	1.67%	1,346
31	332.00	Water Treatment Equipment	393,191	4.00%	15,728
32		**Subtotal Water Treatment**	$ 473,771		$ 17,073
33					
34		**Transmission and Distribution**			
35	340.00	Land and Land Rights	$ 10,493	0.00%	$ -
36	341.00	Structures and Improvements	28,604	2.00%	572
37	342.00	Distribution, Reservoirs, & ST	1,512,510	1.67%	25,259
38	343.00	Transmission and Distribution	14,034,103	1.53%	214,722
39	344.00	Fire Mains	-	0.00%	-
40	345.00	Services	4,783,796	2.48%	118,638
41	346.00	Meters	3,232,044	2.51%	81,124
42	348.00	Hydrants	1,814,681	2.00%	36,294
43	349.00	Other Transmission & Distribution	523	2.00%	10
44		**Subtotal Transmission and Distribution**	$ 25,416,754		$ 476,619
45					
46		**General**			
47	389.00	Land and Land Rights	$ 1,163	0.00%	$ -
48	390.00	Structures and Improvements	798,274	1.67%	13,331
49	391.00	Office Funiture and Equipment	502,391	4.59%	23,060
50	391.10	Computer Equipment	227,321	4.59%	10,434
51	392.00	Transportation Equipment	579,346	25.00%	144,837
52	393.00	Stores Equipment	6,848	3.91%	268
53	394.00	Tools, Shop and Garage	97,974	4.02%	3,939
54	395.00	Laboratory Equipment	31,035	3.71%	1,151
55	396.00	Power Operated Equipment	28,520	5.20%	1,483
56	397.00	Communication Equipment	177,800	10.30%	18,313
57	398.00	Miscellaneous Equipment	62,439	4.93%	3,078
58		**Subtotal General**	$ 2,513,111		$ 219,894
59					
60					
61					
62					
63		TOTALS	$ 38,902,962	0.02832	$ 1,101,825
64					
65	Amortization of Deferred Regulatory Assets		$ 655,877	2.8322%	18,576
66					
67	Less: Amotization of Contributions		$ 1,127,078	10.0000%	(112,708)
68	Rebuttal Depreciation Expense				$ 1,007,693
69					
70	Direct Filing Depreciation Expense				1,025,028
71					
72	Increase (decrease) in Depreciation Expense				(17,336)
73					
74	Adjustment to Revenues and/or Expenses				$ (17,336)
75					

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$ 6,193,090
4	Rebuttal Adjusted Revenues in year ended 12/31/01	6,193,090
5	Proposed Revenues	10,557,230
6	Average of three year's of revenue	$ 7,647,804
7	Average of three year's of revenue, times 2	15,295,607
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	579,346
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 579,346
14		
15	Full Cash Value	$ 14,716,261
16	Assessment Ratio	25%
17	Assessed Value	3,679,065
18	Property Tax Rate	7.205292%
19		
20	Property Tax	265,087
21	Tax on Parcels	154
22		
23	Total Rebuttal Property Tax at Proposed Rates	$ 265,241
24	Direct Filing Proposed Property Taxes	284,477
25	Increase (Decrease) in Property Taxes	$ (19,235)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (19,235)
29		
30		

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$44,279,756
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	1,291,198
6	Direct Filing Interest Expense	1,533,935
7	Increase in Interest Expense	$ (242,737)
8		
9	Adjustment to Revenues and/or Expense	$ (242,737)
10		
11		

Arizona American - Sun City Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Wages Expense (Corporate)	$	227,027
5			
6	Direct Filing Proposed Additonal Wages Expense (Corporate		432,625
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(205,598)
10			
11	Adjustment to Revenue and/or Expense	$	(205,598)
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	274,205
5			
6	Direct Filing Proposed Additonal Office Expense (Corporate)		340,757
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(66,552)
10			
11	Adjustment to Revenue and/or Expense	$	(66,552)
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	75,891
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corpor		84,152
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(8,261)
10			
11	Adjustment to Revenue and/or Expense	$	(8,261)
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	3,788
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporate)		3,446
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	343
10			
11	Adjustment to Revenue and/or Expense	$	343
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.1797	
5	Total Charges		$ 895,168
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.1797	
10	Total Charges		926,122
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (30,953)
14			
15			
16			
17			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							

SUN CITY
WASTEWATER

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 17,192,669
2		
3	Adjusted Operating Income	1,097,877
4		
5	Current Rate of Return	6.39%
6		
7	Required Operating Income	$ 1,292,201
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 194,324
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 316,482
17		

	Customer Classification	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
18					
19					
20	Residential Units (SSR)	$ 2,920,525	$ 3,102,065	$ 181,540	6.22%
21	Commercial/Residential Units (SSR)	116	123	7	6.22%
22	Commercial (SSC)	104,865	111,377	6,512	6.21%
23	Commercial Large User (SS6)	64,965	69,153	4,188	6.45%
24	Multi-family Residential Units (AC SSR)	1,793,100	1,904,559	111,459	6.22%
25	Commercial additional toilets (SS1)	133,438	141,910	8,472	6.35%
26	Commercial per dishwasher (SS2)	26,568	28,221	1,653	6.22%
27	Commercial per wash machine (SS3)	5,457	5,790	332	6.09%
28	Commercial per wash rack (SS4)	2,736	2,907	171	6.25%
29	Miscellaneous Revenues	2,859	2,859	-	0.00%
30	Subtotal of Revenues	$ 5,054,629	$ 5,368,963	$ 314,334	6.22%
31					
32	Revenue Annualization				
33	Residential Units (SSR)	$ 12,754	$ 13,547	$ 793	6.22%
34	Commercial/Residential Units (SSR)	(116)	(123)	(7)	6.22%
35	Commercial (SSC)	1,809	1,921	112	6.21%
36	Commercial Large User (SS6)	-	-	-	0.00%
37	Multi-family Residential Units (AC SSR)	17,709	18,810	1,101	6.22%
38	Commercial additional toilets (SS1)	329	350	21	6.35%
39	Commercial per dishwasher (SS2)	669	711	42	6.22%
40	Commercial per wash machine (SS3)	49	52	3	6.09%
41	Commercial per wash rack (SS4)	29	31	2	6.25%
42	Total Revenue Annualization	$ 33,233	$ 35,299	$ 2,066	6.22%
43		0	0	0	0
44	Total of Revenues	$ 5,087,862	$ 5,404,262	$ 316,400	6.22%
45					
46	SUPPORTING SCHEDULES:				
47	Rebuttal B-1				
48	Rebuttal C-1				
49	Rebuttal D-1				
50	Rebuttal H-1				
51					

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 19,900,934	$ 43,537,027	$ 43,537,027
3	Less: Accumulated Depreciation	7,195,117	17,008,200	17,008,200
4				
5	Net Utility Plant in Service	$ 12,705,816	$ 26,528,827	$ 26,528,827
6				
7	Less:			
8	Advances in Aid of			
9	Construction	3,309,005	7,239,070	7,239,070
10	Contributions in Aid of			
11	Construction - Net of amortization	1,187,139	2,597,089	2,597,089
12	Customer Meter Deposits	-	-	-
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Tolleson Trickling			
17	Filter	500,000	500,000	500,000
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	5,224,179	-	-
21				
22	Total Rate Base	$ 13,933,851	$ 17,192,669	$ 17,192,669
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rebuttal B-2			Rebuttal A-1
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 19,962,780	(1)	(61,846)	$ 19,900,934
3					
4					
5	**Less:**				
6	Accumulated				
7	Depreciation	7,189,539	(2)	5,578	7,195,117
8					
9	Net Utility Plant				
10	in Service	$ 12,773,241			$ 12,705,816
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	3,309,005			3,309,005
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,187,139			1,187,139
18	Purposes Only)				
19	Customer Meter Deposits	-			-
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Tolleson Trickling				
24	Filter	500,000			500,000
25	Deferred Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	5,264,640	(3)	(40,461)	5,224,179
28					
29	Total	$ 14,041,737			$ 13,933,851
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					

Arizona American - Sun City Wastewater
Plant Summary
at December 31, 2001

Exhibit
Schedule B-2
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 122,373	$ -	$ 122,373	$ -	$ -	$ -
3	302.00	Franchises	6,132	-	6,132	-	-	-
4	303.00	Miscellaneous Intangibles	10,495	(868)	9,627	-	(868)	(868)
5		**Subtotal Intangible**	$ 139,000	$ (868)	$ 138,132	$ -	$ (868)	$ (868)
6								
7		***Treatment & Discharge***						
8	310.00	Land and Land Rights	$ 6,565	$ -	$ 6,565	$ -	$ -	$ -
9	311.00	Structures and Improvements	42,195	11,337	53,532	6,372	-	6,372
10	312.00	Preliminary Treatment	453	-	453	63	-	63
11	313.00	Primary Treatment Equipment	-	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	2,575	-	2,575	62	-	62
13	315.00	Tertiary Equipment	-	-	-	-	-	-
14	316.00	Disinfection Equipment	-	-	-	-	-	-
15	317.00	Effluent Lift Station E	1,503	-	1,503	378	-	378
16	318.00	Outfall Line	291	-	291	61	-	61
17	319.00	Sludge, Treatment & Distribution	-	-	-	-	-	-
18	321.00	Influent Lift Station	178	-	178	(8,749)	-	(8,749)
19	322.00	General Treatment Equipment	18,743	-	18,743	(331)	-	(331)
20		**Subtotal Treatment & Discharge**	$ 72,503	$ 11,337	$ 83,840	$ (2,143)	$ -	$ (2,143)
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
24	341.00	Structures and Improvements	350,713	-	350,713	5,455	-	5,455
25	342.00	Collection System Lift	1,229,723	-	1,229,723	419,098	-	419,098
26	343.00	Collection Mains	12,388,680	(4,310)	12,384,369	5,243,502	-	5,243,502
27	344.00	Force Mains	1,300,266	-	1,300,266	70,153	-	70,153
28	345.00	Discharge Services	2,307,454	-	2,307,454	1,098,603	-	1,098,603
29	348.00	Manholes	-	-	-	-	-	-
30		**Subtotal Collection and Influent**	$ 17,576,836	$ (4,310)	$ 17,572,526	$ 6,836,811	$ -	$ 6,836,811
31								
32		**General**						
33	389.00	Land and Land Rights	$ 1,108	$ -	$ 1,108	$ -	$ -	$ -
34	390.00	Structures and Improvements	760,473	-	760,473	70,466	-	70,466
35	391.00	Office Funiture and Equipment	388,328	(23,238)	365,090	83,100	-	83,100
	391.10	Computer Equipment	425,623	(138,038)	287,585	(98,704)	(8,364)	(107,068)
36	392.00	Transportation Equipment	408,123	-	408,123	236,016	-	236,016
37	393.00	Stores Equipment	6,523	-	6,523	1,767	-	1,767
38	394.00	Tools, Shop and Garage	93,334	-	93,334	5,228	-	5,228
39	395.00	Laboratory Equipment	29,565	-	29,565	5,212	-	5,212
40	396.00	Power Operated Equipment	27,321	(152)	27,169	9,721	(84)	9,638
41	397.00	Communication Equipment	160,926	3,785	164,710	75,521	-	75,521
42	398.00	Miscellaneous Equipment	62,919	(3,437)	59,482	29,674	(3,437)	26,237
43		**Subtotal General**	$ 2,364,243	$ (161,080)	$ 2,203,163	$ 418,000	$ (11,884)	$ 406,116
44								
45		Youngtown Plant *	(96,727)	-	(96,727)	(44,798)	-	(44,798)
46		ADFUC adjustment 3/95 **	(93,075)	93,075	-	(18,330)	18,330	-
47		TOTAL WASTEWATER PLANT	$ 19,962,780	$ (61,846)	$ 19,900,933	$ 7,189,539	$ 5,578	$ 7,195,117
48								
49								
50		SUPPORTING SCHEDULES:						
51		Rebuttal B-2, page 2a, 2b, 3a, 3b						
52								
53								

Arizona American
Sun City Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 122,373					$ -
3	302.00	Franchises	6,132					-
4	303.00	Miscellaneous Intangibles	10,495		(868)			-
5		**Subtotal Intangible**	$ 139,000	$ -	$ (868)	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 6,565					$ -
9	311.00	Structures and Improvements	42,195					11,337
10	312.00	Preliminary Treatment	453					-
11	313.00	Primary Treatment Equipment	-					-
12	314.00	Secondary Treatment Equipment	2,575					-
13	315,00	Tertiary Equipment	-					-
14	316.00	Disinfection Equipment	-					-
15	317.00	Effluent Lift Station E	1,503					-
16	318.00	Outfall Line	291					-
17	319.00	Sludge, Treatment & Distribution	-					-
18	321.00	Influent Lift Station	178					-
19	322.00	General Treatment Equipment	18,743					-
20		**Subtotal Treatment & Discharge**	$ 72,503	$ -	$ -	$ -	$ -	$ 11,337
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -					$ -
24	341.00	Structures and Improvements	350,713					-
25	342.00	Collection System Lift	1,229,723					-
26	343.00	Collection Mains	12,388,680					(4,310)
27	344.00	Force Mains	1,300,266					-
28	345.00	Discharge Services	2,307,454					-
29	348.00	Manholes	-					-
30		**Subtotal Collection and Influent**	$ 17,576,836	$ -	$ -	$ -	$ -	$ (4,310)
31								
32		**General**						
33	389.00	Land and Land Rights	$ 1,108					$ -
34	390.00	Structures and Improvements	760,473					-
35	391.00	Office Funiture and Equipment	388,328					(23,238)
36	391.10	Computer Equipment	425,623					-
37	392.00	Transportation Equipment	408,123					-
38	393.00	Stores Equipment	6,523					-
39	394.00	Tools, Shop and Garage	93,334					-
40	395.00	Laboratory Equipment	29,565					-
41	396.00	Power Operated Equipment	27,321					-
42	397.00	Communication Equipment	160,926					3,785
43	398.00	Miscellaneous Equipment	62,919					-
44		**Subtotal General**	$ 2,364,243	$ -	$ -	$ -	$ -	$ (19,453)
45								
46		Youngtown Plant *	(96,727)					
47		ADEUC adjustment 3/95	(93,075)					
48		TOTAL WASTEWATER PLANT	$ 19,962,780	$ -	$ (868)	$ -	$ -	$ (12,426)
49								
50			ADJ #		Reference			
51			1	Plant Not Used and Useful	ACC Staff			
52			2	Unidentified Plant	ACC Staff			
53			3	Mis-posted Plant	ACC Staff			
54			4	Plant Removed by Prev. Decision	ACC Staff			
55			5	Post Test Year Plant	ACC Staff			
56								

Arizona American
Sun City Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ 122,373
3	302.00	Franchises						-	6,132
4	303.00	Miscellaneous Intangibles						(868)	9,627
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ (868)	$ 138,132
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights						$ -	$ 6,565
9	311.00	Structures and Improvements						11,337	53,532
10	312.00	Preliminary Treatment						-	453
11	313.00	Primary Treatment Equipment						-	-
12	314.00	Secondary Treatment Equipment						-	2,575
13	315,00	Tertiary Equipment						-	-
14	316.00	Disinfection Equipment						-	-
15	317.00	Effluent Lift Station E						-	1,503
16	318.00	Outfall Line						-	291
17	319.00	Sludge, Treatment & Distribution						-	-
18	321.00	Influent Lift Station						-	178
19	322.00	General Treatment Equipment						-	18,743
20		**Subtotal Treatment & Discharge**	$ -	$ -	$ -	$ -	$ -	$ 11,337	$ 83,840
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights							$ -
24	341.00	Structures and Improvements						-	350,713
25	342.00	Collection System Lift						-	1,229,723
26	343.00	*Collection Mains*						(4,310)	12,384,369
27	344.00	Force Mains						-	1,300,266
28	345.00	Discharge Services						-	2,307,454
29	348.00	Manholes						-	-
30		**Subtotal Collection and Influent**	$ -	$ -	$ -	$ -	$ -	$ (4,310)	$ 17,572,526
31									
32		**General**							
33	389.00	Land and Land Rights			$ -			$ -	$ 1,108
34	390.00	Structures and Improvements			-			-	760,473
35	391.00	Office Funiture and Equipment			-			(23,238)	365,090
36	391.10	Computer Equipment			(138,038)			(138,038)	287,585
37	392.00	Transportation Equipment			-			-	408,123
38	393.00	Stores Equipment			-			-	6,523
39	394.00	Tools, Shop and Garage			-			-	93,334
40	395.00	Laboratory Equipment			-			-	29,565
41	396.00	Power Operated Equipment			(152)			(152)	27,169
42	397.00	Communication Equipment			-			3,785	164,710
43	398.00	Miscellaneous Equipment			(3,437)			(3,437)	59,482
44		**Subtotal General**	$ -	$ -	$ (141,627)	$ -	$ -	$ (161,080)	$ 2,203,163
45									
46		Youngtown Plant *							(96,727)
47		ADFUC adjustment 3/95	93,075					93,075	-
48		TOTAL WASTEWATER PLANT	$ 93,075	$ -	$ (141,627)	$ -	$ -	$ (61,846)	$ 19,900,933
49									
50			ADJ #			Reference			
51			6	Remove AFUDC Adjustment		ACC Staff			
52			7	Acquisition Adjustment					
53			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
54			9						
55			10						
56									

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Sun City Wastewater
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Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -		$ -			
3	302.00	Franchises	-		-			
4	303.00	Miscellaneous Intangibles	-		(868)			
5		**Subtotal Intangible**	$ -	$ -	$ (868)	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ -		$ -			
9	311.00	Structures and Improvements	6,372		-			
10	312.00	Preliminary Treatment	63		-			
11	313.00	Primary Treatment Equipment	-		-			
12	314.00	Secondary Treatment Equipment	62		-			
13	315,00	Tertiary Equipment	-		-			
14	316.00	Disinfection Equipment	-		-			
15	317.00	Effluent Lift Station E	378		-			
16	318.00	Outfall Line	61		-			
17	319.00	Sludge, Treatment & Distribution	-		-			
18	321.00	Influent Lift Station	(8,749)		-			
19	322.00	General Treatment Equipment	(331)		-			
20		**Subtotal Treatment & Discharge**	$ (2,143)	$ -	$ -	$ -	$ -	$ -
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -		$ -			
24	341.00	Structures and Improvements	5,455		-			
25	342.00	Collection System Lift	419,098		-			
26	343.00	Collection Mains	5,243,502		-			
27	344.00	Force Mains	70,153		-			
28	345.00	Discharge Services	1,098,603		-			
29	348.00	Manholes	-		-			
30		**Subtotal Collection and Influent**	$ 6,836,811	$ -	$ -	$ -	$ -	$ -
31								
32		**General**						
33	389.00	Land and Land Rights	$ -		$ -			
34	390.00	Structures and Improvements	70,466		-			
35	391.00	Office Funiture and Equipment	83,100		-			
36	391.10	Computer Equipment	(98,704)		-			
37	392.00	Transportation Equipment	236,016		-			
38	393.00	Stores Equipment	1,767		-			
39	394.00	Tools, Shop and Garage	5,228		-			
40	395.00	Laboratory Equipment	5,212		-			
41	396.00	Power Operated Equipment	9,721		-			
42	397.00	Communication Equipment	75,521		-			
43	398.00	Miscellaneous Equipment	29,674		-			
44		**Subtotal General**	$ 418,000	$ -	$ -	$ -	$ -	$ -
45								
46		Youngtown Plant *	(44,798)					
47		ADFUC adjustment 3/95	(18,330)					
48		TOTAL WASTEWATER PLANT	$ 7,189,539	$ -	$ (868)	$ -	$ -	$ -
49								
50								
51								
52								
53								
54								
55								
56								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Schedule B-2, Page 8
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Decis	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American
Sun City Wastewater
Plant Summary
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Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						(868)	(868)
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ (868)	$ (868)
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						-	6,372
10	312.00	Preliminary Treatment						-	63
11	313.00	Primary Treatment Equipment						-	-
12	314.00	Secondary Treatment Equipment						-	62
13	315,00	Tertiary Equipment						-	-
14	316.00	Disinfection Equipment						-	-
15	317.00	Effluent Lift Station E						-	378
16	318.00	Outfall Line						-	61
17	319.00	Sludge, Treatment & Distribution						-	-
18	321.00	Influent Lift Station						-	(8,749)
19	322.00	General Treatment Equipment						-	(331)
20		**Subtotal Treatment & Discharge**	$ -	$ -	$ -	$ -	$ -	$ -	$ (2,143)
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights							$ -
24	341.00	*Structures and Improvements*						-	5,455
25	342.00	Collection System Lift						-	419,098
26	343.00	Collection Mains						-	5,243,502
27	344.00	Force Mains						-	70,153
28	345.00	Discharge Services						-	1,098,603
29	348.00	Manholes						-	-
30		**Subtotal Collection and Influent**	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,836,811
31									
32		**General**							
33	389.00	Land and Land Rights			$ -			$ -	$ -
34	390.00	Structures and Improvements			-			-	70,466
35	391.00	Office Funiture and Equipment			-			-	83,100
36	391.10	Computer Equipment			(8,364)			(8,364)	(107,068)
37	392.00	Transportation Equipment			-			-	236,016
38	393.00	Stores Equipment			-			-	1,767
39	394.00	Tools, Shop and Garage			-			-	5,228
40	395.00	Laboratory Equipment			-			-	5,212
41	396.00	Power Operated Equipment			(84)			(84)	9,638
42	397.00	Communication Equipment			-			-	75,521
43	398.00	Miscellaneous Equipment			(3,437)			(3,437)	26,237
44		**Subtotal General**	$ -	$ -	$ (11,884)	$ -	$ -	$ (11,884)	$ 406,116
45									
46		Youngtown Plant *							(44,798)
47		ADFUC adjustment 3/95	18,330					18,330	-
48		TOTAL WASTEWATER PLANT	$ 18,330	$ -	$ (11,884)	$ -	$ -	$ 5,578	$ 7,195,117
49									
50			ADJ #			Reference			
51			6	Remove AFUDC Adjustment		ACC Staff			
52			7	Acquisition Adjustment					
53			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
54			9						
55			10						
56									

Arizona American
Sun City Wastewater
Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost	Rebuttal Allocated Original Cost	Rebuttal Allocated Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.22706	$ 1,108	$ 1,108	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.22706	760,473	760,473	-	70,608	70,608	-
5	391.00	Office Funiture and Equipment	0.22706	226,528	226,528	-	81,856	81,856	-
6	391.10	Computer Equipment	0.22706	324,323	186,285	(138,038)	(98,704)	(107,068)	(8,364)
7	392.00	Transportation Equipment	0.22706	408,123	408,123	-	235,727	235,727	-
8	393.00	Stores Equipment	0.22706	6,523	6,523	-	1,767	1,767	-
9	394.00	Tools, Shop and Garage	0.22706	93,334	93,334	-	4,141	4,141	-
10	395.00	Laboratory Equipment	0.22706	29,565	29,565	-	5,212	5,212	-
11	396.00	Power Operated Equipment	0.22706	27,321	27,169	(152)	9,721	9,638	(84)
12	397.00	Communication Equipment	0.22706	131,126	131,126	-	75,521	75,521	-
13	398.00	Miscellaneous Equipment	0.22706	62,919	59,482	(3,437)	29,167	25,730	(3,437)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 2,071,343	$ 1,929,716	$ (141,627)	$ 415,016	$ 403,132	$ (11,884)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-2, Page 5								
24									
25									

Arizona American - Sun City Wastewater
RCND Plant Summary
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Exhibit
Schedule B-3
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 146,163	$ (23,790)	$ 122,373	$ -	$ -	$ -
3	302.00	Franchises	12,784	(6,652)	6,132	-	-	-
4	303.00	Miscellaneous Intangibles	13,867	(4,241)	9,627	-	(868)	(868)
5		**Subtotal Intangible**	$ 172,814	$ (34,682)	$ 138,132	$ -	$ (868)	$ (868)
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 7,593	$ (1,937)	$ 5,656	$ -	$ -	$ -
9	311.00	Structures and Improvements	46,661	10,584	57,245	7,604	(208)	7,396
10	312.00	Preliminary Treatment	500	(14)	485	70	(2)	68
11	313.00	Primary Treatment Equipment	-	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	2,662	(34)	2,628	64	(1)	63
13	315,00	Tertiary Equipment	-	-	-	-	-	-
14	316.00	Disinfection Equipment	-	-	-	-	-	-
15	317.00	Effluent Lift Station E	2,049	(118)	1,932	510	(28)	482
16	318.00	Outfall Line	480	(53)	426	98	(11)	88
17	319.00	Sludge, Treatment & Distribution	-	-	-	-	-	-
18	321.00	Influent Lift Station	248	(17)	231	(12,187)	851	(11,337)
19	322.00	General Treatment Equipment	22,891	(860)	22,031	(445)	24	(421)
20		**Subtotal Treatment & Discharge**	$ 83,084	$ 7,550	$ 90,634	$ (4,286)	$ 625	$ (3,661)
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
24	341.00	Structures and Improvements	395,144	(8,470)	386,674	5,683	(44)	5,640
25	342.00	Collection System Lift	1,495,736	(42,345)	1,453,391	498,590	(12,654)	485,936
26	343.00	Collection Mains	37,982,230	(6,171,367)	31,810,863	13,779,189	(2,544,076)	11,235,113
27	344.00	Force Mains	1,489,670	(81,642)	1,408,028	78,412	(3,560)	74,852
28	345.00	Discharge Services	7,543,112	(1,549,693)	5,993,419	3,537,974	(722,025)	2,815,949
29	348.00	Manholes	0	(287,131)	(287,131)	2,040,300	(119,501)	1,920,798
30		**Subtotal Collection and Influent**	$ 48,905,893	$ (8,140,648)	$ 40,765,245	$ 19,940,148	$ (3,401,860)	$ 16,538,288
31								
32		**General**						
33	389.00	Land and Land Rights	$ 2,867	$ (1,759)	$ 1,108	$ -	$ -	$ -
34	390.00	Structures and Improvements	1,032,126	(26,950)	1,005,176	114,764	(3,764)	111,000
35	391.00	Office Funiture and Equipment	454,018	(22,967)	431,051	115,261	2,151	117,411
	391.10	Computer Equipment	462,043	(155,872)	306,172	(109,797)	(8,061)	(117,858)
36	392.00	Transportation Equipment	451,577	(6,331)	445,246	262,680	(3,803)	258,877
37	393.00	Stores Equipment	8,506	88	8,594	2,487	82	2,568
38	394.00	Tools, Shop and Garage	118,937	(198)	118,738	4,290	93	4,383
39	395.00	Laboratory Equipment	34,223	(353)	33,870	6,211	(25)	6,186
40	396.00	Power Operated Equipment	35,050	371	35,421	12,730	96	12,826
41	397.00	Communication Equipment	188,258	1,386	189,644	94,350	(666)	93,683
42	398.00	Miscellaneous Equipment	89,569	(6,098)	83,471	45,154	(6,309)	38,845
43		**Subtotal General**	$ 2,877,175	$ (218,683)	$ 2,658,492	$ 548,129	$ (20,206)	$ 527,923
44								
45		Youngtown Plant *	(115,476)	-	(115,476)	(53,482)	-	(53,482)
46		AFUDC adjustment 3/95 **	(112,258)	112,258	0	(22,108)	22,108	(0)
47		TOTAL WASTEWATER PLANT	$ 51,811,232	$ (8,274,205)	$ 43,537,027	$ 20,408,401	$ (3,400,201)	$ 17,008,200
48								
49								
50		SUPPORTING SCHEDULES:						
51		Rebuttal B-3, page 2a, 2b, 3a, 3b						
52								
53								

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Plant Summary
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Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Blank Not Used Adjustment 1	Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 146,163					$ -
3	302.00	Franchises	12,784					-
4	303.00	Miscellaneous Intangibles	13,867		(2,604)			-
5		**Subtotal Intangible**	$ 172,814	$ -	$ (2,604)	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 7,593					$ -
9	311.00	Structures and Improvements	46,661					11,337
10	312.00	Preliminary Treatment	500					-
11	313.00	Primary Treatment Equipment	-					-
12	314.00	Secondary Treatment Equipment	2,662					-
13	315,00	Tertiary Equipment	-					-
14	316.00	Disinfection Equipment	-					-
15	317.00	Effluent Lift Station E	2,049					-
16	318.00	Outfall Line	480					-
17	319.00	Sludge, Treatment & Distribution	-					-
18	321.00	Influent Lift Station	248					-
19	322.00	General Treatment Equipment	22,891					-
20		**Subtotal Treatment & Discharge**	$ 83,084	$ -	$ -	$ -	$ -	$ 11,337
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -					$ -
24	341.00	Structures and Improvements	395,144					-
25	342.00	Collection System Lift	1,495,736					-
26	343.00	Collection Mains	37,982,230					(4,310)
27	344.00	Force Mains	1,489,670					-
28	345.00	Discharge Services	7,543,112					-
29	348.00	Manholes	0					-
30		**Subtotal Collection and Influent**	$ 48,905,893	$ -	$ -	$ -	$ -	$ (4,310)
31								
32		**General**						
33	389.00	Land and Land Rights	$ 2,867					$ -
34	390.00	Structures and Improvements	1,032,126					-
35	391.00	Office Funiture and Equipment	454,018					(23,238)
36	391.10	Computer Equipment	462,043					-
37	392.00	Transportation Equipment	451,577					-
38	393.00	Stores Equipment	8,506					-
39	394.00	Tools, Shop and Garage	118,937					-
40	395.00	Laboratory Equipment	34,223					-
41	396.00	Power Operated Equipment	35,050					-
42	397.00	Communication Equipment	188,258					3,785
43	398.00	Miscellaneous Equipment	89,569					-
44		**Subtotal General**	$ 2,877,175	$ -	$ -	$ -	$ -	$ (19,453)
45								
46		Youngtown Plant *	(115,476)					
47		ADFUC adjustment 3/95	(112,258)					
48		TOTAL WASTEWATER PLANT	$ 51,811,232	$ -	$ (2,604)	$ -	$ -	$ (12,426)
49								
50			ADJ #			Reference		
51			1	Plant Not Used and Useful		Blank		
52			2	Unidentified Plant		Rebuttal Sched B-3, Page 8		
53			3	Mis-posted Plant		Blank		
54			4	Plant Removed by Prev. Decision		Blank		
55			5	Post Test Year Plant		ACC Staff		
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Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				$ (23,790)		$ (23,790)	$ 122,373
3	302.00	Franchises				(6,652)		(6,652)	6,132
4	303.00	Miscellaneous Intangibles				(1,637)		(4,241)	9,627
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (32,078)	$ -	$ (34,682)	$ 138,132
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights				$ (1,937)		$ (1,937)	$ 5,656
9	311.00	Structures and Improvements				(754)		10,584	57,245
10	312.00	Preliminary Treatment				(14)		(14)	485
11	313.00	Primary Treatment Equipment				-		-	-
12	314.00	Secondary Treatment Equipment				(34)		(34)	2,628
13	315.00	Tertiary Equipment				-		-	-
14	316.00	Disinfection Equipment				-		-	-
15	317.00	Effluent Lift Station E				(118)		(118)	1,932
16	318.00	Outfall Line				(53)		(53)	426
17	319.00	Sludge, Treatment & Distribution				-		-	-
18	321.00	Influent Lift Station				(17)		(17)	231
19	322.00	General Treatment Equipment				(860)		(860)	22,031
20		**Subtotal Treatment & Discharge**	$ -	$ -	$ -	$ (3,787)	$ -	$ 7,550	$ 90,634
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights				$ -			$ -
24	341.00	Structures and Improvements				(8,470)		(8,470)	386,674
25	342.00	Collection System Lift				(42,345)		(42,345)	1,453,391
26	343.00	Collection Mains				(6,167,056)		(6,171,367)	31,810,863
27	344.00	Force Mains				(81,642)		(81,642)	1,408,028
28	345.00	Discharge Services				(1,549,693)		(1,549,693)	5,993,419
29	348.00	Manholes				(287,131)		(287,131)	(287,131)
30		**Subtotal Collection and Influent**	$ -	$ -	$ -	$ (8,136,337)	$ -	$ (8,140,648)	$ 40,765,245
31									
32		**General**							
33	389.00	Land and Land Rights			$ (1,759)			$ (1,759)	$ 1,108
34	390.00	Structures and Improvements			(26,950)			(26,950)	1,005,176
35	391.00	Office Funiture and Equipment			270			(22,967)	431,051
36	391.10	Computer Equipment			(155,872)			(155,872)	306,172
37	392.00	Transportation Equipment			(6,331)			(6,331)	445,246
38	393.00	Stores Equipment			88			88	8,594
39	394.00	Tools, Shop and Garage			(198)			(198)	118,738
40	395.00	Laboratory Equipment			(353)			(353)	33,870
41	396.00	Power Operated Equipment			371			371	35,421
42	397.00	Communication Equipment			(2,399)			1,386	189,644
43	398.00	Miscellaneous Equipment			(6,098)			(6,098)	83,471
44		**Subtotal General**	$ -	$ -	$ (199,230)	$ -	$ -	$ (218,683)	$ 2,658,492
45									
46		Youngtown Plant *							(115,476)
47		ADFUC adjustment 3/95	112,258					112,258	0
48		TOTAL WASTEWATER PLANT	$ 112,258	$ -	$ (199,230)	$ (8,172,203)	$ -	$ (8,274,205)	$ 43,537,027
49									
50			ADJ #		Reference				
51			6	Remove Trended AFUDC Adjustment					
52			7	Acquisition Adjustment		Blank			
53			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
54			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
55			10						
56									

Arizona American
Sun City Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Line No.	Direct Accumulated Depreciation	Blank Not Used Adjustment 1	Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**	1						
2	301.00	Organization	2	$ -		$ -			
3	302.00	Franchises	3	-		-			
4	303.00	Miscellaneous Intangibles	4	-		-			
5		**Subtotal Intangible**	5	$ -	$ -	$ -	$ -	$ -	$ -
6			6						
7		**Treatment & Discharge**	7						
8	310.00	Land and Land Rights	8	$ -		$ -			
9	311.00	Structures and Improvements	9	7,604		-			
10	312.00	Preliminary Treatment	10	70		-			
11	313.00	Primary Treatment Equipment	11	-		-			
12	314.00	Secondary Treatment Equipment	12	64		-			
13	315,00	Tertiary Equipment	13	-		-			
14	316.00	Disinfection Equipment	14	-		-			
15	317.00	Effluent Lift Station E	15	510		-			
16	318.00	Outfall Line	16	98		-			
17	319.00	Sludge, Treatment & Distribution	17	-		-			
18	321.00	Influent Lift Station	18	(12,187)		-			
19	322.00	General Treatment Equipment	19	(445)		-			
20		**Subtotal Treatment & Discharge**	20	$ (4,286)	$ -	$ -	$ -	$ -	$ -
21			21						
22		**Collection and Influent**	22						
23	340.00	Land and Land Rights	23	$ -		$ -			
24	341.00	Structures and Improvements	24	5,683		-			
25	342.00	Collection System Lift	25	498,590		-			
26	343.00	Collection Mains	26	13,779,189		-			
27	344.00	Force Mains	27	78,412		-			
28	345.00	Discharge Services	28	3,537,974		-			
29	348.00	Manholes	29	2,040,300		-			
30		**Subtotal Collection and Influent**	30	$ 19,940,148	$ -	$ -	$ -	$ -	$ -
31			31						
32		**General**	32						
33	389.00	Land and Land Rights	33	$ -		$ -			
34	390.00	Structures and Improvements	34	114,764		-			
35	391.00	Office Funiture and Equipment	35	115,261		-			
36	391.10	Computer Equipment	36	(109,797)		-			
37	392.00	Transportation Equipment	37	262,680		-			
38	393.00	Stores Equipment	38	2,487		-			
39	394.00	Tools, Shop and Garage	39	4,290		-			
40	395.00	Laboratory Equipment	40	6,211		-			
41	396.00	Power Operated Equipment	41	12,730		-			
42	397.00	Communication Equipment	42	94,350		-			
43	398.00	Miscellaneous Equipment	43	45,154		-			
44		**Subtotal General**	44	$ 548,129	$ -	$ -	$ -	$ -	$ -
45			45						
46		Youngtown Plant *	46	(53,482)					
47		ADFUC adjustment 3/95	47	(22,108)		-			
48		TOTAL WASTEWATER PLANT	48	$ 20,408,401	$ -	$ -	$ -	$ -	$ -
49			49						
50			50						
51			51						
52			52						
53			53						
54			54						
55			55						
56			56						

ADJ #		Reference
1	Plant Not Used and Useful	Blank
2	Unidentified Plant	Rebuttal Sched B-3, Page 8
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decis	Blank
5	Post Test Year Plant	ACC Staff

Arizona American
Sun City Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				$ -		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				(868)		(868)	(868)
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (868)	$ -	$ (868)	$ (868)
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights				$ -		$ -	$ -
9	311.00	Structures and Improvements				(208)		(208)	7,396
10	312.00	Preliminary Treatment				(2)		(2)	68
11	313.00	Primary Treatment Equipment				-		-	-
12	314.00	Secondary Treatment Equipment				(1)		(1)	63
13	315,00	Tertiary Equipment				-		-	-
14	316.00	Disinfection Equipment				-		-	-
15	317.00	Effluent Lift Station E				(28)		(28)	482
16	318.00	Outfall Line				(11)		(11)	88
17	319.00	Sludge, Treatment & Distribution				-		-	-
18	321.00	Influent Lift Station				851		851	(11,337)
19	322.00	General Treatment Equipment				24		24	(421)
20		**Subtotal Treatment & Discharge**	$ -	$ -	$ -	$ 625	$ -	$ 625	$ (3,661)
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights				$ -			$ -
24	341.00	Structures and Improvements				(44)		(44)	5,640
25	342.00	Collection System Lift				(12,654)		(12,654)	485,936
26	343.00	Collection Mains				(2,544,076)		(2,544,076)	11,235,113
27	344.00	Force Mains				(3,560)		(3,560)	74,852
28	345.00	Discharge Services				(722,025)		(722,025)	2,815,949
29	348.00	Manholes				(119,501)		(119,501)	1,920,798
30		**Subtotal Collection and Influent**	$ -	$ -	$ -	$ (3,401,860)	$ -	$ (3,401,860)	$ 16,538,288
31									
32		**General**							
33	389.00	Land and Land Rights			$ -			$ -	$ -
34	390.00	Structures and Improvements			(3,764)			(3,764)	111,000
35	391.00	Office Funiture and Equipment			2,151			2,151	117,411
36	391.10	Computer Equipment			(8,061)			(8,061)	(117,858)
37	392.00	Transportation Equipment			(3,803)			(3,803)	258,877
38	393.00	Stores Equipment			82			82	2,568
39	394.00	Tools, Shop and Garage			93			93	4,383
40	395.00	Laboratory Equipment			(25)			(25)	6,186
41	396.00	Power Operated Equipment			96			96	12,826
42	397.00	Communication Equipment			(666)			(666)	93,683
43	398.00	Miscellaneous Equipment			(6,309)			(6,309)	38,845
44		**Subtotal General**	$ -	$ -	$ (20,206)	$ -	$ -	$ (20,206)	$ 527,923
45									
46		Youngtown Plant *							(53,482)
47		ADFUC adjustment 3/95	22,108					22,108	(0)
48		TOTAL WASTEWATER PLANT	$ 22,108	$ -	$ (20,206)	$ (3,402,103)	$ -	$ (3,400,201)	$ 17,008,200
49									
50			ADJ #			Reference			
51			6	Remove Trended AFUDC Adjustment					
52			7	Acquisition Adjustment		Blank			
53			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
54			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
55			10						
56									

Arizona American - Sun City Wastewater
RCND Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.22706	$ 2,867	$ 1,108	$ (1,759)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.22706	1,032,126	1,005,176	(26,950)	114,907	111,142	(3,764)
5	391.00	Office Funiture and Equipment	0.22706	292,218	292,489	270	114,017	116,168	2,151
6	391.10	Computer Equipment	0.22706	360,743	204,872	(155,872)	(109,797)	(117,858)	(8,061)
7	392.00	Transportation Equipment	0.22706	451,577	445,246	(6,331)	262,392	258,588	(3,803)
8	393.00	Stores Equipment	0.22706	8,506	8,594	88	2,487	2,568	82
9	394.00	Tools, Shop and Garage	0.22706	118,937	118,738	(198)	3,203	3,296	93
10	395.00	Laboratory Equipment	0.22706	34,223	33,870	(353)	6,211	6,186	(25)
11	396.00	Power Operated Equipment	0.22706	35,050	35,421	371	12,730	12,826	96
12	397.00	Communication Equipment	0.22706	158,458	156,059	(2,399)	94,350	93,683	(666)
13	398.00	Miscellaneous Equipment	0.22706	89,569	83,471	(6,098)	44,648	38,339	(6,309)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 2,584,275	$ 2,385,045	$ (199,230)	$ 545,145	$ 524,939	$ (20,206)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00	0	$ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	*Structures and Improvements*	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	*Communication Equipment*	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345		(607,932)				
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051						
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325		(669)				
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101	(458)		(14,679)			
13		**Subtotal General**	$ 9,122,373	$ (458)	$ (608,601)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	Computer Equipment	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										

ADJ #	Reference
6	
7	
8	
9	
10	

Arizona-American Sun City Wastewater
Unidentified Plant

Exhibit
Rebuttal Schedule B-2
Page 8

Asset Id	Asset Desc.	Class	Acq. Date	Original Cost	A/D	RCN	Adjust O.C.	Adjust A/D	Adjust RCND	Adj.RCN A/D
1673417	UNIDENTIFIED	T30300	19740701	868	0	2,604	(868)	0	(2,604)	0
1673427	UNIDENTIFIED	T39800	19750701	14,679	(15,870)	39,030	(14,679)	(14,679)	(39,030)	(39,030)

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 51,811,232	(1)	(8,274,205)	$ 43,537,027
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	20,408,401	(2)	(3,400,201)	17,008,200
8					
9	Net Utility Plant				
10	in Service	$ 31,402,831			$ 26,528,827
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	8,588,165	(3)	(1,349,095)	7,239,070
15	Contributions in Aid of				
16	Construction - Net (Ratemaking	3,081,090	(4)	(484,001)	2,597,089
17	Purposes Only)				
18	Customer Meter Deposits	-			-
19	Deferred Income Taxes	-			-
20	Investment Tax Credits	-			-
21	**Plus:**				
22	Tolleson Trickling				
23	Filter	500,000			500,000
24	Deferred Assets	-			-
25	Working capital	-			-
26	Citizens Acquisition Adjustment	-			-
27					
28	Total	$ 20,233,577			$ 17,192,669
29					
30					
31	(1) See B-3, Page 2				
32	(2) See B-3, Page 3				
33	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
34	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

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Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00	0	$ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment	1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment	1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment	1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment	37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage	523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment	150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment	154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment	697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment	394,470	(26,855)	367,615	196,632	(27,786)	168,847
13								
14								
15		TOTALCOMMON PLANT	$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	Computer Equipment	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		General								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		*Subtotal General*	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	Laboratory Equipment	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	Miscellaneous Equipment	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona-American Sun City Wastewater
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa

Line No.	Account No.	Description	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	Adjustment (B-3, page 2b, Adj. #9) RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1		**Intangible**					
2	301.00	Organization	146,163	-	146,163	(23,790)	122,373
3	302.00	Franchises	12,784	-	12,784	(6,652)	6,132
4	303.00	Miscellaneous Intangibles	13,867	(2,604)	11,263	(1,637)	9,627
5		**Subtotal Intangible**	172,814	(2,604)	170,210	(32,078)	138,132
6							
7		**Treatment & Discharge**					
8	310.00	Land and Land Rights	7,593	-	7,593	(1,937)	5,656
9	311.00	Structures and Improvements	26,561	-	26,561	(754)	25,808
10	312.00	Preliminary Treatment	500	-	500	(14)	485
11	313.00	Primary Treatment Equipment	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	2,662	-	2,662	(34)	2,628
13	315,00	Tertiary Equipment	-	-	-	-	-
14	316.00	Disinfection Equipment	-	-	-	-	-
15	317.00	Effluent Lift Station E	2,049	-	2,049	(118)	1,932
16	318.00	Outfall Line	480	-	480	(53)	426
17	319.00	Sludge, Treatment & Distribution	-	-	-	-	-
18	321.00	Influent Lift Station	248	-	248	(17)	231
19	322.00	General Treatment Equipment	22,891	-	22,891	(860)	22,031
20		**Subtotal Treat & Disc**	62,984	-	62,984	(3,787)	59,197
21							
22		**Collection and Influent**					
23	340.00	Land and Land Rights	-	-	-	-	-
24	341.00	Structures and Improvements	395,144	-	395,144	(8,470)	386,674
25	342.00	Collection System Lift	1,495,736	-	1,495,736	(42,345)	1,453,391
26	343.00	Collection Mains	30,578,195	-	30,578,195	(6,167,056)	24,411,138
27	344.00	Force Mains	1,489,670	-	1,489,670	(81,642)	1,408,028
28	345.00	Discharge Services	7,543,112	-	7,543,112	(1,549,693)	5,993,419
29	348.00	Manholes	7,398,106	-	7,398,106	(287,131)	7,110,974
30		**Subtotal Coll.and Infl.**	48,899,963	-	48,899,963	(8,136,337)	40,763,625
31							
32		**General**				**(Common Plant, B-2, Page 6)**	
33	389.00	Land and Land Rights	-	-	-	-	-
34	390.00	Structures and Improvements	-	-	-	-	-
35	391.00	Office Funiture and Equipment	59,223	-	59,223	(2,202)	57,020
36	391.10	Computer Equipment	-	-	-	-	-
37	392.00	Transportation Equipment	2,973	-	2,973	(109)	2,863
38	393.00	Stores Equipment	-	-	-	-	-
39	394.00	Tools, Shop and Garage	81,921	-	81,921	(1,135)	80,786
40	395.00	Laboratory Equipment	-	-	-	-	-
41	396.00	Power Operated Equipment	-	-	-	-	-
42	397.00	Communication Equipment	-	-	-	-	-
43	398.00	Miscellaneous Equipment	44,988	(39,030)	5,958	(43)	5,916
44		**Subtotal General**	189,104	(39,030)	150,074	(3,489)	146,585
45							
46							
47							
48		TOTAL WASTEWATER PLANT	49,324,865	(41,634)	49,283,231	(8,175,692)	41,107,539
49							
50							
51							
52							

Arizona-American Sun City Wastewater
B-3 Adjustments

Exhibit B-4
Page A3
Witness: Bourassa

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1		**Intangible**						
2	301.00	Organization	-	-	-	1.0000	-	-
3	302.00	Franchises	-	-	-	1.0000	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	1.0000	(868)	(868)
5		**Subtotal Intangible**	-	-	-		(868)	(868)
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	-	-	-	0.8616	-	-
9	311.00	Structures and Improvements	7,328	-	7,328	1.1681	7,120	(208)
10	312.00	Preliminary Treatment	70	-	70	1.0718	68	(2)
11	313.00	Primary Treatment Equipment	-	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	64	-	64	1.0205	63	(1)
13	315,00	Tertiary Equipment	-	-	-	-	-	-
14	316.00	Disinfection Equipment	-	-	-	-	-	-
15	317.00	Effluent Lift Station E	495	-	495	1.2848	467	(28)
16	318.00	Outfall Line	95	-	95	1.4655	85	(11)
17	319.00	Sludge, Treatment & Distribution	-	-	-	-	-	-
18	321.00	Influent Lift Station	(12,189)	-	(12,189)	1.2958	(11,339)	851
19	322.00	General Treatment Equipment	(633)	-	(633)	1.1754	(609)	24
20		**Subtotal Treat & Disc**	(4,769)	-	(4,769)		(4,144)	625
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	-	-	-	-	-	-
24	341.00	Structures and Improvements	2,036	-	2,036	1.1025	1,992	(44)
25	342.00	Collection System Lift	446,962	-	446,962	1.1819	434,309	(12,654)
26	343.00	Collection Mains	12,614,325	-	12,614,325	2.4690	10,070,249	(2,544,076)
27	344.00	Force Mains	64,960	-	64,960	1.0829	61,400	(3,560)
28	345.00	Discharge Services	3,514,448	-	3,514,448	2.5974	2,792,423	(722,025)
29	348.00	Manholes	3,079,022	-	3,079,022	2.8492	2,959,521	(119,501)
30		**Subtotal Coll.and Infl.**	19,721,753	-	19,721,753		16,319,893	(3,401,860)
31								
32		**General**						**(Common Plant, B-2, Page 7)**
33	389.00	Land and Land Rights	-	-	-	-	-	-
34	390.00	Structures and Improvements	-	-	-	-	-	-
35	391.00	Office Funiture and Equipment	(14,155)	-	(14,155)	1.0520	(13,629)	526
36	391.10	Computer Equipment	-	-	-	-	-	-
37	392.00	Transportation Equipment	2,973	-	2,973	1.2385	2,863	(109)
38	393.00	Stores Equipment	-	-	-	-	-	-
39	394.00	Tools, Shop and Garage	(31,884)	-	(31,884)	1.6597	(31,442)	442
40	395.00	Laboratory Equipment	-	-	-	-	-	-
41	396.00	Power Operated Equipment	-	-	-	-	-	-
42	397.00	Communication Equipment	-	-	-	-	-	-
43	398.00	Miscellaneous Equipment	37,928	(39,030)	(1,102)	1.1387	2,364	3,466
44		**Subtotal General**	(5,138)	(39,030)	(44,168)		(39,843)	4,325
45								
46								
47								
48		TOTAL WASTEWATER PLANT	19,711,846	(39,030)	19,672,816		16,275,038	(3,397,778)
49								
50								
51								
52								

Arizona-American Sun City Wastewater
B-3 Adjustments

Exhibit B-4
Page A1
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments	O.C. Adjusted A/D
1		**Intangible**						
2	301.00	Organization	122,373	-	122,373	-	-	-
3	302.00	Franchises	6,132	-	6,132	-	-	-
4	303.00	Miscellaneous Intangibles	10,495	(868)	9,627	-	(868)	(868)
5		**Subtotal Intangible**	139,000	(868)	138,132	-	(868)	(868)
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	6,565	-	6,565	-	-	-
9	311.00	Structures and Improvements	22,095	-	22,095	6,096	-	6,096
10	312.00	Preliminary Treatment	453	-	453	63	-	63
11	313.00	Primary Treatment Equipment	-	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	2,575	-	2,575	62	-	62
13	315,00	Tertiary Equipment	-	-	-	-	-	-
14	316.00	Disinfection Equipment	-	-	-	-	-	-
15	317.00	Effluent Lift Station E	1,503	-	1,503	363	-	363
16	318.00	Outfall Line	291	-	291	58	-	58
17	319.00	Sludge, Treatment & Distribution	-	-	-	-	-	-
18	321.00	Influent Lift Station	178	-	178	(8,750)	-	(8,750)
19	322.00	General Treatment Equipment	18,743	-	18,743	(518)	-	(518)
20		**Subtotal Treat & Disc**	52,403	-	52,403	(2,626)	-	(2,626)
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	-	-	-	-	-	-
24	341.00	Structures and Improvements	350,713	-	350,713	1,807	-	1,807
25	342.00	Collection System Lift	1,229,723	-	1,229,723	367,471	-	367,471
26	343.00	Collection Mains	9,886,964	-	9,886,964	4,078,638	-	4,078,638
27	344.00	Force Mains	1,300,266	-	1,300,266	56,701	-	56,701
28	345.00	Discharge Services	2,307,454	-	2,307,454	1,075,077	-	1,075,077
29	348.00	Manholes	2,495,785	-	2,495,785	1,038,722	-	1,038,722
30		**Subtotal Coll.and Infl.**	17,570,906	-	17,570,906	6,618,416	-	6,618,416
31								
32		**General**						
33	389.00	Land and Land Rights	-	-	-	-	-	-
34	390.00	Structures and Improvements	-	-	-	142	-	142
35	391.00	Office Funiture and Equipment	54,203	-	54,203	(12,955)	-	(12,955)
36	391.10	Computer Equipment	-	-	-	-	-	-
37	392.00	Transportation Equipment	2,312	-	2,312	2,312	-	2,312
38	393.00	Stores Equipment	-	-	-	-	-	-
39	394.00	Tools, Shop and Garage	48,675	-	48,675	(18,945)	-	(18,945)
40	395.00	Laboratory Equipment	-	-	-	-	-	-
41	396.00	Power Operated Equipment	-	-	-	-	-	-
42	397.00	Communication Equipment	-	-	-	-	-	-
43	398.00	Miscellaneous Equipment	19,874	(14,679)	5,195	16,755	(14,679)	2,076
44		**Subtotal General**	125,064	(14,679)	110,385	(12,690)	(14,679)	(27,369)
45								
46								
47								
48		TOTAL WASTEWATER PLANT	17,887,373	(15,547)	17,871,826	6,603,100	(15,547)	6,587,553
49								
50								
51								
52								

Trended RCN
Handy-Whitman

Company Code: 4004 Business Area: 4505 Sun City Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T30100	ORGANIZATION	1974	34	180.2	47.7	3.7778	128	34
T30100	ORGANIZATION	1995	122,339	180.2	152.2	1.1840	144,849	122,339
	T30100	Class Totals	122,373				144,977	122,373
T30200	FRANCH/CONSENTS	1974	477	180.2	47.7	3.7778	1,802	477
T30200	FRANCH/CONSENTS	1976	3,310	180.2	55.8	3.2294	10,689	3,310
T30200	FRANCH/CONSENTS	1995	1,209	180.2	152.2	1.1840	1,431	1,209
T30200	FRANCH/CONSENTS	1997	1,136	180.2	160.6	1.1220	1,274	1,136
	T30200	Class Totals	6,132				15,197	6,132
T30300	MISC INTANGIBLE PLNT	1996	9,626	180.2	156.6	1.1507	11,077	9,626
	T30300	Class Totals	9,626				11,077	9,626
T31000	LAND/LAND RIGHTS	1996	5,656	180.2	156.6	1.1507	6,508	5,656
	T31000	Class Totals	5,656				6,508	5,656
T31100	STRUCT AND IMPROV	1993	4,843	350.0	274.0	1.2774	6,186	6,186
T31100	STRUCT AND IMPROV	1995	289	350.0	298.0	1.1745	339	339
T31100	STRUCT AND IMPROV	1996	303	350.0	303.0	1.1551	350	350
T31100	STRUCT AND IMPROV	1996	16,658	350.0	308.0	1.1364	18,931	18,931

	T31100	Class Totals	22,094				25,807	25,807
T31200	PRE TREATMENT EQ	1999	452	403.0	376.0	1.0718	485	485
	T31200	Class Totals	452				485	485
T31400	SCND TREAMENT EQ	1999	832	403.0	379.0	1.0633	885	885
T31400	SCND TREAMENT EQ	2001	1,742	403.0	403.0	1.0000	1,742	1,742
	T31400	Class Totals	2,575				2,627	2,627
T31700	EFFLUENT STATION	1990	1,246	403.0	314.0	1.2834	1,599	1,599
T31700	EFFLUENT STATION	1991	257	403.0	312.0	1.2917	332	332
	T31700	Class Totals	1,503				1,931	1,931
T31800	OUTFALL LINE	1983	291	403.0	275.0	1.4655	426	426
	T31800	Class Totals	291				426	426
T32100	INFLUENT LIFT STATIO	1990	178	403.0	311.0	1.2958	231	231
	T32100	Class Totals	178				231	231
T32200	GNL TRMNT EQ	1986	4,751	403.0	287.0	1.4042	6,671	6,671

Company Code: 4004 Business Area: 4505 Sun City Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T32200	GNL TRMNT EQ	1987	2,049	403.0	292.0	1.3801	2,827	2,827
T32200	GNL TRMNT EQ	1991	1,076	403.0	312.0	1.2917	1,390	1,390
T32200	GNL TRMNT EQ	1995	1,401	403.0	337.0	1.1958	1,676	1,676
T32200	GNL TRMNT EQ	2001	9,465	403.0	403.0	1.0000	9,465	9,465
	T32200	Class Totals	18,743				22,030	22,030
T34100	STRUCT AND IMPROV	1982	26,409	350.0	226.0	1.5487	40,899	40,899
T34100	STRUCT AND IMPROV	1983	9,765	350.0	233.0	1.5021	14,668	14,668
T34100	STRUCT AND IMPROV	1994	74,364	350.0	291.0	1.2027	89,438	89,438
T34100	STRUCT AND IMPROV	1996	3,785	350.0	308.0	1.1364	4,301	4,301
T34100	STRUCT AND IMPROV	1998	9,716	350.0	318.0	1.1006	10,694	10,694
T34100	STRUCT AND IMPROV	2001	226,672	350.0	350.0	1.0000	226,672	226,672
	T34100	Class Totals	350,712				386,674	386,674
T34200	COLL. SYSTEM LIFT	1968	6,753	403.0	74.0	5.4459	36,776	36,776
T34200	COLL. SYSTEM LIFT	1969	239	403.0	77.0	5.2338	1,250	1,250
T34200	COLL. SYSTEM LIFT	1970	351	403.0	83.0	4.8554	1,704	1,704
T34200	COLL. SYSTEM LIFT	1972	2,605	403.0	95.0	4.2421	11,050	11,050
T34200	COLL. SYSTEM LIFT	1973	2,564	403.0	100.0	4.0300	10,332	10,332
T34200	COLL. SYSTEM LIFT	1974	3,800	403.0	122.0	3.3033	12,552	12,552
T34200	COLL. SYSTEM LIFT	1980	3,823	403.0	219.0	1.8402	7,035	7,035
T34200	COLL. SYSTEM LIFT	1984	301	403.0	279.0	1.4444	434	434
T34200	COLL. SYSTEM LIFT	1985	94,499	403.0	282.0	1.4291	135,048	135,048
T34200	COLL. SYSTEM LIFT	1989	2,622	403.0	301.0	1.3389	3,511	3,511

Trended RCN
Handy-Whitman

Company Code: 4004 Business Area: 4505 Sun City Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34200	COLL. SYSTEM LIFT	1990	35,911	403.0	311.0	1.2958	46,533	46,533
T34200	COLL. SYSTEM LIFT	1991	1,441	403.0	312.0	1.2917	1,861	1,861
T34200	COLL. SYSTEM LIFT	1991	1,195	403.0	313.0	1.2875	1,538	1,538
T34200	COLL. SYSTEM LIFT	1992	607	403.0	321.0	1.2555	762	762
T34200	COLL. SYSTEM LIFT	1993	96,889	403.0	327.0	1.2324	119,407	119,407
T34200	COLL. SYSTEM LIFT	1994	268,246	403.0	334.0	1.2066	323,665	323,665
T34200	COLL. SYSTEM LIFT	1994	473	403.0	332.0	1.2139	574	574
T34200	COLL. SYSTEM LIFT	1995	322	403.0	337.0	1.1958	386	386
T34200	COLL. SYSTEM LIFT	1995	38,062	403.0	335.0	1.2030	45,788	45,788
T34200	COLL. SYSTEM LIFT	1996	1,261	403.0	342.0	1.1784	1,487	1,487
T34200	COLL. SYSTEM LIFT	1996	31,305	403.0	347.0	1.1614	36,357	36,357
T34200	COLL. SYSTEM LIFT	1997	5,163	403.0	352.0	1.1449	5,911	5,911
T34200	COLL. SYSTEM LIFT	1998	17,139	403.0	367.0	1.0981	18,821	18,821
T34200	COLL. SYSTEM LIFT	1999	859	403.0	376.0	1.0718	921	921
T34200	COLL. SYSTEM LIFT	1999	258,918	403.0	379.0	1.0633	275,307	275,307
T34200	COLL. SYSTEM LIFT	2001	354,368	403.0	403.0	1.0000	354,368	354,368
	T34200	Class Totals	1,229,722				1,453,390	1,453,390
T34300	COLL. MAINS	1960	115,857	324.0	71.0	4.5634	528,701	528,701
T34300	COLL. MAINS	1961	544,406	324.0	73.0	4.4384	2,416,291	2,416,291
T34300	COLL. MAINS	1962	74,173	324.0	75.0	4.3200	320,427	320,427
T34300	COLL. MAINS	1964	4,255	324.0	78.0	4.1538	17,674	17,674
T34300	COLL. MAINS	1965	118,458	324.0	77.0	4.2078	498,447	498,447
T34300	COLL. MAINS	1966	41,673	324.0	78.0	4.1538	173,101	173,101
T34300	COLL. MAINS	1967	133,585	324.0	79.0	4.1013	547,872	547,872

Trended RCN
Handy-Whitman

Company Code: 4004 Business Area: 4505 Sun City Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34300	COLL. MAINS	1968	316,088	324.0	80.0	4.0500	1,280,156	1,280,156
T34300	COLL. MAINS	1969	410,417	324.0	83.0	3.9036	1,602,103	1,602,103
T34300	COLL. MAINS	1970	718,520	324.0	87.0	3.7241	2,675,840	2,675,840
T34300	COLL. MAINS	1971	833,463	324.0	95.0	3.4105	2,842,525	2,842,525
T34300	COLL. MAINS	1972	521,041	324.0	98.0	3.3061	1,722,613	1,722,613
T34300	COLL. MAINS	1973	203,070	324.0	100.0	3.2400	657,946	657,946
T34300	COLL. MAINS	1974	725,065	324.0	133.0	2.4361	1,766,330	1,766,330
T34300	COLL. MAINS	1975	471,966	324.0	151.0	2.1457	1,012,697	1,012,697
T34300	COLL. MAINS	1976	336,377	324.0	259.0	1.2510	420,807	420,807
T34300	COLL. MAINS	1977	681,737	324.0	166.0	1.9518	1,330,614	1,330,614
T34300	COLL. MAINS	1978	633,188	324.0	179.0	1.8101	1,146,133	1,146,133
T34300	COLL. MAINS	1979	64,098	324.0	193.0	1.6788	107,607	107,607
T34300	COLL. MAINS	1980	6,580	324.0	209.0	1.5502	10,200	10,200
T34300	COLL. MAINS	1982	24,529	324.0	239.0	1.3556	33,252	33,252
T34300	COLL. MAINS	1983	44,809	324.0	246.0	1.3171	59,017	59,017
T34300	COLL. MAINS	1984	596	324.0	244.0	1.3279	791	791
T34300	COLL. MAINS	1985	122,372	324.0	248.0	1.3065	159,879	159,879
T34300	COLL. MAINS	1986	79,470	324.0	245.0	1.3224	105,091	105,091
T34300	COLL. MAINS	1987	6,456	324.0	252.0	1.2857	8,300	8,300
T34300	COLL. MAINS	1988	256,974	324.0	264.0	1.2273	315,384	315,384
T34300	COLL. MAINS	1989	13,992	324.0	273.0	1.1868	16,606	16,606
T34300	COLL. MAINS	1992	25,332	324.0	277.0	1.1697	29,631	29,631
T34300	COLL. MAINS	1993	23,678	324.0	281.0	1.1530	27,301	27,301
T34300	COLL. MAINS	1993	453,722	324.0	285.0	1.1368	515,791	515,791
T34300	COLL. MAINS	1994	48,189	324.0	291.0	1.1134	53,653	53,653
T34300	COLL. MAINS	1994	25,997	324.0	289.0	1.1211	29,145	29,145
T34300	COLL. MAINS	1995	3,162	324.0	291.0	1.1134	3,520	3,520

Company Code: 4004 Business Area: 4505 Sun City Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34300	COLL. MAINS	1995	859,377	324.0	286.0	1.1329	973,588	973,588
T34300	COLL. MAINS	1996	124,736	324.0	289.0	1.1211	139,842	139,842
T34300	COLL. MAINS	1996	138,872	324.0	292.0	1.1096	154,092	154,092
T34300	COLL. MAINS	1997	7,633	324.0	297.0	1.0909	8,327	8,327
T34300	COLL. MAINS	1997	19,320	324.0	299.0	1.0836	20,935	20,935
T34300	COLL. MAINS	1999	88,990	324.0	313.0	1.0351	92,114	92,114
T34300	COLL. MAINS	1999	297,797	324.0	306.0	1.0588	315,307	315,307
T34300	COLL. MAINS	2000	179,033	324.0	316.0	1.0253	183,563	183,563
T34300	COLL. MAINS	2001	87,903	324.0	324.0	1.0000	87,903	87,903
	T34300	Class Totals	9,886,964				24,411,138	24,411,138
T34400	FORCE MAINS	1968	5,571	324.0	80.0	4.0500	22,562	22,562
T34400	FORCE MAINS	1985	10,846	324.0	248.0	1.3065	14,170	14,170
T34400	FORCE MAINS	1990	2,462	324.0	273.0	1.1868	2,921	2,921
T34400	FORCE MAINS	1993	40,596	324.0	281.0	1.1530	46,808	46,808
T34400	FORCE MAINS	1994	84,886	324.0	291.0	1.1134	94,512	94,512
T34400	FORCE MAINS	1995	42,938	324.0	286.0	1.1329	48,644	48,644
T34400	FORCE MAINS	1999	1,112,965	324.0	306.0	1.0588	1,178,408	1,178,408
	T34400	Class Totals	1,300,266				1,408,028	1,408,028
T34500	DISCHARGE SERVICES	1960	18,301	324.0	71.0	4.5634	83,514	83,514
T34500	DISCHARGE SERVICES	1961	94,254	324.0	73.0	4.4384	418,336	418,336
T34500	DISCHARGE SERVICES	1962	33,335	324.0	75.0	4.3200	144,007	144,007
T34500	DISCHARGE SERVICES	1964	490	324.0	78.0	4.1538	2,035	2,035

Trended RCN
Handy-Whitman

Company Code: 4004 Business Area: 4505 Sun City Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34500	DISCHARGE SERVICES	1965	21,156	324.0	77.0	4.2078	89,020	89,020
T34500	DISCHARGE SERVICES	1966	6,853	324.0	78.0	4.1538	28,465	28,465
T34500	DISCHARGE SERVICES	1967	42,816	324.0	79.0	4.1013	175,601	175,601
T34500	DISCHARGE SERVICES	1968	69,273	324.0	80.0	4.0500	280,555	280,555
T34500	DISCHARGE SERVICES	1969	133,146	324.0	83.0	3.9036	519,748	519,748
T34500	DISCHARGE SERVICES	1970	172,506	324.0	87.0	3.7241	642,429	642,429
T34500	DISCHARGE SERVICES	1971	247,134	324.0	95.0	3.4105	842,850	842,850
T34500	DISCHARGE SERVICES	1972	138,864	324.0	98.0	3.3061	459,098	459,098
T34500	DISCHARGE SERVICES	1973	53,891	324.0	100.0	3.2400	174,606	174,606
T34500	DISCHARGE SERVICES	1974	183,919	324.0	133.0	2.4361	448,045	448,045
T34500	DISCHARGE SERVICES	1975	125,103	324.0	151.0	2.1457	268,433	268,433
T34500	DISCHARGE SERVICES	1976	94,532	324.0	259.0	1.2510	118,259	118,259
T34500	DISCHARGE SERVICES	1977	223,888	324.0	166.0	1.9518	436,984	436,984
T34500	DISCHARGE SERVICES	1978	171,623	324.0	179.0	1.8101	310,654	310,654
T34500	DISCHARGE SERVICES	1979	5,357	324.0	193.0	1.6788	8,993	8,993
T34500	DISCHARGE SERVICES	1980	6,028	324.0	209.0	1.5502	9,344	9,344
T34500	DISCHARGE SERVICES	1981	1,002	324.0	224.0	1.4464	1,449	1,449
T34500	DISCHARGE SERVICES	1982	4,010	324.0	239.0	1.3556	5,435	5,435
T34500	DISCHARGE SERVICES	1983	10,749	324.0	246.0	1.3171	14,157	14,157
T34500	DISCHARGE SERVICES	1985	97,303	324.0	248.0	1.3065	127,126	127,126
T34500	DISCHARGE SERVICES	1986	4,898	324.0	245.0	1.3224	6,477	6,477
T34500	DISCHARGE SERVICES	1989	2,506	324.0	273.0	1.1868	2,974	2,974
T34500	DISCHARGE SERVICES	1991	2,867	324.0	277.0	1.1697	3,353	3,353
T34500	DISCHARGE SERVICES	1992	2,710	324.0	277.0	1.1697	3,170	3,170
T34500	DISCHARGE SERVICES	1993	104,105	324.0	285.0	1.1368	118,346	118,346
T34500	DISCHARGE SERVICES	1994	26,344	324.0	291.0	1.1134	29,331	29,331
T34500	DISCHARGE SERVICES	1994	1,053	324.0	289.0	1.1211	1,181	1,181

Company Code: 4004 Business Area: 4505 Sun City Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34500	DISCHARGE SERVICES	1996	38,773	324.0	292.0	1.1096	43,023	43,023
T34500	DISCHARGE SERVICES	1997	12,100	324.0	299.0	1.0836	13,111	13,111
T34500	DISCHARGE SERVICES	1999	93,610	324.0	306.0	1.0588	99,114	99,114
T34500	DISCHARGE SERVICES	2000	48,290	324.0	316.0	1.0253	49,511	49,511
T34500	DISCHARGE SERVICES	2001	370	324.0	320.0	1.0125	374	374
T34500	DISCHARGE SERVICES	2001	14,290	324.0	324.0	1.0000	14,290	14,290
	T34500	Class Totals	2,307,454				5,993,419	5,993,419
T34800	MANHOLES	1960	11,157	350.0	59.0	5.9322	66,185	66,185
T34800	MANHOLES	1961	72,537	350.0	59.0	5.9322	430,303	430,303
T34800	MANHOLES	1962	21,803	350.0	60.0	5.8333	127,183	127,183
T34800	MANHOLES	1964	1,227	350.0	63.0	5.5556	6,816	6,816
T34800	MANHOLES	1965	29,309	350.0	64.0	5.4688	160,285	160,285
T34800	MANHOLES	1966	12,197	350.0	65.0	5.3846	65,675	65,675
T34800	MANHOLES	1967	35,457	350.0	66.0	5.3030	188,028	188,028
T34800	MANHOLES	1968	76,082	350.0	69.0	5.0725	385,925	385,925
T34800	MANHOLES	1969	105,278	350.0	74.0	4.7297	497,933	497,933
T34800	MANHOLES	1970	175,352	350.0	80.0	4.3750	767,165	767,165
T34800	MANHOLES	1971	214,019	350.0	88.0	3.9773	851,217	851,217
T34800	MANHOLES	1972	126,259	350.0	93.0	3.7634	475,163	475,163
T34800	MANHOLES	1973	66,214	350.0	100.0	3.5000	231,749	231,749
T34800	MANHOLES	1974	174,820	350.0	121.0	2.8926	505,684	505,684
T34800	MANHOLES	1975	99,865	350.0	136.0	2.5735	257,002	257,002
T34800	MANHOLES	1976	104,021	350.0	140.0	2.5000	260,052	260,052
T34800	MANHOLES	1977	193,342	350.0	149.0	2.3490	454,160	454,160

Trended RCN
Handy-Whitman

Company Code: 4004 Business Area: 4505 Sun City Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34800	MANHOLES	1978	188,699	350.0	164.0	2.1341	402,702	402,702
T34800	MANHOLES	1979	25,578	350.0	182.0	1.9231	49,189	49,189
T34800	MANHOLES	1980	7,414	350.0	207.0	1.6908	12,535	12,535
T34800	MANHOLES	1981	7,024	350.0	220.0	1.5909	11,174	11,174
T34800	MANHOLES	1982	20,853	350.0	226.0	1.5487	32,295	32,295
T34800	MANHOLES	1983	21,276	350.0	233.0	1.5021	31,958	31,958
T34800	MANHOLES	1984	5,775	350.0	238.0	1.4706	8,492	8,492
T34800	MANHOLES	1985	30,287	350.0	241.0	1.4523	43,985	43,985
T34800	MANHOLES	1986	19,043	350.0	246.0	1.4228	27,094	27,094
T34800	MANHOLES	1988	43,201	350.0	255.0	1.3725	59,294	59,294
T34800	MANHOLES	1989	8,109	350.0	250.0	1.4000	11,353	11,353
T34800	MANHOLES	1992	1,957	350.0	259.0	1.3514	2,644	2,644
T34800	MANHOLES	1992	1,559	350.0	266.0	1.3158	2,052	2,052
T34800	MANHOLES	1993	6,713	350.0	274.0	1.2774	8,576	8,576
T34800	MANHOLES	1993	158,800	350.0	277.0	1.2635	200,644	200,644
T34800	MANHOLES	1994	52,091	350.0	286.0	1.2238	63,749	63,749
T34800	MANHOLES	1994	3,378	350.0	291.0	1.2027	4,062	4,062
T34800	MANHOLES	1995	10,206	350.0	298.0	1.1745	11,986	11,986
T34800	MANHOLES	1996	59,851	350.0	303.0	1.1551	69,134	69,134
T34800	MANHOLES	1996	53,013	350.0	308.0	1.1364	60,244	60,244
T34800	MANHOLES	1997	5,661	350.0	310.0	1.1290	6,391	6,391
T34800	MANHOLES	1997	3,757	350.0	314.0	1.1146	4,188	4,188
T34800	MANHOLES	1999	33,917	350.0	325.0	1.0769	36,526	36,526
T34800	MANHOLES	1999	125,000	350.0	324.0	1.0802	135,025	135,025
T34800	MANHOLES	2000	41,129	350.0	338.0	1.0355	42,589	42,589
T34800	MANHOLES	2001	42,545	350.0	350.0	1.0000	42,545	42,545

	T34800	Class Totals	2,495,785				7,110,974	7,110,974
T39100	OFFICE FURN/EQUIP	1998	8,671	180.2	163.6	1.1015	9,551	9,551
T39100	OFFICE FURN/EQUIP	2000	47,249	180.2	173.1	1.0410	49,186	49,186
T39100	OFFICE FURN/EQUIP	2001	-1,717	180.2	180.2	1.0000	-1,717	-1,717
	T39100	Class Totals	54,202				57,020	57,020
T39200	TRANSPORT EQUIP	1993	2,312	180.2	145.5	1.2385	2,863	2,863
	T39200	Class Totals	2,312				2,863	2,863
T39400	TLS/SHOP/GAR EQUIP	1968	3,980	180.2	34.6	5.2081	20,728	20,728
T39400	TLS/SHOP/GAR EQUIP	1983	1,527	180.2	99.0	1.8202	2,779	2,779
T39400	TLS/SHOP/GAR EQUIP	1988	2,875	180.2	117.7	1.5310	4,401	4,401
T39400	TLS/SHOP/GAR EQUIP	1990	3,810	180.2	129.4	1.3926	5,305	5,305
T39400	TLS/SHOP/GAR EQUIP	1991	79	180.2	136.2	1.3231	104	104
T39400	TLS/SHOP/GAR EQUIP	1991	30,115	180.2	136.2	1.3231	39,845	39,845
T39400	TLS/SHOP/GAR EQUIP	1994	6,289	180.2	148.7	1.2118	7,621	7,621
	T39400	Class Totals	48,675				80,786	80,786
T39800	MISC EQUIP	1980	309	180.2	83.3	2.1633	668	668
T39800	MISC EQUIP	1999	4,886	180.2	167.8	1.0739	5,247	5,247
	T39800	Class Totals	5,195				5,915	5,915

10/09/2003

Company Code: 4004 Business Area: 4505

Trended RCN
Handy-Whitman

17,870,917

41,141,512

Exhibit
Schedule B-4
Page 11
Witness: Bourassa

41,107,539

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	**Revenues**						
2	Flat Rate Revenues	$ 5,085,481			$ 5,085,481	316,400	$ 5,401,881
3	Measured Revenues	-			-		-
4	Other Wastewater Revenues	2,859			2,859		2,859
5		$ 5,088,340		$ -	$ 5,088,340	$ 316,400	$ 5,404,740
6	**Operating Expenses**						
7	Salaries and Wages	$ 160,653	1/6	(53,473)	$ 107,181		$ 107,181
8	Purchased Wastewater Treatment	992,447			992,447		992,447
9	Purchased Power	1,510			1,510		1,510
10	Fuel for Power Production	-			-		-
11	Chemicals	-			-		-
12	Materials and Supplies	105,696			105,696		105,696
13	*Repairs and Maintenance*	-			-		-
14	Office Supplies and Expense	204,642	7	(57,504)	147,138		147,138
15	Outside Services	3,123			3,123		3,123
16	Service Company Charges	522,586	10	(17,466)	505,120		505,120
17	Water Testing	-					-
18	Rents	21,265			21,265		21,265
19	Transportation Expenses	-			-		-
20	Insurance - General Liability	36,400	8	(5,494)	30,906		30,906
21	Insurance - Health and Life	-			-		-
22	Regulatory Commission Expense - Rate Case	33,583			33,583		33,583
23	Miscellaneous Expense	145,130	9	415	145,545		145,545
24	Depreciation Expense	514,852	3	(7,009)	507,843		507,843
25	Taxes Other Than Income	7,754	2	(1,805)	5,949		5,949
26	Property Taxes	193,701	4	(3,639)	190,062		190,062
27	Income Tax	216,390		158,615	375,005		497,132
28	Tolleson Wastewater User Fees	818,091			818,091		818,091
29	**Total Operating Expenses**	$ 3,977,823		$ 12,639	$ 3,990,462	$ -	$ 4,112,589
30	**Operating Income**	$ 1,110,517		$ (12,639)	$ 1,097,877	$ 316,400	$ 1,292,150
31	***Other Income (Expense)***						
32	Interest Income	-			-		-
33	Other income	-			-		-
34	Interest Expense	(766,294)	5	264,956	(501,338)		(501,338)
35	Other Expense	-			-		-
36	Gain/Loss Sale of Fixed Assets	-			-		-
37	**Total Other Income (Expense)**	$ (766,294)		$ 264,956	$ (501,338)	$ -	$ (501,338)
38	**Net Profit (Loss)**	$ 344,223		$ 252,316	$ 596,539	$ 316,400	$ 790,812
39							
40	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
41	Rebuttal C-2					Rebuttal A-1	
42							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Sun City Wastewater
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ (19,206)
	6	Adjust to Actual 2002 Additional (Corporate)	(34,266)
Purchased Water	11	Adjust to annualized 2001 qty ordered	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(57,504)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(17,466)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(5,494)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	415
Depreciation Expense	3	Depreciation Expense	(7,009)
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	(1,805)
Property Taxes	4	Property Taxes	(3,639)
Income Tax			158,615
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ 12,639
Operating Income			$ (12,639)

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.		Amount
1	Projected Salaries & Wages and Related Expenses	
2		
3	Actual 2002 Wages and Salaries	
4	0 Salaries & Wages	$ 69,343
5		
6	Direct Filing Proposed Wages and Salaries	
7	0 Salaries & Wages	88,549
8		
9	Increase (Decrease)	$ (19,206)
10		
11	Adjustment to Revenues and/or Expenses	$ (19,206)
12		
13		
14		
15		

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.			
1	Projected Salaries & Wages and Related Expenses		
2			
3	PR Taxes Based on Actual 2002 Wages and Salaries	**Amount**	
4	# Taxes Other Than Income		5,949
5			
6	Direct Filing Proposed PR Taxes		
7	# Taxes Other Than Income		7,754
8			
9	Increase (Decrease)	$	(1,805)
10			
11	Adjustment to Revenues and/or Expenses	$	(1,805)
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.					
1	Depreciation Expense				
2					
3	**Account**		**Rebuttak**		**Depreciation**
4	**No.**	**Description**	**Original Cost**	**Rate**	**Expense**
5		**Intangible**			
6	301.00	Organization	$ 122,373	0.00%	$ -
7	302.00	Franchises	6,132	0.00%	-
8	303.00	Miscellaneous Intangibles	9,627	0.00%	-
9		**Subtotal Intangible**	$ 138,132		$ -
10					
11		**Treatment & Discharge**			
12	310.00	Land and Land Rights	$ 6,565	0.00%	$ -
13	311.00	Structures and Improvements	53,532	2.50%	1,338
14	312.00	Preliminary Treatment	453	0.00%	-
15	313.00	Primary Treatment Equipment	-	0.00%	-
16	314.00	Secondary Treatment Equipment	2,575	2.52%	65
17	315,00	Tertiary Equipment	-	0.00%	-
18	316.00	Disinfection Equipment	-	0.00%	-
19	317.00	Effluent Lift Station E	1,503	2.00%	30
20	318.00	Outfall Line	291	2.00%	6
21	319.00	Sludge, Treatment & Distribution	-	2.50%	-
22	321.00	Influent Lift Station	178	2.00%	4
23	322.00	General Treatment Equipment	18,743	2.00%	375
24		**Subtotal Treatment & Discharge**	$ 83,840		$ 1,818
25					
26		**Collection and Influent**			
27	340.00	Land and Land Rights	$ -	0.00%	$ -
28	341.00	Structures and Improvements	350,713	2.00%	7,014
29	342.00	Collection System Lift	1,229,723	8.40%	103,297
30	343.00	Collection Mains	12,384,369	2.04%	252,641
31	344.00	Force Mains	1,300,266	2.07%	26,916
32	345.00	Discharge Services	2,307,454	2.04%	47,072
33	348.00	Manholes	-	2.03%	-
34		**Subtotal Collection and Influent**	$ 17,572,526		$ 436,940
35					
36		**General**			
37	389.00	Land and Land Rights	$ 1,108	0.00%	$ -
38	390.00	Structures and Improvements	760,473	1.68%	12,782
39	391.00	Office Funiture and Equipment	365,090	4.55%	16,594
40	391.10	Computer Equipment	287,585	4.55%	13,071
41	392.00	Transportation Equipment	408,123	25.00%	102,031
42	393.00	Stores Equipment	6,523	3.92%	256
43	394.00	Tools, Shop and Garage	93,334	4.14%	3,860
44	395.00	Laboratory Equipment	29,565	3.71%	1,097
45	396.00	Power Operated Equipment	27,169	5.14%	1,398
46	397.00	Communication Equipment	164,710	10.28%	16,928
47	398.00	Miscellaneous Equipment	59,482	4.98%	2,962
48		**Subtotal General**	$ 2,203,163		$ 170,978
49					
50					
51		Youngtown Plant *	(96,727)	3.06%	(2,964)
52		TOTALS	$ 19,900,933	3.06%	$ 606,771
53					
54	Tolleson Trickling Filter		$ 500,000	3.06%	15,319
55					
56	Amortization of Deferred Regulatory Assets		$ 145,771	3.06%	4,466
57					
58	Less: Amortization of Contributions		$ 1,187,139	10.00%	(118,714)
59	Rebuttal Depreciation Expense				$ 507,843
60					
61	Direct Filing Depreciation Expense				514,852
62					
63	Increase (decrease) in Depreciation Expense				(7,009)
64					
65	Adjustment to Revenues and/or Expenses				$ (7,009)
66					

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$ 5,088,340
4	Rebuttal Adjusted Revenues in year ended 12/31/01	5,088,340
5	Proposed Revenues	5,404,740
6	Average of three year's of revenue	$ 5,193,806
7	Average of three year's of revenue, times 2	10,387,613
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	408,123
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 408,123
14		
15	Full Cash Value	$ 9,979,490
16	Assessment Ratio	25%
17	Assessed Value	2,494,872
18	Property Tax Rate	7.618094%
19		
20	Property Tax	190,062
21	Tax on Parcels	0
22		
23	Total Rebuttal Property Tax at Proposed Rates	$ 190,062
24	Direct Filing Proposed Property Taxes	193,701
25	Increase (Decrease) in Property Taxes	$ (3,639)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (3,639)
29		
30		

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$17,192,669
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	501,338
6	Direct Filing Interest Expense	766,294
7	Increase in Interest Expense	$ (264,956)
8		
9	Adjustment to Revenues and/or Expense	$ (264,956)
10		
11		

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Wages Expense (Corporate)	$	37,838
5			
6	Direct Filing Proposed Additonal Wages Expense (Corporat	$	72,104
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(34,266)
10			
11	Adjustment to Revenue and/or Expense	$	(34,266)
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	154,737
5			
6	Direct Filing Proposed Additonal Office Expense (Corporate		212,241
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(57,504)
10			
11	Adjustment to Revenue and/or Expense	$	(57,504)
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	29,467
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corp		34,961
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(5,494)
10			
11	Adjustment to Revenue and/or Expense	$	(5,494)
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	1,663
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporate		1,249
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	415
10			
11	Adjustment to Revenue and/or Expense	$	415
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.1014	
5	Total Charges		$ 505,120
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.1014	
10	Total Charges		522,586
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (17,466)
14			
15			
16			
17			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							

SUN CITY WEST
WATER

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.			
1	Fair Value Rate Base	$	15,432,917
2			
3	Adjusted Operating Income		412,624
4			
5	Current Rate of Return		2.67%
6			
7	Required Operating Income	$	1,159,938
8			
9	Required Rate of Return on Fair Value Rate Base		7.52%
10			
11	Operating Income Deficiency	$	747,314
12			
13	Gross Revenue Conversion Factor		1.6286
14			
15	Increase in Gross Revenue		
16	Requirement	$	1,217,102
17			

18	Customer		Present	Proposed	Dollar	Percent
19	Classification		Rates	Rates	Increase	Increase
20	5/8 Inch	Residential	$ 2,075,364	$ 2,832,860	$ 757,496	36.50%
21	3/4 Inch	Residential	409	559	150	36.57%
22	1 Inch	Residential	40,107	54,773	14,666	36.57%
23	1.5 Inch	Residential	511,059	698,068	187,009	36.59%
24	2 Inch	Residential	162,940	222,568	59,628	36.59%
25	3 Inch	Residential	-	-	-	0.00%
26	4 Inch	Residential	117,032	159,874	42,842	36.61%
27	5/8 Inch	Commercial	9,572	13,066	3,494	36.50%
28	3/4 Inch	Commercial	-	-	-	0.00%
29	1 Inch	Commercial	34,155	46,648	12,494	36.58%
30	1.5 Inch	Commercial	74,345	101,550	27,205	36.59%
31	2 Inch	Commercial	208,910	285,370	76,459	36.60%
32	3 Inch	Commercial	51,125	69,836	18,710	36.60%
33	4 Inch	Commercial	11,618	15,871	4,253	36.60%
34	6 Inch	Commercial	4,923	6,724	1,802	36.60%
35	4 Inch	Fire Protection	4,140	5,654	1,514	36.57%
36	6 Inch	Fire Protection	11,745	16,041	4,296	36.58%
37	8 Inch	Fire Protection	5,040	6,883	1,843	36.57%
38	Miscellaneous Revenues		37,640	37,640	-	0.00%
39	Subtotal Water Revenues		$ 3,360,124	$ 4,573,984	$ 1,213,860	36.13%

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 2
Witness: Bourassa

Line No.	Customer Classification		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
1	**Revenue Annualization**					
2	5/8 Inch	Residential	$ 3,500	$ 4,777	$ 1,277	36.49%
3	3/4 Inch	Residential	-	-	-	0.00%
4	1.5 Inch	Residential	278	380	102	36.59%
5	2 Inch	Residential	(901)	(1,231)	(330)	36.59%
6	3 Inch	Residential	-	-	-	0.00%
7	4 Inch	Residential	-	-	-	0.00%
8	5/8 Inch	Commercial	(246)	(336)	(90)	36.48%
9	3/4 Inch	Commercial	-	-	-	0.00%
10	1 Inch	Commercial	(440)	(601)	(161)	36.58%
11	1.5 Inch	Commercial	1,014	1,385	371	36.59%
12	2 Inch	Commercial	5,600	7,649	2,049	36.60%
13	3 Inch	Commercial	(4,055)	(5,539)	(1,484)	36.60%
14	4 Inch	Commercial	-	-	-	0
15	6 Inch	Commercial	-	-	-	0
16	4 Inch	Fire Protection	540	737	197	36.57%
17	6 Inch	Fire Protection	135	184	49	36.58%
18	8 Inch	Fire Protection	0	0.00	0	0.00%
19	Total Revenue Annualization		$ 5,424	$ 7,406	$ 1,982	36.53%
20	Total Revenues		$ 3,365,549	$ 4,581,390	$ 1,215,842	36.13%
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37	SUPPORTING SCHEDULES:					
38	Rebuttal B-1					
39	Rebuttal C-1					
40	Rebuttal D-1					
41	Rebuttal H-1					
42						

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Summary of Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 31,385,527	$ 41,995,079	$ 41,995,079
3	Less: Accumulated Depreciation	6,197,918	9,002,193	9,002,193
4				
5	Net Utility Plant in Service	$ 25,187,610	$ 32,992,886	$ 32,992,886
6				
7	Less:			
8	Advances in Aid of			
9	Construction	12,151,160	16,258,734	16,258,734
10	Contributions in Aid of			
11	Construction - Net of amortization	971,578	1,300,010	1,300,010
12	Customer Meter Deposits	1,225	1,225	1,225
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	8,101,902	-	-
21				
22	Total Rate Base	$ 20,165,548	$ 15,432,917	$ 15,432,917
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rebuttal B-2			Rebuttal A-1
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 31,153,379	(1)	232,149	$ 31,385,527
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	6,211,024	(2)	(13,106)	6,197,918
8					
9	Net Utility Plant				
10	in Service	$ 24,942,355			$ 25,187,610
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only	12,151,160			12,151,160
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	971,578			971,578
18	Purposes Only)				
19	Customer Meter Deposits	1,225			1,225
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	8,164,652	(3)	(62,749)	8,101,902
28					
29	Total	$ 19,983,043			$ 20,165,548
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Sun City West Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 20,086.28	$ -	$ 20,086.28	$ -	$ -	$ -
3	302.00	Franchises	1,588	-	1,588	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 21,674.28	$ -	$ 21,674.28	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	11,651	$ -	$ 11,650.78	$ -	$ -	$ -
9	311.00	Structures and Improvements	357,725	8,366	366,092	105,685	-	105,685
10	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	1,370,011	(62,960)	1,307,051	313,577	-	313,577
13		**Subtotal Source of Supply**	$ 1,739,387	$ (54,594)	$ 1,684,793	$ 419,262	$ -	$ 419,262
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 44,957	$ -	$ 44,957	$ -	$ -	$ -
17	321.00	Structures and Improvements	231,439	-	231,439	72,188	-	72,188
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	5,030,298	(13,510)	5,016,788	2,138,883	(1,267)	2,137,616
20	326.00	Diesel Pumping Equipment	4,505	-	4,505	1,528	-	1,528
21	328.10	Gas Engine Pumping Equipment	1,764	-	1,764	551	-	551
22		***Subtotal Pumping***	$ 5,312,963	$ (13,510)	$ 5,299,453	$ 2,213,150	$ (1,267)	$ 2,211,883
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	38,357	-	38,357	6,456	-	6,456
27	332.00	Water Treatment Equipment	149,687	463	150,150	(6,223)	-	(6,223)
28		**Subtotal Water Treatment**	$ 188,045	$ 463	$ 188,508	$ 232	$ -	$ 232
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
32	341.00	Structures and Improvements	-	-	-	-	-	-
33	342.00	Distribution, Reservoirs, & ST	798,143	(28,209)	769,934	156,455	-	156,455
34	343.00	Transmission and Distribution	11,777,852	(26,963)	11,750,888	2,617,129	(1,315)	2,615,815
35	344.00	Fire Mains	169	-	169	22	-	22
36	345.00	Services	6,622,166	(1,767)	6,620,399	(269,477)	(1,767)	(271,244)
37	346.00	Meters	1,678,135	-	1,678,135	353,499	-	353,499
38	348.00	Hydrants	1,682,898	3,530	1,686,428	459,176	-	459,176
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Distribution**	$ 22,559,363	$ (53,409)	$ 22,505,953	$ 3,316,804	$ (3,081)	$ 3,313,722
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 817	$ -	$ 817	$ -	$ -	$ -
44	390.00	Structures and Improvements	560,392	-	560,392	52,175	-	52,175
45	391.00	Office Funiture and Equipment	286,228	(17,194)	269,035	60,965	-	60,965
46	391.10	Computer Equipment	317,767	(101,720)	216,047	(71,024)	(6,163)	(77,187)
47	392.00	Transportation Equipment	318,346	39,911	358,256	215,881	-	215,881
48	393.00	Stores Equipment	4,807	-	4,807	1,312	-	1,312
49	394.00	Tools, Shop and Garage	68,778	-	68,778	3,446	-	3,446
50	395.00	Laboratory Equipment	21,787	-	21,787	3,910	-	3,910
51	396.00	Power Operated Equipment	20,133	(112)	20,021	7,773	(62)	7,711
52	397.00	Communication Equipment	118,526	2,849	121,375	57,245	-	57,245
53	398.00	Miscellaneous Equipment	46,365	(2,533)	43,832	22,574	(2,533)	20,042
54		**Subtotal General**	$ 1,763,945	$ (78,799)	$ 1,685,146	$ 354,257	$ (8,757)	$ 345,500
55								
56								
57								
58		ADFUC adjustment 3/95	(431,998)	431,998	-	(92,681)		(92,681)
59		TOTAL WATER PLANT	$ 31,153,379	$ 232,149	$ 31,385,527	$ 6,211,024	$ (13,106)	$ 6,197,918
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-2, page 2a, 2b, 3a, 3b						
63								
64								

Arizona American
Sun City West Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 20,086					-
3	302.00	Franchises	1,588					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 21,674	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						-
8	310.00	Land and Land Rights	$ 11,651					-
9	311.00	Structures and Improvements	357,725					8,366
10	312.00	Collecting and Impounding Res.	-					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	1,370,011					(62,960)
13		**Subtotal Source of Supply**	$ 1,739,387	$ -	$ -	$ -	$ -	$ (54,594)
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 44,957					-
17	321.00	Structures and Improvements	231,439					-
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	5,030,298		(11,175)			(2,335)
20	326.00	Diesel Pumping Equipment	4,505					-
21	328.10	Gas Engine Pumping Equipment	1,764					-
22		**Subtotal Pumping**	$ 5,312,963	$ -	$ (11,175)	$ -	$ -	$ (2,335)
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	38,357					-
27	332.00	Water Treatment Equipment	149,687					463
28		**Subtotal Water Treatment**	$ 188,045	$ -	$ -	$ -	$ -	$ 463
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					-
32	341.00	Structures and Improvements	-					-
33	342.00	Distribution, Reservoirs, & ST	798,143					(28,209)
34	343.00	Transmission and Distribution	11,777,852		(6,343)			(20,621)
35	344.00	Fire Mains	169					-
36	345.00	Services	6,622,166		(1,767)			-
37	346.00	Meters	1,678,135					-
38	348.00	Hydrants	1,682,898					3,530
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributio**	$ 22,559,363	$ -	$ (8,109)	$ -	$ -	$ (45,300)
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 817					-
44	390.00	Structures and Improvements	560,392					-
45	391.00	Office Funiture and Equipment	286,228					(17,194)
46	391.10	Computer Equipment	317,767					-
47	392.00	Transportation Equipment	318,346					39,911
48	393.00	Stores Equipment	4,807					-
49	394.00	Tools, Shop and Garage	68,778					-
50	395.00	Laboratory Equipment	21,787					-
51	396.00	Power Operated Equipment	20,133					-
52	397.00	Communication Equipment	118,526					2,849
53	398.00	Miscellaneous Equipment	46,365					-
54		**Subtotal General**	$ 1,763,945	$ -	$ -	$ -	$ -	$ 25,566
55								
56								
57			-					
58			(431,998)					
59		TOTAL WATER PLANT	$ 31,153,379	$ -	$ (19,284)	$ -	$ -	$ (76,200)
60								

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Deci	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American
Sun City West Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustments Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ 20,086
3	302.00	Franchises						-	1,588
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 21,674
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ 11,651
9	311.00	Structures and Improvements						8,366	366,092
10	312.00	Collecting and Impounding Res.						-	-
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(62,960)	1,307,051
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ (54,594)	$ 1,684,793
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ 44,957
17	321.00	Structures and Improvements						-	231,439
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						(13,510)	5,016,788
20	326.00	Diesel Pumping Equipment						-	4,505
21	328.10	Gas Engine Pumping Equipment						-	1,764
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ (13,510)	$ 5,299,453
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights						-	$ -
26	331.00	Structures and Improvements						-	38,357
27	332.00	Water Treatment Equipment						463	150,150
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ 463	$ 188,508
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	-
33	342.00	Distribution, Reservoirs, & ST						(28,209)	769,934
34	343.00	Transmission and Distribution						(26,963)	11,750,888
35	344.00	Fire Mains						-	169
36	345.00	Services						(1,767)	6,620,399
37	346.00	Meters						-	1,678,135
38	348.00	Hydrants						3,530	1,686,428
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ (53,409)	$ 22,505,953
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ 817
44	390.00	Structures and Improvements			-			-	560,392
45	391.00	Office Funiture and Equipment			-			(17,194)	269,035
46	391.10	Computer Equipment			(101,720)			(101,720)	216,047
47	392.00	Transportation Equipment			-			39,911	358,256
48	393.00	Stores Equipment			-			-	4,807
49	394.00	Tools, Shop and Garage			-			-	68,778
50	395.00	Laboratory Equipment			-			-	21,787
51	396.00	Power Operated Equipment			(112)			(112)	20,021
52	397.00	Communication Equipment			-			2,849	121,375
53	398.00	Miscellaneous Equipment			(2,533)			(2,533)	43,832
54		**Subtotal General**	$ -	$ -	$ (104,365)	$ -	$ -	$ (78,799)	$ 1,685,146
55									
56									
57								-	-
58			431,998					431,998	-
59		TOTAL WATER PLANT	$ 431,998	$ -	$ (104,365)	$ -	$ -	$ 232,149	$ 31,385,527
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									

Arizona American
Sun City West Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**			-			
2	301.00	Organization	$ -		-			
3	302.00	Franchises	-		-			
4	303.00	Miscellaneous Intangibles	-		-			
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -		-			
9	311.00	Structures and Improvements	105,685		-			
10	312.00	Collecting and Impounding Res.	-		-			
11	313.00	Lakes, Rivers, Other Intakes	-		-			
12	314.00	Wells and Springs	313,577		-			
13		**Subtotal Source of Supply**	$ 419,262	$ -	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -		-			
17	321.00	Structures and Improvements	72,188		-			
18	323.00	Other Power Production	-		-			
19	325.00	Electric Pumping Equipment	2,138,883		(1,267)			
20	326.00	Diesel Pumping Equipment	1,528		-			
21	328.10	Gas Engine Pumping Equipment	551		-			
22		**Subtotal Pumping**	$ 2,213,150	$ -	$ (1,267)	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -		-			
26	331.00	Structures and Improvements	6,456		-			
27	332.00	Water Treatment Equipment	(6,223)		-			
28		**Subtotal Water Treatment**	$ 232	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -		-			
32	341.00	Structures and Improvements	-		-			
33	342.00	Distribution, Reservoirs, & ST	156,455		-			
34	343.00	Transmission and Distribution	2,617,129		(1,315)			
35	344.00	Fire Mains	22					
36	345.00	Services	(269,477)		(1,767)			
37	346.00	Meters	353,499		-			
38	348.00	Hydrants	459,176		-			
39	349.00	Other Transmission & Distribution	-		-			
40		**Subtotal Transmission and Distributio**	$ 3,316,804	$ -	$ (3,081)	$ -	$ -	$ -
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ -		-			
44	390.00	Structures and Improvements	52,175		-			
45	391.00	Office Funiture and Equipment	60,965		-			
46	391.10	Computer Equipment	(71,024)		-			
47	392.00	Transportation Equipment	215,881		-			
48	393.00	Stores Equipment	1,312		-			
49	394.00	Tools, Shop and Garage	3,446		-			
50	395.00	Laboratory Equipment	3,910		-			
51	396.00	Power Operated Equipment	7,773		-			
52	397.00	Communication Equipment	57,245		-			
53	398.00	Miscellaneous Equipment	22,574		-			
54		**Subtotal General**	$ 354,257	$ -	$ -	$ -	$ -	$ -
55								
56								
57			-		-			
58			(92,681)		-			
59		TOTAL WATER PLANT	$ 6,211,024	$ -	$ (4,349)	$ -	$ -	$ -
60								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Schedule B-2, Page 8
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Deci	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American
Sun City West Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustments Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						-	105,685
10	312.00	Collecting and Impounding Res.						-	-
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						-	313,577
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ -	$ 419,262
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ -
17	321.00	Structures and Improvements						-	72,188
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						(1,267)	2,137,616
20	326.00	Diesel Pumping Equipment						-	1,528
21	328.10	Gas Engine Pumping Equipment						-	551
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ (1,267)	$ 2,211,883
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights						$ -	$ -
26	331.00	Structures and Improvements						-	6,456
27	332.00	Water Treatment Equipment						-	(6,223)
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ -	$ 232
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	-
33	342.00	Distribution, Reservoirs, & ST						-	156,455
34	343.00	Transmission and Distribution						(1,315)	2,615,815
35	344.00	Fire Mains						-	22
36	345.00	Services						(1,767)	(271,244)
37	346.00	Meters						-	353,499
38	348.00	Hydrants						-	459,176
39	349.00	Other Transmission & Distribution						-	-
40		***Subtotal Transmission and Distributio***	$ -	$ -	$ -	$ -	$ -	$ (3,081)	$ 3,313,722
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			-			-	52,175
45	391.00	Office Funiture and Equipment			-			-	60,965
46	391.10	Computer Equipment			(6,163)			(6,163)	(77,187)
47	392.00	Transportation Equipment			-			-	215,881
48	393.00	Stores Equipment			-			-	1,312
49	394.00	Tools, Shop and Garage			-			-	3,446
50	395.00	Laboratory Equipment			-			-	3,910
51	396.00	Power Operated Equipment			(62)			(62)	7,711
52	397.00	Communication Equipment			-			-	57,245
53	398.00	Miscellaneous Equipment			(2,533)			(2,533)	20,042
54		**Subtotal General**	$ -	$ -	$ (8,757)	$ -	$ -	$ (8,757)	$ 345,500
55									
56									
57								-	-
58			92,681					92,681	(0)
59		TOTAL WATER PLANT	$ 92,681	$ -	$ (8,757)	$ -	$ -	$ 79,575	$ 6,290,599
60									

ADJ #		Reference
6	Remove AFUDC Adjustment	ACC Staff
7	Acquisition Adjustment	
8	Common Plant Adjustments	Rebuttal B-2, Page 4
9		
10		

Arizona American - Sun City West Water
Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost	Rebuttal Allocated Original Cost	Rebuttal Allocated Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.16732	$ 817	$ 817	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.16732	560,392	560,392	-	52,031	52,031	-
5	391.00	Office Funiture and Equipment	0.16732	166,928	166,928	-	60,320	60,320	-
6	391.10	Computer Equipment	0.16732	238,993	137,273	(101,720)	(72,735)	(78,898)	(6,163)
7	392.00	Transportation Equipment	0.16732	300,746	300,746	-	173,707	173,707	-
8	393.00	Stores Equipment	0.16732	4,807	4,807	-	1,302	1,302	-
9	394.00	Tools, Shop and Garage	0.16732	68,778	68,778	-	3,051	3,051	-
10	395.00	Laboratory Equipment	0.16732	21,787	21,787	-	3,841	3,841	-
11	396.00	Power Operated Equipment	0.16732	20,133	20,021	(112)	7,164	7,102	(62)
12	397.00	Communication Equipment	0.16732	96,626	96,626	-	55,651	55,651	-
13	398.00	Miscellaneous Equipment	0.16732	46,365	43,832	(2,533)	21,493	18,961	(2,533)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 1,526,371	$ 1,422,006	$ (104,365)	$ 305,825	$ 297,068	$ (8,757)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-2, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00		0 $ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	Communication Equipment	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345		(607,932)				
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051						
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325		(669)				
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101	(458)		(14,679)			
13		**Subtotal General**	$ 9,122,373	$ (458)	$ (608,601)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	Computer Equipment	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona-American Sun City West Water
Unidentified Plant

Exhibit
Rebuttal Schedule B-2
Page 8

Asset Id	Asset Desc.	Class	Acq. Date	Original Cost	A/D	RCN	Adjust O.C.	Adjust A/D	Adjust RCND	Adj.RCN A/D
3021932		W32500	19990531	11,175	(1,267)	12,335	(11,175)	(1,267)	(12,335)	(1,399)
1678074	UNIDENTIFIED	W34300	19871001	1,279	(279)	1,894	(1,279)	(1,279)	(1,894)	(1,894)
3118614		W34300	20010731	5,064	(36)	5,064	(5,064)	(36)	(5,064)	(36)
				6,343	(314)	6,958	(6,343)	(1,315)	(6,958)	(1,930)
1678805	CHAIR EACH	W34500	19900115	1,767	235	2,461	(1,767)	(1,767)	(2,461)	(2,461)
1678407	UNIDENTIFIED	W39800	19880401	458	(276)	670	(458)	(458)	(670)	(670)
				26,085	(1,936)	29,381	(19,742)	(4,807)	(22,423)	(6,460)

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 43,820,833	(1)	(1,825,753)	$ 41,995,079
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	8,953,449	(2)	48,744	9,002,193
8					
9	Net Utility Plant				
10	in Service	$ 34,867,384			$ 32,992,886
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	17,092,013	(3)	(833,279)	16,258,734
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,366,637	(4)	(66,627)	1,300,010
18	Purposes Only)				
19	Customer Meter Deposits	1,225			1,225
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 16,407,508			$ 15,432,917
30					
31					
32	(1) See B-3, Page 2				
33	(2) See B-3, Page 3				
34	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36					
37					
38					
39					
40					

Arizona American - Sun City West Water
RCND Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 32,145	(12,058.55)	$ 20,086	$ -	$ -	$ -
3	302.00	Franchises	2,149	(561)	1,588	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 34,293.63	$ (12,619.35)	$ 21,674.28	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 18,280.50	$ (6,630)	$ 11,651	$ -	$ -	$ -
9	311.00	Structures and Improvements	510,085	(15,085)	495,000	150,737	(6,934)	143,803
10	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	1,778,831	(158,150)	1,620,681	406,508	(21,638)	384,870
13		**Subtotal Source of Supply**	$ 2,307,197	$ (179,865)	$ 2,127,332	$ 557,245	$ (28,573)	$ 528,673
14								
15		**Pumping**		$ -	$ -	$ -	$ -	
16	320.00	Land and Land Rights	$ 74,089	(29,132)	44,957	-	-	$ -
17	321.00	Structures and Improvements	391,321	(23,800)	367,521	120,722	(7,225)	113,497
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	6,993,868	931,620	7,925,488	2,959,520	395,773	3,355,293
20	326.00	Diesel Pumping Equipment	5,597	226	5,822	1,874	72	1,946
21	328.10	Gas Engine Pumping Equipment	2,124	21	2,145	656	6	662
22		**Subtotal Pumping**	$ 7,466,999	$ 878,934	$ 8,345,934	$ 3,082,772	$ 388,626	$ 3,471,398
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	50,878	(1,755)	49,123	6,456	-	6,456
27	332.00	Water Treatment Equipment	187,608	(6,570)	181,037	(7,004)	145	(6,859)
28		**Subtotal Water Treatment**	$ 238,486	$ (8,325)	$ 230,160	$ (548)	$ 145	$ (403)
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
32	341.00	Structures and Improvements	-	-	-	-	-	-
33	342.00	Distribution, Reservoirs, & ST	1,207,423	(242,215)	965,208	255,634	(51,859)	203,775
34	343.00	Transmission and Distribution	18,317,917	(2,688,769)	15,629,148	4,024,084	(573,928)	3,450,156
35	344.00	Fire Mains	260	(39)	221	33	(5)	28
36	345.00	Services	8,229,925	(659,951)	7,569,975	(354,830)	32,908	(321,922)
37	346.00	Meters	2,262,959	(127,640)	2,135,319	469,355	(25,286)	444,069
38	348.00	Hydrants	2,512,461	436,970	2,949,431	677,229	113,931	791,161
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Distribution**	$ 32,530,945	$ (3,281,644)	$ 29,249,301	$ 5,071,505	$ (504,239)	$ 4,567,266
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 817	$ -	$ 817	$ -	$ -	$ -
44	390.00	Structures and Improvements	560,392	180,321	740,714	52,175	29,870	82,045
45	391.00	Office Funiture and Equipment	286,228	31,413	317,641	60,965	25,284	86,249
46	391.10	Computer Equipment	317,767	(88,023)	229,744	(71,024)	(14,114)	(85,138)
47	392.00	Transportation Equipment	318,346	67,267	385,613	215,881	16,847	232,727
48	393.00	Stores Equipment	4,807	1,526	6,333	1,312	591	1,902
49	394.00	Tools, Shop and Garage	68,778	18,720	87,498	3,446	(623)	2,823
50	395.00	Laboratory Equipment	21,787	3,172	24,959	3,910	718	4,628
51	396.00	Power Operated Equipment	20,133	5,969	26,102	7,773	2,288	10,061
52	397.00	Communication Equipment	118,526	21,222	139,749	57,245	13,384	70,629
53	398.00	Miscellaneous Equipment	46,365	15,145	61,510	22,574	6,758	29,333
54		**Subtotal General**	$ 1,763,945	$ 256,733	$ 2,020,678	$ 354,257	$ 81,002	$ 435,260
55								
56								
57								
58		AFUDC adjustment 3/95	(521,033)	521,033	0	(111,783)	111783	(0)
59		TOTAL WATER PLANT	$ 43,820,833	$ (1,825,753)	$ 41,995,079	$ 8,953,449	$ 48,744	$ 9,002,193
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-3, page 2a, 2b, 3a, 3b						
63								
64								

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 32,145					-
3	302.00	Franchises	2,149					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 34,294	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						-
8	310.00	Land and Land Rights	$ 18,281					-
9	311.00	Structures and Improvements	510,085					8,366
10	312.00	Collecting and Impounding Res.	-					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	1,778,831					(62,960)
13		**Subtotal Source of Supply**	$ 2,307,197	$ -	$ -	$ -	$ -	$ (54,594)
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 74,089					-
17	321.00	Structures and Improvements	391,321					-
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	6,993,868		(12,335)			(2,335)
20	326.00	Diesel Pumping Equipment	5,597					-
21	328.10	Gas Engine Pumping Equipment	2,124					-
22		**Subtotal Pumping**	$ 7,466,999	$ -	$ (12,335)	$ -	$ -	$ (2,335)
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	50,878					-
27	332.00	Water Treatment Equipment	187,608					463
28		**Subtotal Water Treatment**	$ 238,486	$ -	$ -	$ -	$ -	$ 463
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					-
32	341.00	Structures and Improvements	-					-
33	342.00	Distribution, Reservoirs, & ST	1,207,423					(28,209)
34	343.00	Transmission and Distribution	18,317,917		(6,958)			(20,621)
35	344.00	Fire Mains	260					-
36	345.00	Services	8,229,925		(2,461)			-
37	346.00	Meters	2,262,959					-
38	348.00	Hydrants	2,512,461					3,530
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distribution**	$ 32,530,945	$ -	$ (9,419)	$ -	$ -	$ (45,300)
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 817					-
44	390.00	Structures and Improvements	560,392					-
45	391.00	Office Funiture and Equipment	286,228					(17,194)
46	391.10	Computer Equipment	317,767					-
47	392.00	Transportation Equipment	318,346					39,911
48	393.00	Stores Equipment	4,807					-
49	394.00	Tools, Shop and Garage	68,778					-
50	395.00	Laboratory Equipment	21,787					-
51	396.00	Power Operated Equipment	20,133					-
52	397.00	Communication Equipment	118,526					2,849
53	398.00	Miscellaneous Equipment	46,365					-
54		**Subtotal General**	$ 1,763,945	$ -	$ -	$ -	$ -	$ 25,566
55								
56								
57			-					
58			(521,033)					
59		TOTAL WATER PLANT	$ 43,820,833	$ -	$ (21,754)	$ -	$ -	$ (76,200)
60								
61			ADJ #			Reference		
62			1	Plant Not Used and Useful		Blank		
63			2	Unidentified Plant		Rebuttal Sched B-3, Page 8		
64			3	Mis-posted Plant		Blank		
65			4	Plant Removed by Prev. Decisio		Blank		
66			5	Post Test Year Plant		ACC Staff		
67								

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustments Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				(12,059)		$ (12,059)	$ 20,086
3	302.00	Franchises				(561)		(561)	1,588
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (12,619)	$ -	$ (12,619)	$ 21,674
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				(6,630)		$ (6,630)	$ 11,651
9	311.00	Structures and Improvements				(23,451)		(15,085)	495,000
10	312.00	Collecting and Impounding Res.				-		-	-
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(95,190)		(158,150)	1,620,681
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (125,271)	$ -	$ (179,865)	$ 2,127,332
14									
15		**Pumping**							
16	320.00	Land and Land Rights				(29,132)		$ (29,132)	$ 44,957
17	321.00	Structures and Improvements				(23,800)		(23,800)	367,521
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				946,290		931,620	7,925,488
20	326.00	Diesel Pumping Equipment				226		226	5,822
21	328.10	Gas Engine Pumping Equipment				21		21	2,145
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 893,604	$ -	$ 878,934	$ 8,345,934
23									
24		**Water Treatment**				-		$ -	
25	330.00	Land and Land Rights				-		-	$ -
26	331.00	Structures and Improvements				(1,755)		(1,755)	49,123
27	332.00	Water Treatment Equipment				(7,033)		(6,570)	181,037
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (8,788)	$ -	$ (8,325)	$ 230,160
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				-		-	-
33	342.00	Distribution, Reservoirs, & ST				(214,006)		(242,215)	965,208
34	343.00	Transmission and Distribution				(2,661,190)		(2,688,769)	15,629,148
35	344.00	Fire Mains				(39)		(39)	221
36	345.00	Services				(657,489)		(659,951)	7,569,975
37	346.00	Meters				(127,640)		(127,640)	2,135,319
38	348.00	Hydrants				433,440		436,970	2,949,431
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distribution**	$ -	$ -	$ -	$ (3,226,925)	$ -	$ (3,281,644)	$ 29,249,301
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ 817
44	390.00	Structures and Improvements			180,321			180,321	740,714
45	391.00	Office Funiture and Equipment			48,606			31,413	317,641
46	391.10	Computer Equipment			(88,023)			(88,023)	229,744
47	392.00	Transportation Equipment			27,356			67,267	385,613
48	393.00	Stores Equipment			1,526			1,526	6,333
49	394.00	Tools, Shop and Garage			18,720			18,720	87,498
50	395.00	Laboratory Equipment			3,172			3,172	24,959
51	396.00	Power Operated Equipment			5,969			5,969	26,102
52	397.00	Communication Equipment			18,374			21,222	139,749
53	398.00	Miscellaneous Equipment			15,145			15,145	61,510
54		**Subtotal General**	$ -	$ -	$ 231,167	$ -	$ -	$ 256,733	$ 2,020,678
55									
56									
57								-	-
58			521,033					521,033	0
59		TOTAL WATER PLANT	$ 521,033	$ -	$ 231,167	$ (2,479,999)	$ -	$ (1,825,753)	$ 41,995,079
60									
61			ADJ #		Reference				
62			6	Remove Trended AFUDC Adjustment					
63			7	Acquisition Adjustment	Blank				
64			8	Common Plant Adjustments	Rebuttal B-3, Page 4				
65			9	Adjust to Rebuttal RCN Study	Rebuttal B-4				
66			10						
67									

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -		-			
3	302.00	Franchises	-		-			
4	303.00	Miscellaneous Intangibles	-		-			
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -		-			
9	311.00	Structures and Improvements	150,737		-			
10	312.00	Collecting and Impounding Res.	-		-			
11	313.00	Lakes, Rivers, Other Intakes	-		-			
12	314.00	Wells and Springs	406,508		-			
13		**Subtotal Source of Supply**	$ 557,245	$ -	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -		-			
17	321.00	Structures and Improvements	120,722		-			
18	323.00	Other Power Production	-		-			
19	325.00	Electric Pumping Equipment	2,959,520		(1,399)			
20	326.00	Diesel Pumping Equipment	1,874		-			
21	328.10	Gas Engine Pumping Equipment	656		-			
22		**Subtotal Pumping**	$ 3,082,772	$ -	$ (1,399)	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -		-			
26	331.00	Structures and Improvements	6,456		-			
27	332.00	Water Treatment Equipment	(7,004)		-			
28		**Subtotal Water Treatment**	$ (548)	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -		-			
32	341.00	Structures and Improvements	-		-			
33	342.00	Distribution, Reservoirs, & ST	255,634		-			
34	343.00	Transmission and Distribution	4,024,084		(1,930)			
35	344.00	Fire Mains	33					
36	345.00	Services	(354,830)		(2,461)			
37	346.00	Meters	469,355		-			
38	348.00	Hydrants	677,229		-			
39	349.00	Other Transmission & Distribution	-		-			
40		**Subtotal Transmission and Distribution**	$ 5,071,505	$ -	$ (4,391)	$ -	$ -	$ -
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ -		-			
44	390.00	Structures and Improvements	52,175		-			
45	391.00	Office Funiture and Equipment	60,965		-			
46	391.10	Computer Equipment	(71,024)		-			
47	392.00	Transportation Equipment	215,881		-			
48	393.00	Stores Equipment	1,312		-			
49	394.00	Tools, Shop and Garage	3,446		-			
50	395.00	Laboratory Equipment	3,910		-			
51	396.00	Power Operated Equipment	7,773		-			
52	397.00	Communication Equipment	57,245		-			
53	398.00	Miscellaneous Equipment	22,574		-			
54		**Subtotal General**	$ 354,257	$ -	$ -	$ -	$ -	$ -
55								
56								
57			-		-			
58			(111,783)		-			
59		TOTAL WATER PLANT	$ 8,953,449	$ -	$ (5,790)	$ -	$ -	$ -
60								
61								
62								
63								
64								
65								
66								
67								

ADJ #		Reference
1	Plant Not Used and Useful	Blank
2	Unidentified Plant	Rebuttal Sched B-3, Page 8
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decis	Blank
5	Post Test Year Plant	ACC Staff

Arizona American - Sun City Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustments Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	*Organization*				-		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				-		$ -	$ -
9	311.00	Structures and Improvements				(6,934)		(6,934)	143,803
10	312.00	Collecting and Impounding Res.				-		-	-
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(21,638)		(21,638)	384,870
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (28,573)	$ -	$ (28,573)	$ 528,673
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ -
17	321.00	Structures and Improvements				(7,225)		(7,225)	113,497
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				397,172		395,773	3,355,293
20	326.00	Diesel Pumping Equipment				72		72	1,946
21	328.10	Gas Engine Pumping Equipment				6		6	662
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 390,025	$ -	$ 388,626	$ 3,471,398
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights				-		$ -	$ -
26	331.00	Structures and Improvements				-		-	6,456
27	332.00	Water Treatment Equipment				145		145	(6,859)
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ 145	$ -	$ 145	$ (403)
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				-		-	-
33	342.00	Distribution, Reservoirs, & ST				(51,859)		(51,859)	203,775
34	343.00	Transmission and Distribution				(571,999)		(573,928)	3,450,156
35	344.00	Fire Mains				(5)		(5)	28
36	345.00	Services				35,369		32,908	(321,922)
37	346.00	Meters				(25,286)		(25,286)	444,069
38	348.00	Hydrants				113,931		113,931	791,161
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distribution**	$ -	$ -	$ -	$ (499,848)	$ -	$ (504,239)	$ 4,567,266
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			29,870			29,870	82,045
45	391.00	Office Funiture and Equipment			25,284			25,284	86,249
46	391.10	Computer Equipment			(14,114)			(14,114)	(85,138)
47	392.00	Transportation Equipment			16,847			16,847	232,727
48	393.00	Stores Equipment			591			591	1,902
49	394.00	Tools, Shop and Garage			(623)			(623)	2,823
50	395.00	Laboratory Equipment			718			718	4,628
51	396.00	Power Operated Equipment			2,288			2,288	10,061
52	397.00	Communication Equipment			13,384			13,384	70,629
53	398.00	Miscellaneous Equipment			6,758			6,758	29,333
54		**Subtotal General**	$ -	$ -	$ 81,002	$ -	$ -	$ 81,002	$ 435,260
55									
56									
57								-	-
58			111,783					111,783	(0)
59		TOTAL WATER PLANT	$ 111,783	$ -	$ 81,002	$ (138,251)	$ -	$ 48,744	$ 9,002,193
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustment					
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Sun City West Water
RCND Common Plant Allocation
at December 31, 2002

Exhibit
Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.16732	$ 817	$ 817	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.16732	560,392	740,714	180,321	52,031	81,901	29,870
5	391.00	Office Funiture and Equipment	0.16732	166,928	215,535	48,606	60,320	85,604	25,284
6	391.10	Computer Equipment	0.16732	238,993	150,970	(88,023)	(72,735)	(86,849)	(14,114)
7	392.00	Transportation Equipment	0.16732	300,746	328,102	27,356	173,707	190,554	16,847
8	393.00	Stores Equipment	0.16732	4,807	6,333	1,526	1,302	1,893	591
9	394.00	Tools, Shop and Garage	0.16732	68,778	87,498	18,720	3,051	2,429	(623)
10	395.00	Laboratory Equipment	0.16732	21,787	24,959	3,172	3,841	4,558	718
11	396.00	Power Operated Equipment	0.16732	20,133	26,102	5,969	7,164	9,452	2,288
12	397.00	Communication Equipment	0.16732	96,626	115,000	18,374	55,651	69,035	13,384
13	398.00	Miscellaneous Equipment	0.16732	46,365	61,510	15,145	21,493	28,252	6,758
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 1,526,371	$ 1,757,538	$ 231,167	$ 305,825	$ 386,827	$ 81,002
20									
21									
22									
23									
24	SUPPORTING SCHEDULES								
25	Rebuttal B-3, Page 5								
26									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00	0	$ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment	1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment	1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment	1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment	37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage	523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment	150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment	154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment	697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment	394,470	(26,855)	367,615	196,632	(27,786)	168,847
13								
14								
15		TOTALCOMMON PLANT	$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	Computer Equipment	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		**Subtotal General**	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946
14										
15			ADJ #			Reference				
16			7	Adjust to Rebuttal RCN Study		Rebuttal B-4				
17			8	Adjust to Rebuttal RCN Study		Rebuttal B-4				
18			9	Adjust to Rebuttal RCN Study		Rebuttal B-4				
19			10	Adjust to Rebuttal RCN Study		Rebuttal B-4				
20			11	Adjust to Rebuttal RCN Study		Rebuttal B-4				
21			12							
22										
23										
24										

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	*Laboratory Equipment*	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	Miscellaneous Equipment	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments
1							
2		**Intangible**					
3	301.00	Organization	20,086	-	20,086	-	-
4	302.00	Franchises	1,588	-	1,588	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-
6		**Subtotal Intangible**	21,674	-	21,674	-	-
7							
8		**Source of Supply**					
9	310.00	Land and Land Rights	11,651	-	11,651	-	-
10	311.00	Structures and Improvements	342,925	-	342,925	101,401	-
11	312.00	Collecting and Impounding Res.	-	-	-	-	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-
13	314.00	Wells and Springs	1,307,051	-	1,307,051	297,115	-
14		**Subtotal Source of Supply**	1,661,627	-	1,661,627	398,515	-
15							
16		**Pumping**	-	-	-	-	-
17	320.00	Land and Land Rights	44,957	-	44,957	-	-
18	321.00	Structures and Improvements	231,439	-	231,439	70,256	-
19	323.00	Other Power Production	-	-	-	-	-
20	325.00	Electric Pumping Equipment	4,860,858	(11,175)	4,849,683	2,031,504	(1,267)
21	326.00	Diesel Pumping Equipment	4,505	-	4,505	1,428	-
22	328.10	Gas Engine Pumping Equipment	1,764	-	1,764	512	-
23		**Subtotal Pumping**	5,143,523	(11,175)	5,132,348	2,103,700	(1,267)
24							
25		**Water Treatment**					
26	330.00	Land and Land Rights	-	-	-	-	-
27	331.00	Structures and Improvements	38,357	-	38,357	-	-
28	332.00	Water Treatment Equipment	149,687	-	149,687	(3,080)	-
29		***Subtotal Water Treatment***	188,045	-	188,045	(3,080)	-
30							
31		**Transmission and Distribution**					
32	340.00	Land and Land Rights	-	-	-	-	-
33	341.00	Structures and Improvements	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	624,143	-	624,143	151,245	-
35	343.00	Transmission and Distribution	11,747,852	(6,343)	11,741,509	2,527,298	(1,315)
36	344.00	Fire Mains	169	-	169	21	-
37	345.00	Services	6,622,166	(1,767)	6,620,399	(351,558)	(1,767)
38	346.00	Meters	1,678,135	-	1,678,135	332,448	-
39	348.00	Hydrants	1,682,898	-	1,682,898	442,355	-
40	349.00	Other Transmission & Distribution	-	-	-	-	-
41		**Subtotal Trans & Dist**	22,355,363	(8,109)	22,347,253	3,101,809	(3,081)
42							
43		**General**					
44	389.00	Land and Land Rights	-	-	-	-	-
45	390.00	Structures and Improvements	17,268	-	17,268	6,041	-
46	391.00	Office Funiture and Equipment	28,137	-	28,137	28,245	-
47	391.10	Computer Equipment	74,599	-	74,599	(3,663)	-
48	392.00	Transportation Equipment	337,524	-	337,524	207,158	-
49	393.00	Stores Equipment	487	-	487	375	-
50	394.00	Tools, Shop and Garage	19,641	-	19,641	5,525	-
51	395.00	Laboratory Equipment	3,767	-	3,767	1,395	-
52	396.00	Power Operated Equipment	24,298	-	24,298	10,823	-
53	397.00	Communication Equipment	30,965	-	30,965	31,231	-
54	398.00	Miscellaneous Equipment	43,870	(458)	43,412	15,811	(458)
55		**Subtotal General**	580,556	(458)	580,098	302,942	(458)
		TOTAL WATER PLANT	29,950,788	(19,742)	29,931,046	5,903,886	(4,807)

Arizona-American Sun City West Water
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa

Line No.	Account No.	Description	O.C. Adjusted A/D	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	Adjustment (B-3, page 2b, Adj. #9) RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1		**Intangible**						
3	301.00	Organization	-	32,145	-	32,145	(12,059)	20,086
4	302.00	Franchises	-	2,149	-	2,149	(561)	1,588
5	303.00	*Miscellaneous Intangibles*	-	-	-	-	-	-
6		**Subtotal Intangible**	-	34,294	-	34,294	(12,619)	21,674
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	18,281	-	18,281	(6,630)	11,651
10	311.00	Structures and Improvements	101,401	495,285	-	495,285	(23,451)	471,834
11	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	297,115	1,715,871	-	1,715,871	(95,190)	1,620,681
14		**Subtotal Source of Supply**	398,515	2,229,437	-	2,229,437	(125,271)	2,104,166
15								
16		**Pumping**	-	-	-	-	-	-
17	320.00	Land and Land Rights	-	74,089	-	74,089	(29,132)	44,957
18	321.00	Structures and Improvements	70,256	391,321	-	391,321	(23,800)	367,521
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	2,030,236	6,824,428	(12,335)	6,812,094	946,290	7,758,383
21	326.00	Diesel Pumping Equipment	1,428	5,597	-	5,597	226	5,822
22	328.10	Gas Engine Pumping Equipment	512	2,124	-	2,124	21	2,145
23		**Subtotal Pumping**	2,102,433	7,297,559	(12,335)	7,285,225	893,604	8,178,829
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	-	50,878	-	50,878	(1,755)	49,123
28	332.00	Water Treatment Equipment	(3,080)	187,608	-	187,608	(7,033)	180,574
29		**Subtotal Water Treatment**	(3,080)	238,486	-	238,486	(8,788)	229,697
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	-	-	-
33	341.00	Structures and Improvements	-	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	151,245	1,033,423	-	1,033,423	(214,006)	819,417
35	343.00	Transmission and Distribution	2,525,983	18,287,917	(6,958)	18,280,959	(2,661,190)	15,619,768
36	344.00	Fire Mains	21	260	-	260	(39)	221
37	345.00	Services	(353,325)	8,229,925	(2,461)	8,227,464	(657,489)	7,569,975
38	346.00	Meters	332,448	2,262,959	-	2,262,959	(127,640)	2,135,319
39	348.00	Hydrants	442,355	2,512,461	-	2,512,461	433,440	2,945,901
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	3,098,728	32,326,945	(9,419)	32,317,526	(3,226,925)	29,090,601
42								
43		**General**					**(Common Plant, B-2, Page 6)**	
44	389.00	Land and Land Rights	-	-	-	-	-	-
45	390.00	Structures and Improvements	6,041	31,886	-	31,886	(2,575)	29,311
46	391.00	Office Funiture and Equipment	28,245	46,777	-	46,777	6,085	52,862
47	391.10	Computer Equipment	(3,663)	88,055	-	88,055	(2,402)	85,653
48	392.00	Transportation Equipment	207,158	381,047	-	381,047	(3,537)	377,510
49	393.00	Stores Equipment	375	796	-	796	59	856
50	394.00	Tools, Shop and Garage	5,525	26,508	-	26,508	(212)	26,295
51	395.00	Laboratory Equipment	1,395	5,290	-	5,290	116	5,407
52	396.00	Power Operated Equipment	10,823	32,146	-	32,146	(1,226)	30,920
53	397.00	Communication Equipment	31,231	43,571	-	43,571	1,715	45,286
54	398.00	Miscellaneous Equipment	15,353	56,376	(670)	55,706	454	56,160
55		**Subtotal General**	302,484	712,451	(670)	711,781	(1,523)	710,259
		TOTAL WATER PLANT	5,899,080	42,839,171	(22,423)	42,816,748	(2,481,522)	40,335,226

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1		**Intangible**						
3	301.00	Organization	-	-	-	1.0000	-	-
4	302.00	Franchises	-	-	-	1.0000	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
6		**Subtotal Intangible**	-	-	-		-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	-	-	1.0000	-	-
10	311.00	Structures and Improvements	146,453	-	146,453	1.3759	139,518	(6,934)
11	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	390,046	-	390,046	1.2400	368,408	(21,638)
14		**Subtotal Source of Supply**	536,499	-	536,499		507,926	(28,573)
15								
16		**Pumping**	-	-	-	-	-	-
17	320.00	Land and Land Rights	-	-	-	1.0000	-	-
18	321.00	Structures and Improvements	118,790	-	118,790	1.5880	111,565	(7,225)
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	2,852,141	(1,399)	2,850,742	1.5998	3,247,914	397,172
21	326.00	Diesel Pumping Equipment	1,775	-	1,775	1.2925	1,846	72
22	328.10	Gas Engine Pumping Equipment	617	-	617	1.2164	623	6
23		**Subtotal Pumping**	2,973,322	(1,399)	2,971,924		3,361,948	390,025
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	-	-	-	1.2807	-	-
28	332.00	Water Treatment Equipment	(3,860)	-	(3,860)	1.2063	(3,716)	145
29		**Subtotal Water Treatment**	(3,860)	-	(3,860)		(3,716)	145
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	-	-	-
33	341.00	Structures and Improvements	-	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	250,424	-	250,424	1.3129	198,565	(51,859)
35	343.00	Transmission and Distribution	3,934,252	(1,930)	3,932,323	1.3303	3,360,324	(571,999)
36	344.00	Fire Mains	32	-	32	1.3065	27	(5)
37	345.00	Services	(436,911)	(2,461)	(439,372)	1.1434	(404,003)	35,369
38	346.00	Meters	448,305	-	448,305	1.2724	423,018	(25,286)
39	348.00	Hydrants	660,409	-	660,409	1.7505	774,340	113,931
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	4,856,511	(4,391)	4,852,120		4,352,272	(499,848)
42								
43		**General**						**(Common Plant, B-2, Page 7)**
44	389.00	Land and Land Rights	-	-	-	-	-	-
45	390.00	Structures and Improvements	11,155	-	11,155	1.6974	10,254	(901)
46	391.00	Office Funiture and Equipment	46,956	-	46,956	1.8787	53,064	6,108
47	391.10	Computer Equipment	(4,324)	-	(4,324)	1.1482	(4,206)	118
48	392.00	*Transportation Equipment*	233,870	-	233,870	1.1185	231,699	(2,171)
49	393.00	Stores Equipment	613	-	613	1.7571	659	46
50	394.00	Tools, Shop and Garage	7,456	-	7,456	1.3388	7,397	(60)
51	395.00	Laboratory Equipment	1,960	-	1,960	1.4354	2,003	43
52	396.00	Power Operated Equipment	14,319	-	14,319	1.2725	13,773	(546)
53	397.00	Communication Equipment	43,946	-	43,946	1.4625	45,676	1,730
54	398.00	Miscellaneous Equipment	20,318	(670)	19,649	1.2936	19,862	213
55		**Subtotal General**	376,270	(670)	375,600		380,180	4,581
		TOTAL WATER PLANT	8,738,741	(6,460)	8,732,282		8,598,611	(133,671)

Trended RCN
Handy-Whitman

Company Code: 4005 Business Area: 4506 Sun City West Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W30100	ORGANIZATION	1979	5,716	180.2	72.6	2.4821	14,187	5,716
W30100	ORGANIZATION	1981	2,194	180.2	91.9	1.9608	4,302	2,194
W30100	ORGANIZATION	1990	471	180.2	129.4	1.3926	656	471
W30100	ORGANIZATION	1991	11,705	180.2	136.2	1.3231	15,486	11,705
	W30100	Class Totals	20,086				34,632	20,086
W30200	FRANCH/CONSENTS	1979	224	180.2	72.6	2.4821	555	224
W30200	FRANCH/CONSENTS	1981	18	180.2	91.9	1.9608	35	18
W30200	FRANCH/CONSENTS	1994	1,346	180.2	148.7	1.2118	1,631	1,346
	W30200	Class Totals	1,588				2,222	1,588
W31000	LAND/LAND RIGHTS	1983	1,814	180.2	99.0	1.8202	3,301	1,814
W31000	LAND/LAND RIGHTS	1984	7,571	180.2	103.6	1.7394	13,168	7,571
W31000	LAND/LAND RIGHTS	1990	2,265	180.2	129.4	1.3926	3,155	2,265
	W31000	Class Totals	11,650				19,626	11,650
W31100	STRUCT AND IMPROV	1979	92	350.0	182.0	1.9231	176	176
W31100	STRUCT AND IMPROV	1980	11,124	350.0	207.0	1.6908	18,808	18,808
W31100	STRUCT AND IMPROV	1982	568	350.0	226.0	1.5487	879	879
W31100	STRUCT AND IMPROV	1983	5,765	350.0	233.0	1.5021	8,659	8,659
W31100	STRUCT AND IMPROV	1984	44,133	350.0	238.0	1.4706	64,901	64,901

Company Code: 4005 Business Area: 4506 Sun City West Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31100	STRUCT AND IMPROV	1986	99,973	350.0	246.0	1.4228	142,241	142,241
W31100	STRUCT AND IMPROV	1987	33,013	350.0	249.0	1.4056	46,404	46,404
W31100	STRUCT AND IMPROV	1988	10,160	350.0	249.0	1.4056	14,281	14,281
W31100	STRUCT AND IMPROV	1988	3,253	350.0	255.0	1.3725	4,465	4,465
W31100	STRUCT AND IMPROV	1989	39,073	350.0	250.0	1.4000	54,703	54,703
W31100	STRUCT AND IMPROV	1990	640	350.0	259.0	1.3514	866	866
W31100	STRUCT AND IMPROV	1991	579	350.0	260.0	1.3462	779	779
W31100	STRUCT AND IMPROV	1991	29,004	350.0	262.0	1.3359	38,747	38,747
W31100	STRUCT AND IMPROV	1992	94	350.0	259.0	1.3514	128	128
W31100	STRUCT AND IMPROV	1994	2,651	350.0	286.0	1.2238	3,244	3,244
W31100	STRUCT AND IMPROV	1995	637	350.0	296.0	1.1824	754	754
W31100	STRUCT AND IMPROV	1995	3,901	350.0	298.0	1.1745	4,582	4,582
W31100	STRUCT AND IMPROV	1996	56,439	350.0	303.0	1.1551	65,193	65,193
W31100	STRUCT AND IMPROV	1997	963	350.0	314.0	1.1146	1,073	1,073
W31100	STRUCT AND IMPROV	1998	854	350.0	318.0	1.1006	940	940
	W31100	Class Totals	342,925				471,834	471,834
W31400	WELLS AND SPRINGS	1978	704	321.0	170.0	1.8882	1,329	1,329
W31400	WELLS AND SPRINGS	1982	20,317	321.0	216.0	1.4861	30,193	30,193
W31400	WELLS AND SPRINGS	1983	26,614	321.0	221.0	1.4525	38,656	38,656
W31400	WELLS AND SPRINGS	1984	11,044	321.0	228.0	1.4079	15,549	15,549
W31400	WELLS AND SPRINGS	1985	29,609	321.0	232.0	1.3836	40,967	40,967
W31400	WELLS AND SPRINGS	1986	136,272	321.0	238.0	1.3487	183,790	183,790
W31400	WELLS AND SPRINGS	1987	4,465	321.0	240.0	1.3375	5,972	5,972
W31400	WELLS AND SPRINGS	1988	10,707	321.0	248.0	1.2944	13,859	13,859

Trended RCN
Handy-Whitman

Company Code: 4005 Business Area: 4506 Sun City West Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31400	WELLS AND SPRINGS	1989	175,664	321.0	246.0	1.3049	229,224	229,224
W31400	WELLS AND SPRINGS	1990	18,126	321.0	242.0	1.3264	24,042	24,042
W31400	WELLS AND SPRINGS	1991	1,935	321.0	245.0	1.3102	2,535	2,535
W31400	WELLS AND SPRINGS	1991	233,213	321.0	244.0	1.3156	306,816	306,816
W31400	WELLS AND SPRINGS	1996	618,182	321.0	281.0	1.1423	706,149	706,149
W31400	WELLS AND SPRINGS	1996	255	321.0	288.0	1.1146	284	284
W31400	WELLS AND SPRINGS	1998	11,107	321.0	298.0	1.0772	11,965	11,965
W31400	WELLS AND SPRINGS	1998	4,568	321.0	301.0	1.0664	4,871	4,871
W31400	WELLS AND SPRINGS	1999	4,264	321.0	306.0	1.0490	4,473	4,473
	W31400	Class Totals	1,307,050				1,620,681	1,620,681
W32000	LAND/LAND RIGHTS	1983	44,957	180.2	99.0	1.8202	81,830	44,957
	W32000	Class Totals	44,957				81,830	44,957
W32100	STRUCT AND IMPROV	1978	3,762	350.0	164.0	2.1341	8,028	8,028
W32100	STRUCT AND IMPROV	1979	76,012	350.0	182.0	1.9231	146,178	146,178
W32100	STRUCT AND IMPROV	1980	5,618	350.0	207.0	1.6908	9,498	9,498
W32100	STRUCT AND IMPROV	1981	260	350.0	220.0	1.5909	413	413
W32100	STRUCT AND IMPROV	1982	683	350.0	226.0	1.5487	1,057	1,057
W32100	STRUCT AND IMPROV	1983	41,918	350.0	233.0	1.5021	62,965	62,965
W32100	STRUCT AND IMPROV	1985	19,091	350.0	241.0	1.4523	27,725	27,725
W32100	STRUCT AND IMPROV	1986	19,107	350.0	246.0	1.4228	27,185	27,185
W32100	STRUCT AND IMPROV	1987	15,099	350.0	249.0	1.4056	21,224	21,224
W32100	STRUCT AND IMPROV	1988	1,466	350.0	255.0	1.3725	2,012	2,012

Company Code: 4005 Business Area: 4506 Sun City West Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32100	STRUCT AND IMPROV	1993	43,414	350.0	274.0	1.2774	55,457	55,457
W32100	STRUCT AND IMPROV	1994	144	350.0	286.0	1.2238	177	177
W32100	STRUCT AND IMPROV	1996	4,330	350.0	303.0	1.1551	5,001	5,001
W32100	STRUCT AND IMPROV	1997	533	350.0	314.0	1.1146	594	594
	W32100	Class Totals	231,439				367,521	367,521
W32500	ELEC PUMP EQUIP	1978	65,299	531.0	192.0	2.7656	180,592	180,592
W32500	ELEC PUMP EQUIP	1979	361,330	531.0	205.0	2.5902	935,918	935,918
W32500	ELEC PUMP EQUIP	1980	5,818	531.0	222.0	2.3919	13,916	13,916
W32500	ELEC PUMP EQUIP	1981	3,120	531.0	245.0	2.1673	6,761	6,761
W32500	ELEC PUMP EQUIP	1982	37,157	531.0	260.0	2.0423	75,885	75,885
W32500	ELEC PUMP EQUIP	1984	131,865	531.0	277.0	1.9170	252,785	252,785
W32500	ELEC PUMP EQUIP	1985	29,540	531.0	282.0	1.8830	55,623	55,623
W32500	ELEC PUMP EQUIP	1986	1,413,759	531.0	284.0	1.8697	2,643,306	2,643,306
W32500	ELEC PUMP EQUIP	1987	147,040	531.0	299.0	1.7759	261,129	261,129
W32500	ELEC PUMP EQUIP	1988	56,820	531.0	303.0	1.7525	99,577	99,577
W32500	ELEC PUMP EQUIP	1989	17,100	531.0	309.0	1.7184	29,385	29,385
W32500	ELEC PUMP EQUIP	1989	176,826	531.0	336.0	1.5804	279,456	279,456
W32500	ELEC PUMP EQUIP	1990	13,276	531.0	340.0	1.5618	20,734	20,734
W32500	ELEC PUMP EQUIP	1991	933	531.0	357.0	1.4874	1,388	1,388
W32500	ELEC PUMP EQUIP	1991	195,278	531.0	350.0	1.5171	296,256	296,256
W32500	ELEC PUMP EQUIP	1992	5,453	531.0	363.0	1.4628	7,976	7,976
W32500	ELEC PUMP EQUIP	1992	38,654	531.0	370.0	1.4351	55,472	55,472
W32500	ELEC PUMP EQUIP	1993	331,446	531.0	369.0	1.4390	476,951	476,951
W32500	ELEC PUMP EQUIP	1993	18,908	531.0	378.0	1.4048	26,561	26,561

Company Code: 4005 Business Area: 4506 Sun City West Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32500	ELEC PUMP EQUIP	1994	8,849	531.0	420.0	1.2643	11,188	11,188
W32500	ELEC PUMP EQUIP	1994	110,447	531.0	426.0	1.2465	137,672	137,672
W32500	ELEC PUMP EQUIP	1995	81,904	531.0	438.0	1.2123	99,292	99,292
W32500	ELEC PUMP EQUIP	1995	159,000	531.0	437.0	1.2151	193,200	193,200
W32500	ELEC PUMP EQUIP	1996	463,167	531.0	454.0	1.1696	541,720	541,720
W32500	ELEC PUMP EQUIP	1996	35,337	531.0	446.0	1.1906	42,072	42,072
W32500	ELEC PUMP EQUIP	1997	45,272	531.0	454.0	1.1696	52,950	52,950
W32500	ELEC PUMP EQUIP	1997	348,477	531.0	476.0	1.1155	388,726	388,726
W32500	ELEC PUMP EQUIP	1998	101,099	531.0	485.0	1.0948	110,683	110,683
W32500	ELEC PUMP EQUIP	1998	114,228	531.0	486.0	1.0926	124,805	124,805
W32500	ELEC PUMP EQUIP	1999	4,371	531.0	499.0	1.0641	4,651	4,651
W32500	ELEC PUMP EQUIP	1999	57,290	531.0	499.0	1.0641	60,963	60,963
W32500	ELEC PUMP EQUIP	2000	24,633	531.0	523.0	1.0153	25,010	25,010
W32500	ELEC PUMP EQUIP	2000	113,350	531.0	532.0	0.9981	113,135	113,135
W32500	ELEC PUMP EQUIP	2001	132,624	531.0	531.0	1.0000	132,624	132,624
	W32500	Class Totals	4,849,683				7,758,383	7,758,383
W32600	DIESEL PUMP EQUIP	1987	913	531.0	299.0	1.7759	1,621	1,621
W32600	DIESEL PUMP EQUIP	1996	3,591	531.0	454.0	1.1696	4,200	4,200
	W32600	Class Totals	4,504				5,822	5,822
W32800	OTHER PUMP EQUIP	1994	428	531.0	420.0	1.2643	542	542
W32800	OTHER PUMP EQUIP	1995	642	531.0	438.0	1.2123	778	778
W32800	OTHER PUMP EQUIP	1996	692	531.0	446.0	1.1906	824	824

	W32800	Class Totals	1,763				2,145	2,145
W33100	WATER TREAT EQUIP STRUCT &	1986	12,032	350.0	246.0	1.4228	17,119	17,119
W33100	WATER TREAT EQUIP STRUCT &	1989	3,016	350.0	250.0	1.4000	4,223	4,223
W33100	WATER TREAT EQUIP STRUCT &	1991	4,739	350.0	262.0	1.3359	6,331	6,331
W33100	WATER TREAT EQUIP STRUCT &	1996	18,569	350.0	303.0	1.1551	21,449	21,449
	W33100	Class Totals	38,357				49,123	49,123
W33200	WATER TREAT EQUIP	1984	10,301	403.0	279.0	1.4444	14,878	14,878
W33200	WATER TREAT EQUIP	1985	466	403.0	282.0	1.4291	665	665
W33200	WATER TREAT EQUIP	1986	474	403.0	287.0	1.4042	665	665
W33200	WATER TREAT EQUIP	1987	8,099	403.0	292.0	1.3801	11,178	11,178
W33200	WATER TREAT EQUIP	1989	3,244	403.0	309.0	1.3042	4,232	4,232
W33200	WATER TREAT EQUIP	1990	363	403.0	311.0	1.2958	470	470
W33200	WATER TREAT EQUIP	1990	4,595	403.0	314.0	1.2834	5,897	5,897
W33200	WATER TREAT EQUIP	1991	361	403.0	312.0	1.2917	466	466
W33200	WATER TREAT EQUIP	1991	28,891	403.0	313.0	1.2875	37,198	37,198
W33200	WATER TREAT EQUIP	1993	697	403.0	327.0	1.2324	860	860
W33200	WATER TREAT EQUIP	1995	6,650	403.0	335.0	1.2030	8,000	8,000
W33200	WATER TREAT EQUIP	1996	19,373	403.0	342.0	1.1784	22,830	22,830
W33200	WATER TREAT EQUIP	1996	14,848	403.0	347.0	1.1614	17,245	17,245
W33200	WATER TREAT EQUIP	1997	17,020	403.0	360.0	1.1194	19,052	19,052
W33200	WATER TREAT EQUIP	1998	19,749	403.0	367.0	1.0981	21,687	21,687
W33200	WATER TREAT EQUIP	1998	4,413	403.0	370.0	1.0892	4,807	4,807
W33200	WATER TREAT EQUIP	1999	2,012	403.0	379.0	1.0633	2,139	2,139
W33200	WATER TREAT EQUIP	2000	5,236	403.0	390.0	1.0333	5,410	5,410
W33200	WATER TREAT EQUIP	2001	2,886	403.0	403.0	1.0000	2,886	2,886

	W33200	Class Totals	149,687				180,574	180,574
W34200	DIST RESRV & STNDPIP	1978	15,626	275.0	173.0	1.5896	24,839	24,839
W34200	DIST RESRV & STNDPIP	1979	256,014	275.0	178.0	1.5449	395,516	395,516
W34200	DIST RESRV & STNDPIP	1983	4,239	275.0	182.0	1.5110	6,405	6,405
W34200	DIST RESRV & STNDPIP	1984	2,857	275.0	184.0	1.4946	4,270	4,270
W34200	DIST RESRV & STNDPIP	1986	30,139	275.0	184.0	1.4946	45,045	45,045
W34200	DIST RESRV & STNDPIP	1987	394	275.0	196.0	1.4031	553	553
W34200	DIST RESRV & STNDPIP	1990	11,328	275.0	221.0	1.2443	14,096	14,096
W34200	DIST RESRV & STNDPIP	1991	417	275.0	232.0	1.1853	495	495
W34200	DIST RESRV & STNDPIP	1993	303,127	275.0	254.0	1.0827	328,195	328,195
	W34200	Class Totals	624,143				819,417	819,417
W34300	TRANS/DISTR	1978	1,194,601	324.0	179.0	1.8101	2,162,348	2,162,348
W34300	TRANS/DISTR	1979	693,235	324.0	193.0	1.6788	1,163,802	1,163,802
W34300	TRANS/DISTR	1980	725,513	324.0	209.0	1.5502	1,124,690	1,124,690
W34300	TRANS/DISTR	1981	601,024	324.0	224.0	1.4464	869,321	869,321
W34300	TRANS/DISTR	1982	623,029	324.0	239.0	1.3556	844,578	844,578
W34300	TRANS/DISTR	1983	24,932	324.0	246.0	1.3171	32,837	32,837
W34300	TRANS/DISTR	1984	846,859	324.0	244.0	1.3279	1,124,544	1,124,544
W34300	TRANS/DISTR	1985	533,842	324.0	248.0	1.3065	697,464	697,464
W34300	TRANS/DISTR	1986	622,998	324.0	245.0	1.3224	823,853	823,853
W34300	TRANS/DISTR	1987	783,999	324.0	252.0	1.2857	1,007,988	1,007,988
W34300	TRANS/DISTR	1988	87,914	324.0	264.0	1.2273	107,897	107,897
W34300	TRANS/DISTR	1989	365,351	324.0	269.0	1.2045	440,065	440,065
W34300	TRANS/DISTR	1989	325,678	324.0	273.0	1.1868	386,515	386,515
W34300	TRANS/DISTR	1990	252,058	324.0	273.0	1.1868	299,142	299,142

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34300	TRANS/DISTR	1990	1,093	324.0	275.0	1.1782	1,288	1,288
W34300	TRANS/DISTR	1991	1,593	324.0	277.0	1.1697	1,864	1,864
W34300	TRANS/DISTR	1991	202,758	324.0	279.0	1.1613	235,463	235,463
W34300	TRANS/DISTR	1992	405,130	324.0	277.0	1.1697	473,881	473,881
W34300	TRANS/DISTR	1993	564,239	324.0	281.0	1.1530	650,568	650,568
W34300	TRANS/DISTR	1993	34,959	324.0	285.0	1.1368	39,741	39,741
W34300	TRANS/DISTR	1994	57,391	324.0	291.0	1.1134	63,899	63,899
W34300	TRANS/DISTR	1994	1,006,171	324.0	289.0	1.1211	1,128,018	1,128,018
W34300	TRANS/DISTR	1995	5,662	324.0	291.0	1.1134	6,304	6,304
W34300	TRANS/DISTR	1995	500,393	324.0	286.0	1.1329	566,895	566,895
W34300	TRANS/DISTR	1996	365,741	324.0	289.0	1.1211	410,033	410,033
W34300	TRANS/DISTR	1996	31,305	324.0	292.0	1.1096	34,736	34,736
W34300	TRANS/DISTR	1997	82,085	324.0	297.0	1.0909	89,546	89,546
W34300	TRANS/DISTR	1997	194,693	324.0	299.0	1.0836	210,970	210,970
W34300	TRANS/DISTR	1999	140,672	324.0	313.0	1.0351	145,610	145,610
W34300	TRANS/DISTR	1999	16,761	324.0	306.0	1.0588	17,746	17,746
W34300	TRANS/DISTR	2000	58,653	324.0	308.0	1.0519	61,697	61,697
W34300	TRANS/DISTR	2000	121,283	324.0	316.0	1.0253	124,351	124,351
W34300	TRANS/DISTR	2001	177,423	324.0	320.0	1.0125	179,641	179,641
W34300	TRANS/DISTR	2001	92,459	324.0	324.0	1.0000	92,459	92,459
	W34300	Class Totals	11,741,508				15,619,768	15,619,768
W34400	FIRE MAINS	1985	169	324.0	248.0	1.3065	220	220

	W34400	Class Totals	169				220	220
W34500	SERVICES	1979	2,973	288.0	168.0	1.7143	5,096	5,096
W34500	SERVICES	1980	275,559	288.0	181.0	1.5912	438,469	438,469
W34500	SERVICES	1981	23,653	288.0	192.0	1.5000	35,479	35,479
W34500	SERVICES	1982	6,042	288.0	198.0	1.4545	8,788	8,788
W34500	SERVICES	1983	18,537	288.0	207.0	1.3913	25,790	25,790
W34500	SERVICES	1984	31,098	288.0	211.0	1.3649	42,445	42,445
W34500	SERVICES	1985	7,806	288.0	211.0	1.3649	10,654	10,654
W34500	SERVICES	1987	7,937	288.0	227.0	1.2687	10,070	10,070
W34500	SERVICES	1988	685	288.0	230.0	1.2522	858	858
W34500	SERVICES	1989	38,441	288.0	221.0	1.3032	50,097	50,097
W34500	SERVICES	1989	11,565	288.0	224.0	1.2857	14,869	14,869
W34500	SERVICES	1990	259,025	288.0	226.0	1.2743	330,076	330,076
W34500	SERVICES	1990	25,990	288.0	228.0	1.2632	32,831	32,831
W34500	SERVICES	1991	160,108	288.0	235.0	1.2255	196,212	196,212
W34500	SERVICES	1991	113,637	288.0	236.0	1.2203	138,671	138,671
W34500	SERVICES	1992	304,019	288.0	241.0	1.1950	363,302	363,302
W34500	SERVICES	1992	147,198	288.0	251.0	1.1474	168,895	168,895
W34500	SERVICES	1993	440,410	288.0	251.0	1.1474	505,327	505,327
W34500	SERVICES	1993	53,949	288.0	249.0	1.1566	62,398	62,398
W34500	SERVICES	1994	456,611	288.0	265.0	1.0868	496,244	496,244
W34500	SERVICES	1994	247,043	288.0	250.0	1.1520	284,594	284,594
W34500	SERVICES	1995	213,484	288.0	253.0	1.1383	243,009	243,009
W34500	SERVICES	1995	1,118,951	288.0	255.0	1.1294	1,263,743	1,263,743
W34500	SERVICES	1996	212,923	288.0	263.0	1.0951	233,172	233,172
W34500	SERVICES	1996	842,762	288.0	262.0	1.0992	926,364	926,364
W34500	SERVICES	1997	176	288.0	263.0	1.0951	192	192

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34500	SERVICES	1997	753,676	288.0	266.0	1.0827	816,005	816,005
W34500	SERVICES	1999	181,701	288.0	271.0	1.0627	193,094	193,094
W34500	SERVICES	1999	118,475	288.0	274.0	1.0511	124,529	124,529
W34500	SERVICES	2000	73,193	288.0	278.0	1.0360	75,828	75,828
W34500	SERVICES	2001	9,312	288.0	285.0	1.0105	9,410	9,410
W34500	SERVICES	2001	463,449	288.0	288.0	1.0000	463,449	463,449
W34500	Class Totals		6,620,398				7,569,974	7,569,974
W34600	METERS	1978	22,982	350.0	162.0	2.1605	49,652	49,652
W34600	METERS	1979	40,695	350.0	174.0	2.0115	81,858	81,858
W34600	METERS	1980	15,927	350.0	190.0	1.8421	29,339	29,339
W34600	METERS	1981	3,387	350.0	202.0	1.7327	5,868	5,868
W34600	METERS	1982	35,340	350.0	219.0	1.5982	56,480	56,480
W34600	METERS	1983	21,279	350.0	235.0	1.4894	31,692	31,692
W34600	METERS	1984	94,907	350.0	241.0	1.4523	137,833	137,833
W34600	METERS	1985	49,223	350.0	239.0	1.4644	72,082	72,082
W34600	METERS	1986	101,393	350.0	248.0	1.4113	143,095	143,095
W34600	METERS	1987	87,078	350.0	253.0	1.3834	120,464	120,464
W34600	METERS	1988	19,381	350.0	256.0	1.3672	26,498	26,498
W34600	METERS	1989	24,741	350.0	257.0	1.3619	33,695	33,695
W34600	METERS	1989	56,362	350.0	261.0	1.3410	75,581	75,581
W34600	METERS	1990	37,184	350.0	262.0	1.3359	49,674	49,674
W34600	METERS	1990	11,340	350.0	264.0	1.3258	15,035	15,035
W34600	METERS	1991	24,743	350.0	276.0	1.2681	31,377	31,377
W34600	METERS	1992	44,871	350.0	283.0	1.2367	55,492	55,492

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			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34600	METERS		1993	99,180	350.0	292.0	1.1986	118,877	118,877
W34600	METERS		1993	99,360	350.0	295.0	1.1864	117,880	117,880
W34600	METERS		1994	288,419	350.0	297.0	1.1785	339,902	339,902
W34600	METERS		1995	220	350.0	303.0	1.1551	254	254
W34600	METERS		1995	38,841	350.0	303.0	1.1551	44,865	44,865
W34600	METERS		1996	164,590	350.0	316.0	1.1076	182,300	182,300
W34600	METERS		1996	28,824	350.0	318.0	1.1006	31,723	31,723
W34600	METERS		1997	141,447	350.0	322.0	1.0870	153,753	153,753
W34600	METERS		1998	544	350.0	322.0	1.0870	591	591
W34600	METERS		1999	19,877	350.0	329.0	1.0638	21,145	21,145
W34600	METERS		1999	30,407	350.0	332.0	1.0542	32,055	32,055
W34600	METERS		2000	19,466	350.0	339.0	1.0324	20,097	20,097
W34600	METERS		2001	4,932	350.0	348.0	1.0057	4,960	4,960
W34600	METERS		2001	51,186	350.0	350.0	1.0000	51,186	51,186
		W34600	Class Totals	1,678,135				2,135,318	2,135,318
W34800	HYDRANTS		1978	91,659	527.0	192.0	2.7448	251,585	251,585
W34800	HYDRANTS		1979	62,385	527.0	206.0	2.5583	159,599	159,599
W34800	HYDRANTS		1980	70,362	527.0	220.0	2.3955	168,552	168,552
W34800	HYDRANTS		1981	78,832	527.0	235.0	2.2426	176,788	176,788
W34800	HYDRANTS		1982	22,377	527.0	260.0	2.0269	45,355	45,355
W34800	HYDRANTS		1983	2,898	527.0	278.0	1.8957	5,493	5,493
W34800	HYDRANTS		1984	177,966	527.0	280.0	1.8821	334,949	334,949
W34800	HYDRANTS		1985	164,063	527.0	287.0	1.8362	301,252	301,252
W34800	HYDRANTS		1986	101,038	527.0	297.0	1.7744	179,281	179,281

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34800	HYDRANTS	1987	144,822	527.0	309.0	1.7055	246,994	246,994
W34800	HYDRANTS	1988	16,643	527.0	316.0	1.6677	27,756	27,756
W34800	HYDRANTS	1988	7,126	527.0	318.0	1.6572	11,809	11,809
W34800	HYDRANTS	1989	68,287	527.0	328.0	1.6067	109,717	109,717
W34800	HYDRANTS	1989	34,600	527.0	338.0	1.5592	53,948	53,948
W34800	HYDRANTS	1990	42,875	527.0	349.0	1.5100	64,742	64,742
W34800	HYDRANTS	1990	153	527.0	354.0	1.4887	229	229
W34800	HYDRANTS	1991	35,740	527.0	359.0	1.4680	52,467	52,467
W34800	HYDRANTS	1992	50,113	527.0	361.0	1.4598	73,155	73,155
W34800	HYDRANTS	1993	72,358	527.0	366.0	1.4399	104,188	104,188
W34800	HYDRANTS	1993	13,560	527.0	368.0	1.4321	19,419	19,419
W34800	HYDRANTS	1994	143,395	527.0	365.0	1.4438	207,034	207,034
W34800	HYDRANTS	1995	72,149	527.0	373.0	1.4129	101,940	101,940
W34800	HYDRANTS	1996	68,693	527.0	377.0	1.3979	96,026	96,026
W34800	HYDRANTS	1996	4,607	527.0	379.0	1.3905	6,406	6,406
W34800	HYDRANTS	1997	629	527.0	442.0	1.1923	750	750
W34800	HYDRANTS	1997	29,955	527.0	453.0	1.1634	34,850	34,850
W34800	HYDRANTS	1998	442	527.0	467.0	1.1285	498	498
W34800	HYDRANTS	1998	4,400	527.0	466.0	1.1309	4,976	4,976
W34800	HYDRANTS	1999	21,024	527.0	482.0	1.0934	22,988	22,988
W34800	HYDRANTS	1999	6,663	527.0	484.0	1.0888	7,255	7,255
W34800	HYDRANTS	2000	34,793	527.0	498.0	1.0582	36,818	36,818
W34800	HYDRANTS	2001	33,690	527.0	515.0	1.0233	34,475	34,475
W34800	HYDRANTS	2001	4,590	527.0	527.0	1.0000	4,590	4,590
	W34800	Class Totals	1,682,897				2,945,900	2,945,900

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39000	MISC STRUCTURES	1979	4,748	350.0	182.0	1.9231	9,130	9,130
W39000	MISC STRUCTURES	1980	5,561	350.0	207.0	1.6908	9,402	9,402
W39000	MISC STRUCTURES	1982	6,959	350.0	226.0	1.5487	10,777	10,777
	W39000	Class Totals	17,268				29,310	29,310
W39100	OFFICE FURN/EQUIP	1978	6,920	180.2	65.0	2.7723	19,184	19,184
W39100	OFFICE FURN/EQUIP	1979	1,797	180.2	72.6	2.4821	4,460	4,460
W39100	OFFICE FURN/EQUIP	1980	2,164	180.2	83.3	2.1633	4,681	4,681
W39100	OFFICE FURN/EQUIP	1981	143	180.2	91.9	1.9608	280	280
W39100	OFFICE FURN/EQUIP	1982	143	180.2	97.4	1.8501	264	264
W39100	OFFICE FURN/EQUIP	1984	1,044	180.2	103.6	1.7394	1,815	1,815
W39100	OFFICE FURN/EQUIP	1985	1,545	180.2	108.0	1.6685	2,577	2,577
W39100	OFFICE FURN/EQUIP	1986	675	180.2	109.8	1.6412	1,107	1,107
W39100	OFFICE FURN/EQUIP	1987	2,304	180.2	113.2	1.5919	3,667	3,667
W39100	OFFICE FURN/EQUIP	1988	2,109	180.2	117.7	1.5310	3,230	3,230
W39100	OFFICE FURN/EQUIP	1989	3,252	180.2	123.3	1.4615	4,753	4,753
W39100	OFFICE FURN/EQUIP	1990	481	180.2	129.4	1.3926	669	669
W39100	OFFICE FURN/EQUIP	1991	202	180.2	136.2	1.3231	268	268
W39100	OFFICE FURN/EQUIP	1998	5,356	180.2	163.6	1.1015	5,900	5,900
	W39100	Class Totals	28,137				52,861	52,861
W39110	COMPUTER EQUIPMENT	1989	1,539	180.2	123.3	1.4615	2,250	2,250
W39110	COMPUTER EQUIPMENT	1993	780	180.2	145.5	1.2385	966	966

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39110	COMPUTER EQUIPMENT	1994	18,872	180.2	148.7	1.2118	22,869	22,869
W39110	COMPUTER EQUIPMENT	1995	19,630	180.2	152.2	1.1840	23,241	23,241
W39110	COMPUTER EQUIPMENT	1995	8,136	180.2	152.2	1.1840	9,633	9,633
W39110	COMPUTER EQUIPMENT	2000	25,641	180.2	173.1	1.0410	26,692	26,692
	W39110	Class Totals	74,598				85,652	85,652
W39200	TRANSPORT EQUIP	1989	25,410	180.2	123.3	1.4615	37,136	37,136
W39200	TRANSPORT EQUIP	1990	136	180.2	129.4	1.3926	189	189
W39200	TRANSPORT EQUIP	1993	62,638	180.2	145.5	1.2385	77,577	77,577
W39200	TRANSPORT EQUIP	1996	25,897	180.2	156.6	1.1507	29,800	29,800
W39200	TRANSPORT EQUIP	1997	36,372	180.2	160.6	1.1220	40,809	40,809
W39200	TRANSPORT EQUIP	1999	39,532	180.2	167.8	1.0739	42,453	42,453
W39200	TRANSPORT EQUIP	2000	48,887	180.2	173.1	1.0410	50,891	50,891
W39200	TRANSPORT EQUIP	2001	98,651	180.2	180.2	1.0000	98,651	98,651
	W39200	Class Totals	337,524				377,509	377,509
W39300	STORES EQUIPMENT	1982	345	180.2	97.4	1.8501	638	638
W39300	STORES EQUIPMENT	1988	141	180.2	117.7	1.5310	217	217
	W39300	Class Totals	486				855	855
W39400	TOOLS AND WORK EQUIP	1982	190	180.2	97.4	1.8501	351	351
W39400	TOOLS AND WORK EQUIP	1983	20	180.2	99.0	1.8202	36	36

Company Code: 4005 Business Area: 4506 Sun City West Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39400	TOOLS AND WORK EQUIP	1984	167	180.2	103.6	1.7394	290	290
W39400	TOOLS AND WORK EQUIP	1985	1,164	180.2	108.0	1.6685	1,942	1,942
W39400	TOOLS AND WORK EQUIP	1986	756	180.2	109.8	1.6412	1,240	1,240
W39400	TOOLS AND WORK EQUIP	1987	1,149	180.2	113.2	1.5919	1,829	1,829
W39400	TOOLS AND WORK EQUIP	1988	64	180.2	117.7	1.5310	98	98
W39400	TOOLS AND WORK EQUIP	1988	1,687	180.2	117.7	1.5310	2,583	2,583
W39400	TOOLS AND WORK EQUIP	1989	277	180.2	123.3	1.4615	404	404
W39400	TOOLS AND WORK EQUIP	1991	1,545	180.2	136.2	1.3231	2,045	2,045
W39400	TOOLS AND WORK EQUIP	1992	1,725	180.2	141.0	1.2780	2,205	2,205
W39400	TOOLS AND WORK EQUIP	1993	2,765	180.2	145.5	1.2385	3,425	3,425
W39400	TOOLS AND WORK EQUIP	1994	7,833	180.2	148.7	1.2118	9,492	9,492
W39400	TOOLS AND WORK EQUIP	1994	151	180.2	148.7	1.2118	182	182
W39400	TOOLS AND WORK EQUIP	1996	144	180.2	156.6	1.1507	166	166
	W39400	Class Totals	19,641				26,295	26,295
W39500	LAB EQUIP	1986	223	180.2	109.8	1.6412	365	365
W39500	LAB EQUIP	1987	248	180.2	113.2	1.5919	394	394
W39500	LAB EQUIP	1988	1,670	180.2	117.7	1.5310	2,558	2,558
W39500	LAB EQUIP	1991	750	180.2	136.2	1.3231	993	993
W39500	LAB EQUIP	1992	337	180.2	141.0	1.2780	431	431
W39500	LAB EQUIP	1993	489	180.2	145.5	1.2385	605	605
W39500	LAB EQUIP	1994	47	180.2	148.7	1.2118	57	57
	W39500	Class Totals	3,766				5,406	5,406

Company Code: 4005 Business Area: 4506 Sun City West Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39600	PWR OPER EQUIP	1990	2,457	180.2	129.4	1.3926	3,421	3,421
W39600	PWR OPER EQUIP	1992	16,264	180.2	141.0	1.2780	20,785	20,785
W39600	PWR OPER EQUIP	1994	3,948	180.2	148.7	1.2118	4,785	4,785
W39600	PWR OPER EQUIP	1995	1,628	180.2	152.2	1.1840	1,927	1,927
	W39600	Class Totals	24,298				30,920	30,920
W39700	COMM EQUIP	1988	3,809	180.2	117.7	1.5310	5,832	5,832
W39700	COMM EQUIP	1989	26,222	180.2	123.3	1.4615	38,323	38,323
W39700	COMM EQUIP	1994	933	180.2	148.7	1.2118	1,130	1,130
	W39700	Class Totals	30,964				45,286	45,286
W39800	MISC EQUIP	1980	3,877	180.2	83.3	2.1633	8,387	8,387
W39800	MISC EQUIP	1981	280	180.2	91.9	1.9608	549	549
W39800	MISC EQUIP	1985	1,578	180.2	108.0	1.6685	2,632	2,632
W39800	MISC EQUIP	1991	13,486	180.2	136.2	1.3231	17,843	17,843
W39800	MISC EQUIP	1993	648	180.2	145.5	1.2385	803	803
W39800	MISC EQUIP	1994	103	180.2	148.7	1.2118	125	125
W39800	MISC EQUIP	1998	23,438	180.2	163.6	1.1015	25,817	25,817
	W39800	Class Totals	43,412				56,159	56,159
Company Code: 4005	Business Area: 4506		29,931,045				40,395,255	40,335,225

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Sun City West Water
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ (14,825)
	6	Adjust to Actual 2002 Additional (Corporate)	(51,400)
Purchased Water	11	Adjust to annualized 2001 qty ordered	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(37,083)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(17,242)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(1,899)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	298
Depreciation Expense	3	Depreciation Expense	6,434
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	(1,639)
Property Taxes	4	Property Taxes	(8,206)
Income Tax			74,225
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (51,336)
Operating Income			$ 51,336

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.		Amount
1	Projected Salaries & Wages and Related Expenses	
2		
3	Actual 2002 Wages and Salaries	
4	Salaries & Wages	$ 332,908
5		
6	Direct Filing Proposed Wages and Salaries	
7	Salaries & Wages	347,733
8		
9	Increase (Decrease)	$ (14,825)
10		
11	Adjustment to Revenues and/or Expenses	$ (14,825)
12		
13		
14		
15		

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.			Amount
1	Projected Salaries & Wages and Related Expenses		
2			
3	PR Taxes Based on Actual 2002 Wages and Salaries		
4	Taxes Other Than Income		26,433
5			
6	Direct Filing Proposed PR Taxes		
7	Taxes Other Than Income		28,072
8			
9	Increase (Decrease)	$	(1,639)
10			
11	Adjustment to Revenues and/or Expenses	$	(1,639)
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.						
1	Depreciation Expense					
2						
3	Account		Rebuttak			Depreciation
4	No.	Description	Original Cost		Rate	Expense
5		**Intangible**				
6	301.00	Organization	$	20,086	0.00%	$ -
7	302.00	Franchises		1,588	0.00%	-
8	303.00	Miscellaneous Intangibles		-	0.00%	-
9		**Subtotal Intangible**	$	21,674		$ -
10						
11		**Source of Supply**				
12	310.00	Land and Land Rights	$	11,651	0.00%	$ -
13	311.00	Structures and Improvements		366,092	2.50%	9,152
14	312.00	Collecting and Impounding Res.		-	0.00%	-
15	313.00	Lakes, Rivers, Other Intakes		-	0.00%	-
16	314.00	Wells and Springs		1,307,051	2.52%	32,938
17		**Subtotal Source of Supply**	$	1,684,793		$ 42,090
18						
19		**Pumping**				
20	320.00	Land and Land Rights	$	44,957	0.00%	$ -
21	321.00	Structures and Improvements		231,439	1.67%	3,865
22	323.00	Other Power Production		-	0.00%	-
23	325.00	Electric Pumping Equipment		5,016,788	4.42%	221,742
24	326.00	Diesel Pumping Equipment		4,505	4.42%	199
25	328.10	Gas Engine Pumping Equipment		1,764	4.42%	78
26		**Subtotal Pumping**	$	5,299,453		$ 225,884
27						
28		**Water Treatment**				
29	330.00	Land and Land Rights	$	-	0.00%	$ -
30	331.00	Structures and Improvements		38,357	1.67%	641
31	332.00	Water Treatment Equipment		150,150	4.00%	6,006
32		**Subtotal Water Treatment**	$	188,508		$ 6,647
33						
34		**Transmission and Distribution**				
35	340.00	Land and Land Rights	$	-	0.00%	$ -
36	341.00	Structures and Improvements		-	0.00%	-
37	342.00	Distribution, Reservoirs, & ST		769,934	1.67%	12,858
38	343.00	Transmission and Distribution		11,750,888	1.53%	179,789
39	344.00	Fire Mains		169	0.00%	-
40	345.00	Services		6,620,399	2.48%	164,186
41	346.00	Meters		1,678,135	2.51%	42,121
42	348.00	Hydrants		1,686,428	2.00%	33,729
43	349.00	Other Transmission & Distribution		-	0.00%	-
44		**Subtotal Transmission and Distribution**	$	22,505,953		$ 432,682
45						
46		**General**				
47	389.00	Land and Land Rights	$	817	0.00%	$ -
48	390.00	Structures and Improvements		560,392	1.68%	9,419
49	391.00	Office Funiture and Equipment		269,035	4.55%	12,228
50	391.10	Computer Equipment		216,047	4.55%	9,820
51	392.00	Transportation Equipment		358,256	25.00%	89,564
52	393.00	Stores Equipment		4,807	3.92%	188
53	394.00	Tools, Shop and Garage		68,778	4.14%	2,844
54	395.00	Laboratory Equipment		21,787	3.71%	808
55	396.00	Power Operated Equipment		20,021	5.14%	1,030
56	397.00	Communication Equipment		121,375	10.28%	12,474
57	398.00	Miscellaneous Equipment		43,832	4.98%	2,183
58		**Subtotal General**	$	1,685,146		$ 140,559
59						
60					2.70%	-
61						
62						
63		TOTALS	$	31,385,527	2.701%	$ 847,861
64						
65						
66	Amortization of Deferred Regulatory Assets		$	217,667	2.7014%	5,880
67						
68	Less: Amotization of Contributions		$	971,578	10.0000%	(97,158)
69	Rebuttal Depreciation Expense					$ 756,584
70						
71	Direct Filing Depreciation Expense					750,150
72						
73	Increase (decrease) in Depreciation Expense					6,434
74						
75	Adjustment to Revenues and/or Expenses					$ 6,434
76						

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$ 3,380,774
4	Rebuttal Adjusted Revenues in year ended 12/31/01	3,380,774
5	Proposed Revenues	4,596,616
6	Average of three year's of revenue	$ 3,786,055
7	Average of three year's of revenue, times 2	7,572,110
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	358,256
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 358,256
14		
15	Full Cash Value	$ 7,213,853
16	Assessment Ratio	25%
17	Assessed Value	1,803,463
18	Property Tax Rate	8.485354%
19		
20	Property Tax	153,030
21	Tax on Parcels	24,529
22		
23	Total Rebuttal Property Tax at Proposed Rates	$ 177,560
24	Direct Filing Proposed Property Taxes	185,765
25	Increase (Decrease) in Property Taxes	$ (8,206)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (8,206)
29		
30		

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$15,432,917
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	450,024
6	Direct Filing Interest Expense	516,761
7	Increase in Interest Expense	$ (66,737)
8		
9	Adjustment to Revenues and/or Expense	$ (66,737)
10		
11		

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Salaries & Wages Expense (Corpor	$	56,757
5			
6	Direct Filing Proposed Additonal Salaries & Wages Expens		108,156
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(51,400)
10			
11	Adjustment to Revenue and/or Expense	$	(51,400)
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	125,780
5			
6	Direct Filing Proposed Additonal Office Expense (Corporat		162,863
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(37,083)
10			
11	Adjustment to Revenue and/or Expense	$	(37,083)
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	26,451
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corp		28,350
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(1,899)
10			
11	Adjustment to Revenue and/or Expense	$	(1,899)
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	1,397
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporate		1,099
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	298
10			
11	Adjustment to Revenue and/or Expense	$	298
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.				
1	Service Company Charges			
2				
3	Total 2002 Charges	$	4,981,460	
4	Allocation Factor (4 factor Formula)		0.1001	
5	Total Charges			$ 498,644
6				
7				
8	Direct Filing Proposed Charges	$	5,153,711	
9	Allocation Factor (4 factor Formula)		0.1001	
10	Total Charges			515,886
11				
12				
13	Adjustment to Revenues and/or Expenses			$ (17,242)
14				
15				
16				
17				

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							

SUN CITY WEST
WASTEWATER

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.					
1	Fair Value Rate Base			$	12,221,084
2					
3	Adjusted Operating Income				(70,271)
4					
5	Current Rate of Return				-0.57%
6					
7	Required Operating Income			$	918,537
8					
9	Required Rate of Return on Fair Value Rate Base				7.52%
10					
11	Operating Income Deficiency			$	988,808
12					
13	Gross Revenue Conversion Factor				1.6286
14					
15	Increase in Gross Revenue				
16	Requirement			$	1,610,407
17					
18	Customer	Present	Proposed	Dollar	Percent
19	Classification	Rates	Rates	Increase	Increase
20	Residential Units (WSR)	$ 2,789,886	$ 4,061,139	$ 1,271,253	45.57%
21	Commercial Units (SSC)	$76,035	$110,711	$ 34,675	45.60%
22	Commercial Large User (WS6)	12,683	18,499	5,816	45.86%
23	Muti-family Residential Units (AC WSRE)	553,264	805,368	252,103	45.57%
24		-	-	-	0.00%
25		-	-	-	0.00%
26	Commercial additional toilets (WS1)	70,575	102,800	32,225	45.66%
27	Commercial per dishwasher (WS2)	11,241	16,368	5,127	45.61%
28	Commercial per wash machine (WS3)	3,247	4,728	1,481	45.62%
29	Commercial per wash rack (WS4)	2,497	3,636	1,139	45.60%
30	Miscellaneous Revenues	1,002	1,002	-	0.00%
31	Subtotal of Revenues	3,520,431	5,124,250	1,603,820	45.56%
32					
33					
34	Revenue Annualization				
35	Residential Units (WSR)	$ 3,134	$ 4,563	$ 1,428	45.57%
36	Commercial Units (SSC)	7,089	10,321	3,233	45.60%
37	Commercial Large User (WS6)	681	992	311	45.62%
38	Muti-family Residential Units (AC WSRE)	-	-	-	0.00%
39	Commercial additional toilets (WS1)	(424)	(618)	(194)	45.66%
40	Commercial per dishwasher (WS2)	-	-	-	0.00%
41	Commercial per wash machine (WS3)	566	824	258	45.62%
42	Commercial per wash rack (WS4)	-	-	-	0.00%
43	Total Revenue Annualization	$ 11,046	$ 16,083	$ 5,036	45.59%
44		0	0	0	0.00%
45	Total Revenues	$ 3,531,477	$ 5,140,333	$ 1,608,856	45.56%
46					
47	SUPPORTING SCHEDULES:				
48	Rebuttal B-1				
49	Rebuttal C-1				
50	Rebuttal D-1				
51	Rebuttal H-1				
52					
53					

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 39,022,368	$ 54,170,595	$ 54,170,595
3	Less: Accumulated Depreciation	14,145,184	19,791,126	19,791,126
4				
5	Net Utility Plant in Service	$ 24,877,183	$ 34,379,469	$ 34,379,469
6				
7	Less:			
8	Advances in Aid of			
9	Construction	14,502,979	20,132,941	20,132,941
10	Contributions in Aid of			
11	Construction - Net of amortization	1,458,672	2,024,919	2,024,919
12	Customer Meter Deposits	525	525	525
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Deferred Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	10,321,436	-	-
21				
22	Total Rate Base	$ 19,236,443	$ 12,221,084	$ 12,221,084
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rebuttal B-2			Rebuttal A-1
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 39,101,812	(1)	(79,444)	$ 39,022,368
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	14,290,245	(2)	(145,061)	14,145,184
8					
9	Net Utility Plant				
10	in Service	$ 24,811,567			$ 24,877,183
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	14,502,979			14,502,979
15	Contributions in Aid of				
16					
17	Construction - Net (Ratemaking	1,458,672			1,458,672
18	Purposes Only)				
19	Customer Meter Deposits	525			525
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Deferred Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	10,401,376	(3)	(79,940)	10,321,436
28					
29	Total	$ 19,250,767			$ 19,236,443
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
38					
39					
40					
41					
42					
43					

Arizona American - Sun City West Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 4,078	$ -	$ 4,078	$ -	$ -	$ -
3	302.00	Franchises	1,372	-	1,372	-	-	-
4	303.00	Miscellaneous Intangibles	5,184	-	5,184	-	-	-
5		**Subtotal Intangible**	$ 10,634	$ -	$ 10,634	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 542,319	$ -	$ 542,319	$ -	$ -	$ -
9	311.00	Structures and Improvements	2,739,560	(21,563)	2,717,997	1,636,500	-	1,636,500
10	312.00	Preliminary Treatment	1,075,243	(6,300)	1,068,943	582,392	-	582,392
11	313.00	Primary Treatment Equipment	1,084,172	-	1,084,172	535,800	-	535,800
12	314.00	Secondary Treatment Equipment	5,714,476	-	5,714,476	2,453,354	-	2,453,354
13	315.00	Tertiary Equipment	6,087,981	-	6,087,981	1,686,172	-	1,686,172
14	316.00	Disinfection Equipment	245,070	(212,082)	32,988	162,002	(210,266)	(48,264)
15	317.00	Effluent Lift Station E	1,004,341	-	1,004,341	459,319	-	459,319
16	318.00	Outfall Line	94,680	18,461	113,141	70,529	-	70,529
17	319.00	Sludge, Treatment & Distribution	-	-	-	-	-	-
18	321.00	Influent Lift Station	97,846	(6,300)	91,546	18,316	-	18,316
19	322.00	General Treatment Equipment	902,060	(2,987)	899,073	147,306	(68)	147,238
20		**Subtotal Treatment & Discharge**	$ 19,587,747	$ (230,770)	$ 19,356,976	$ 7,751,691	$ (210,334)	$ 7,541,356
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ 20,747	$ -	$ 20,747	$ -	$ -	$ -
24	341.00	Structures and Improvements	-	-	-	-	-	-
25	342.00	Collection System Lift	1,356,167	(380)	1,355,787	1,248,263	(327)	1,247,936
26	343.00	Collection Mains	12,982,219	(4,544)	12,977,675	3,966,296	-	3,966,296
27	344.00	Force Mains	752,939	-	752,939	220,480	-	220,480
28	345.00	Discharge Services	2,645,161	-	2,645,161	781,065	-	781,065
29	348.00	Manholes	0	-	0	-	-	-
30		**Subtotal Collection and Influent**	$ 17,757,233	$ (4,924)	$ 17,752,309	$ 6,216,103	$ (327)	$ 6,215,777
31								
32		**Allocated Common Plant**						
33	389.00	Land and Land Rights	$ 780	$ -	$ 780	$ -	$ -	$ -
34	390.00	Structures and Improvements	834,864	-	834,864	98,403	-	98,403
35	391.00	Office Funiture and Equipment	307,582	(9,826)	297,756	60,492	-	60,492
36	391.10	Computer Equipment	273,086	(97,203)	175,883	(68,300)	(5,889)	(74,189)
37	392.00	Transportation Equipment	287,389	-	287,389	195,324	-	195,324
38	393.00	Stores Equipment	4,593	-	4,593	1,464	-	1,464
39	394.00	Tools, Shop and Garage	71,223	(3,880)	67,343	5,230	-	5,230
40	395.00	Laboratory Equipment	26,319	(5,500)	20,819	4,716	-	4,716
41	396.00	Power Operated Equipment	19,239	(107)	19,132	7,170	(59)	7,111
42	397.00	Communication Equipment	119,535	32,468	152,003	69,591	-	69,591
43	398.00	Miscellaneous Equipment	44,306	(2,420)	41,886	22,329	(2,420)	19,909
44		**Subtotal General**	$ 1,988,915	$ (86,467)	$ 1,902,448	$ 396,420	$ (8,369)	$ 388,052
45								
46								
47		ADFUC adjustment 3/95	(242,717)	242,717	-	(73,969)	73,969	(0)
48		TOTAL WASTEWATER PLANT	$ 39,101,812	$ (79,444)	$ 39,022,367	$ 14,290,245	$ (145,061)	$ 14,145,184
49								
50								
51		SUPPORTING SCHEDULES:						
52		Rebuttal B-2, page 2a, 2b, 3a, 3b						
53								

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Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 4,078					$ -
3	302.00	Franchises	1,372					-
4	303.00	Miscellaneous Intangibles	5,184					-
5		**Subtotal Intangible**	$ 10,634	$ -	$ -	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 542,319					$ -
9	311.00	Structures and Improvements	2,739,560					(21,563)
10	312.00	Preliminary Treatment	1,075,243					(6,300)
11	313.00	Primary Treatment Equipment	1,084,172					-
12	314.00	Secondary Treatment Equipment	5,714,476					-
13	315.00	Tertiary Equipment	6,087,981					-
14	316.00	Disinfection Equipment	245,070	(212,082)				-
15	317.00	Effluent Lift Station E	1,004,341					-
16	318.00	Outfall Line	94,680					18,461
17	319.00	Sludge, Treatment & Distribution	-					-
18	321.00	*Influent Lift Station*	97,846					(6,300)
19	322.00	General Treatment Equipment	902,060		(2,987)			-
20		**Subtotal Treatment & Discharge**	$ 19,587,747	$ (212,082)	$ (2,987)	$ -	$ -	$ (15,702)
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ 20,747					$ -
24	341.00	Structures and Improvements	-					-
25	342.00	Collection System Lift	1,356,167		(380)			-
26	343.00	Collection Mains	12,982,219					(4,544)
27	344.00	Force Mains	752,939					-
28	345.00	Discharge Services	2,645,161					-
29	348.00	Manholes	0					-
30		**Subtotal Collection and Influent**	$ 17,757,233	$ -	$ (380)	$ -	$ -	$ (4,544)
31								
32		**Allocated Common Plant**						
33	389.00	Land and Land Rights	$ 780					$ -
34	390.00	Structures and Improvements	834,864					-
35	391.00	Office Funiture and Equipment	307,582					(9,826)
36	391.10	Computer Equipment	273,086					-
37	392.00	Transportation Equipment	287,389					-
38	393.00	Stores Equipment	4,593					-
39	394.00	Tools, Shop and Garage	71,223					(3,880)
40	395.00	Laboratory Equipment	26,319					(5,500)
41	396.00	Power Operated Equipment	19,239					-
42	397.00	Communication Equipment	119,535					32,468
43	398.00	Miscellaneous Equipment	44,306					-
44		**Subtotal General**	$ 1,988,915	$ -	$ -	$ -	$ -	$ 13,262
45								
46			-					
47		ADFUC adjustment 3/95	(242,717)					
48		TOTAL WASTEWATER PLANT	$ 39,101,812	$ (212,082)	$ (3,367)	$ -	$ -	$ (6,983)
49								
50			ADJ #			Reference		
51			1	Plant Not Used and Useful		ACC Staff		
52			2	Unidentified Plant		ACC Staff		
53			3	Mis-posted Plant		ACC Staff		
54			4	Plant Removed by Prev. Decis		ACC Staff		
55			5	Post Test Year Plant		ACC Staff		
56								

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Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ 4,078
3	302.00	Franchises						-	1,372
4	303.00	Miscellaneous Intangibles						-	5,184
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,634
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights						$ -	$ 542,319
9	311.00	Structures and Improvements						(21,563)	2,717,997
10	312.00	Preliminary Treatment						(6,300)	1,068,943
11	313.00	Primary Treatment Equipment						-	1,084,172
12	314.00	Secondary Treatment Equipment						-	5,714,476
13	315,00	Tertiary Equipment						-	6,087,981
14	316.00	Disinfection Equipment						(212,082)	32,988
15	317.00	Effluent Lift Station E						-	1,004,341
16	318.00	Outfall Line						18,461	113,141
17	319.00	Sludge, Treatment & Distribution						-	-
18	321.00	Influent Lift Station						(6,300)	91,546
19	322.00	General Treatment Equipment						(2,987)	899,073
20		**Subtotal Treatment & Discharge**	$ -	$ -	$ -	$ -	$ -	$ (230,770)	$ 19,356,976
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights							$ 20,747
24	341.00	Structures and Improvements						-	-
25	342.00	Collection System Lift						(380)	1,355,787
26	343.00	Collection Mains						(4,544)	12,977,675
27	344.00	Force Mains						-	752,939
28	345.00	Discharge Services						-	2,645,161
29	348.00	Manholes						-	0
30		**Subtotal Collection and Influent**	$ -	$ -	$ -	$ -	$ -	$ (4,924)	$ 17,752,309
31									
32		**Allocated Common Plant**							
33	389.00	Land and Land Rights			$ -			$ -	$ 780
34	390.00	Structures and Improvements			-			-	834,864
35	391.00	Office Funiture and Equipment			-			(9,826)	297,756
36	391.10	Computer Equipment			(97,203)			(97,203)	175,883
37	392.00	Transportation Equipment			-			-	287,389
38	393.00	Stores Equipment			-			-	4,593
39	394.00	Tools, Shop and Garage			-			(3,880)	67,343
40	395.00	Laboratory Equipment			-			(5,500)	20,819
41	396.00	Power Operated Equipment			(107)			(107)	19,132
42	397.00	Communication Equipment			-			32,468	152,003
43	398.00	Miscellaneous Equipment			(2,420)			(2,420)	41,886
44		**Subtotal General**	$ -	$ -	$ (99,730)	$ -	$ -	$ (86,467)	$ 1,902,448
45									
46									-
47		ADFUC adjustment 3/95	242,717					242,717	-
48		TOTAL WASTEWATER PLANT	$ 242,717	$ -	$ (99,730)	$ -	$ -	$ (79,444)	$ 39,022,367
49									
50									
51									
52									
53									
54									
55									
56									

ADJ #		Reference
6	Remove AFUDC Adjustment	ACC Staff
7	Acquisition Adjustment	
8	Common Plant Adjustments	Rebuttal B-2, Page 4
9		
10		

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Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ -					
9	311.00	Structures and Improvements	1,636,500					
10	312.00	Preliminary Treatment	582,392					
11	313.00	Primary Treatment Equipment	535,800					
12	314.00	Secondary Treatment Equipment	2,453,354					
13	315,00	Tertiary Equipment	1,686,172					
14	316.00	Disinfection Equipment	162,002	(210,266)				
15	317.00	Effluent Lift Station E	459,319					
16	318.00	Outfall Line	70,529					
17	319.00	Sludge, Treatment & Distribution	-					
18	321.00	Influent Lift Station	18,316					
19	322.00	General Treatment Equipment	147,306		(68)			
20		**Subtotal Treatment & Discharge**	$ 7,751,691	$ (210,266)	$ (68)	$ -	$ -	$ -
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -					
24	341.00	Structures and Improvements	-					
25	342.00	Collection System Lift	1,248,263		(327)			
26	343.00	Collection Mains	3,966,296					
27	344.00	Force Mains	220,480					
28	345.00	Discharge Services	781,065					
29	348.00	Manholes	-					
30		**Subtotal Collection and Influent**	$ 6,216,103	$ -	$ (327)	$ -	$ -	$ -
31								
32		**Allocated Common Plant**						
33	389.00	Land and Land Rights	$ -					
34	390.00	Structures and Improvements	98,403					
35	391.00	Office Funiture and Equipment	60,492					
36	391.10	Computer Equipment	(68,300)					
37	392.00	Transportation Equipment	195,324					
38	393.00	Stores Equipment	1,464					
39	394.00	Tools, Shop and Garage	5,230					
40	395.00	Laboratory Equipment	4,716					
41	396.00	Power Operated Equipment	7,170					
42	397.00	Communication Equipment	69,591					
43	398.00	Miscellaneous Equipment	22,329					
44		**Subtotal General**	$ 396,420	$ -	$ -	$ -	$ -	$ -
45								
46			-					
47		ADFUC adjustment 3/95	(73,969)					
48		TOTAL WASTEWATER PLANT	$ 14,290,245	$ (210,266)	$ (395)	$ -	$ -	$ -
49								
50				ADJ #			Reference	
51				1	Plant Not Used and Useful		Rebuttal Schedule B-2, Page 8	
52				2	Unidentified Plant		ACC Staff	
53				3	Mis-posted Plant		ACC Staff	
54				4	Plant Removed by Prev. Decis		ACC Staff	
55				5	Post Test Year Plant		ACC Staff	
56								

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Rebuttal Schedule B-2
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Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						-	1,636,500
10	312.00	Preliminary Treatment						-	582,392
11	313.00	Primary Treatment Equipment						-	535,800
12	314.00	Secondary Treatment Equipment						-	2,453,354
13	315,00	Tertiary Equipment						-	1,686,172
14	316.00	Disinfection Equipment						(210,266)	(48,264)
15	317.00	Effluent Lift Station E						-	459,319
16	318.00	*Outfall Line*						-	70,529
17	319.00	Sludge, Treatment & Distribution						-	-
18	321.00	Influent Lift Station						-	18,316
19	322.00	General Treatment Equipment						(68)	147,238
20		**Subtotal Treatment & Discharge**	$ -	$ -	$ -	$ -	$ -	$ (210,334)	$ 7,541,356
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights							$ -
24	341.00	Structures and Improvements						-	-
25	342.00	Collection System Lift						(327)	1,247,936
26	343.00	Collection Mains						-	3,966,296
27	344.00	Force Mains						-	220,480
28	345.00	Discharge Services						-	781,065
29	348.00	Manholes						-	-
30		**Subtotal Collection and Influent**	$ -	$ -	$ -	$ -	$ -	$ (327)	$ 6,215,777
31									
32		**Allocated Common Plant**							
33	389.00	Land and Land Rights			$ -			$ -	$ -
34	390.00	Structures and Improvements			-			-	98,403
35	391.00	Office Funiture and Equipment			-			-	60,492
36	391.10	Computer Equipment			(5,889)			(5,889)	(74,189)
37	392.00	Transportation Equipment			-			-	195,324
38	393.00	Stores Equipment			-			-	1,464
39	394.00	Tools, Shop and Garage			-			-	5,230
40	395.00	Laboratory Equipment			-			-	4,716
41	396.00	Power Operated Equipment			(59)			(59)	7,111
42	397.00	Communication Equipment			-			-	69,591
43	398.00	Miscellaneous Equipment			(2,420)			(2,420)	19,909
44		**Subtotal General**	$ -	$ -	$ (8,369)	$ -	$ -	$ (8,369)	$ 388,052
45									
46									-
47		ADFUC adjustment 3/95	73,969					73,969	(0)
48		TOTAL WASTEWATER PLANT	$ 73,969	$ -	$ (8,369)	$ -	$ -	$ (145,061)	$ 14,145,184
49									
50			ADJ #			Reference			
51			6	Remove AFUDC Adjustment		ACC Staff			
52			7	Acquisition Adjustment					
53			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
54			9						
55			10						
56									

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Rebuttal Schedule B-3
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Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 8,370	$ (4,292)	$ 4,078	$ -	$ -	$ -
3	302.00	Franchises	1,740	(368)	1,372	-	-	-
4	303.00	Miscellaneous Intangibles	5,946	(763)	5,184	-	-	-
5		**Subtotal Intangible**	$ 16,056	$ (5,423)	$ 10,634	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 745,494	$ (203,175)	$ 542,319	$ -	$ -	$ -
9	311.00	Structures and Improvements	4,503,916	(312,127)	4,191,789	2,663,448	(169,124)	2,494,324
10	312.00	Preliminary Treatment	1,696,378	(24,329)	1,672,050	905,282	(9,372)	895,910
11	313.00	Primary Treatment Equipment	1,615,967	(23,368)	1,592,599	785,325	(10,964)	774,361
12	314.00	Secondary Treatment Equipment	8,457,854	(95,150)	8,362,704	3,562,592	(38,472)	3,524,120
13	315.00	Tertiary Equipment	8,081,839	(147,481)	7,934,358	2,006,819	(32,323)	1,974,496
14	316.00	Disinfection Equipment	423,463	(386,445)	37,018	275,471	(330,380)	(54,909)
15	317.00	Effluent Lift Station E	1,311,801	(20,669)	1,291,132	587,022	(8,585)	578,437
16	318.00	Outfall Line	173,094	19,597	192,691	126,981	818	127,799
17	319.00	Sludge, Treatment & Distribution	-	(22,014)	(22,014)	195,586	(8,111)	187,475
18	321.00	Influent Lift Station	103,524	(7,266)	96,258	19,214	(153)	19,061
19	322.00	General Treatment Equipment	1,017,847	(36,987)	980,860	163,321	(4,740)	158,581
20		**Subtotal Treatment & Discharge**	$ 28,131,176	$ (1,259,413)	$ 26,871,763	$ 11,291,061	$ (611,405)	$ 10,679,655
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ 34,397	$ -	$ 34,397	$ -	$ -	$ -
24	341.00	Structures and Improvements	0	(14,444)	(14,444)	13,926	(2,228)	11,697
25	342.00	Collection System Lift	1,897,026	(48,678)	1,848,348	1,723,381	(42,751)	1,680,630
26	343.00	Collection Mains	21,040,445	(2,441,657)	18,598,788	5,761,586	(711,818)	5,049,768
27	344.00	Force Mains	1,568,335	(298,318)	1,270,017	450,814	(84,269)	366,545
28	345.00	Discharge Services	4,097,064	(593,388)	3,503,677	1,194,980	(169,166)	1,025,815
29	348.00	Manholes	0	(265,928)	(265,928)	584,507	(81,315)	503,192
30		**Subtotal Collection and Influent**	$ 28,637,268	$ (3,662,414)	$ 24,974,854	$ 9,729,194	$ (1,091,548)	$ 8,637,646
31								
32		**Allocated Common Plant**						
33	389.00	Land and Land Rights	$ 2,019	$ (1,239)	$ 780	$ -	$ -	$ -
34	390.00	Structures and Improvements	1,116,420	(18,977)	1,097,443	129,597	(2,651)	126,946
35	391.00	Office Funiture and Equipment	353,839	(9,635)	344,204	83,138	1,514	84,653
36	391.10	Computer Equipment	298,732	(109,760)	188,972	(76,112)	(5,676)	(81,788)
37	392.00	Transportation Equipment	317,988	(4,458)	313,530	214,101	(2,678)	211,423
38	393.00	Stores Equipment	5,990	62	6,052	1,971	57	2,029
39	394.00	Tools, Shop and Garage	89,252	(4,020)	85,232	4,570	66	4,635
40	395.00	Laboratory Equipment	29,599	(5,748)	23,850	5,419	(17)	5,401
41	396.00	Power Operated Equipment	24,681	261	24,943	9,289	68	9,357
42	397.00	Communication Equipment	138,782	30,779	169,561	82,850	(469)	82,381
43	398.00	Miscellaneous Equipment	63,072	(4,294)	58,778	33,230	(4,443)	28,788
44		**Subtotal General**	$ 2,440,373	$ (127,030)	$ 2,313,344	$ 488,053	$ (14,229)	$ 473,825
45								
46								
47		AFUDC adjustment 3/95	(292,741)	292,741	0	(89,214)	89,214	(0)
48		TOTAL WASTEWATER PLANT	$ 58,932,133	$ (4,761,538)	$ 54,170,595	$ 21,419,094	$ (1,627,968)	$ 19,791,126
49								
50		SUPPORTING SCHEDULES:						
51		Rebuttal B-3, page 2a, 2b, 3a, 3b						
52								
53								

Arizona American
Sun City West Wastewater
Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost	Rebuttal Allocated Original Cost	Rebuttal Allocated Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.15989	$ 780	$ 780	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.15989	535,503	535,503	-	49,720	49,720	-
5	391.00	Office Funiture and Equipment	0.15989	159,515	159,515	-	57,641	57,641	-
6	391.10	Computer Equipment	0.15989	228,379	131,176	(97,203)	(69,505)	(75,394)	(5,889)
7	392.00	Transportation Equipment	0.15989	287,389	287,389	-	165,992	165,992	-
8	393.00	Stores Equipment	0.15989	4,593	4,593	-	1,244	1,244	-
9	394.00	Tools, Shop and Garage	0.15989	65,723	65,723	-	2,916	2,916	-
10	395.00	Laboratory Equipment	0.15989	20,819	20,819	-	3,670	3,670	-
11	396.00	Power Operated Equipment	0.15989	19,239	19,132	(107)	6,845	6,786	(59)
12	397.00	Communication Equipment	0.15989	92,335	92,335	-	53,180	53,180	-
13	398.00	Miscellaneous Equipment	0.15989	44,306	41,886	(2,420)	20,539	18,119	(2,420)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 1,458,580	$ 1,358,851	$ (99,730)	$ 292,242	$ 283,874	$ (8,369)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-2, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00		0 $ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	Communication Equipment	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345		(607,932)				
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051						
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325		(669)				
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101	(458)		(14,679)			
13		**Subtotal General**	$ 9,122,373	$ (458)	$ (608,601)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										

ADJ #	Reference
6	
7	
8	
9	
10	

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	*Computer Equipment*	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona-American Sun City West Wastewater
Plant Not Used and Useful

Exhibit
Rebuttal Schedule B-2
Page 8

Asset Id	Asset Desc.	Class	Acq. Date	Original Cost	A/D	RCN	Adjust O.C.	Adjust A/D	Adjust RCND	Adj.RCN A/D
1677221	Disinfection Equ	T31600	19800701	207,182	(148,310)	378,770	(207,182)	(207,182)	(378,770)	(378,770)
1679440	CHLORINE MACHINE	T31600	19940115	1,167	(357)	1,468	(1,167)	(1,167)	(1,468)	(1,468)
1679442	PIPING	T31600	19940115	673	(194)	846	(673)	(673)	(846)	(846)
1679441	CHLORINE MACHINE	T31600	19941215	740	(224)	911	(740)	(740)	(911)	(911)
1679890	CHLORINE MACHINE	T31600	19951215	569	(147)	679	(569)	(147)	(679)	(176)
1680479	CHLORINE DETECTO	T31600	19971215	1,058	(234)	1,213	(1,058)	(234)	(1,213)	(269)
1680701	PIPING	T31600	19981215	399	(70)	449	(399)	(70)	(449)	(79)
1680702	WEIGHING EQUIPME	T31600	19981215	294	(53)	331	(294)	(53)	(331)	(59)
			Totals	212,082	(149,590)	384,668	(212,082)	(210,266)	(384,668)	(382,579)

Arizona-American Sun City West Wastewater
Unidentified Plant

Exhibit
Rebuttal Schedule B-2
Page 8

Asset Id	Asset Desc.	Class	Acq. Date	Original Cost	A/D	RCN	Adjust O.C.	Adjust A/D	Adjust RCND	Adj.RCN A/D
3118671		T32200	20010731	2,987	(68)	2,987	(2,987)	(68)	(2,987)	(68)
3117979		T34200	20010731	56	(2)	56	(56)	(2)	(56)	(2)
3119014		T34200	20010731	324	(12)	324	(324)	(324)	(324)	(324)
				380	(15)	380	(380)	(327)	(380)	(327)

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 58,932,134	(1)	(4,761,538)	$ 54,170,595
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	21,419,094	(2)	(1,627,968)	19,791,126
8					
9	Net Utility Plant				
10	in Service	$ 37,513,040			$ 34,379,469
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	21,858,105	(3)	(1,725,164)	20,132,941
15	Contributions in Aid of				
16	Construction - Net (Ratemaking	2,198,432	(4)	(173,513)	2,024,919
17	Purposes Only)				
18	Customer Meter Deposits	525			525
19	Deferred Income Taxes	-			-
20	Investment Tax Credits	-			-
21	**Plus:**				
22	Deferred Finance				
23	Charges	-			-
24	Deferred Tax Assets	-			-
25	Working capital	-			-
26	Citizens Acquisition Adjustment	-			-
27					
28	Total	$ 13,455,978			$ 12,221,084
29					
30					
31					
32	(1) See B-3, Page 2				
33	(2) See B-3, Page 3				
34	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36					
37					

Arizona American - Sun City West Wastewater
RCND Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	*Organization*	$ 8,370	$ (4,292)	$ 4,078	$ -	$ -	$ -
3	302.00	Franchises	1,740	(368)	1,372	-	-	-
4	303.00	Miscellaneous Intangibles	5,946	(763)	5,184	-	-	-
5		**Subtotal Intangible**	$ 16,056	$ (5,423)	$ 10,634	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 745,494	$ (203,175)	$ 542,319	$ -	$ -	$ -
9	311.00	Structures and Improvements	4,503,916	(312,127)	4,191,789	2,663,448	(169,124)	2,494,324
10	312.00	Preliminary Treatment	1,696,378	(24,329)	1,672,050	905,282	(9,372)	895,910
11	313.00	Primary Treatment Equipment	1,615,967	(23,368)	1,592,599	785,325	(10,964)	774,361
12	314.00	Secondary Treatment Equipment	8,457,854	(95,150)	8,362,704	3,562,592	(38,472)	3,524,120
13	315.00	Tertiary Equipment	8,081,839	(147,481)	7,934,358	2,006,819	(32,323)	1,974,496
14	316.00	Disinfection Equipment	423,463	(386,445)	37,018	275,471	(330,380)	(54,909)
15	317.00	Effluent Lift Station E	1,311,801	(20,669)	1,291,132	587,022	(8,585)	578,437
16	318.00	Outfall Line	173,094	19,597	192,691	126,981	818	127,799
17	319.00	Sludge, Treatment & Distribution	-	(22,014)	(22,014)	195,586	(8,111)	187,475
18	321.00	Influent Lift Station	103,524	(7,266)	96,258	19,214	(153)	19,061
19	322.00	General Treatment Equipment	1,017,847	(36,987)	980,860	163,321	(4,740)	158,581
20		***Subtotal Treatment & Discharge***	$ 28,131,176	$ (1,259,413)	$ 26,871,763	$ 11,291,061	$ (611,405)	$ 10,679,655
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ 34,397	$ -	$ 34,397	$ -	$ -	$ -
24	341.00	Structures and Improvements	0	(14,444)	(14,444)	13,926	(2,228)	11,697
25	342.00	Collection System Lift	1,897,026	(48,678)	1,848,348	1,723,381	(42,751)	1,680,630
26	343.00	Collection Mains	21,040,445	(2,441,657)	18,598,788	5,761,586	(711,818)	5,049,768
27	344.00	Force Mains	1,568,335	(298,318)	1,270,017	450,814	(84,269)	366,545
28	345.00	Discharge Services	4,097,064	(593,388)	3,503,677	1,194,980	(169,166)	1,025,815
29	348.00	Manholes	0	(265,928)	(265,928)	584,507	(81,315)	503,192
30		**Subtotal Collection and Influent**	$ 28,637,268	$ (3,662,414)	$ 24,974,854	$ 9,729,194	$ (1,091,548)	$ 8,637,646
31								
32		**Allocated Common Plant**						
33	389.00	Land and Land Rights	$ 2,019	$ (1,239)	$ 780	$ -	$ -	$ -
34	390.00	Structures and Improvements	1,116,420	(18,977)	1,097,443	129,597	(2,651)	126,946
35	391.00	Office Funiture and Equipment	353,839	(9,635)	344,204	83,138	1,514	84,653
36	391.10	Computer Equipment	298,732	(109,760)	188,972	(76,112)	(5,676)	(81,788)
37	392.00	Transportation Equipment	317,988	(4,458)	313,530	214,101	(2,678)	211,423
38	393.00	Stores Equipment	5,990	62	6,052	1,971	57	2,029
39	394.00	Tools, Shop and Garage	89,252	(4,020)	85,232	4,570	66	4,635
40	395.00	Laboratory Equipment	29,599	(5,748)	23,850	5,419	(17)	5,401
41	396.00	Power Operated Equipment	24,681	261	24,943	9,289	68	9,357
42	397.00	Communication Equipment	138,782	30,779	169,561	82,850	(469)	82,381
43	398.00	Miscellaneous Equipment	63,072	(4,294)	58,778	33,230	(4,443)	28,788
44		**Subtotal General**	$ 2,440,373	$ (127,030)	$ 2,313,344	$ 488,053	$ (14,229)	$ 473,825
45								
46								
47		AFUDC adjustment 3/95	(292,741)	292,741	0	(89,214)	89,214	(0)
48		TOTAL WASTEWATER PLANT	$ 58,932,133	$ (4,761,538)	$ 54,170,595	$ 21,419,094	$ (1,627,968)	$ 19,791,126
49								
50		SUPPORTING SCHEDULES:						
51		Rebuttal B-3, page 2a, 2b, 3a, 3b						
52								
53								

Arizona American
Sun City West Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 8,370					$ -
3	302.00	Franchises	1,740					-
4	303.00	Miscellaneous Intangibles	5,946					-
5		**Subtotal Intangible**	$ 16,056	$ -	$ -	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 745,494					$ -
9	311.00	Structures and Improvements	4,503,916					(21,563)
10	312.00	Preliminary Treatment	1,696,378					(6,300)
11	313.00	Primary Treatment Equipment	1,615,967					-
12	314.00	Secondary Treatment Equipment	8,457,854					-
13	315,00	Tertiary Equipment	8,081,839					-
14	316.00	Disinfection Equipment	423,463	(384,668)				-
15	317.00	Effluent Lift Station E	1,311,801					-
16	318.00	Outfall Line	173,094					18,461
17	319.00	Sludge, Treatment & Distribution	-					-
18	321.00	Influent Lift Station	103,524					(6,300)
19	322.00	General Treatment Equipment	1,017,847		(2,987)			-
20		**Subtotal Treatment & Discharge**	$ 28,131,176	$ (384,668)	$ (2,987)	$ -	$ -	$ (15,702)
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ 34,397					$ -
24	341.00	Structures and Improvements	0					-
25	342.00	Collection System Lift	1,897,026		(380)			-
26	343.00	Collection Mains	21,040,445					(4,544)
27	344.00	Force Mains	1,568,335					-
28	345.00	Discharge Services	4,097,064					-
29	348.00	Manholes	0					-
30		**Subtotal Collection and Influent**	$ 28,637,268	$ -	$ (380)	$ -	$ -	$ (4,544)
31								
32		**Allocated Common Plant**						
33	389.00	Land and Land Rights	$ 2,019					$ -
34	390.00	Structures and Improvements	1,116,420					-
35	391.00	Office Funiture and Equipment	353,839					(9,826)
36	391.10	Computer Equipment	298,732					-
37	392.00	Transportation Equipment	317,988					-
38	393.00	Stores Equipment	5,990					-
39	394.00	Tools, Shop and Garage	89,252					(3,880)
40	395.00	Laboratory Equipment	29,599					(5,500)
41	396.00	Power Operated Equipment	24,681					-
42	397.00	Communication Equipment	138,782					32,468
43	398.00	*Miscellaneous Equipment*	63,072					-
44		**Subtotal General**	$ 2,440,373	$ -	$ -	$ -	$ -	$ 13,262
45								
46			-					
47		ADFUC adjustment 3/95	(292,741)					
48		TOTAL WASTEWATER PLANT	$ 58,932,133	$ (384,668)	$ (3,367)	$ -	$ -	$ (6,983)
49								
50			ADJ #			Reference		
51			1	Plant Not Used and Useful		Rebuttal Sched B-3, Page 8		
52			2	Unidentified Plant		Rebuttal Sched B-3, Page 8		
53			3	Mis-posted Plant		Blank		
54			4	Plant Removed by Prev. Decision		Blank		
55			5	Post Test Year Plant		ACC Staff		
56								

Arizona American
Sun City West Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		***Intangible***							
2	301.00	Organization				$ (4,292)		$ (4,292)	$ 4,078
3	302.00	Franchises				(368)		(368)	1,372
4	303.00	Miscellaneous Intangibles				(763)		(763)	5,184
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (5,423)	$ -	$ (5,423)	$ 10,634
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights				$ (203,175)		$ (203,175)	$ 542,319
9	311.00	Structures and Improvements				(290,564)		(312,127)	4,191,789
10	312.00	Preliminary Treatment				(18,029)		(24,329)	1,672,050
11	313.00	Primary Treatment Equipment				(23,368)		(23,368)	1,592,599
12	314.00	Secondary Treatment Equipment				(95,150)		(95,150)	8,362,704
13	315,00	Tertiary Equipment				(147,481)		(147,481)	7,934,358
14	316.00	Disinfection Equipment				(1,776)		(386,445)	37,018
15	317.00	Effluent Lift Station E				(20,669)		(20,669)	1,291,132
16	318.00	Outfall Line				1,136		19,597	192,691
17	319.00	Sludge, Treatment & Distribution				(22,014)		(22,014)	(22,014)
18	321.00	Influent Lift Station				(966)		(7,266)	96,258
19	322.00	General Treatment Equipment				(34,000)		(36,987)	980,860
20		**Subtotal Treatment & Discharge**	$ -	$ -	$ -	$ (856,056)	$ -	$ (1,259,413)	$ 26,871,763
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights				$ (13,650)			$ 34,397
24	341.00	Structures and Improvements				(14,444)		(14,444)	(14,444)
25	342.00	Collection System Lift				(48,298)		(48,678)	1,848,348
26	343.00	Collection Mains				(2,437,114)		(2,441,657)	18,598,788
27	344.00	Force Mains				(298,318)		(298,318)	1,270,017
28	345.00	Discharge Services				(593,388)		(593,388)	3,503,677
29	348.00	Manholes				(265,928)		(265,928)	(265,928)
30		**Subtotal Collection and Influent**	$ -	$ -	$ -	$ (3,671,140)	$ -	$ (3,662,414)	$ 24,974,854
31									
32		**Allocated Common Plant**							
33	389.00	Land and Land Rights			$ (1,239)			$ (1,239)	$ 780
34	390.00	Structures and Improvements			(18,977)			(18,977)	1,097,443
35	391.00	Office Funiture and Equipment			190			(9,635)	344,204
36	391.10	Computer Equipment			(109,760)			(109,760)	188,972
37	392.00	Transportation Equipment			(4,458)			(4,458)	313,530
38	393.00	Stores Equipment			62			62	6,052
39	394.00	Tools, Shop and Garage			(140)			(4,020)	85,232
40	395.00	Laboratory Equipment			(248)			(5,748)	23,850
41	396.00	Power Operated Equipment			261			261	24,943
42	397.00	Communication Equipment			(1,689)			30,779	169,561
43	398.00	Miscellaneous Equipment			(4,294)			(4,294)	58,778
44		**Subtotal General**	$ -	$ -	$ (140,292)	$ -	$ -	$ (127,030)	$ 2,313,344
45									
46									-
47		ADFUC adjustment 3/95	292,741					292,741	0
48		TOTAL WASTEWATER PLANT	$ 292,741	$ -	$ (140,292)	$ (4,532,619)	$ -	$ (4,761,538)	$ 54,170,595
49									
50			ADJ #		Reference				
51			6	Remove Trended AFUDC Adjustment					
52			7	Acquisition Adjustment	Blank				
53			8	Common Plant Adjustments	Rebuttal B-3, Page 4				
54			9	Adjust to Rebuttal RCN Study	Rebuttal B-4				
55			10						
56									

Arizona American
Sun City West Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Line No.	Direct Accumulated Depreciation	Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**	1			-			
2	301.00	Organization	2	$ -		$ -			
3	302.00	Franchises	3	-		-			
4	303.00	Miscellaneous Intangibles	4	-		-			
5		**Subtotal Intangible**	5	$ -	$ -	$ -	$ -	$ -	$ -
6			6						
7		**Treatment & Discharge**	7						
8	310.00	Land and Land Rights	8	$ -		$ -			
9	311.00	Structures and Improvements	9	2,663,448		-			
10	312.00	Preliminary Treatment	10	905,282		-			
11	313.00	Primary Treatment Equipment	11	785,325		-			
12	314.00	Secondary Treatment Equipment	12	3,562,592		-			
13	315.00	Tertiary Equipment	13	2,006,819		-			
14	316.00	Disinfection Equipment	14	275,471	(382,579)	-			
15	317.00	Effluent Lift Station E	15	587,022		-			
16	318.00	Outfall Line	16	126,981		-			
17	319.00	Sludge, Treatment & Distribution	17	195,586		-			
18	321.00	Influent Lift Station	18	19,214		-			
19	322.00	General Treatment Equipment	19	163,321		(68)			
20		**Subtotal Treatment & Discharge**	20	$ 11,291,061	$ (382,579)	$ (68)	$ -	$ -	$ -
21			21						
22		**Collection and Influent**	22						
23	340.00	Land and Land Rights	23	$ -					
24	341.00	Structures and Improvements	24	13,926					
25	342.00	Collection System Lift	25	1,723,381		(327)			
26	343.00	Collection Mains	26	5,761,586		-			
27	344.00	Force Mains	27	450,814		-			
28	345.00	Discharge Services	28	1,194,980		-			
29	348.00	Manholes	29	584,507		-			
30		**Subtotal Collection and Influent**	30	$ 9,729,194	$ -	$ (327)	$ -	$ -	$ -
31			31						
32		**Allocated Common Plant**	32						
33	389.00	Land and Land Rights	33	$ -		$ -			
34	390.00	Structures and Improvements	34	129,597		-			
35	391.00	Office Funiture and Equipment	35	83,138		-			
36	391.10	Computer Equipment	36	(76,112)		-			
37	392.00	Transportation Equipment	37	214,101		-			
38	393.00	Stores Equipment	38	1,971		-			
39	394.00	Tools, Shop and Garage	39	4,570		-			
40	395.00	Laboratory Equipment	40	5,419		-			
41	396.00	Power Operated Equipment	41	9,289		-			
42	397.00	Communication Equipment	42	82,850		-			
43	398.00	Miscellaneous Equipment	43	33,230		-			
44		**Subtotal General**	44	$ 488,053	$ -	$ -	$ -	$ -	$ -
45			45						
46			46	-		-			
47		ADFUC adjustment 3/95	47	(89,214)		-			
48		TOTAL WASTEWATER PLANT	48	$ 21,419,094	$ (382,579)	$ (395)	$ -	$ -	$ -
49			49						
50			50						
51			51						
52			52						
53			53						
54			54						
55			55						
56			56						

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Sched B-3, Page 8
2	Unidentified Plant	Rebuttal Sched B-3, Page 8
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decision	Blank
5	Post Test Year Plant	ACC Staff

Arizona American
Sun City West Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				$ -		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights				$ -		$ -	$ -
9	311.00	Structures and Improvements				(169,124)		(169,124)	2,494,324
10	312.00	Preliminary Treatment				(9,372)		(9,372)	895,910
11	313.00	Primary Treatment Equipment				(10,964)		(10,964)	774,361
12	314.00	Secondary Treatment Equipment				(38,472)		(38,472)	3,524,120
13	315,00	Tertiary Equipment				(32,323)		(32,323)	1,974,496
14	316.00	Disinfection Equipment				52,199		(330,380)	(54,909)
15	317.00	Effluent Lift Station E				(8,585)		(8,585)	578,437
16	318.00	Outfall Line				818		818	127,799
17	319.00	Sludge, Treatment & Distribution				(8,111)		(8,111)	187,475
18	321.00	Influent Lift Station				(153)		(153)	19,061
19	322.00	General Treatment Equipment				(4,671)		(4,740)	158,581
20		**Subtotal Treatment & Discharge**	$ -	$ -	$ -	$ (228,758)	$ -	$ (611,405)	$ 10,679,655
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights				$ -			$ -
24	341.00	Structures and Improvements				(2,228)		(2,228)	11,697
25	342.00	Collection System Lift				(42,425)		(42,751)	1,680,630
26	343.00	Collection Mains				(711,818)		(711,818)	5,049,768
27	344.00	Force Mains				(84,269)		(84,269)	366,545
28	345.00	Discharge Services				(169,166)		(169,166)	1,025,815
29	348.00	Manholes				(81,315)		(81,315)	503,192
30		**Subtotal Collection and Influent**	$ -	$ -	$ -	$ (1,091,222)	$ -	$ (1,091,548)	$ 8,637,646
31									
32		**Allocated Common Plant**							
33	389.00	Land and Land Rights			$ -			$ -	$ -
34	390.00	Structures and Improvements			(2,651)			(2,651)	126,946
35	391.00	Office Funiture and Equipment			1,514			1,514	84,653
36	391.10	Computer Equipment			(5,676)			(5,676)	(81,788)
37	392.00	Transportation Equipment			(2,678)			(2,678)	211,423
38	393.00	Stores Equipment			57			57	2,029
39	394.00	Tools, Shop and Garage			66			66	4,635
40	395.00	Laboratory Equipment			(17)			(17)	5,401
41	396.00	Power Operated Equipment			68			68	9,357
42	397.00	Communication Equipment			(469)			(469)	82,381
43	398.00	Miscellaneous Equipment			(4,443)			(4,443)	28,788
44		**Subtotal General**	$ -	$ -	$ (14,229)	$ -	$ -	$ (14,229)	$ 473,825
45									
46									-
47		ADFUC adjustment 3/95	89,214					89,214	(0)
48		TOTAL WASTEWATER PLANT	$ 89,214	$ -	$ (14,229)	$ (1,319,980)	$ -	$ (1,627,968)	$ 19,791,126
49									
50			ADJ #			Reference			
51			6	Remove Trended AFUDC Adjustment					
52			7	Acquisition Adjustment		Blank			
53			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
54			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
55			10						
56									

Arizona American
Sun City West Wastewater
RCND Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.15989	$ 2,019	$ 780	$ (1,239)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.15989	726,793	707,816	(18,977)	80,914	78,263	(2,651)
5	391.00	Office Funiture and Equipment	0.15989	205,772	205,962	190	80,288	81,802	1,514
6	391.10	Computer Equipment	0.15989	254,025	144,265	(109,760)	(77,316)	(82,992)	(5,676)
7	392.00	Transportation Equipment	0.15989	317,988	313,530	(4,458)	184,769	182,091	(2,678)
8	393.00	Stores Equipment	0.15989	5,990	6,052	62	1,751	1,809	57
9	394.00	Tools, Shop and Garage	0.15989	83,752	83,612	(140)	2,255	2,321	66
10	395.00	Laboratory Equipment	0.15989	24,099	23,850	(248)	4,373	4,356	(17)
11	396.00	Power Operated Equipment	0.15989	24,681	24,943	261	8,964	9,032	68
12	397.00	Communication Equipment	0.15989	111,582	109,892	(1,689)	66,438	65,969	(469)
13	398.00	Miscellaneous Equipment	0.15989	63,072	58,778	(4,294)	31,440	26,997	(4,443)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 1,819,772	$ 1,679,480	$ (140,292)	$ 383,876	$ 369,647	$ (14,229)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00	0	$ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment	1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment	1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment	1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment	37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage	523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment	150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment	154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment	697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment	394,470	(26,855)	367,615	196,632	(27,786)	168,847
13								
14								
15		TOTALCOMMON PLANT	$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	Computer Equipment	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
15									
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18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		**Subtotal General**	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	Laboratory Equipment	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	Miscellaneous Equipment	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona-American Sun City West Wastewater
B-3 Adjustments

Exhibit B-4
Page A1
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments	O.C. Adjusted A/D
1		**Intangible**						
2	301.00	Organization	4,078	-	4,078	-	-	-
3	302.00	Franchises	1,372	-	1,372	-	-	-
4	303.00	Miscellaneous Intangibles	5,184	-	5,184	-	-	-
5		**Subtotal Intangible**	10,634	-	10,634	-	-	-
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	542,319	-	542,319	-	-	-
9	311.00	Structures and Improvements	2,695,860	-	2,695,860	1,569,131	-	1,569,131
10	312.00	Preliminary Treatment	1,068,943	-	1,068,943	555,679	-	555,679
11	313.00	Primary Treatment Equipment	1,084,172	-	1,084,172	508,707	-	508,707
12	314.00	Secondary Treatment Equipm	5,714,476	-	5,714,476	2,310,550	-	2,310,550
13	315,00	Tertiary Equipment	4,751,190	-	4,751,190	1,041,309	-	1,041,309
14	316.00	Disinfection Equipment	245,070	(212,082)	32,988	155,878	(210,266)	(54,388)
15	317.00	Effluent Lift Station E	1,004,341	-	1,004,341	417,153	-	417,153
16	318.00	Outfall Line	94,680	-	94,680	68,163	-	68,163
17	319.00	Sludge, Treatment & Distributi	1,337,304	-	1,337,304	492,725	-	492,725
18	321.00	Influent Lift Station	91,546	-	91,546	14,473	-	14,473
19	322.00	General Treatment Equipment	902,060	(2,987)	899,073	124,764	(68)	124,696
20		**Subtotal Treat & Disc**	19,531,960	(215,068)	19,316,892	7,258,533	(210,334)	7,048,198
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	20,747	-	20,747	-	-	-
24	341.00	Structures and Improvements	299,361	-	299,361	46,184	-	46,184
25	342.00	Collection System Lift	1,356,167	(380)	1,355,787	1,191,327	(327)	1,191,000
26	343.00	Collection Mains	9,788,254	-	9,788,254	2,858,898	-	2,858,898
27	344.00	Force Mains	752,939	-	752,939	212,690	-	212,690
28	345.00	Discharge Services	2,645,161	-	2,645,161	754,095	-	754,095
29	348.00	Manholes	3,189,365	-	3,189,365	975,240	-	975,240
30		**Subtotal Coll.and Infl.**	18,051,994	(380)	18,051,614	6,038,435	(327)	6,038,108
31								
32		**General**						
33	389.00	Land and Land Rights	-	-	-	-	-	-
34	390.00	Structures and Improvements	1,196,116	-	1,196,116	33,935	-	33,935
35	391.00	Office Funiture and Equipmen	142,714	-	142,714	(2,555)	-	(2,555)
36	391.10	Computer Equipment	34,067	-	34,067	(1,205)	-	(1,205)
37	392.00	Transportation Equipment	234,751	-	234,751	70,168	-	70,168
38	393.00	Stores Equipment	11,270	-	11,270	(243)	-	(243)
39	394.00	Tools, Shop and Garage	103,615	-	103,615	8,865	-	8,865
40	395.00	Laboratory Equipment	56,408	-	56,408	12,616	-	12,616
41	396.00	Power Operated Equipment	12,955	-	12,955	1,655	-	1,655
42	397.00	Communication Equipment	318,807	-	318,807	102,047	-	102,047
43	398.00	Miscellaneous Equipment	70,250	-	70,250	25,529	-	25,529
44		**Subtotal General**	2,180,953	-	2,180,953	250,813	-	250,813
45								
46								
47								
48		TOTAL WASTEWATER PL	39,775,540	(215,448)	39,560,092	13,547,781	(210,661)	13,337,120
49								

Arizona-American Sun City West Wastewater
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa

Line No.	Account No.	Description	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	(B-3, page 2b, Adj. #9) Adjustment RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1		**Intangible**					
2	301.00	Organization	8,370	-	8,370	(4,292)	4,078
3	302.00	Franchises	1,740	-	1,740	(368)	1,372
4	303.00	Miscellaneous Intangibles	5,946	-	5,946	(763)	5,184
5		**Subtotal Intangible**	16,056	-	16,056	(5,423)	10,634
6							
7		**Treatment & Discharge**					
8	310.00	Land and Land Rights	745,494	-	745,494	(203,175)	542,319
9	311.00	Structures and Improvements	4,460,216	-	4,460,216	(290,564)	4,169,652
10	312.00	Preliminary Treatment	1,690,078	-	1,690,078	(18,029)	1,672,050
11	313.00	Primary Treatment Equipment	1,615,967	-	1,615,967	(23,368)	1,592,599
12	314.00	Secondary Treatment Equipm	8,457,854	-	8,457,854	(95,150)	8,362,704
13	315.00	Tertiary Equipment	6,214,209	-	6,214,209	(147,481)	6,066,728
14	316.00	Disinfection Equipment	423,463	(384,668)	38,795	(1,776)	37,018
15	317.00	Effluent Lift Station E	1,311,801	-	1,311,801	(20,669)	1,291,132
16	318.00	Outfall Line	173,094	-	173,094	1,136	174,230
17	319.00	Sludge, Treatment & Distributi	1,868,143	-	1,868,143	(22,014)	1,846,129
18	321.00	Influent Lift Station	97,224	-	97,224	(966)	96,258
19	322.00	General Treatment Equipment	1,017,847	(2,987)	1,014,860	(34,000)	980,860
20		**Subtotal Treat & Disc**	28,075,389	(387,655)	27,687,734	(856,056)	26,831,678
21							
22		**Collection and Influent**					
23	340.00	Land and Land Rights	34,397	-	34,397	(13,650)	20,747
24	341.00	Structures and Improvements	389,627	-	389,627	(14,444)	375,183
25	342.00	Collection System Lift	1,897,026	(380)	1,896,646	(48,298)	1,848,348
26	343.00	Collection Mains	15,934,945	-	15,934,945	(2,437,114)	13,497,831
27	344.00	Force Mains	1,568,335	-	1,568,335	(298,318)	1,270,017
28	345.00	Discharge Services	4,097,064	-	4,097,064	(593,388)	3,503,677
29	348.00	Manholes	5,100,900	-	5,100,900	(265,928)	4,834,972
30		**Subtotal Coll.and Infl.**	29,022,295	(380)	29,021,915	(3,671,140)	25,350,775
31							
32		**General**				**(Common Plant, B-2, Page 6)**	
33	389.00	Land and Land Rights	-	-	-	-	-
34	390.00	Structures and Improvements	1,283,529	-	1,283,529	(17,341)	1,266,188
35	391.00	Office Funiture and Equipmen	162,862	-	162,862	(4,567)	158,295
36	391.10	Computer Equipment	35,611	-	35,611	241	35,851
37	392.00	Transportation Equipment	256,541	-	256,541	(5,231)	251,310
38	393.00	Stores Equipment	13,263	-	13,263	(246)	13,016
39	394.00	Tools, Shop and Garage	114,584	-	114,584	(1,038)	113,547
40	395.00	Laboratory Equipment	66,245	-	66,245	124	66,369
41	396.00	Power Operated Equipment	14,045	-	14,045	11	14,056
42	397.00	Communication Equipment	362,501	-	362,501	(10,889)	351,612
43	398.00	Miscellaneous Equipment	88,564	-	88,564	413	88,976
44		**Subtotal General**	2,397,742	-	2,397,742	(38,523)	2,359,219
45							
46							
47							
48		TOTAL WASTEWATER PL	59,511,483	(388,035)	59,123,448	(4,571,142)	54,552,306
49							

Arizona-American Sun City West Wastewater
B-3 Adjustments

Exhibit B-4
Page A3
Witness: Bourassa

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1		**Intangible**						
2	301.00	Organization	-	-	-	1.0000	-	-
3	302.00	Franchises	-	-	-	1.0000	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	1.0000	-	-
5		**Subtotal Intangible**	-	-	-		-	-
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	-	-	-	1.0000	-	-
9	311.00	Structures and Improvements	2,596,079	-	2,596,079	1.5467	2,426,955	(169,124)
10	312.00	Preliminary Treatment	878,569	-	878,569	1.5642	869,197	(9,372)
11	313.00	Primary Treatment Equipment	758,232	-	758,232	1.4690	747,267	(10,964)
12	314.00	Secondary Treatment Equipm	3,419,789	-	3,419,789	1.4634	3,381,316	(38,472)
13	315,00	Tertiary Equipment	1,361,956	-	1,361,956	1.2769	1,329,633	(32,323)
14	316.00	Disinfection Equipment	269,346	(382,579)	(113,232)	1.1222	(61,033)	52,199
15	317.00	Effluent Lift Station E	544,857	-	544,857	1.2856	536,272	(8,585)
16	318.00	Outfall Line	124,615	-	124,615	1.8402	125,433	818
17	319.00	Sludge, Treatment & Distributi	688,311	-	688,311	1.3805	680,200	(8,111)
18	321.00	Influent Lift Station	15,370	-	15,370	1.0515	15,218	(153)
19	322.00	General Treatment Equipment	140,779	(68)	140,710	1.0910	136,039	(4,671)
20		**Subtotal Treat & Disc**	10,797,903	(382,647)	10,415,256		10,186,497	(228,758)
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	-	-	-	1.0000	-	-
24	341.00	Structures and Improvements	60,110	-	60,110	1.2533	57,881	(2,228)
25	342.00	Collection System Lift	1,666,445	(327)	1,666,119	1.3633	1,623,694	(42,425)
26	343.00	Collection Mains	4,654,189	-	4,654,189	1.3790	3,942,370	(711,818)
27	344.00	Force Mains	443,024	-	443,024	1.6867	358,755	(84,269)
28	345.00	Discharge Services	1,168,011	-	1,168,011	1.3246	998,845	(169,166)
29	348.00	Manholes	1,559,747	-	1,559,747	1.5160	1,478,432	(81,315)
30		**Subtotal Coll.and Infl.**	9,551,526	(327)	9,551,200		8,459,978	(1,091,222)
31								
32		**General**						**(Common Plant, B-2, Page 7)**
33	389.00	Land and Land Rights	-	-	-	-	-	-
34	390.00	Structures and Improvements	36,415	-	36,415	1.0586	35,923	(492)
35	391.00	Office Funiture and Equipmen	(2,916)	-	(2,916)	1.1092	(2,834)	82
36	391.10	Computer Equipment	(1,259)	-	(1,259)	1.0524	(1,268)	(9)
37	392.00	Transportation Equipment	76,681	-	76,681	1.0705	75,117	(1,564)
38	393.00	Stores Equipment	(286)	-	(286)	1.1550	(281)	5
39	394.00	Tools, Shop and Garage	9,804	-	9,804	1.0958	9,715	(89)
40	395.00	Laboratory Equipment	14,817	-	14,817	1.1766	14,844	28
41	396.00	Power Operated Equipment	1,794	-	1,794	1.0850	1,796	1
42	397.00	Communication Equipment	116,033	-	116,033	1.1029	112,548	(3,485)
43	398.00	Miscellaneous Equipment	32,184	-	32,184	1.2666	32,334	150
44		**Subtotal General**	283,267	-	283,267		277,895	(5,372)
45								
46								
47								
48		TOTAL WASTEWATER PL	20,632,695	(382,973)	20,249,722		18,924,370	(1,325,352)
49								

Trended RCN
Handy-Whitman

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T30100	ORGANIZATION	1979	4,078	180.2	72.6	2.4821	10,122	4,078
	T30100	Class Totals	4,078				10,122	4,078
T30200	FRANCH/CONSENTS	1979	50	180.2	72.6	2.4821	124	50
T30200	FRANCH/CONSENTS	1981	18	180.2	91.9	1.9608	35	18
T30200	FRANCH/CONSENTS	1994	1,304	180.2	148.7	1.2118	1,580	1,304
	T30200	Class Totals	1,372				1,739	1,372
T30300	MISC INTANGIBLE PLNT	1997	5,183	180.2	160.6	1.1220	5,815	5,183
	T30300	Class Totals	5,183				5,815	5,183
T31000	LAND/LAND RIGHTS	1982	89,521	180.2	97.4	1.8501	165,622	89,521
T31000	LAND/LAND RIGHTS	1986	253,330	180.2	109.8	1.6412	415,765	253,330
T31000	LAND/LAND RIGHTS	2000	199,467	180.2	173.1	1.0410	207,646	199,467
	T31000	Class Totals	542,318				789,034	542,318
T31100	STRUCT AND IMPROV	1980	1,867,070	350.0	207.0	1.6908	3,156,841	3,156,841
T31100	STRUCT AND IMPROV	1981	4,362	350.0	220.0	1.5909	6,939	6,939
T31100	STRUCT AND IMPROV	1982	27,162	350.0	226.0	1.5487	42,065	42,065
T31100	STRUCT AND IMPROV	1983	39,022	350.0	233.0	1.5021	58,615	58,615

10/09/2003

Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 2
Witness: Bourassa

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T31100	STRUCT AND IMPROV	1984	8,693	350.0	238.0	1.4706	12,783	12,783
T31100	STRUCT AND IMPROV	1985	7,102	350.0	241.0	1.4523	10,314	10,314
T31100	STRUCT AND IMPROV	1986	27,540	350.0	246.0	1.4228	39,183	39,183
T31100	STRUCT AND IMPROV	1987	864	350.0	249.0	1.4056	1,215	1,215
T31100	STRUCT AND IMPROV	1988	1,684	350.0	255.0	1.3725	2,312	2,312
T31100	STRUCT AND IMPROV	1989	3,018	350.0	253.0	1.3834	4,176	4,176
T31100	STRUCT AND IMPROV	1989	19,886	350.0	250.0	1.4000	27,840	27,840
T31100	STRUCT AND IMPROV	1990	829	350.0	259.0	1.3514	1,120	1,120
T31100	STRUCT AND IMPROV	1991	750	350.0	260.0	1.3462	1,009	1,009
T31100	STRUCT AND IMPROV	1992	829	350.0	259.0	1.3514	1,121	1,121
T31100	STRUCT AND IMPROV	1992	13,835	350.0	266.0	1.3158	18,204	18,204
T31100	STRUCT AND IMPROV	1993	20,405	350.0	274.0	1.2774	26,065	26,065
T31100	STRUCT AND IMPROV	1994	37,722	350.0	286.0	1.2238	46,165	46,165
T31100	STRUCT AND IMPROV	1994	380,580	350.0	291.0	1.2027	457,723	457,723
T31100	STRUCT AND IMPROV	1995	731	350.0	296.0	1.1824	865	865
T31100	STRUCT AND IMPROV	1995	5,577	350.0	298.0	1.1745	6,550	6,550
T31100	STRUCT AND IMPROV	1996	14,991	350.0	303.0	1.1551	17,316	17,316
T31100	STRUCT AND IMPROV	1996	44,211	350.0	308.0	1.1364	50,242	50,242
T31100	STRUCT AND IMPROV	1997	634	350.0	310.0	1.1290	716	716
T31100	STRUCT AND IMPROV	1997	30,455	350.0	314.0	1.1146	33,945	33,945
T31100	STRUCT AND IMPROV	1998	80,323	350.0	318.0	1.1006	88,403	88,403
T31100	STRUCT AND IMPROV	2000	9,436	350.0	338.0	1.0355	9,771	9,771
T31100	STRUCT AND IMPROV	2001	48,139	350.0	350.0	1.0000	48,139	48,139
	T31100	Class Totals	2,695,859				4,169,651	4,169,651

Trended RCN
Handy-Whitman

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T31200	PRE TREATMENT EQ	1980	597,378	403.0	219.0	1.8402	1,099,295	1,099,295
T31200	PRE TREATMENT EQ	1982	148	403.0	259.0	1.5560	231	231
T31200	PRE TREATMENT EQ	1984	10,397	403.0	279.0	1.4444	15,017	15,017
T31200	PRE TREATMENT EQ	1985	4,494	403.0	282.0	1.4291	6,422	6,422
T31200	PRE TREATMENT EQ	1986	3,629	403.0	287.0	1.4042	5,095	5,095
T31200	PRE TREATMENT EQ	1989	1,262	403.0	301.0	1.3389	1,690	1,690
T31200	PRE TREATMENT EQ	1994	438,280	403.0	334.0	1.2066	528,829	528,829
T31200	PRE TREATMENT EQ	1995	1,065	403.0	337.0	1.1958	1,274	1,274
T31200	PRE TREATMENT EQ	1995	5,781	403.0	335.0	1.2030	6,955	6,955
T31200	PRE TREATMENT EQ	1996	398	403.0	342.0	1.1784	469	469
T31200	PRE TREATMENT EQ	1996	4,093	403.0	347.0	1.1614	4,753	4,753
T31200	PRE TREATMENT EQ	2001	2,014	403.0	403.0	1.0000	2,014	2,014
	T31200	Class Totals	1,068,943				1,672,049	1,672,049
T31300	PRIM. TREATMENT EQ	1980	458,163	403.0	219.0	1.8402	843,111	843,111
T31300	PRIM. TREATMENT EQ	1983	280	403.0	275.0	1.4655	410	410
T31300	PRIM. TREATMENT EQ	1984	528	403.0	279.0	1.4444	762	762
T31300	PRIM. TREATMENT EQ	1988	1,233	403.0	299.0	1.3478	1,662	1,662
T31300	PRIM. TREATMENT EQ	1989	1,752	403.0	301.0	1.3389	2,345	2,345
T31300	PRIM. TREATMENT EQ	1989	1,812	403.0	309.0	1.3042	2,363	2,363
T31300	PRIM. TREATMENT EQ	1990	1,060	403.0	311.0	1.2958	1,373	1,373
T31300	PRIM. TREATMENT EQ	1992	463	403.0	314.0	1.2834	594	594
T31300	PRIM. TREATMENT EQ	1994	538,182	403.0	334.0	1.2066	649,371	649,371
T31300	PRIM. TREATMENT EQ	1995	4,949	403.0	335.0	1.2030	5,954	5,954
T31300	PRIM. TREATMENT EQ	1996	11,514	403.0	347.0	1.1614	13,373	13,373

Trended RCN
Handy-Whitman

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T31300	PRIM. TREATMENT EQ	1997	38,508	403.0	352.0	1.1449	44,088	44,088
T31300	PRIM. TREATMENT EQ	1997	8,903	403.0	360.0	1.1194	9,966	9,966
T31300	PRIM. TREATMENT EQ	1998	3,784	403.0	367.0	1.0981	4,156	4,156
T31300	PRIM. TREATMENT EQ	1998	313	403.0	370.0	1.0892	341	341
T31300	PRIM. TREATMENT EQ	2001	12,721	403.0	403.0	1.0000	12,721	12,721
	T31300	Class Totals	1,084,172				1,592,598	1,592,598
T31400	SCND TREAMENT EQ	1980	2,649,803	403.0	219.0	1.8402	4,876,167	4,876,167
T31400	SCND TREAMENT EQ	1981	345	403.0	239.0	1.6862	581	581
T31400	SCND TREAMENT EQ	1983	3,429	403.0	275.0	1.4655	5,025	5,025
T31400	SCND TREAMENT EQ	1984	1,461	403.0	279.0	1.4444	2,110	2,110
T31400	SCND TREAMENT EQ	1985	2,549	403.0	282.0	1.4291	3,642	3,642
T31400	SCND TREAMENT EQ	1986	4,331	403.0	287.0	1.4042	6,081	6,081
T31400	SCND TREAMENT EQ	1987	3,013	403.0	292.0	1.3801	4,158	4,158
T31400	SCND TREAMENT EQ	1988	1,596	403.0	295.0	1.3661	2,181	2,181
T31400	SCND TREAMENT EQ	1988	2,046	403.0	299.0	1.3478	2,758	2,758
T31400	SCND TREAMENT EQ	1989	2,620	403.0	301.0	1.3389	3,509	3,509
T31400	SCND TREAMENT EQ	1989	1,593	403.0	309.0	1.3042	2,077	2,077
T31400	SCND TREAMENT EQ	1990	10,622	403.0	311.0	1.2958	13,764	13,764
T31400	SCND TREAMENT EQ	1990	160	403.0	314.0	1.2834	205	205
T31400	SCND TREAMENT EQ	1991	1,862	403.0	312.0	1.2917	2,405	2,405
T31400	SCND TREAMENT EQ	1991	1,866	403.0	313.0	1.2875	2,402	2,402
T31400	SCND TREAMENT EQ	1992	6,077	403.0	314.0	1.2834	7,799	7,799
T31400	SCND TREAMENT EQ	1992	3,000	403.0	321.0	1.2555	3,766	3,766
T31400	SCND TREAMENT EQ	1993	2,059	403.0	327.0	1.2324	2,538	2,538

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T31400	SCND TREAMENT EQ	1994	1,434,325	403.0	334.0	1.2066	1,730,657	1,730,657
T31400	SCND TREAMENT EQ	1994	15,674	403.0	332.0	1.2139	19,026	19,026
T31400	SCND TREAMENT EQ	1995	3,431	403.0	337.0	1.1958	4,102	4,102
T31400	SCND TREAMENT EQ	1995	23,181	403.0	335.0	1.2030	27,886	27,886
T31400	SCND TREAMENT EQ	1996	94,767	403.0	342.0	1.1784	111,673	111,673
T31400	SCND TREAMENT EQ	1996	1,432	403.0	347.0	1.1614	1,663	1,663
T31400	SCND TREAMENT EQ	1997	46,340	403.0	352.0	1.1449	53,055	53,055
T31400	SCND TREAMENT EQ	1997	14,881	403.0	360.0	1.1194	16,658	16,658
T31400	SCND TREAMENT EQ	1998	42,403	403.0	367.0	1.0981	46,563	46,563
T31400	SCND TREAMENT EQ	1998	16,907	403.0	370.0	1.0892	18,415	18,415
T31400	SCND TREAMENT EQ	1999	429,281	403.0	379.0	1.0633	456,455	456,455
T31400	SCND TREAMENT EQ	2000	817,554	403.0	384.0	1.0495	858,023	858,023
T31400	SCND TREAMENT EQ	2000	44,632	403.0	390.0	1.0333	46,118	46,118
T31400	SCND TREAMENT EQ	2001	31,226	403.0	403.0	1.0000	31,226	31,226
	T31400	Class Totals	5,714,475				8,362,703	8,362,703
T31500	TERTIARY EQ	1978	4,612	403.0	183.0	2.2022	10,156	10,156
T31500	TERTIARY EQ	1979	44,409	403.0	200.0	2.0150	89,484	89,484
T31500	TERTIARY EQ	1980	944,943	403.0	219.0	1.8402	1,738,884	1,738,884
T31500	TERTIARY EQ	1983	5,643	403.0	275.0	1.4655	8,269	8,269
T31500	TERTIARY EQ	1987	322,425	403.0	292.0	1.3801	444,978	444,978
T31500	TERTIARY EQ	1989	7,759	403.0	301.0	1.3389	10,388	10,388
T31500	TERTIARY EQ	1990	1,135	403.0	311.0	1.2958	1,471	1,471
T31500	TERTIARY EQ	1990	3,562	403.0	314.0	1.2834	4,571	4,571
T31500	TERTIARY EQ	1993	549	403.0	327.0	1.2324	676	676

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T31500	TERTIARY EQ	1994	635,860	403.0	334.0	1.2066	767,229	767,229
T31500	TERTIARY EQ	1995	25,101	403.0	335.0	1.2030	30,196	30,196
T31500	TERTIARY EQ	1996	391	403.0	342.0	1.1784	461	461
T31500	TERTIARY EQ	1996	9,339	403.0	347.0	1.1614	10,847	10,847
T31500	TERTIARY EQ	1997	274,869	403.0	352.0	1.1449	314,698	314,698
T31500	TERTIARY EQ	1997	373,888	403.0	360.0	1.1194	418,531	418,531
T31500	TERTIARY EQ	1998	46,554	403.0	367.0	1.0981	51,121	51,121
T31500	TERTIARY EQ	1998	258,050	403.0	370.0	1.0892	281,068	281,068
T31500	TERTIARY EQ	1999	2,668	403.0	376.0	1.0718	2,860	2,860
T31500	TERTIARY EQ	1999	209,358	403.0	379.0	1.0633	222,610	222,610
T31500	TERTIARY EQ	2000	1,576,332	403.0	384.0	1.0495	1,654,360	1,654,360
T31500	TERTIARY EQ	2000	3,737	403.0	390.0	1.0333	3,861	3,861
	T31500	Class Totals	4,751,189				6,066,728	6,066,728
T31600	DISINFECTION EQ	1983	2,078	403.0	275.0	1.4655	3,045	3,045
T31600	DISINFECTION EQ	1984	2,354	403.0	279.0	1.4444	3,400	3,400
T31600	DISINFECTION EQ	1992	1,337	403.0	314.0	1.2834	1,716	1,716
T31600	DISINFECTION EQ	1993	97	403.0	327.0	1.2324	119	119
T31600	DISINFECTION EQ	1994	1,028	403.0	334.0	1.2066	1,241	1,241
T31600	DISINFECTION EQ	1998	4,097	403.0	367.0	1.0981	4,499	4,499
T31600	DISINFECTION EQ	2000	20,222	403.0	384.0	1.0495	21,223	21,223
T31600	DISINFECTION EQ	2001	1,772	403.0	403.0	1.0000	1,772	1,772
	T31600	Class Totals	32,987				37,018	37,018

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T31700	EFFLUENT STATION	1980	288,574	403.0	219.0	1.8402	531,033	531,033
T31700	EFFLUENT STATION	1985	377	403.0	282.0	1.4291	538	538
T31700	EFFLUENT STATION	1986	10,128	403.0	287.0	1.4042	14,221	14,221
T31700	EFFLUENT STATION	1988	231	403.0	295.0	1.3661	315	315
T31700	EFFLUENT STATION	1989	639	403.0	301.0	1.3389	855	855
T31700	EFFLUENT STATION	1990	154	403.0	311.0	1.2958	199	199
T31700	EFFLUENT STATION	1992	907	403.0	314.0	1.2834	1,164	1,164
T31700	EFFLUENT STATION	1994	1,162	403.0	334.0	1.2066	1,402	1,402
T31700	EFFLUENT STATION	1995	182	403.0	337.0	1.1958	218	218
T31700	EFFLUENT STATION	1995	12,418	403.0	335.0	1.2030	14,939	14,939
T31700	EFFLUENT STATION	1996	710	403.0	342.0	1.1784	837	837
T31700	EFFLUENT STATION	1996	10,881	403.0	347.0	1.1614	12,637	12,637
T31700	EFFLUENT STATION	1997	4,537	403.0	352.0	1.1449	5,194	5,194
T31700	EFFLUENT STATION	1997	11,226	403.0	360.0	1.1194	12,566	12,566
T31700	EFFLUENT STATION	1999	1,027	403.0	379.0	1.0633	1,092	1,092
T31700	EFFLUENT STATION	2000	661,184	403.0	384.0	1.0495	693,913	693,913
	T31700	Class Totals	1,004,341				1,291,132	1,291,132
T31800	OUTFALL LINE	1980	94,680	403.0	219.0	1.8402	174,230	174,230
	T31800	Class Totals	94,680				174,230	174,230
T31900	SLUDGE, TRMNT & DIS	1980	493,280	403.0	219.0	1.8402	907,734	907,734
T31900	SLUDGE, TRMNT & DIS	1981	50	403.0	239.0	1.6862	84	84
T31900	SLUDGE, TRMNT & DIS	1982	4,120	403.0	259.0	1.5560	6,410	6,410

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T31900	SLUDGE, TRMNT & DIS	1983	1,597	403.0	275.0	1.4655	2,340	2,340
T31900	SLUDGE, TRMNT & DIS	1984	22	403.0	279.0	1.4444	31	31
T31900	SLUDGE, TRMNT & DIS	1985	758	403.0	282.0	1.4291	1,083	1,083
T31900	SLUDGE, TRMNT & DIS	1986	8,331	403.0	287.0	1.4042	11,698	11,698
T31900	SLUDGE, TRMNT & DIS	1994	141,668	403.0	334.0	1.2066	170,937	170,937
T31900	SLUDGE, TRMNT & DIS	1995	1,256	403.0	335.0	1.2030	1,511	1,511
T31900	SLUDGE, TRMNT & DIS	1996	160	403.0	342.0	1.1784	188	188
T31900	SLUDGE, TRMNT & DIS	1996	191,714	403.0	347.0	1.1614	222,656	222,656
T31900	SLUDGE, TRMNT & DIS	1997	412	403.0	360.0	1.1194	462	462
T31900	SLUDGE, TRMNT & DIS	1998	50,064	403.0	367.0	1.0981	54,975	54,975
T31900	SLUDGE, TRMNT & DIS	1998	106	403.0	370.0	1.0892	115	115
T31900	SLUDGE, TRMNT & DIS	1999	12,177	403.0	379.0	1.0633	12,948	12,948
T31900	SLUDGE, TRMNT & DIS	2000	431,585	403.0	384.0	1.0495	452,948	452,948
	T31900	Class Totals	1,337,304				1,846,128	1,846,128
T32100	INFLUENT LIFT STATIO	1986	5,609	403.0	287.0	1.4042	7,876	7,876
T32100	INFLUENT LIFT STATIO	1994	5,457	403.0	334.0	1.2066	6,585	6,585
T32100	INFLUENT LIFT STATIO	1994	2,086	403.0	332.0	1.2139	2,532	2,532
T32100	INFLUENT LIFT STATIO	1995	371	403.0	337.0	1.1958	443	443
T32100	INFLUENT LIFT STATIO	1995	2,355	403.0	335.0	1.2030	2,833	2,833
T32100	INFLUENT LIFT STATIO	1996	941	403.0	342.0	1.1784	1,110	1,110
T32100	INFLUENT LIFT STATIO	1996	570	403.0	347.0	1.1614	662	662
T32100	INFLUENT LIFT STATIO	1998	263	403.0	370.0	1.0892	287	287
T32100	INFLUENT LIFT STATIO	2000	1,101	403.0	390.0	1.0333	1,138	1,138
T32100	INFLUENT LIFT STATIO	2001	72,789	403.0	403.0	1.0000	72,789	72,789

	T32100	Class Totals	91,546				96,258	96,258
T32200	GNL TRMNT EQ	1985	152	403.0	282.0	1.4291	217	217
T32200	GNL TRMNT EQ	1991	1,398	403.0	312.0	1.2917	1,805	1,805
T32200	GNL TRMNT EQ	1992	703	403.0	314.0	1.2834	902	902
T32200	GNL TRMNT EQ	1994	209,771	403.0	334.0	1.2066	253,110	253,110
T32200	GNL TRMNT EQ	1994	5,550	403.0	332.0	1.2139	6,737	6,737
T32200	GNL TRMNT EQ	1995	558	403.0	337.0	1.1958	668	668
T32200	GNL TRMNT EQ	1996	872	403.0	342.0	1.1784	1,028	1,028
T32200	GNL TRMNT EQ	1997	24,965	403.0	360.0	1.1194	27,946	27,946
T32200	GNL TRMNT EQ	1998	18,384	403.0	367.0	1.0981	20,187	20,187
T32200	GNL TRMNT EQ	1998	552	403.0	370.0	1.0892	601	601
T32200	GNL TRMNT EQ	2000	636,164	403.0	384.0	1.0495	667,655	667,655
	T32200	Class Totals	899,073				980,860	980,860
T34000	LAND/LAND RIGHTS	1982	2,835	180.2	97.4	1.8501	5,245	2,835
T34000	LAND/LAND RIGHTS	1983	17,912	180.2	99.0	1.8202	32,603	17,912
	T34000	Class Totals	20,747				37,848	20,747
T34100	STRUCT AND IMPROV	1981	14,878	350.0	220.0	1.5909	23,669	23,669
T34100	STRUCT AND IMPROV	1983	33,438	350.0	233.0	1.5021	50,227	50,227
T34100	STRUCT AND IMPROV	1984	554	350.0	238.0	1.4706	814	814
T34100	STRUCT AND IMPROV	1994	233,812	350.0	291.0	1.2027	281,206	281,206
T34100	STRUCT AND IMPROV	1996	16,678	350.0	303.0	1.1551	19,265	19,265

T34100	Class Totals		299,361				375,182	375,182
T34200	COLL. SYSTEM LIFT	1981	490,796	403.0	239.0	1.6862	827,580	827,580
T34200	COLL. SYSTEM LIFT	1982	5,707	403.0	259.0	1.5560	8,880	8,880
T34200	COLL. SYSTEM LIFT	1983	2,982	403.0	275.0	1.4655	4,370	4,370
T34200	COLL. SYSTEM LIFT	1984	1,467	403.0	279.0	1.4444	2,118	2,118
T34200	COLL. SYSTEM LIFT	1987	1,389	403.0	292.0	1.3801	1,916	1,916
T34200	COLL. SYSTEM LIFT	1988	1,570	403.0	295.0	1.3661	2,145	2,145
T34200	COLL. SYSTEM LIFT	1989	1,858	403.0	301.0	1.3389	2,488	2,488
T34200	COLL. SYSTEM LIFT	1989	5,361	403.0	309.0	1.3042	6,991	6,991
T34200	COLL. SYSTEM LIFT	1990	52,448	403.0	311.0	1.2958	67,962	67,962
T34200	COLL. SYSTEM LIFT	1990	9,024	403.0	314.0	1.2834	11,581	11,581
T34200	COLL. SYSTEM LIFT	1991	6,091	403.0	312.0	1.2917	7,867	7,867
T34200	COLL. SYSTEM LIFT	1992	38,547	403.0	314.0	1.2834	49,471	49,471
T34200	COLL. SYSTEM LIFT	1993	2,065	403.0	327.0	1.2324	2,544	2,544
T34200	COLL. SYSTEM LIFT	1993	5,819	403.0	331.0	1.2175	7,084	7,084
T34200	COLL. SYSTEM LIFT	1994	879	403.0	334.0	1.2066	1,061	1,061
T34200	COLL. SYSTEM LIFT	1994	19,463	403.0	332.0	1.2139	23,626	23,626
T34200	COLL. SYSTEM LIFT	1995	328	403.0	337.0	1.1958	393	393
T34200	COLL. SYSTEM LIFT	1995	8,929	403.0	335.0	1.2030	10,742	10,742
T34200	COLL. SYSTEM LIFT	1996	557,165	403.0	342.0	1.1784	656,563	656,563
T34200	COLL. SYSTEM LIFT	1996	3,069	403.0	347.0	1.1614	3,565	3,565
T34200	COLL. SYSTEM LIFT	1998	51,394	403.0	367.0	1.0981	56,436	56,436
T34200	COLL. SYSTEM LIFT	1999	89	403.0	379.0	1.0633	95	95
T34200	COLL. SYSTEM LIFT	2000	41,314	403.0	384.0	1.0495	43,359	43,359
T34200	COLL. SYSTEM LIFT	2000	44,252	403.0	390.0	1.0333	45,725	45,725
T34200	COLL. SYSTEM LIFT	2001	3,772	403.0	403.0	1.0000	3,772	3,772

	T34200	Class Totals	1,355,787				1,848,348	1,848,348
T34300	COLL. MAINS	1978	1,775,955	324.0	179.0	1.8101	3,214,657	3,214,657
T34300	COLL. MAINS	1979	932,041	324.0	193.0	1.6788	1,564,710	1,564,710
T34300	COLL. MAINS	1980	255,146	324.0	209.0	1.5502	395,527	395,527
T34300	COLL. MAINS	1981	360,593	324.0	224.0	1.4464	521,561	521,561
T34300	COLL. MAINS	1982	224,666	324.0	239.0	1.3556	304,557	304,557
T34300	COLL. MAINS	1983	38,488	324.0	246.0	1.3171	50,692	50,692
T34300	COLL. MAINS	1984	504,979	324.0	244.0	1.3279	670,561	670,561
T34300	COLL. MAINS	1985	370,796	324.0	248.0	1.3065	484,444	484,444
T34300	COLL. MAINS	1986	462,555	324.0	245.0	1.3224	611,682	611,682
T34300	COLL. MAINS	1987	767,732	324.0	252.0	1.2857	987,073	987,073
T34300	COLL. MAINS	1988	66,397	324.0	255.0	1.2706	84,364	84,364
T34300	COLL. MAINS	1988	559	324.0	264.0	1.2273	686	686
T34300	COLL. MAINS	1989	205,553	324.0	269.0	1.2045	247,589	247,589
T34300	COLL. MAINS	1989	276,453	324.0	273.0	1.1868	328,094	328,094
T34300	COLL. MAINS	1990	143,048	324.0	273.0	1.1868	169,770	169,770
T34300	COLL. MAINS	1990	57,300	324.0	275.0	1.1782	67,511	67,511
T34300	COLL. MAINS	1991	4,018	324.0	277.0	1.1697	4,699	4,699
T34300	COLL. MAINS	1991	218,449	324.0	279.0	1.1613	253,684	253,684
T34300	COLL. MAINS	1992	355,642	324.0	277.0	1.1697	415,995	415,995
T34300	COLL. MAINS	1993	982,519	324.0	281.0	1.1530	1,132,844	1,132,844
T34300	COLL. MAINS	1993	95,231	324.0	285.0	1.1368	108,258	108,258
T34300	COLL. MAINS	1994	9	324.0	291.0	1.1134	10	10
T34300	COLL. MAINS	1994	815,219	324.0	289.0	1.1211	913,942	913,942
T34300	COLL. MAINS	1995	18,356	324.0	291.0	1.1134	20,438	20,438
T34300	COLL. MAINS	1995	350,305	324.0	286.0	1.1329	396,860	396,860
T34300	COLL. MAINS	1996	221,581	324.0	289.0	1.1211	248,414	248,414

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T34300	COLL. MAINS	1996	12,971	324.0	292.0	1.1096	14,392	14,392
T34300	COLL. MAINS	1997	8,508	324.0	297.0	1.0909	9,281	9,281
T34300	COLL. MAINS	1997	30,945	324.0	299.0	1.0836	33,532	33,532
T34300	COLL. MAINS	1998	23,927	324.0	300.0	1.0800	25,842	25,842
T34300	COLL. MAINS	1999	13,878	324.0	306.0	1.0588	14,694	14,694
T34300	COLL. MAINS	2000	121,567	324.0	308.0	1.0519	127,876	127,876
T34300	COLL. MAINS	2000	28,285	324.0	316.0	1.0253	29,001	29,001
T34300	COLL. MAINS	2001	44,571	324.0	324.0	1.0000	44,571	44,571
T34300	Class Totals		9,788,254				13,497,831	13,497,831
T34400	FORCE MAINS	1978	474,417	324.0	179.0	1.8101	858,742	858,742
T34400	FORCE MAINS	1979	50,781	324.0	193.0	1.6788	85,251	85,251
T34400	FORCE MAINS	1980	4,714	324.0	209.0	1.5502	7,307	7,307
T34400	FORCE MAINS	1981	183,348	324.0	224.0	1.4464	265,194	265,194
T34400	FORCE MAINS	1982	32,722	324.0	239.0	1.3556	44,357	44,357
T34400	FORCE MAINS	1983	6,883	324.0	246.0	1.3171	9,065	9,065
T34400	FORCE MAINS	1986	74	324.0	245.0	1.3224	97	97
T34400	Class Totals		752,939				1,270,016	1,270,016
T34500	DISCHARGE SERVICES	1978	239,970	324.0	179.0	1.8101	434,369	434,369
T34500	DISCHARGE SERVICES	1979	224,601	324.0	193.0	1.6788	377,060	377,060
T34500	DISCHARGE SERVICES	1980	43,743	324.0	209.0	1.5502	67,810	67,810
T34500	DISCHARGE SERVICES	1981	168,933	324.0	224.0	1.4464	244,344	244,344
T34500	DISCHARGE SERVICES	1982	45,856	324.0	239.0	1.3556	62,162	62,162

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34500	DISCHARGE SERVICES	1983	9,146	324.0	246.0	1.3171	12,046	12,046
T34500	DISCHARGE SERVICES	1984	197,866	324.0	244.0	1.3279	262,746	262,746
T34500	DISCHARGE SERVICES	1985	128,835	324.0	248.0	1.3065	168,322	168,322
T34500	DISCHARGE SERVICES	1986	110,531	324.0	245.0	1.3224	146,166	146,166
T34500	DISCHARGE SERVICES	1987	242,278	324.0	252.0	1.2857	311,496	311,496
T34500	DISCHARGE SERVICES	1988	27,736	324.0	255.0	1.2706	35,241	35,241
T34500	DISCHARGE SERVICES	1989	52,506	324.0	269.0	1.2045	63,244	63,244
T34500	DISCHARGE SERVICES	1989	115,022	324.0	273.0	1.1868	136,508	136,508
T34500	DISCHARGE SERVICES	1990	48,966	324.0	273.0	1.1868	58,112	58,112
T34500	DISCHARGE SERVICES	1990	39,659	324.0	275.0	1.1782	46,726	46,726
T34500	DISCHARGE SERVICES	1991	75,978	324.0	279.0	1.1613	88,234	88,234
T34500	DISCHARGE SERVICES	1992	109,366	324.0	277.0	1.1697	127,925	127,925
T34500	DISCHARGE SERVICES	1993	88,291	324.0	281.0	1.1530	101,800	101,800
T34500	DISCHARGE SERVICES	1993	25,999	324.0	285.0	1.1368	29,556	29,556
T34500	DISCHARGE SERVICES	1994	369,945	324.0	289.0	1.1211	414,745	414,745
T34500	DISCHARGE SERVICES	1995	15,613	324.0	291.0	1.1134	17,384	17,384
T34500	DISCHARGE SERVICES	1995	164,226	324.0	286.0	1.1329	186,052	186,052
T34500	DISCHARGE SERVICES	1996	90,608	324.0	289.0	1.1211	101,580	101,580
T34500	DISCHARGE SERVICES	1996	702	324.0	292.0	1.1096	779	779
T34500	DISCHARGE SERVICES	1997	3,612	324.0	299.0	1.0836	3,914	3,914
T34500	DISCHARGE SERVICES	1999	1,400	324.0	306.0	1.0588	1,482	1,482
T34500	DISCHARGE SERVICES	2000	3,766	324.0	316.0	1.0253	3,861	3,861
	T34500	Class Totals	2,645,160				3,503,676	3,503,676
T34800	MANHOLES	1978	327,739	350.0	164.0	2.1341	699,427	699,427

Trended RCN
Handy-Whitman

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34800	MANHOLES	1979	339,268	350.0	182.0	1.9231	652,446	652,446
T34800	MANHOLES	1980	119,026	350.0	207.0	1.6908	201,249	201,249
T34800	MANHOLES	1981	118,157	350.0	220.0	1.5909	187,975	187,975
T34800	MANHOLES	1982	124,465	350.0	226.0	1.5487	192,758	192,758
T34800	MANHOLES	1983	36,609	350.0	233.0	1.5021	54,990	54,990
T34800	MANHOLES	1984	268,764	350.0	238.0	1.4706	395,244	395,244
T34800	MANHOLES	1985	244,615	350.0	241.0	1.4523	355,254	355,254
T34800	MANHOLES	1986	170,296	350.0	246.0	1.4228	242,297	242,297
T34800	MANHOLES	1987	261,836	350.0	249.0	1.4056	368,037	368,037
T34800	MANHOLES	1988	31,869	350.0	249.0	1.4056	44,796	44,796
T34800	MANHOLES	1989	88,331	350.0	253.0	1.3834	122,197	122,197
T34800	MANHOLES	1989	116,363	350.0	250.0	1.4000	162,908	162,908
T34800	MANHOLES	1990	49,943	350.0	259.0	1.3514	67,492	67,492
T34800	MANHOLES	1990	19,337	350.0	262.0	1.3359	25,832	25,832
T34800	MANHOLES	1991	1,124	350.0	260.0	1.3462	1,514	1,514
T34800	MANHOLES	1991	48,010	350.0	262.0	1.3359	64,137	64,137
T34800	MANHOLES	1992	87,518	350.0	266.0	1.3158	115,157	115,157
T34800	MANHOLES	1993	146,680	350.0	274.0	1.2774	187,369	187,369
T34800	MANHOLES	1993	23,014	350.0	277.0	1.2635	29,078	29,078
T34800	MANHOLES	1994	213,185	350.0	291.0	1.2027	256,398	256,398
T34800	MANHOLES	1995	30,243	350.0	296.0	1.1824	35,759	35,759
T34800	MANHOLES	1995	169,490	350.0	298.0	1.1745	199,066	199,066
T34800	MANHOLES	1996	102,600	350.0	303.0	1.1551	118,514	118,514
T34800	MANHOLES	1996	1,725	350.0	308.0	1.1364	1,961	1,961
T34800	MANHOLES	1997	15,476	350.0	314.0	1.1146	17,250	17,250
T34800	MANHOLES	1998	8,274	350.0	318.0	1.1006	9,106	9,106
T34800	MANHOLES	1999	10,000	350.0	324.0	1.0802	10,802	10,802

Trended RCN
Handy-Whitman

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34800	MANHOLES		2000	15,397	350.0	338.0	1.0355	15,944	15,944
		T34800	Class Totals	3,189,365				4,834,972	4,834,972
T39000	STRUCT AND IMPROV		1999	250,321	350.0	324.0	1.0802	270,397	270,397
T39000	STRUCT AND IMPROV		2000	588,130	350.0	329.0	1.0638	625,653	625,653
T39000	STRUCT AND IMPROV		2000	351,359	350.0	338.0	1.0355	363,832	363,832
T39000	STRUCT AND IMPROV		2001	6,303	350.0	350.0	1.0000	6,303	6,303
		T39000	Class Totals	1,196,115				1,266,187	1,266,187
T39100	OFFICE FURN/EQUIP		1988	1,022	180.2	117.7	1.5310	1,565	1,565
T39100	OFFICE FURN/EQUIP		1989	648	180.2	123.3	1.4615	947	947
T39100	OFFICE FURN/EQUIP		1994	290	180.2	148.7	1.2118	351	351
T39100	OFFICE FURN/EQUIP		1995	500	180.2	152.2	1.1840	592	592
T39100	OFFICE FURN/EQUIP		1996	553	180.2	156.6	1.1507	637	637
T39100	OFFICE FURN/EQUIP		1997	18,036	180.2	160.6	1.1220	20,237	20,237
T39100	OFFICE FURN/EQUIP		1998	119,939	180.2	163.6	1.1015	132,112	132,112
T39100	OFFICE FURN/EQUIP		1999	1,723	180.2	167.8	1.0739	1,850	1,850
		T39100	Class Totals	142,713				158,294	158,294
T39110	COMPUTER EQUIPMENT		1988	790	180.2	117.7	1.5310	1,209	1,209
T39110	COMPUTER EQUIPMENT		2000	33,277	180.2	173.1	1.0410	34,641	34,641

	T39110	Class Totals	34,067				35,851	35,851
T39200	TRANSPORT EQUIP	1992	54,689	180.2	141.0	1.2780	69,892	69,892
T39200	TRANSPORT EQUIP	1995	831	180.2	152.2	1.1840	984	984
T39200	TRANSPORT EQUIP	2000	29,327	180.2	173.1	1.0410	30,530	30,530
T39200	TRANSPORT EQUIP	2001	149,903	180.2	180.2	1.0000	149,903	149,903
	T39200	Class Totals	234,751				251,310	251,310
T39300	STORES EQUIPMENT	1982	60	180.2	97.4	1.8501	111	111
T39300	STORES EQUIPMENT	1984	198	180.2	103.6	1.7394	344	344
T39300	STORES EQUIPMENT	1993	623	180.2	145.5	1.2385	771	771
T39300	STORES EQUIPMENT	1995	55	180.2	152.2	1.1840	66	66
T39300	STORES EQUIPMENT	1996	4,522	180.2	156.6	1.1507	5,204	5,204
T39300	STORES EQUIPMENT	1997	3,633	180.2	160.6	1.1220	4,076	4,076
T39300	STORES EQUIPMENT	1997	2,176	180.2	160.6	1.1220	2,442	2,442
	T39300	Class Totals	11,269				13,016	13,016
T39400	TLS/SHOP/GAR EQUIP	1981	381	180.2	91.9	1.9608	747	747
T39400	TLS/SHOP/GAR EQUIP	1983	101	180.2	99.0	1.8202	183	183
T39400	TLS/SHOP/GAR EQUIP	1987	3,414	180.2	113.2	1.5919	5,435	5,435
T39400	TLS/SHOP/GAR EQUIP	1988	1,312	180.2	117.7	1.5310	2,009	2,009
T39400	TLS/SHOP/GAR EQUIP	1990	272	180.2	129.4	1.3926	378	378
T39400	TLS/SHOP/GAR EQUIP	1992	2,971	180.2	141.0	1.2780	3,797	3,797
T39400	TLS/SHOP/GAR EQUIP	1992	1,440	180.2	141.0	1.2780	1,840	1,840
T39400	TLS/SHOP/GAR EQUIP	1993	2,794	180.2	145.5	1.2385	3,461	3,461

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T39400	TLS/SHOP/GAR EQUIP	1994	1,315	180.2	148.7	1.2118	1,594	1,594
T39400	TLS/SHOP/GAR EQUIP	1995	11	180.2	152.2	1.1840	13	13
T39400	TLS/SHOP/GAR EQUIP	1995	4,195	180.2	152.2	1.1840	4,967	4,967
T39400	TLS/SHOP/GAR EQUIP	1996	2,730	180.2	156.6	1.1507	3,142	3,142
T39400	TLS/SHOP/GAR EQUIP	1996	966	180.2	156.6	1.1507	1,111	1,111
T39400	TLS/SHOP/GAR EQUIP	1997	4,698	180.2	160.6	1.1220	5,271	5,271
T39400	TLS/SHOP/GAR EQUIP	1997	8,830	180.2	160.6	1.1220	9,907	9,907
T39400	TLS/SHOP/GAR EQUIP	1998	5,912	180.2	163.6	1.1015	6,512	6,512
T39400	TLS/SHOP/GAR EQUIP	1999	12,235	180.2	167.8	1.0739	13,140	13,140
T39400	TLS/SHOP/GAR EQUIP	2001	50,032	180.2	180.2	1.0000	50,032	50,032
	T39400	Class Totals	103,615				113,546	113,546
T39500	LAB EQUIP	1980	3,253	180.2	83.3	2.1633	7,037	7,037
T39500	LAB EQUIP	1986	597	180.2	109.8	1.6412	979	979
T39500	LAB EQUIP	1988	464	180.2	117.7	1.5310	711	711
T39500	LAB EQUIP	1991	527	180.2	136.2	1.3231	697	697
T39500	LAB EQUIP	1992	409	180.2	141.0	1.2780	522	522
T39500	LAB EQUIP	1993	108	180.2	145.5	1.2385	133	133
T39500	LAB EQUIP	1994	953	180.2	148.7	1.2118	1,155	1,155
T39500	LAB EQUIP	1995	26	180.2	152.2	1.1840	30	30
T39500	LAB EQUIP	1995	1,411	180.2	152.2	1.1840	1,670	1,670
T39500	LAB EQUIP	1996	15,249	180.2	156.6	1.1507	17,547	17,547
T39500	LAB EQUIP	1997	10,552	180.2	160.6	1.1220	11,839	11,839
T39500	LAB EQUIP	1999	14,475	180.2	167.8	1.0739	15,545	15,545
T39500	LAB EQUIP	2000	2,827	180.2	173.1	1.0410	2,943	2,943

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T39500	LAB EQUIP	2001	5,553	180.2	180.2	1.0000	5,553	5,553
T39500	Class Totals		56,407				66,368	66,368
T39600	PWR OPER EQUIP	1995	3,984	180.2	152.2	1.1840	4,717	4,717
T39600	PWR OPER EQUIP	2000	8,970	180.2	173.1	1.0410	9,338	9,338
T39600	Class Totals		12,954				14,055	14,055
T39700	COMM EQUIP	1981	265	180.2	91.9	1.9608	519	519
T39700	COMM EQUIP	1992	50	180.2	141.0	1.2780	64	64
T39700	COMM EQUIP	1994	779	180.2	148.7	1.2118	944	944
T39700	COMM EQUIP	1997	6,031	180.2	160.6	1.1220	6,767	6,767
T39700	COMM EQUIP	1998	311,680	180.2	163.6	1.1015	343,316	343,316
T39700	Class Totals		318,806				351,612	351,612
T39800	MISC EQUIP	1980	3,685	180.2	83.3	2.1633	7,971	7,971
T39800	MISC EQUIP	1981	752	180.2	91.9	1.9608	1,474	1,474
T39800	MISC EQUIP	1982	353	180.2	97.4	1.8501	653	653
T39800	MISC EQUIP	1983	263	180.2	99.0	1.8202	478	478
T39800	MISC EQUIP	1984	80	180.2	103.6	1.7394	139	139
T39800	MISC EQUIP	1986	1,824	180.2	109.8	1.6412	2,993	2,993
T39800	MISC EQUIP	1987	1,329	180.2	113.2	1.5919	2,117	2,117
T39800	MISC EQUIP	1988	2,509	180.2	117.7	1.5310	3,842	3,842

Company Code: 4005 Business Area: 4507 Sun City West Wastewater

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T39800	MISC EQUIP	1989	270	180.2	123.3	1.4615	394	394
T39800	MISC EQUIP	1990	459	180.2	129.4	1.3926	639	639
T39800	MISC EQUIP	1991	12,748	180.2	136.2	1.3231	16,866	16,866
T39800	MISC EQUIP	1992	557	180.2	141.0	1.2780	712	712
T39800	MISC EQUIP	1993	1,863	180.2	145.5	1.2385	2,307	2,307
T39800	MISC EQUIP	1994	92	180.2	148.7	1.2118	112	112
T39800	MISC EQUIP	1997	19,429	180.2	160.6	1.1220	21,799	21,799
T39800	MISC EQUIP	1998	24,033	180.2	163.6	1.1015	26,472	26,472
	T39800	Class Totals	70,250				88,976	88,976
Company Code: 4005	Business Area: 4507		39,560,092				54,823,166	54,552,306

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	**Revenues**						
2	Flat Rate Revenues	$ 3,534,678			$ 3,534,678	1,608,856	$ 5,143,534
3		-			-		-
4	Other Wastewater Revenues	1,002			1,002		1,002
5		$ 3,535,680		$ -	$ 3,535,680	$ 1,608,856	$ 5,144,536
6	**Operating Expenses**						
7	Salaries and Wages	$ 607,304	1/6	(108,514)	$ 498,790		$ 498,790
8	Purchased Wastewater Treatment	-			-		-
9	Purchased Power	1,426			1,426		1,426
10	Fuel for Power Production	-			-		-
11	Chemicals	375,064			375,064		375,064
12	Materials ans Supplies	392,206			392,206		392,206
13	Repairs and Maintenance	-			-		-
14	Office Supplies and Expense	136,282	7	(36,639)	99,644		99,644
15	Outside Services	(14,005)			(14,005)		(14,005)
16	Service Company Charges	552,478	10	(18,465)	534,013		534,013
17	Water Testing	-			-		-
18	Rents	91,410			91,410		91,410
19	Transportation Expenses	-			-		-
20	Insurance - General Liability	24,187	8	(2,304)	21,883		21,883
21	Insurance - Health and Life	-			-		-
22	Regulatory Commission Expense - Rate Case	23,335			23,335		23,335
23	Miscellaneous Expense	243,134	9	290	243,425		243,425
24	Depreciation Expense	1,432,265	3	(22,125)	1,410,140		1,410,140
25	Taxes Other Than Income	36,253	2	(3,159)	33,094		33,094
26	Property Taxes	168,501	4	(4,775)	163,726		163,726
27	Income Tax	(369,763)		101,564	(268,199)		352,801
28					-		-
29	**Total Operating Expenses**	$ 3,700,079		$ (94,128)	$ 3,605,951	$ -	$ 4,226,952
30	**Operating Income**	$ (164,399)		$ 94,128	$ (70,271)	$ 1,608,856	$ 917,584
31	**Other Income (Expense)**						
32	Interest Income	-			-		-
33	Other income	-			-		-
34	Interest Expense	(423,801)	5	67,435	(356,367)		(356,367)
35	Other Expense	-			-		-
36	Gain/Loss Sale of Fixed Assets	-			-		-
37	**Total Other Income (Expense)**	$ (423,801)		$ 67,435	$ (356,367)	$ -	$ (356,367)
38	**Net Profit (Loss)**	$ (588,200)		$ 161,562	$ (426,638)	$ 1,608,856	$ 561,218
39							
40	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
41	Rebuttal C-2					Rebuttal A-1	
42							
43							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Sun City West Wastewater
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ (31,414)
	6	Adjust to Actual 2002 Additional (Corporate)	(77,099)
Purchased Water	11	Adjust to annualized 2001 qty ordered	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(36,639)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(18,465)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(2,304)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	290
Depreciation Expense	3	Depreciation Expense	(22,125)
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	(3,159)
Property Taxes	4	Property Taxes	(4,775)
Income Tax			101,564
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (94,128)
Operating Income			$ 94,128

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.			
1	Projected Salaries & Wages and Related Expenses		
2			
3	Actual 2002 Wages and Salaries		**Amount**
4	601	Salaries & Wages	$ 413,655
5			
6	Direct Filing Proposed Wages and Salaries		
7	601	Salaries & Wages	445,070
8			
9	Increase (Decrease)		$ (31,414)
10			
11	Adjustment to Revenues and/or Expenses		$ (31,414)
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.			
1	Projected Salaries & Wages and Related Expenses		
2			
3	PR Taxes Based on Actual 2002 Wages and Salaries		**Amount**
4	408	Taxes Other Than Income	33,094
5			
6	Direct Filing Proposed PR Taxes		
7	408	Taxes Other Than Income	36,253
8			
9	Increase (Decrease)		$ (3,159)
10			
11	Adjustment to Revenues and/or Expenses		$ (3,159)
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.

1 Depreciation Expense

Line	Account No.	Description	Rebuttak Original Cost	Rate	Depreciation Expense
5		**Intangible**			
6	301.00	Organization	$ 4,078	0.00%	$ -
7	302.00	Franchises	1,372	0.00%	-
8	303.00	Miscellaneous Intangibles	5,184	0.00%	-
9		**Subtotal Intangible**	$ 10,634		$ -
11		**Treatment & Discharge**			
12	310.00	Land and Land Rights	$ 542,319	0.00%	$ -
13	311.00	Structures and Improvements	2,717,997	5.00%	135,900
14	312.00	Preliminary Treatment	1,068,943	5.00%	53,447
15	313.00	Primary Treatment Equipment	1,084,172	5.00%	54,209
16	314.00	Secondary Treatment Equipment	5,714,476	5.00%	285,724
17	315,00	Tertiary Equipment	6,087,981	5.00%	304,399
18	316.00	Disinfection Equipment	32,988	5.00%	1,649
19	317.00	Effluent Lift Station E	1,004,341	8.40%	84,365
20	318.00	Outfall Line	113,141	5.00%	5,657
21	319.00	Sludge, Treatment & Distribution	-	5.00%	-
22	321.00	Influent Lift Station	91,546	8.40%	7,690
23	322.00	General Treatment Equipment	899,073	5.00%	44,954
24		**Subtotal Treatment & Discharge**	$ 19,356,976		$ 977,993
26		**Collection and Influent**			
27	340.00	Land and Land Rights	$ 20,747	0.00%	$ -
28	341.00	Structures and Improvements	-	1.67%	-
29	342.00	Collection System Lift	1,355,787	8.40%	113,886
30	343.00	Collection Mains	12,977,675	2.04%	264,745
31	344.00	Force Mains	752,939	2.07%	15,586
32	345.00	Discharge Services	2,645,161	2.04%	53,961
33	348.00	Manholes	0	2.03%	0
34		**Subtotal Collection and Influent**	$ 17,752,309		$ 448,178
36		**General**			
37	389.00	Land and Land Rights	$ 780	0.00%	$ -
38	390.00	Structures and Improvements	834,864	1.68%	14,032
39	391.00	Office Funiture and Equipment	297,756	4.55%	13,534
40	391.10	Computer Equipment	175,883	4.55%	7,994
41	392.00	Transportation Equipment	287,389	25.00%	71,847
42	393.00	Stores Equipment	4,593	3.92%	180
43	394.00	Tools, Shop and Garage	67,343	4.14%	2,785
44	395.00	Laboratory Equipment	20,819	3.71%	772
45	396.00	Power Operated Equipment	19,132	5.14%	984
46	397.00	Communication Equipment	152,003	10.28%	15,622
47	398.00	Miscellaneous Equipment	41,886	4.98%	2,086
48		**Subtotal General**	$ 1,902,448		$ 129,836
52		TOTALS	$ 39,022,367		$ 1,556,007

Line				
55	Amortization of Deferred Regulatory Assets	$ -	0.00%	-
57	Less: Amotization of Contributions	$ 1,458,672	10.0000%	(145,867)
58	Rebuttal Depreciation Expense			$ 1,410,140
60	Direct Filing Depreciation Expense			1,432,265
62	Increase (decrease) in Depreciation Expense			(22,125)
64	Adjustment to Revenues and/or Expenses			$ (22,125)

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$ 3,535,680
4	Rebuttal Adjusted Revenues in year ended 12/31/01	3,535,680
5	Proposed Revenues	5,144,536
6	Average of three year's of revenue	$ 4,071,966
7	Average of three year's of revenue, times 2	8,143,931
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	287,389
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 287,389
14		
15	Full Cash Value	$ 7,856,543
16	Assessment Ratio	25%
17	Assessed Value	1,964,136
18	Property Tax Rate	8.335765%
19		
20	Property Tax	163,726
21	Tax on Parcels	0
22		
23	Total Rebuttal Property Tax at Proposed Rates	$ 163,726
24	Direct Filing Proposed Property Taxes	168,501
25	Increase (Decrease) in Property Taxes	$ (4,775)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (4,775)
29		
30		

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$12,221,084
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	356,367
6	Direct Filing Interest Expense	423,801
7	Increase in Interest Expense	$ (67,435)
8		
9	Adjustment to Revenues and/or Expense	$ (67,435)
10		
11		

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Salaries & Wages Expense (Corpor	$	85,135
5			
6	Direct Filing Proposed Additonal Salaries & Wages Expen	$	162,234
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(77,099)
10			
11	Adjustment to Revenue and/or Expense	$	(77,099)
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	109,464
5			
6	Direct Filing Proposed Additonal Office Expense (Corporat		146,103
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(36,639)
10			
11	Adjustment to Revenue and/or Expense	$	(36,639)
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	20,946
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corp		23,250
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(2,304)
10			
11	Adjustment to Revenue and/or Expense	$	(2,304)
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	1,210
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporat		920
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	290
10			
11	*Adjustment to Revenue and/or Expense*	$	290
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.1072	
5	Total Charges		$ 534,013
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.1072	
10	Total Charges		552,478
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (18,465)
14			
15			
16			
17			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							

AGUA FRIA WATER

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.			
1	Fair Value Rate Base	$	18,346,919
2			
3	Adjusted Operating Income		1,304,666
4			
5	Current Rate of Return		7.11%
6			
7	Required Operating Income	$	1,378,954
8			
9	Required Rate of Return on Fair Value Rate Base		7.52%
10			
11	Operating Income Deficiency	$	74,289
12			
13	Gross Revenue Conversion Factor		1.6286
14			
15	*Increase in Gross Revenue*		
16	Requirement	$	120,989
17			

	Customer Classification	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
20	5/8 Inch Residential	$ 3,127,076	$ 3,193,947	$ 66,870	2.14%
21	3/4 Inch Residential	36,220	36,994	774	2.14%
22	1 Inch Residential	399,199	407,744	8,545	2.14%
23	1.5 Inch Residential	78,797	80,521	1,725	2.19%
24	2 Inch Residential	328,284	335,483	7,199	2.19%
25	3 Inch Residential	563	574	11	2.04%
26	5/8 Inch Commercial	4,629	4,727	98	2.11%
27	3/4 Inch Commercial	4,437	4,533	96	2.16%
28	1 Inch Commercial	31,984	32,673	689	2.16%
29	1.5 Inch Commercial	91,467	93,465	1,997	2.18%
30	2 Inch Commercial	359,785	367,631	7,846	2.18%
31	3 Inch Commercial	359,249	367,044	7,795	2.17%
32	6 Inch Commercial	147,370	150,629	3,259	2.21%
33	2 Inch Public Interruptible	-	-	-	0%
34	3 Inch Public Interruptible	4,838	4,838	-	0.00%
35	6 Inch Public Interruptible	282,872	282,872	-	0.00%
36	8 Inch Public Interruptible	71,829	71,829	-	0.00%
37	10 Inch Public Interruptible	7,554	7,554	-	0.00%
38	4 Inch Prison	248,933	253,863	4,930	1.98%
39	4 Inch Private Fire	2,520	2,570	50	2.00%
40	6 Inch Private Fire	10,890	11,108	218	2.00%
41	8 Inch Private Fire	4,020	4,100	80	2.00%
42	Miscellaneous Revenues	339,961	339,961	-	0.00%
43	Subtotal Water Revenues	$ 5,942,478	$ 6,054,661	$ 112,183	1.89%

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Schedule A-1
Page 2
Witness: Bourassa

Line No.	Customer Classification	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
1	**Revenue Annualizations**				
2	5/8 Inch Residential	$ 202,538	$ 206,861	$ 4,322	2.13%
3	3/4 Inch Residential	1,584	1,618	34	2.14%
4	1 Inch Residential	10,260	10,479	219	2.13%
5	1.5 Inch Residential	5,170	5,283	113	2.19%
6	2 Inch Residential	44,120	45,085	966	2.19%
7	3 Inch Residential	(563)	(574)	(11)	2.04%
8	5/8 Inch Commercial	201	205	4	2.09%
9	3/4 Inch Commercial	(492)	(503)	(11)	2.16%
10	1 Inch Commercial	2,266	2,315	49	2.15%
11	1.5 Inch Commercial	14,983	15,310	326	2.18%
12	2 Inch Commercial	31,582	32,270	687	2.18%
13	3 Inch Commercial	(1,330)	(1,360)	(29)	2.21%
14	6 Inch Commercial	16,136	16,494	357	2.21%
15	6 Inch Public Interruptible	(81,903)	(81,903)	-	0.00%
16	10 Inch Public Interruptible	(7,554)	(7,554)	-	0.00%
17	4 Inch Private Fire	1,440	1,469	29	2.00%
18	6 Inch Private Fire	1,530	1,561	31	2.00%
19	8 Inch Private Fire	1,020	1,040	20	2.00%
20	Totals	240,990	248,096	7,106	2.95%
21	Total Revenues	$ 6,183,467	$ 6,302,757	$ 119,289	1.93%
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39	SUPPORTING SCHEDULES:				
40	Rebuttal B-1				
41	Rebuttal C-1				
42	Rebuttal D-1				
43	Rebuttal H-1				
44					

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 51,067,939	$ 56,030,950	$ 56,030,950
3	Less: Accumulated Depreciation	4,969,080	5,454,713	5,454,713
4				
5	Net Utility Plant in Service	$ 46,098,859	$ 50,576,237	$ 50,576,237
6				
7	Less:			
8	Advances in Aid of			
9	Construction	27,385,370	30,046,803	30,046,803
10	Contributions in Aid of			
11	Construction - Net of amortization	1,973,438	2,165,225	2,165,225
12	Customer Meter Deposits	17,289	17,289	17,289
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	13,203,438	-	-
21				
22	Total Rate Base	$ 29,926,200	$ 18,346,919	$ 18,346,919
23				
24				
25				
26	SUPPORTING SCHEDULES:			
27	Rebuttal B-2			
28	Rebuttal B-3			
29	Rebuttal B-4			
30				
31				

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 50,919,882	(1)	148,057	$ 51,067,939
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	4,993,699	(2)	(24,619)	4,969,080
8					
9	Net Utility Plant				
10	in Service	$ 45,926,183			$ 46,098,859
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	27,385,370			27,385,370
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,973,438			1,973,438
18	Purposes Only)				
19	Customer Meter Deposits	17,289			17,289
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	13,305,699	(3)	(102,261)	13,203,438
28					
29	Total	$ 29,855,785			$ 29,926,200
30					
31	SUPPORTING SCHEDULES:				
32	Rebuttal B-2				
33					
34	(1) See Rebuttal B-2, Page 2				
35	(2) See Rebuttal B-2, Page 3				
36	(3) See Rebuttal B-2, Page 4				
37					
38					
39					
40					
41					
42					
43					
44					

Arizona American - Agua Fria
Plant Summary
at December 31, 2002

Exhibit
Rebuttal Schedule B-2
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 1,229	$ -	$ 1,229	$ -	$ -	$ -
3	302.00	Franchises	78,887	-	78,887	-	-	-
4	303.00	Miscellaneous Intangibles	115,264	-	115,264	-	-	-
5		**Subtotal Intangible**	$ 195,380	$ -	$ 195,380	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 217,682	$ -	$ 217,682	$ -	$ -	$ -
9	311.00	Structures and Improvements	1,150,073	50,631	1,200,703	57,920	-	57,920
10	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	4,081,995	(29,586)	4,052,408	334,959	-	334,959
13		**Subtotal Source of Supply**	$ 5,449,750	$ 21,045	$ 5,470,794	$ 392,879	$ -	$ 392,879
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 47,681	$ (4,619)	$ 43,062	$ -	$ -	$ -
17	321.00	Structures and Improvements	1,246,735	(11,196)	1,235,539	54,255	(11,196)	43,059
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	14,538,912	75,429	14,614,341	1,984,180	(15,122)	1,969,058
20	326.00	Diesel Pumping Equipment	25,799	-	25,799	19,386	-	19,386
21	328.10	Gas Engine Pumping Equipment	697	-	697	308	-	308
22		**Subtotal Pumping**	$ 15,859,824	$ 59,614	$ 15,919,438	$ 2,058,130	$ (26,318)	$ 2,031,812
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	39,917	-	39,917	3,430	-	3,430
27	332.00	Water Treatment Equipment	387,758	(3,442)	384,316	48,501	(3,442)	45,059
28		**Subtotal Water Treatment**	$ 427,674	$ (3,442)	$ 424,232	$ 51,931	$ (3,442)	$ 48,489
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 225	$ -	$ 225	$ -	$ -	$ -
32	341.00	Structures and Improvements	-	-	-	-	-	-
33	342.00	Distribution, Reservoirs, & ST	3,145,747	(55,102)	3,090,646	20,686	(34,414)	(13,728)
34	343.00	Transmission and Distribution	21,475,529	(16,055)	21,459,474	1,740,596	(7,710)	1,732,886
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	2,694,167	-	2,694,167	291,721	-	291,721
37	346.00	Meters	1,744,305	-	1,744,305	148,596	-	148,596
38	348.00	Hydrants	2,799,956	5,229	2,805,185	241,703	-	241,703
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Distribution**	$ 31,859,929	$ (65,927)	$ 31,794,002	$ 2,443,302	$ (42,124)	$ 2,401,178
41								
42		**General**						
43	389.00	Land and Land Rights	$ 681	$ -	$ 681	$ -	$ -	$ -
44	390.00	Structures and Improvements	467,707	-	467,707	44,422	-	44,422
45	391.00	Office Funiture and Equipment	238,820	(8,514)	230,305	52,075	-	52,075
46	391.10	Computer Equipment	272,602	(84,896)	187,706	(59,456)	-	(59,456)
47	392.00	Transportation Equipment	251,004	-	251,004	181,157	(5,144)	176,013
48	393.00	Stores Equipment	4,012	-	4,012	1,087	-	1,087
49	394.00	Tools, Shop and Garage	66,402	(9,000)	57,402	2,621	-	2,621
50	395.00	Laboratory Equipment	18,183	-	18,183	3,205	-	3,205
51	396.00	Power Operated Equipment	16,803	(93)	16,710	5,979	-	5,979
52	397.00	Communication Equipment	98,945	23,584	122,529	46,642	(51)	46,591
53	398.00	Miscellaneous Equipment	38,697	(2,114)	36,583	19,382	-	19,382
54		**Subtotal General**	$ 1,473,856	$ (81,034)	$ 1,392,822	$ 297,114	$ (5,195)	$ 291,919
55								
56		**Double Booked Advance**	(4,128,730)	-	(4,128,730)	(197,198)	-	(197,198)
57				-	-	-	-	-
58		ADFUC adjustment 3/95	(217,801)	217,801	-	(52,460)	52,460	0
59		TOTAL WATER PLANT	$ 50,919,882	$ 148,057	$ 51,067,939	$ 4,993,698	$ (24,619)	$ 4,969,079
60								
61								
62		SUPPORTING SCHEDULES:						
63		Rebuttal B-2, page 2a, 2b, 3a, 3b						
64								

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 1,229					-
3	302.00	Franchises	78,887					-
4	303.00	Miscellaneous Intangibles	115,264					-
5		**Subtotal Intangible**	$ 195,380	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 217,682					-
9	311.00	Structures and Improvements	1,150,073					50,631
10	312.00	Collecting and Impounding Res.	-					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	4,081,995					(29,586)
13		**Subtotal Source of Supply**	$ 5,449,750	$ -	$ -	$ -	$ -	$ 21,045
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 47,681	(4,619)				-
17	321.00	Structures and Improvements	1,246,735	(11,196)				-
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	14,538,912	(15,122)				90,551
20	326.00	Diesel Pumping Equipment	25,799					-
21	328.10	Gas Engine Pumping Equipment	697					-
22		**Subtotal Pumping**	$ 15,859,824	$ (30,937)	$ -	$ -	$ -	$ 90,551
23								
24		***Water Treatment***						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	39,917					
27	332.00	Water Treatment Equipment	387,758	(3,442)				
28		**Subtotal Water Treatment**	$ 427,674	$ (3,442)	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 225					-
32	341.00	Structures and Improvements	-					-
33	342.00	Distribution, Reservoirs, & ST	3,145,747	(34,414)				(20,688)
34	343.00	Transmission and Distribution	21,475,529	(7,710)				(8,345)
35	344.00	Fire Mains	-					-
36	345.00	Services	2,694,167					-
37	346.00	Meters	1,744,305					-
38	348.00	Hydrants	2,799,956					5,229
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributio**	$ 31,859,929	$ (42,124)	$ -	$ -	$ -	$ (23,803)
41								
42		**General**						
43	389.00	Land and Land Rights	$ 681					-
44	390.00	Structures and Improvements	467,707					-
45	391.00	Office Funiture and Equipment	238,820					(8,514)
46	391.10	Computer Equipment	272,602					-
47	392.00	Transportation Equipment	251,004					-
48	393.00	Stores Equipment	4,012					-
49	394.00	Tools, Shop and Garage	66,402					(9,000)
50	395.00	Laboratory Equipment	18,183					-
51	396.00	Power Operated Equipment	16,803					-
52	397.00	Communication Equipment	98,945					23,584
53	398.00	Miscellaneous Equipment	38,697					-
54		**Subtotal General**	$ 1,473,856	$ -	$ -	$ -	$ -	$ 6,070
55								
56		Double Booked Advance	(4,128,730)					
57			-					
58		ADFUC adjustment 3/95	(217,801)					
59		TOTAL WATER PLANT	$ 50,919,882	$ (76,503)	$ -	$ -	$ -	$ 93,863
60								

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Decision	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ 1,229
3	302.00	Franchises						-	78,887
4	303.00	Miscellaneous Intangibles						-	115,264
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 195,380
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ 217,682
9	311.00	Structures and Improvements						50,631	1,200,703
10	312.00	Collecting and Impounding Res.						-	-
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(29,586)	4,052,408
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ 21,045	$ 5,470,794
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ (4,619)	$ 43,062
17	321.00	Structures and Improvements						(11,196)	1,235,539
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						75,429	14,614,341
20	326.00	Diesel Pumping Equipment						-	25,799
21	328.10	Gas Engine Pumping Equipment						-	697
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ 59,614	$ 15,919,438
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights						-	$ -
26	331.00	Structures and Improvements						-	39,917
27	332.00	Water Treatment Equipment						(3,442)	384,316
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ (3,442)	$ 424,232
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ 225
32	341.00	Structures and Improvements						-	-
33	342.00	Distribution, Reservoirs, & ST						(55,102)	3,090,646
34	343.00	Transmission and Distribution						(16,055)	21,459,474
35	344.00	Fire Mains						-	-
36	345.00	Services						-	2,694,167
37	346.00	Meters						-	1,744,305
38	348.00	Hydrants						5,229	2,805,185
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ (65,927)	$ 31,794,002
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ 681
44	390.00	Structures and Improvements			-			-	467,707
45	391.00	Office Funiture and Equipment			-			(8,514)	230,305
46	391.10	Computer Equipment			(84,896)			(84,896)	187,706
47	392.00	Transportation Equipment			-			-	251,004
48	393.00	Stores Equipment			-			-	4,012
49	394.00	Tools, Shop and Garage			-			(9,000)	57,402
50	395.00	Laboratory Equipment			-			-	18,183
51	396.00	Power Operated Equipment			(93)			(93)	16,710
52	397.00	Communication Equipment			-			23,584	122,529
53	398.00	Miscellaneous Equipment			(2,114)			(2,114)	36,583
54		**Subtotal General**	$ -	$ -	$ (87,104)	$ -	$ -	$ (81,034)	$ 1,392,822
55									
56		Double Booked Advance						-	(4,128,730)
57								-	-
58		ADFUC adjustment 3/95	217,801					217,801	-
59		TOTAL WATER PLANT	$ 217,801	$ -	$ (87,104)	$ -	$ -	$ 148,057	$ 51,067,939
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									
68									

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -					
9	311.00	Structures and Improvements	57,920					
10	312.00	Collecting and Impounding Res.	-					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	334,959					
13		**Subtotal Source of Supply**	$ 392,879	$ -	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -	-				
17	321.00	Structures and Improvements	54,255	(11,196)				
18	323.00	Other Power Production	-	-				
19	325.00	Electric Pumping Equipment	1,984,180	(15,122)				
20	326.00	Diesel Pumping Equipment	19,386	-				
21	328.10	Gas Engine Pumping Equipment	308	-				
22		**Subtotal Pumping**	$ 2,058,130	$ (26,318)	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	3,430	-				
27	332.00	Water Treatment Equipment	48,501	(3,442)				
28		**Subtotal Water Treatment**	$ 51,931	$ (3,442)	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	-	-				
33	342.00	Distribution, Reservoirs, & ST	20,686	(34,414)				
34	343.00	Transmission and Distribution	1,740,596	(7,710)				
35	344.00	Fire Mains	-	-				
36	345.00	Services	291,721	-				
37	346.00	Meters	148,596	-				
38	348.00	Hydrants	241,703	-				
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributio**	$ 2,443,302	$ (42,124)	$ -	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	44,422					
45	391.00	Office Funiture and Equipment	52,075					
46	391.10	Computer Equipment	(59,456)					
47	392.00	Transportation Equipment	181,157					
48	393.00	Stores Equipment	1,087					
49	394.00	Tools, Shop and Garage	2,621					
50	395.00	Laboratory Equipment	3,205					
51	396.00	Power Operated Equipment	5,979					
52	397.00	Communication Equipment	46,642					
53	398.00	Miscellaneous Equipment	19,382					
54		**Subtotal General**	$ 297,114	$ -	$ -	$ -	$ -	$ -
55								
56		Double Booked Advance						
57			-					
58		ADFUC adjustment 3/95	(52,460)					
59		TOTAL WATER PLANT	$ 5,190,896	$ (71,884)	$ -	$ -	$ -	$ -
60								
61				ADJ #			Reference	
62				1	Plant Not Used and Useful		Rebuttal Schedule B-2, Page 6	
63				2	Unidentified Plant		ACC Staff	
64				3	Mis-posted Plant		ACC Staff	
65				4	Plant Removed by Prev. Decision		ACC Staff	
66				5	Post Test Year Plant		ACC Staff	
67								
68								

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						-	57,920
10	312.00	Collecting and Impounding Res.						-	-
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						-	334,959
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ -	$ 392,879
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ -
17	321.00	Structures and Improvements						(11,196)	43,059
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						(15,122)	1,969,058
20	326.00	Diesel Pumping Equipment						-	19,386
21	328.10	Gas Engine Pumping Equipment						-	308
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ (26,318)	$ 2,031,812
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights						$ -	$ -
26	331.00	Structures and Improvements						-	3,430
27	332.00	Water Treatment Equipment						(3,442)	45,059
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ (3,442)	$ 48,489
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	-
33	342.00	Distribution, Reservoirs, & ST						(34,414)	(13,728)
34	343.00	Transmission and Distribution						(7,710)	1,732,886
35	344.00	Fire Mains						-	-
36	345.00	Services						-	291,721
37	346.00	Meters						-	148,596
38	348.00	Hydrants						-	241,703
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ (42,124)	$ 2,401,178
41									
42		**General**							
43	389.00	Land and Land Rights						$ -	$ -
44	390.00	Structures and Improvements			-			-	44,422
45	391.00	Office Funiture and Equipment			-			-	52,075
46	391.10	Computer Equipment			-			-	(59,456)
47	392.00	Transportation Equipment			(5,144)			(5,144)	176,013
48	393.00	Stores Equipment			-			-	1,087
49	394.00	Tools, Shop and Garage			-			-	2,621
50	395.00	Laboratory Equipment			-			-	3,205
51	396.00	Power Operated Equipment			-			-	5,979
52	397.00	Communication Equipment			(51)			(51)	46,591
53	398.00	Miscellaneous Equipment			-			-	19,382
54		**Subtotal General**	$ -	$ -	$ (5,195)	$ -	$ -	$ (5,195)	$ 291,919
55									
56		Double Booked Advance							
57								-	-
58		ADFUC adjustment 3/95	52,460					52,460	0
59		TOTAL WATER PLANT	$ 52,460	$ -	$ (5,195)	$ -	$ -	$ (24,619)	$ 5,166,277
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									
68									

Arizona American - Agua Fria
Common Plant Allocation
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost	Rebuttal Allocated Original Cost	Rebuttal Allocated Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.13965	$ 681	$ 681	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.13965	467,707	467,707	-	43,425	43,425	-
5	391.00	Office Funiture and Equipment	0.13965	139,320	139,320	-	50,343	50,343	-
6	391.10	Computer Equipment	0.13965	199,465	114,569	(84,896)	(60,705)	(65,849)	(5,144)
7	392.00	Transportation Equipment	0.13965	251,004	251,004	-	144,977	144,977	-
8	393.00	Stores Equipment	0.13965	4,012	4,012	-	1,087	1,087	-
9	394.00	Tools, Shop and Garage	0.13965	57,402	57,402	-	2,547	2,547	-
10	395.00	Laboratory Equipment	0.13965	18,183	18,183	-	3,205	3,205	-
11	396.00	Power Operated Equipment	0.13965	16,803	16,710	(93)	5,979	5,927	(51)
12	397.00	Communication Equipment	0.13965	80,645	80,645	-	46,447	46,447	-
13	398.00	Miscellaneous Equipment	0.13965	38,697	36,583	(2,114)	17,939	15,825	(2,114)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 1,273,919	$ 1,186,815	$ (87,104)	$ 255,243	$ 247,934	$ (7,309)
20									
21									
22		SUPPORTING SCHEDULES							
23		Rebuttal B-2, Page 5							
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00		0 $ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	Communication Equipment	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6 and 7					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345		(607,932)				
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051						
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325		(669)				
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101	(458)		(14,679)			
13		**Subtotal General**	$ 9,122,373	$ (458)	$ (608,601)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										

ADJ #	Reference
6	
7	
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9	
10	

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	Computer Equipment	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										

ADJ #	Reference
6	
7	
8	
9	
10	

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 58,322,512	(1)	(2,291,562)	$ 56,030,950
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	5,658,666	(2)	(203,953)	5,454,713
8					
9	Net Utility Plant				
10	in Service	$ 52,663,846			$ 50,576,237
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	31,366,601	(3)	(1,319,797)	30,046,803
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	2,260,332	(4)	(95,107)	2,165,225
18	Purposes Only)				
19	Customer Meter Deposits	17,289			17,289
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 19,019,624			$ 18,346,919
30					
31					
32					
33	(1) See B-3, Page 2				
34	(2) See B-3, Page 3				
35	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
37					
38					
39					
40					
41					
42					

Arizona American - Agua Fria
RCND Plant Summary
at December 31, 2002

Exhibit
Rebuttal Schedule B-3
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 3,247	$ (2,018)	$ 1,229	$ -	$ -	$ -
3	302.00	Franchises	137,066	(58,179)	78,887	-	-	-
4	303.00	Miscellaneous Intangibles	127,581	(12,317)	115,264	-	-	-
5		**Subtotal Intangible**	$ 267,894	$ (72,515)	$ 195,380	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 278,216	$ (60,534)	$ 217,682	$ -	$ -	$ -
9	311.00	Structures and Improvements	1,257,045	30,262	1,287,307	62,006	(778)	61,228
10	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	4,467,115	(147,093)	4,320,021	366,776	(9,708)	357,068
13		**Subtotal Source of Supply**	$ 6,002,376	$ (177,365)	$ 5,825,011	$ 428,782	$ (10,486)	$ 418,296
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 55,756	$ (8,076)	$ 47,681	$ -	$ -	$ -
17	321.00	Structures and Improvements	1,373,902	(25,934)	1,347,968	58,728	(12,697)	46,031
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	16,195,896	(228,003)	15,967,893	2,174,274	(51,184)	2,123,090
20	326.00	Diesel Pumping Equipment	39,034	6,683	45,717	29,038	4,874	33,912
21	328.10	Gas Engine Pumping Equipment	913	80	993	398	34	432
22		***Subtotal Pumping***	$ 17,665,501	$ (255,249)	$ 17,410,252	$ 2,262,438	$ (58,973)	$ 2,203,465
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	51,378	(838)	50,540	3,430	-	3,430
27	332.00	Water Treatment Equipment	435,539	(21,789)	413,750	54,077	(4,708)	49,369
28		**Subtotal Water Treatment**	$ 486,917	$ (22,627)	$ 464,290	$ 57,507	$ (4,708)	$ 52,799
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 387	$ (162)	$ 225	$ -	$ -	$ -
32	341.00	Structures and Improvements	-	-	-	-	-	-
33	342.00	Distribution, Reservoirs, & ST	3,401,851	(112,759)	3,289,093	20,399	(36,768)	(16,369)
34	343.00	Transmission and Distribution	25,359,648	(1,666,147)	23,693,501	2,026,962	(130,113)	1,896,849
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	3,164,189	(185,126)	2,979,063	336,789	(17,751)	319,038
37	346.00	Meters	1,946,770	(72,717)	1,874,053	163,305	(5,283)	158,022
38	348.00	Hydrants	3,229,305	126,876	3,356,180	274,475	9,285	283,760
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Distribution**	$ 37,102,150	$ (1,910,036)	$ 35,192,115	$ 2,821,930	$ (180,629)	$ 2,641,301
41								
42		**General**						
43	389.00	Land and Land Rights	$ 1,764	$ (1,082)	$ 681	$ -	$ -	$ -
44	390.00	Structures and Improvements	634,779	(16,575)	618,204	71,666	(2,315)	69,351
45	391.00	Office Funiture and Equipment	279,220	(8,348)	270,872	71,855	1,323	73,178
46	391.10	Computer Equipment	295,002	(95,864)	199,137	(66,278)	(4,957)	(71,236)
47	392.00	Transportation Equipment	277,729	(3,894)	273,836	197,556	(2,339)	195,217
48	393.00	Stores Equipment	5,232	54	5,286	1,529	50	1,580
49	394.00	Tools, Shop and Garage	82,149	(9,122)	73,027	2,044	57	2,101
50	395.00	Laboratory Equipment	21,048	(217)	20,831	3,820	(15)	3,804
51	396.00	Power Operated Equipment	21,557	228	21,785	7,829	59	7,888
52	397.00	Communication Equipment	115,755	22,109	137,864	58,223	(410)	57,813
53	398.00	Miscellaneous Equipment	55,087	(3,750)	51,337	28,902	(3,880)	25,022
54		**Subtotal General**	$ 1,789,320	$ (116,461)	$ 1,672,859	$ 377,146	$ (12,427)	$ 364,719
55								
56		**Double Booked Advance**	(4,728,957)	-	(4,728,957)	(225,866)	-	(225,866)
57								
58		AFUDC adjustment 3/95	(262,690)	262,690	0	(63,271)	63,271	(0)
59		TOTAL WATER PLANT	$ 58,322,512	$ (2,291,562)	$ 56,030,950	$ 5,658,666	$ (203,953)	$ 5,454,713
60								
61								
62		SUPPORTING SCHEDULES:						
63		Rebuttal B-2, page 2a, 2b, 3a, 3b						
64								
65								

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 3,247					-
3	302.00	Franchises	137,066					-
4	303.00	Miscellaneous Intangibles	127,581					-
5		**Subtotal Intangible**	$ 267,894	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 278,216					-
9	311.00	Structures and Improvements	1,257,045					50,631
10	312.00	Collecting and Impounding Res.	-					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	4,467,115					(29,586)
13		**Subtotal Source of Supply**	$ 6,002,376	$ -	$ -	$ -	$ -	$ 21,045
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 55,756	(5,459)				-
17	321.00	Structures and Improvements	1,373,902	(17,945)				-
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	16,195,896	(19,044)				90,551
20	326.00	Diesel Pumping Equipment	39,034					-
21	328.10	Gas Engine Pumping Equipment	913					-
22		**Subtotal Pumping**	$ 17,665,501	$ (42,447)	$ -	$ -	$ -	$ 90,551
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	51,378					-
27	332.00	Water Treatment Equipment	435,539	(4,795)				(10,260)
28		**Subtotal Water Treatment**	$ 486,917	$ (4,795)	$ -	$ -	$ -	$ (10,260)
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 387					-
32	341.00	Structures and Improvements	-					-
33	342.00	Distribution, Reservoirs, & ST	3,401,851	(48,781)				(20,688)
34	343.00	Transmission and Distribution	25,359,648	(12,358)				(8,345)
35	344.00	Fire Mains	-					-
36	345.00	Services	3,164,189					-
37	346.00	Meters	1,946,770					-
38	348.00	Hydrants	3,229,305					5,229
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributi**	$ 37,102,150	$ (61,138)	$ -	$ -	$ -	$ (23,803)
41								
42		**General**						
43	389.00	Land and Land Rights	$ 1,764					-
44	390.00	Structures and Improvements	634,779					-
45	391.00	Office Funiture and Equipment	279,220					(8,514)
46	391.10	Computer Equipment	295,002					-
47	392.00	Transportation Equipment	277,729					-
48	393.00	Stores Equipment	5,232					-
49	394.00	Tools, Shop and Garage	82,149					(9,000)
50	395.00	Laboratory Equipment	21,048					-
51	396.00	Power Operated Equipment	21,557					-
52	397.00	Communication Equipment	115,755					23,584
53	398.00	Miscellaneous Equipment	55,087					-
54		**Subtotal General**	$ 1,789,320	$ -	$ -	$ -	$ -	$ 6,070
55								
56		Double Booked Advance	(4,728,957)					
57			-					
58		ADFUC adjustment 3/95	(262,690)					
59		TOTAL WATER PLANT	$ 58,322,512	$ (108,381)	$ -	$ -	$ -	$ 83,602
60								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Sched B-3, Page 8
2	Unidentified Plant	Blank
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decision	Blank
5	Post Test Year Plant	ACC Staff

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				(2,018)		$ (2,018)	$ 1,229
3	302.00	Franchises				(58,179)		(58,179)	78,887
4	303.00	Miscellaneous Intangibles				(12,317)		(12,317)	115,264
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (72,515)	$ -	$ (72,515)	$ 195,380
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				(60,534)		$ (60,534)	$ 217,682
9	311.00	Structures and Improvements				(20,369)		30,262	1,287,307
10	312.00	Collecting and Impounding Res.				-		-	-
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(117,507)		(147,093)	4,320,021
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (198,410)	$ -	$ (177,365)	$ 5,825,011
14									
15		**Pumping**							
16	320.00	Land and Land Rights				(2,617)		$ (8,076)	$ 47,681
17	321.00	Structures and Improvements				(7,989)		(25,934)	1,347,968
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				(299,511)		(228,003)	15,967,893
20	326.00	Diesel Pumping Equipment				6,683		6,683	45,717
21	328.10	Gas Engine Pumping Equipment				80		80	993
22		**Subtotal Pumping**	$ -	$ -	$ -	$ (303,353)	$ -	$ (255,249)	$ 17,410,252
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights				-		-	$ -
26	331.00	Structures and Improvements				(838)		(838)	50,540
27	332.00	Water Treatment Equipment				(6,734)		(21,789)	413,750
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (7,572)	$ -	$ (22,627)	$ 464,290
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				(162)		$ (162)	$ 225
32	341.00	Structures and Improvements				-		-	-
33	342.00	Distribution, Reservoirs, & ST				(43,290)		(112,759)	3,289,093
34	343.00	Transmission and Distribution				(1,645,445)		(1,666,147)	23,693,501
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(185,126)		(185,126)	2,979,063
37	346.00	Meters				(72,717)		(72,717)	1,874,053
38	348.00	Hydrants				121,646		126,876	3,356,180
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distributi**	$ -	$ -	$ -	$ (1,825,094)	$ -	$ (1,910,036)	$ 35,192,115
41									
42		**General**							
43	389.00	Land and Land Rights			(1,082)			$ (1,082)	$ 681
44	390.00	Structures and Improvements			(16,575)			(16,575)	618,204
45	391.00	Office Funiture and Equipment			166			(8,348)	270,872
46	391.10	Computer Equipment			(95,864)			(95,864)	199,137
47	392.00	Transportation Equipment			(3,894)			(3,894)	273,836
48	393.00	Stores Equipment			54			54	5,286
49	394.00	Tools, Shop and Garage			(122)			(9,122)	73,027
50	395.00	Laboratory Equipment			(217)			(217)	20,831
51	396.00	Power Operated Equipment			228			228	21,785
52	397.00	Communication Equipment			(1,475)			22,109	137,864
53	398.00	Miscellaneous Equipment			(3,750)			(3,750)	51,337
54		**Subtotal General**	$ -	$ -	$ (122,531)	$ -	$ -	$ (116,461)	$ 1,672,859
55									
56		Double Booked Advance						-	(4,728,957)
57								-	-
58		ADFUC adjustment 3/95	262,690					262,690	0
59		TOTAL WATER PLANT	$ 262,690	$ -	$ (122,531)	$ (2,406,943)	$ -	$ (2,291,562)	$ 56,030,950
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustment					
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									
68									

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -					
9	311.00	Structures and Improvements	62,006					
10	312.00	Collecting and Impounding Res.	-					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	366,776					
13		**Subtotal Source of Supply**	$ 428,782	$ -	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -	-				
17	321.00	Structures and Improvements	58,728	(17,945)				
18	323.00	Other Power Production	-	-				
19	325.00	Electric Pumping Equipment	2,174,274	(19,044)				
20	326.00	Diesel Pumping Equipment	29,038	-				
21	328.10	Gas Engine Pumping Equipment	398	-				
22		**Subtotal Pumping**	$ 2,262,438	$ (36,989)	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	3,430	-				
27	332.00	Water Treatment Equipment	54,077	(4,795)				
28		**Subtotal Water Treatment**	$ 57,507	$ (4,795)	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	-	-				
33	342.00	Distribution, Reservoirs, & ST	20,399	(48,781)				
34	343.00	Transmission and Distribution	2,026,962	(12,358)				
35	344.00	Fire Mains	-	-				
36	345.00	Services	336,789	-				
37	346.00	Meters	163,305	-				
38	348.00	Hydrants	274,475	-				
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributi**	$ 2,821,930	$ (61,138)	$ -	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	71,666					
45	391.00	Office Funiture and Equipment	71,855					
46	391.10	Computer Equipment	(66,278)					
47	392.00	Transportation Equipment	197,556					
48	393.00	Stores Equipment	1,529					
49	394.00	Tools, Shop and Garage	2,044					
50	395.00	Laboratory Equipment	3,820					
51	396.00	Power Operated Equipment	7,829					
52	397.00	Communication Equipment	58,223					
53	398.00	Miscellaneous Equipment	28,902					
54		**Subtotal General**	$ 377,146	$ -	$ -	$ -	$ -	$ -
55								
56		Double Booked Advance	(225,866)					
57			-					
58		ADFUC adjustment 3/95	(63,271)					
59		TOTAL WATER PLANT	$ 5,658,666	$ (102,922)	$ -	$ -	$ -	$ -
60								
61								
62								
63								
64								
65								
66								
67								
68								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Sched B-3, Page 8
2	Unidentified Plant	Blank
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decision	Blank
5	Post Test Year Plant	ACC Staff

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				-		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				-		$ -	$ -
9	311.00	Structures and Improvements				(778)		(778)	61,228
10	312.00	Collecting and Impounding Res.				-		-	-
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(9,708)		(9,708)	357,068
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (10,486)	$ -	$ (10,486)	$ 418,296
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ -
17	321.00	Structures and Improvements				5,248		(12,697)	46,031
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				(32,140)		(51,184)	2,123,090
20	326.00	Diesel Pumping Equipment				4,874		4,874	33,912
21	328.10	Gas Engine Pumping Equipment				34		34	432
22		**Subtotal Pumping**	$ -	$ -	$ -	$ (21,985)	$ -	$ (58,973)	$ 2,203,465
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights				-		$ -	$ -
26	331.00	Structures and Improvements				-		-	3,430
27	332.00	Water Treatment Equipment				86		(4,708)	49,369
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ 86	$ -	$ (4,708)	$ 52,799
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				-		-	-
33	342.00	Distribution, Reservoirs, & ST				12,013		(36,768)	(16,369)
34	343.00	Transmission and Distribution				(117,756)		(130,113)	1,896,849
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(17,751)		(17,751)	319,038
37	346.00	Meters				(5,283)		(5,283)	158,022
38	348.00	Hydrants				9,285		9,285	283,760
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distributi**	$ -	$ -	$ -	$ (119,491)	$ -	$ (180,629)	$ 2,641,301
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			(2,315)			(2,315)	69,351
45	391.00	Office Funiture and Equipment			1,323			1,323	73,178
46	391.10	Computer Equipment			(4,957)			(4,957)	(71,236)
47	392.00	Transportation Equipment			(2,339)			(2,339)	195,217
48	393.00	Stores Equipment			50			50	1,580
49	394.00	Tools, Shop and Garage			57			57	2,101
50	395.00	Laboratory Equipment			(15)			(15)	3,804
51	396.00	Power Operated Equipment			59			59	7,888
52	397.00	Communication Equipment			(410)			(410)	57,813
53	398.00	Miscellaneous Equipment			(3,880)			(3,880)	25,022
54		**Subtotal General**	$ -	$ -	$ (12,427)	$ -	$ -	$ (12,427)	$ 364,719
55									
56		Double Booked Advance						-	(225,866)
57								-	-
58		ADFUC adjustment 3/95	63,271					63,271	(0)
59		TOTAL WATER PLANT	$ 63,271	$ -	$ (12,427)	$ (151,875)	$ -	$ (203,953)	$ 5,454,713
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustment					
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									
68									

Arizona American - Agua Fria
RCND Common Plant Allocation
at December 31, 2001

Exhibit
Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.13965	$ 1,764	$ 681	$ (1,082)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.13965	634,779	618,204	(16,575)	70,670	68,355	(2,315)
5	391.00	Office Funiture and Equipment	0.13965	179,720	179,887	166	70,123	71,446	1,323
6	391.10	Computer Equipment	0.13965	221,865	126,000	(95,864)	(67,528)	(72,485)	(4,957)
7	392.00	Transportation Equipment	0.13965	277,729	273,836	(3,894)	161,376	159,037	(2,339)
8	393.00	Stores Equipment	0.13965	5,232	5,286	54	1,529	1,580	50
9	394.00	Tools, Shop and Garage	0.13965	73,149	73,027	(122)	1,970	2,027	57
10	395.00	Laboratory Equipment	0.13965	21,048	20,831	(217)	3,820	3,804	(15)
11	396.00	Power Operated Equipment	0.13965	21,557	21,785	228	7,829	7,888	59
12	397.00	Communication Equipment	0.13965	97,455	95,980	(1,475)	58,027	57,617	(410)
13	398.00	Miscellaneous Equipment	0.13965	55,087	51,337	(3,750)	27,459	23,579	(3,880)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 1,589,383	$ 1,466,852	$ (122,531)	$ 335,276	$ 322,848	$ (12,427)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00	0	$ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment	1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment	1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment	1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment	37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage	523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment	150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment	154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment	697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment	394,470	(26,855)	367,615	196,632	(27,786)	168,847
13								
14								
15		TOTALCOMMON PLANT	$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	*Computer Equipment*	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		**Subtotal General**	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	Laboratory Equipment	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	Miscellaneous Equipment	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777
14										
15			ADJ #			Reference				
16			7	Adjust to Rebuttal RCN Study		Rebuttal B-4				
17			8	Adjust to Rebuttal RCN Study		Rebuttal B-4				
18			9	Adjust to Rebuttal RCN Study		Rebuttal B-4				
19			10	Adjust to Rebuttal RCN Study		Rebuttal B-4				
20			11	Adjust to Rebuttal RCN Study		Rebuttal B-4				
21			12							
22										
23										
24										

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments
1		**Intangible**					
3	301.00	Organization	1,229	-	1,229	-	-
4	302.00	Franchises	78,887	-	78,887	-	-
5	303.00	Miscellaneous Intangibles	115,264	-	115,264	-	-
6		**Subtotal Intangible**	195,380	-	195,380	-	-
7							
8		**Source of Supply**					
9	310.00	Land and Land Rights	217,682	-	217,682	-	-
10	311.00	Structures and Improvements	1,144,167	-	1,144,167	43,705	-
11	312.00	Collecting and Impounding Res.	-	-	-	-	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-
13	314.00	Wells and Springs	3,438,215	-	3,438,215	284,050	-
14		**Subtotal Source of Supply**	4,800,065	-	4,800,065	327,755	-
15							
16		**Pumping**					
17	320.00	Land and Land Rights	47,681	(4,619)	43,062	-	-
18	321.00	Structures and Improvements	1,246,735	(11,196)	1,235,539	43,850	(11,196)
19	323.00	Other Power Production	-	-	-	-	-
20	325.00	Electric Pumping Equipment	14,495,886	(15,122)	14,480,764	1,663,002	(15,122)
21	326.00	Diesel Pumping Equipment	25,799	-	25,799	18,816	-
22	328.10	Gas Engine Pumping Equipment	697	-	697	292	-
23		**Subtotal Pumping**	15,816,798	(30,937)	15,785,861	1,725,960	(26,318)
24							
25		**Water Treatment**					
26	330.00	Land and Land Rights	-	-	-	-	-
27	331.00	Structures and Improvements	39,917	-	39,917	-	-
28	332.00	Water Treatment Equipment	377,497	(3,442)	374,055	44,052	(3,442)
29		**Subtotal Water Treatment**	417,414	(3,442)	413,972	44,052	(3,442)
30							
31		**Transmission and Distribution**					
32	340.00	Land and Land Rights	225	-	225	-	-
33	341.00	Structures and Improvements	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	2,861,570	(34,414)	2,827,156	(3,199)	(34,414)
35	343.00	Transmission and Distribution	21,390,029	(7,710)	21,382,319	1,577,034	(7,710)
36	344.00	Fire Mains	-	-	-	-	-
37	345.00	Services	2,694,166	-	2,694,166	258,328	-
38	346.00	Meters	1,744,305	-	1,744,305	126,715	-
39	348.00	Hydrants	2,799,956	-	2,799,956	213,717	-
40	349.00	Other Transmission & Distribution	-	-	-	-	-
41		**Subtotal Trans & Dist**	31,490,251	(42,124)	31,448,127	2,172,595	(42,124)
42							
43		**General**					
44	389.00	Land and Land Rights	-	-	-	-	-
45	390.00	Structures and Improvements	98,201	-	98,201	7,979	-
46	391.00	Office Funiture and Equipment	85,784	-	85,784	11,659	-
47	391.10	Computer Equipment	61,885	-	61,885	5,294	-
48	392.00	Transportation Equipment	289,554	-	289,554	199,890	-
49	393.00	Stores Equipment	-	-	-	-	-
50	394.00	Tools, Shop and Garage	3,677	-	3,677	743	-
51	395.00	Laboratory Equipment	-	-	-	-	-
52	396.00	Power Operated Equipment	-	-	-	-	-
53	397.00	Communication Equipment	3,801	-	3,801	3,867	-
54	398.00	Miscellaneous Equipment	58,572	-	58,572	20,517	-
55		**Subtotal General**	601,473	-	601,473	249,949	-
		TOTAL WATER PLANT	53,321,381	(76,503)	53,244,878	4,520,311	(71,884)

Arizona-American Agua Fria Water
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa

Line No.	Account No.	Description	O.C. Adjusted A/D	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	(B-3, page 2b, Adj. #9) Adjustment RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1								
2		**Intangible**						
3	301.00	Organization	-	3,247	-	3,247	(2,018)	1,229
4	302.00	Franchises	-	137,066	-	137,066	(58,179)	78,887
5	303.00	Miscellaneous Intangibles	-	127,581	-	127,581	(12,317)	115,264
6		**Subtotal Intangible**	-	267,894	-	267,894	(72,515)	195,380
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	278,216	-	278,216	(60,534)	217,682
10	311.00	Structures and Improvements	43,705	1,251,140	-	1,251,140	(20,369)	1,230,771
11	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	284,050	3,823,335	-	3,823,335	(117,507)	3,705,828
14		**Subtotal Source of Supply**	327,755	5,352,691	-	5,352,691	(198,410)	5,154,282
15								
16		**Pumping**						
17	320.00	Land and Land Rights	-	55,756	(5,459)	50,298	(2,617)	47,681
18	321.00	Structures and Improvements	32,654	1,373,902	(17,945)	1,355,957	(7,989)	1,347,968
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	1,647,880	16,152,870	(19,044)	16,133,826	(299,511)	15,834,316
21	326.00	Diesel Pumping Equipment	18,816	39,034	-	39,034	6,683	45,717
22	328.10	Gas Engine Pumping Equipment	292	913	-	913	80	993
23		**Subtotal Pumping**	1,699,642	17,622,475	(42,447)	17,580,027	(303,353)	17,276,675
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	-	51,378	-	51,378	(838)	50,540
28	332.00	Water Treatment Equipment	40,610	425,278	(4,795)	420,483	(6,734)	413,750
29		**Subtotal Water Treatment**	40,610	476,656	(4,795)	471,861	(7,572)	464,290
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	387	-	387	(162)	225
33	341.00	Structures and Improvements	-	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	(37,613)	3,117,675	(48,781)	3,068,894	(43,290)	3,025,603
35	343.00	Transmission and Distribution	1,569,324	25,274,148	(12,358)	25,261,791	(1,645,445)	23,616,346
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	258,328	3,164,188	-	3,164,188	(185,126)	2,979,062
38	346.00	Meters	126,715	1,946,770	-	1,946,770	(72,717)	1,874,053
39	348.00	Hydrants	213,717	3,229,305	-	3,229,305	121,646	3,350,951
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	2,130,471	36,732,473	(61,138)	36,671,334	(1,825,094)	34,846,240
42								
43		**General**					**(Common Plant, B-2, Page 6)**	
44	389.00	Land and Land Rights	-	-	-	-	-	-
45	390.00	Structures and Improvements	7,979	112,646	-	112,646	(3,192)	109,454
46	391.00	Office Funiture and Equipment	11,659	97,546	-	97,546	(2,019)	95,527
47	391.10	Computer Equipment	5,294	66,019	-	66,019	(556)	65,463
48	392.00	Transportation Equipment	199,890	313,808	-	313,808	(4,372)	309,435
49	393.00	Stores Equipment	-	-	-	-	-	-
50	394.00	Tools, Shop and Garage	743	4,299	-	4,299	(94)	4,205
51	395.00	Laboratory Equipment	-	-	-	-	-	-
52	396.00	Power Operated Equipment	-	-	-	-	-	-
53	397.00	Communication Equipment	3,867	5,299	-	5,299	3	5,302
54	398.00	Miscellaneous Equipment	20,517	73,031	-	73,031	(609)	72,422
55		**Subtotal General**	249,949	672,648	-	672,648	(10,839)	661,809
		TOTAL WATER PLANT	4,448,427	61,124,837	(108,381)	61,016,457	(2,417,782)	58,598,675

Arizona-American Agua Fria Water
B-3 Adjustments

Exhibit B-4
Page A3
Witness: Bourassa

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1								
2		**Intangible**						
3	301.00	Organization	-	-	-	1.0000	-	-
4	302.00	Franchises	-	-	-	1.0000	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	1.0000	-	-
6		**Subtotal Intangible**	-	-	-		-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	-	-	1.0000	-	-
10	311.00	Structures and Improvements	47,791	-	47,791	1.0757	47,013	(778)
11	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	315,867	-	315,867	1.0778	306,159	(9,708)
14		**Subtotal Source of Supply**	363,659	-	363,659		353,173	(10,486)
15								
16		**Pumping**				-	-	-
17	320.00	Land and Land Rights	-	-	-	1.1073	-	-
18	321.00	Structures and Improvements	48,322	(17,945)	30,377	1.0910	35,625	5,248
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	1,853,095	(19,044)	1,834,052	1.0935	1,801,911	(32,140)
21	326.00	Diesel Pumping Equipment	28,468	-	28,468	1.7720	33,343	4,874
22	328.10	Gas Engine Pumping Equipment	383	-	383	1.4254	417	34
23		**Subtotal Pumping**	1,930,269	(36,989)	1,893,280		1,871,296	(21,985)
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	-	-	-	1.2661	-	-
28	332.00	Water Treatment Equipment	49,627	(4,795)	44,833	1.1061	44,919	86
29		**Subtotal Water Treatment**	49,627	(4,795)	44,833		44,919	86
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	1.0000	-	-
33	341.00	Structures and Improvements	-	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	(3,486)	(48,781)	(52,266)	1.0702	(40,254)	12,013
35	343.00	Transmission and Distribution	1,863,400	(12,358)	1,851,043	1.1045	1,733,287	(117,756)
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	303,396	-	303,396	1.1057	285,645	(17,751)
38	346.00	Meters	141,423	-	141,423	1.0744	136,141	(5,283)
39	348.00	Hydrants	246,488	-	246,488	1.1968	255,773	9,285
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	2,551,222	(61,138)	2,490,084		2,370,593	(119,491)
42								
43		**General**						**(Common Plant, B-2, Page 7)**
44	389.00	Land and Land Rights	-	-	-	-	-	-
45	390.00	Structures and Improvements	9,153	-	9,153	1.1146	8,894	(259)
46	391.00	Office Funiture and Equipment	13,258	-	13,258	1.1136	12,983	(274)
47	391.10	Computer Equipment	5,648	-	5,648	1.0578	5,600	(48)
48	392.00	Transportation Equipment	216,633	-	216,633	1.0687	213,615	(3,018)
49	393.00	Stores Equipment	-	-	-	-	-	-
50	394.00	Tools, Shop and Garage	869	-	869	1.1437	850	(19)
51	395.00	Laboratory Equipment	-	-	-	-	-	-
52	396.00	Power Operated Equipment	-	-	-	-	-	-
53	397.00	Communication Equipment	5,390	-	5,390	1.3948	5,393	3
54	398.00	Miscellaneous Equipment	25,582	-	25,582	1.2365	25,368	(213)
55		**Subtotal General**	276,532	-	276,532		272,704	(3,829)
		TOTAL WATER PLANT	5,171,310	(102,922)	5,068,388		4,912,684	(155,704)

Trended RCN
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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W30100	ORGANIZATION	1975	870	180.2	52.6	3.4259	2,980	870
W30100	ORGANIZATION	1976	359	180.2	55.8	3.2294	1,159	359
W30100	Class Totals		1,229				4,139	1,229
W30200	FRANCH/CONSENTS	1975	29,169	180.2	52.6	3.4259	99,930	29,169
W30200	FRANCH/CONSENTS	1993	1,675	180.2	145.5	1.2385	2,074	1,675
W30200	FRANCH/CONSENTS	1995	47,790	180.2	152.2	1.1840	56,583	47,790
W30200	FRANCH/CONSENTS	1996	252	180.2	156.6	1.1507	290	252
W30200	Class Totals		78,886				158,879	78,886
W30300	MISC INTANG PLNT	1997	49,169	180.2	160.6	1.1220	55,168	49,169
W30300	MISC INTANG PLNT	1998	991	180.2	163.6	1.1015	1,091	991
W30300	MISC INTANG PLNT	1999	47,684	180.2	167.8	1.0739	51,208	47,684
W30300	MISC INTANG PLNT	2001	17,418	180.2	180.2	1.0000	17,418	17,418
W30300	Class Totals		115,263				124,887	115,263
W31000	LAND/LAND RIGHTS	1982	27,046	180.2	97.4	1.8501	50,037	27,046
W31000	LAND/LAND RIGHTS	1989	39,943	180.2	123.3	1.4615	58,377	39,943
W31000	LAND/LAND RIGHTS	1995	83,494	180.2	152.2	1.1840	98,857	83,494
W31000	LAND/LAND RIGHTS	1996	395	180.2	156.6	1.1507	455	395
W31000	LAND/LAND RIGHTS	1998	66,802	180.2	163.6	1.1015	73,583	66,802

	W31000	Class Totals	217,682				281,311	217,682
W31100	STRUCT AND IMPROV	1981	55	350.0	220.0	1.5909	87	87
W31100	STRUCT AND IMPROV	1982	3,133	350.0	226.0	1.5487	4,852	4,852
W31100	STRUCT AND IMPROV	1987	3,264	350.0	249.0	1.4056	4,588	4,588
W31100	STRUCT AND IMPROV	1989	1,114	350.0	250.0	1.4000	1,559	1,559
W31100	STRUCT AND IMPROV	1991	7,060	350.0	260.0	1.3462	9,504	9,504
W31100	STRUCT AND IMPROV	1992	1,094	350.0	259.0	1.3514	1,479	1,479
W31100	STRUCT AND IMPROV	1994	2,225	350.0	286.0	1.2238	2,723	2,723
W31100	STRUCT AND IMPROV	1996	135,251	350.0	303.0	1.1551	156,229	156,229
W31100	STRUCT AND IMPROV	1996	5,082	350.0	308.0	1.1364	5,776	5,776
W31100	STRUCT AND IMPROV	1997	102,881	350.0	314.0	1.1146	114,671	114,671
W31100	STRUCT AND IMPROV	1998	211,209	350.0	318.0	1.1006	232,457	232,457
W31100	STRUCT AND IMPROV	2000	358,595	350.0	329.0	1.0638	381,473	381,473
W31100	STRUCT AND IMPROV	2000	61,091	350.0	338.0	1.0355	63,260	63,260
W31100	STRUCT AND IMPROV	2001	252,107	350.0	350.0	1.0000	252,107	252,107
	W31100	Class Totals	1,144,167				1,230,771	1,230,771
W31400	WELLS AND SPRINGS	1982	51,549	321.0	216.0	1.4861	76,606	76,606
W31400	WELLS AND SPRINGS	1987	153,010	321.0	240.0	1.3375	204,651	204,651
W31400	WELLS AND SPRINGS	1989	134,931	321.0	246.0	1.3049	176,072	176,072
W31400	WELLS AND SPRINGS	1992	43,299	321.0	239.0	1.3431	58,154	58,154
W31400	WELLS AND SPRINGS	1992	1	321.0	246.0	1.3049	1	1
W31400	WELLS AND SPRINGS	1994	5,806	321.0	272.0	1.1801	6,852	6,852
W31400	WELLS AND SPRINGS	1995	471	321.0	274.0	1.1715	551	551
W31400	WELLS AND SPRINGS	1996	513,495	321.0	281.0	1.1423	586,565	586,565
W31400	WELLS AND SPRINGS	1996	85	321.0	288.0	1.1146	94	94

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31400	WELLS AND SPRINGS	1997	2,687	321.0	291.0	1.1031	2,964	2,964
W31400	WELLS AND SPRINGS	1997	327,456	321.0	296.0	1.0845	355,126	355,126
W31400	WELLS AND SPRINGS	1998	899	321.0	298.0	1.0772	968	968
W31400	WELLS AND SPRINGS	1998	491,964	321.0	301.0	1.0664	524,630	524,630
W31400	WELLS AND SPRINGS	1999	516	321.0	305.0	1.0525	544	544
W31400	WELLS AND SPRINGS	2001	1,712,040	321.0	321.0	1.0000	1,712,040	1,712,040
	W31400	Class Totals	3,438,215				3,705,828	3,705,828
W32000	LAND/LAND RIGHTS	1989	10,102	180.2	123.3	1.4615	14,764	10,102
W32000	LAND/LAND RIGHTS	1997	27,909	180.2	160.6	1.1220	31,314	27,909
W32000	LAND/LAND RIGHTS	2001	9,668	180.2	180.2	1.0000	9,668	9,668
	W32000	Class Totals	47,680				55,747	47,680
W32100	STRUCT AND IMPROV	1972	885	350.0	93.0	3.7634	3,330	3,330
W32100	STRUCT AND IMPROV	1973	614	350.0	100.0	3.5000	2,149	2,149
W32100	STRUCT AND IMPROV	1984	1,078	350.0	238.0	1.4706	1,585	1,585
W32100	STRUCT AND IMPROV	1985	38,097	350.0	241.0	1.4523	55,328	55,328
W32100	STRUCT AND IMPROV	1987	548	350.0	249.0	1.4056	770	770
W32100	STRUCT AND IMPROV	1989	4,650	350.0	250.0	1.4000	6,510	6,510
W32100	STRUCT AND IMPROV	1994	2,813	350.0	286.0	1.2238	3,442	3,442
W32100	STRUCT AND IMPROV	1995	232	350.0	296.0	1.1824	274	274
W32100	STRUCT AND IMPROV	1997	423,106	350.0	314.0	1.1146	471,594	471,594
W32100	STRUCT AND IMPROV	1999	2,545	350.0	324.0	1.0802	2,750	2,750
W32100	STRUCT AND IMPROV	2000	439,920	350.0	329.0	1.0638	467,986	467,986

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32100	STRUCT AND IMPROV	2001	332,244	350.0	350.0	1.0000	332,244	332,244
	W32100	Class Totals	1,246,735				1,347,967	1,347,967
W32500	ELEC PUMP EQUIP	1972	5,012	531.0	96.0	5.5313	27,722	27,722
W32500	ELEC PUMP EQUIP	1973	8,790	531.0	100.0	5.3100	46,674	46,674
W32500	ELEC PUMP EQUIP	1976	1,444	531.0	174.0	3.0517	4,406	4,406
W32500	ELEC PUMP EQUIP	1978	4,491	531.0	192.0	2.7656	12,420	12,420
W32500	ELEC PUMP EQUIP	1979	210	531.0	205.0	2.5902	543	543
W32500	ELEC PUMP EQUIP	1982	48,835	531.0	260.0	2.0423	99,735	99,735
W32500	ELEC PUMP EQUIP	1983	18,841	531.0	271.0	1.9594	36,917	36,917
W32500	ELEC PUMP EQUIP	1984	207,998	531.0	277.0	1.9170	398,732	398,732
W32500	ELEC PUMP EQUIP	1985	156,926	531.0	282.0	1.8830	295,491	295,491
W32500	ELEC PUMP EQUIP	1986	927	531.0	284.0	1.8697	1,733	1,733
W32500	ELEC PUMP EQUIP	1987	59,969	531.0	299.0	1.7759	106,499	106,499
W32500	ELEC PUMP EQUIP	1988	2,639	531.0	303.0	1.7525	4,625	4,625
W32500	ELEC PUMP EQUIP	1989	228,882	531.0	336.0	1.5804	361,725	361,725
W32500	ELEC PUMP EQUIP	1990	51,752	531.0	349.0	1.5215	78,740	78,740
W32500	ELEC PUMP EQUIP	1991	53,803	531.0	357.0	1.4874	80,026	80,026
W32500	ELEC PUMP EQUIP	1991	23,025	531.0	350.0	1.5171	34,931	34,931
W32500	ELEC PUMP EQUIP	1992	46,835	531.0	363.0	1.4628	68,511	68,511
W32500	ELEC PUMP EQUIP	1993	7,966	531.0	369.0	1.4390	11,463	11,463
W32500	ELEC PUMP EQUIP	1993	2,211	531.0	378.0	1.4048	3,106	3,106
W32500	ELEC PUMP EQUIP	1994	3,027	531.0	420.0	1.2643	3,827	3,827
W32500	ELEC PUMP EQUIP	1994	63,563	531.0	426.0	1.2465	79,231	79,231
W32500	ELEC PUMP EQUIP	1995	6,146	531.0	438.0	1.2123	7,451	7,451

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32500	ELEC PUMP EQUIP	1995	12,639	531.0	437.0	1.2151	15,357	15,357
W32500	ELEC PUMP EQUIP	1996	348,417	531.0	454.0	1.1696	407,509	407,509
W32500	ELEC PUMP EQUIP	1996	56,575	531.0	446.0	1.1906	67,358	67,358
W32500	ELEC PUMP EQUIP	1997	3,438	531.0	454.0	1.1696	4,022	4,022
W32500	ELEC PUMP EQUIP	1997	2,567,625	531.0	476.0	1.1155	2,864,186	2,864,186
W32500	ELEC PUMP EQUIP	1998	18,518	531.0	485.0	1.0948	20,274	20,274
W32500	ELEC PUMP EQUIP	1998	912,900	531.0	486.0	1.0926	997,434	997,434
W32500	ELEC PUMP EQUIP	1999	531	531.0	499.0	1.0641	565	565
W32500	ELEC PUMP EQUIP	1999	339,769	531.0	499.0	1.0641	361,549	361,549
W32500	ELEC PUMP EQUIP	2000	6,503,916	531.0	523.0	1.0153	6,603,425	6,603,425
W32500	ELEC PUMP EQUIP	2000	76,237	531.0	532.0	0.9981	76,092	76,092
W32500	ELEC PUMP EQUIP	2001	2,652,020	531.0	531.0	1.0000	2,652,020	2,652,020
	W32500	Class Totals	14,495,885				15,834,315	15,834,315
W32600	DIESEL PUMP EQUIP	1981	10,745	531.0	245.0	2.1673	23,287	23,287
W32600	DIESEL PUMP EQUIP	1989	11,225	531.0	336.0	1.5804	17,740	17,740
W32600	DIESEL PUMP EQUIP	1990	598	531.0	349.0	1.5215	911	911
W32600	DIESEL PUMP EQUIP	1996	3,230	531.0	454.0	1.1696	3,778	3,778
	W32600	Class Totals	25,799				45,717	45,717
W32800	OTHER PUMP EQUIP	1993	642	531.0	369.0	1.4390	924	924
W32800	OTHER PUMP EQUIP	1994	54	531.0	420.0	1.2643	68	68

	W32800	Class Totals	696				993	993
W33100	WATER TREAT EQUIP STRUCT &	1989	13,529	350.0	250.0	1.4000	18,941	18,941
W33100	WATER TREAT EQUIP STRUCT &	1990	6,332	350.0	259.0	1.3514	8,557	8,557
W33100	WATER TREAT EQUIP STRUCT &	1990	159	350.0	262.0	1.3359	212	212
W33100	WATER TREAT EQUIP STRUCT &	1993	4,009	350.0	274.0	1.2774	5,121	5,121
W33100	WATER TREAT EQUIP STRUCT &	1997	15,885	350.0	314.0	1.1146	17,706	17,706
	W33100	Class Totals	39,916				50,539	50,539
W33200	WATER TREAT EQUIP	1989	14,915	403.0	309.0	1.3042	19,452	19,452
W33200	WATER TREAT EQUIP	1990	6,582	403.0	311.0	1.2958	8,529	8,529
W33200	WATER TREAT EQUIP	1990	238	403.0	314.0	1.2834	306	306
W33200	WATER TREAT EQUIP	1993	3,411	403.0	327.0	1.2324	4,204	4,204
W33200	WATER TREAT EQUIP	1994	1,642	403.0	334.0	1.2066	1,981	1,981
W33200	WATER TREAT EQUIP	1995	49	403.0	337.0	1.1958	59	59
W33200	WATER TREAT EQUIP	1995	361	403.0	335.0	1.2030	434	434
W33200	WATER TREAT EQUIP	1996	11,235	403.0	342.0	1.1784	13,240	13,240
W33200	WATER TREAT EQUIP	1997	137,170	403.0	360.0	1.1194	153,548	153,548
W33200	WATER TREAT EQUIP	1998	59,544	403.0	370.0	1.0892	64,855	64,855
W33200	WATER TREAT EQUIP	2000	94,911	403.0	384.0	1.0495	99,609	99,609
W33200	WATER TREAT EQUIP	2000	2,806	403.0	390.0	1.0333	2,900	2,900
W33200	WATER TREAT EQUIP	2001	44,626	403.0	403.0	1.0000	44,626	44,626
	W33200	Class Totals	377,497				413,749	413,749
W34000	LAND/LAND RIGHTS	1982	225	180.2	97.4	1.8501	416	225

	W34000	Class Totals	225				416	225
W34200	DIST RESRV & STNDPIP	1972	5,044	275.0	85.0	3.2353	16,318	16,318
W34200	DIST RESRV & STNDPIP	1987	228	275.0	196.0	1.4031	319	319
W34200	DIST RESRV & STNDPIP	1988	4,694	275.0	215.0	1.2791	6,004	6,004
W34200	DIST RESRV & STNDPIP	1989	237,364	275.0	209.0	1.3158	312,323	312,323
W34200	DIST RESRV & STNDPIP	1990	647	275.0	232.0	1.1853	766	766
W34200	DIST RESRV & STNDPIP	1991	14	275.0	232.0	1.1853	16	16
W34200	DIST RESRV & STNDPIP	1994	1,959	275.0	246.0	1.1179	2,190	2,190
W34200	DIST RESRV & STNDPIP	1997	476,840	275.0	251.0	1.0956	522,426	522,426
W34200	DIST RESRV & STNDPIP	1998	16,208	275.0	268.0	1.0261	16,631	16,631
W34200	DIST RESRV & STNDPIP	2000	486,188	275.0	268.0	1.0261	498,878	498,878
W34200	DIST RESRV & STNDPIP	2000	937,539	275.0	270.0	1.0185	954,884	954,884
W34200	DIST RESRV & STNDPIP	2001	694,842	275.0	275.0	1.0000	694,842	694,842
	W34200	Class Totals	2,861,570				3,025,603	3,025,603
W34300	TRANS/DISTR	1964	3,766	324.0	78.0	4.1538	15,643	15,643
W34300	TRANS/DISTR	1972	26,574	324.0	98.0	3.3061	87,859	87,859
W34300	TRANS/DISTR	1973	87,149	324.0	100.0	3.2400	282,362	282,362
W34300	TRANS/DISTR	1977	9,957	324.0	166.0	1.9518	19,434	19,434
W34300	TRANS/DISTR	1979	9,587	324.0	193.0	1.6788	16,094	16,094
W34300	TRANS/DISTR	1980	181,191	324.0	209.0	1.5502	280,882	280,882
W34300	TRANS/DISTR	1981	145,085	324.0	224.0	1.4464	209,850	209,850
W34300	TRANS/DISTR	1982	459,535	324.0	239.0	1.3556	622,945	622,945
W34300	TRANS/DISTR	1983	1,604	324.0	246.0	1.3171	2,112	2,112
W34300	TRANS/DISTR	1984	64,244	324.0	244.0	1.3279	85,309	85,309
W34300	TRANS/DISTR	1985	4,283	324.0	248.0	1.3065	5,595	5,595

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W34300	TRANS/DISTR	1986	14,857	324.0	245.0	1.3224	19,646	19,646
W34300	TRANS/DISTR	1987	21,845	324.0	252.0	1.2857	28,086	28,086
W34300	TRANS/DISTR	1988	39,273	324.0	255.0	1.2706	49,900	49,900
W34300	TRANS/DISTR	1989	68,443	324.0	269.0	1.2045	82,440	82,440
W34300	TRANS/DISTR	1989	1,596,504	324.0	273.0	1.1868	1,894,732	1,894,732
W34300	TRANS/DISTR	1990	23,119	324.0	273.0	1.1868	27,437	27,437
W34300	TRANS/DISTR	1990	286,306	324.0	275.0	1.1782	337,325	337,325
W34300	TRANS/DISTR	1991	29,351	324.0	277.0	1.1697	34,331	34,331
W34300	TRANS/DISTR	1991	88,900	324.0	279.0	1.1613	103,240	103,240
W34300	TRANS/DISTR	1992	8,344	324.0	274.0	1.1825	9,866	9,866
W34300	TRANS/DISTR	1992	44,164	324.0	277.0	1.1697	51,658	51,658
W34300	TRANS/DISTR	1993	12,938	324.0	281.0	1.1530	14,918	14,918
W34300	TRANS/DISTR	1993	238,701	324.0	285.0	1.1368	271,356	271,356
W34300	TRANS/DISTR	1994	104,454	324.0	291.0	1.1134	116,300	116,300
W34300	TRANS/DISTR	1994	387,336	324.0	289.0	1.1211	434,242	434,242
W34300	TRANS/DISTR	1995	111,265	324.0	291.0	1.1134	123,882	123,882
W34300	TRANS/DISTR	1995	2,761	324.0	286.0	1.1329	3,129	3,129
W34300	TRANS/DISTR	1996	463,066	324.0	289.0	1.1211	519,143	519,143
W34300	TRANS/DISTR	1996	172,751	324.0	292.0	1.1096	191,685	191,685
W34300	TRANS/DISTR	1997	34,332	324.0	297.0	1.0909	37,453	37,453
W34300	TRANS/DISTR	1997	6,717,684	324.0	299.0	1.0836	7,279,283	7,279,283
W34300	TRANS/DISTR	1998	1,083,529	324.0	301.0	1.0764	1,166,311	1,166,311
W34300	TRANS/DISTR	1998	1,187,063	324.0	300.0	1.0800	1,282,028	1,282,028
W34300	TRANS/DISTR	1999	683,931	324.0	313.0	1.0351	707,937	707,937
W34300	TRANS/DISTR	1999	2,609,785	324.0	306.0	1.0588	2,763,241	2,763,241
W34300	TRANS/DISTR	2000	1,965,118	324.0	316.0	1.0253	2,014,836	2,014,836
W34300	TRANS/DISTR	2001	1,809,410	324.0	320.0	1.0125	1,832,028	1,832,028

Company Code: 4006 Business Area: 4508 Agua Fria

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34300	TRANS/DISTR	2001	591,811	324.0	324.0	1.0000	591,811	591,811
	W34300	Class Totals	21,390,029				23,616,346	23,616,346
W34500	SERVICES	1972	3,373	288.0	92.0	3.1304	10,558	10,558
W34500	SERVICES	1973	1,718	288.0	100.0	2.8800	4,947	4,947
W34500	SERVICES	1976	881	288.0	129.0	2.2326	1,966	1,966
W34500	SERVICES	1977	135	288.0	142.0	2.0282	273	273
W34500	SERVICES	1978	776	288.0	150.0	1.9200	1,489	1,489
W34500	SERVICES	1980	8,208	288.0	181.0	1.5912	13,060	13,060
W34500	SERVICES	1981	1,006	288.0	192.0	1.5000	1,509	1,509
W34500	SERVICES	1982	2,592	288.0	198.0	1.4545	3,770	3,770
W34500	SERVICES	1983	30,506	288.0	207.0	1.3913	42,443	42,443
W34500	SERVICES	1984	19,355	288.0	211.0	1.3649	26,417	26,417
W34500	SERVICES	1985	23,897	288.0	211.0	1.3649	32,617	32,617
W34500	SERVICES	1986	25,067	288.0	222.0	1.2973	32,519	32,519
W34500	SERVICES	1987	29,347	288.0	227.0	1.2687	37,233	37,233
W34500	SERVICES	1988	15,177	288.0	228.0	1.2632	19,171	19,171
W34500	SERVICES	1988	16,907	288.0	230.0	1.2522	21,171	21,171
W34500	SERVICES	1989	743	288.0	221.0	1.3032	968	968
W34500	SERVICES	1989	78,055	288.0	224.0	1.2857	100,356	100,356
W34500	SERVICES	1990	16,673	288.0	226.0	1.2743	21,246	21,246
W34500	SERVICES	1990	4,325	288.0	228.0	1.2632	5,463	5,463
W34500	SERVICES	1991	15,408	288.0	235.0	1.2255	18,882	18,882
W34500	SERVICES	1991	27,598	288.0	236.0	1.2203	33,678	33,678
W34500	SERVICES	1992	29,014	288.0	241.0	1.1950	34,671	34,671

Company Code: 4006 Business Area: 4508 Agua Fria

			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34500	SERVICES		1992	19,843	288.0	251.0	1.1474	22,767	22,767
W34500	SERVICES		1993	24,111	288.0	251.0	1.1474	27,665	27,665
W34500	SERVICES		1993	48,914	288.0	249.0	1.1566	56,574	56,574
W34500	SERVICES		1994	62,455	288.0	265.0	1.0868	67,876	67,876
W34500	SERVICES		1994	32,784	288.0	250.0	1.1520	37,767	37,767
W34500	SERVICES		1995	11,693	288.0	253.0	1.1383	13,310	13,310
W34500	SERVICES		1995	78,791	288.0	255.0	1.1294	88,986	88,986
W34500	SERVICES		1996	64,207	288.0	263.0	1.0951	70,313	70,313
W34500	SERVICES		1996	104,005	288.0	262.0	1.0992	114,323	114,323
W34500	SERVICES		1997	5,902	288.0	263.0	1.0951	6,464	6,464
W34500	SERVICES		1997	654,526	288.0	266.0	1.0827	708,656	708,656
W34500	SERVICES		1998	156,934	288.0	268.0	1.0746	168,641	168,641
W34500	SERVICES		1998	199,149	288.0	261.0	1.1034	219,741	219,741
W34500	SERVICES		1999	239,264	288.0	271.0	1.0627	254,266	254,266
W34500	SERVICES		1999	166,103	288.0	274.0	1.0511	174,591	174,591
W34500	SERVICES		2000	198,605	288.0	278.0	1.0360	205,754	205,754
W34500	SERVICES		2001	79,243	288.0	285.0	1.0105	80,075	80,075
W34500	SERVICES		2001	196,865	288.0	288.0	1.0000	196,865	196,865
		W34500	Class Totals	2,694,166				2,979,062	2,979,062
W34600	METERS		1973	68	350.0	100.0	3.5000	238	238
W34600	METERS		1974	181	350.0	118.0	2.9661	536	536
W34600	METERS		1975	45	350.0	129.0	2.7132	122	122
W34600	METERS		1976	192	350.0	137.0	2.5547	490	490
W34600	METERS		1981	628	350.0	202.0	1.7327	1,088	1,088

Trended RCN
Handy-Whitman

Company Code: 4006 Business Area: 4508 Agua Fria

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34600	METERS	1982	679	350.0	219.0	1.5982	1,085	1,085
W34600	METERS	1983	1,509	350.0	235.0	1.4894	2,247	2,247
W34600	METERS	1984	860	350.0	241.0	1.4523	1,248	1,248
W34600	METERS	1985	2,706	350.0	239.0	1.4644	3,962	3,962
W34600	METERS	1986	1,746	350.0	248.0	1.4113	2,464	2,464
W34600	METERS	1987	2,700	350.0	253.0	1.3834	3,736	3,736
W34600	METERS	1988	288	350.0	256.0	1.3672	394	394
W34600	METERS	1989	1,471	350.0	257.0	1.3619	2,003	2,003
W34600	METERS	1989	9,568	350.0	261.0	1.3410	12,830	12,830
W34600	METERS	1990	698	350.0	262.0	1.3359	932	932
W34600	METERS	1990	446	350.0	264.0	1.3258	592	592
W34600	METERS	1992	1,729	350.0	278.0	1.2590	2,176	2,176
W34600	METERS	1992	14,407	350.0	283.0	1.2367	17,818	17,818
W34600	METERS	1993	439	350.0	292.0	1.1986	526	526
W34600	METERS	1993	32,936	350.0	295.0	1.1864	39,075	39,075
W34600	METERS	1994	21,734	350.0	297.0	1.1785	25,613	25,613
W34600	METERS	1995	2,848	350.0	303.0	1.1551	3,290	3,290
W34600	METERS	1995	20,500	350.0	303.0	1.1551	23,680	23,680
W34600	METERS	1996	29,625	350.0	316.0	1.1076	32,813	32,813
W34600	METERS	1996	22,020	350.0	318.0	1.1006	24,235	24,235
W34600	METERS	1997	3,012	350.0	318.0	1.1006	3,315	3,315
W34600	METERS	1997	448,980	350.0	322.0	1.0870	488,041	488,041
W34600	METERS	1998	69,638	350.0	325.0	1.0769	74,993	74,993
W34600	METERS	1998	256,999	350.0	322.0	1.0870	279,358	279,358
W34600	METERS	1999	124,137	350.0	329.0	1.0638	132,057	132,057
W34600	METERS	1999	261,355	350.0	332.0	1.0542	275,521	275,521
W34600	METERS	2000	222,031	350.0	339.0	1.0324	229,225	229,225

Trended RCN
Handy-Whitman

Company Code: 4006 Business Area: 4508 Agua Fria

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34600	METERS	2001	37,680	350.0	348.0	1.0057	37,895	37,895
W34600	METERS	2001	150,440	350.0	350.0	1.0000	150,440	150,440
W34600	Class Totals		1,744,304				1,874,052	1,874,052
W34800	HYDRANTS	1972	1,412	527.0	95.0	5.5474	7,832	7,832
W34800	HYDRANTS	1973	1,819	527.0	100.0	5.2700	9,586	9,586
W34800	HYDRANTS	1980	19,172	527.0	220.0	2.3955	45,928	45,928
W34800	HYDRANTS	1981	32,053	527.0	235.0	2.2426	71,882	71,882
W34800	HYDRANTS	1982	38,002	527.0	260.0	2.0269	77,026	77,026
W34800	HYDRANTS	1984	14,309	527.0	280.0	1.8821	26,930	26,930
W34800	HYDRANTS	1989	9,400	527.0	328.0	1.6067	15,103	15,103
W34800	HYDRANTS	1989	136,943	527.0	338.0	1.5592	213,521	213,521
W34800	HYDRANTS	1990	675	527.0	349.0	1.5100	1,020	1,020
W34800	HYDRANTS	1991	18,520	527.0	359.0	1.4680	27,188	27,188
W34800	HYDRANTS	1992	12,064	527.0	361.0	1.4598	17,611	17,611
W34800	HYDRANTS	1993	41,457	527.0	368.0	1.4321	59,371	59,371
W34800	HYDRANTS	1994	50,920	527.0	365.0	1.4438	73,519	73,519
W34800	HYDRANTS	1995	8,519	527.0	373.0	1.4129	12,036	12,036
W34800	HYDRANTS	1995	7,998	527.0	373.0	1.4129	11,300	11,300
W34800	HYDRANTS	1996	44,581	527.0	377.0	1.3979	62,320	62,320
W34800	HYDRANTS	1996	1,448	527.0	379.0	1.3905	2,013	2,013
W34800	HYDRANTS	1997	5,536	527.0	442.0	1.1923	6,601	6,601
W34800	HYDRANTS	1997	790,746	527.0	453.0	1.1634	919,954	919,954
W34800	HYDRANTS	1998	179,253	527.0	467.0	1.1285	202,287	202,287
W34800	HYDRANTS	1998	217,072	527.0	466.0	1.1309	245,487	245,487

Company Code: 4006 Business Area: 4508 Agua Fria

			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34800	HYDRANTS		1999	277,510	527.0	482.0	1.0934	303,430	303,430
W34800	HYDRANTS		1999	265,460	527.0	484.0	1.0888	289,033	289,033
W34800	HYDRANTS		2000	306,498	527.0	498.0	1.0582	324,337	324,337
W34800	HYDRANTS		2001	302,351	527.0	515.0	1.0233	309,396	309,396
W34800	HYDRANTS		2001	16,225	527.0	527.0	1.0000	16,225	16,225
		W34800	Class Totals	2,799,955				3,350,950	3,350,950
W39000	MISC STRUCTURES		1997	98,200	350.0	314.0	1.1146	109,454	109,454
		W39000	Class Totals	98,200				109,454	109,454
W39100	OFFICE FURN/EQUIP		1997	79,015	180.2	160.6	1.1220	88,655	88,655
W39100	OFFICE FURN/EQUIP		1998	1,021	180.2	163.6	1.1015	1,125	1,125
W39100	OFFICE FURN/EQUIP		2001	5,746	180.2	180.2	1.0000	5,746	5,746
		W39100	Class Totals	85,783				95,527	95,527
W39110	COMPUTER EQUIPMENT		1997	23,162	180.2	160.6	1.1220	25,987	25,987
W39110	COMPUTER EQUIPMENT		1998	1,606	180.2	163.6	1.1015	1,769	1,769
W39110	COMPUTER EQUIPMENT		2000	14,371	180.2	173.1	1.0410	14,960	14,960
W39110	COMPUTER EQUIPMENT		2001	22,744	180.2	180.2	1.0000	22,744	22,744
		W39110	Class Totals	61,884				65,462	65,462

Company Code: 4006 Business Area: 4508 Agua Fria

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39200	TRANSPORT EQUIP	1996	18,685	180.2	156.6	1.1507	21,501	21,501
W39200	TRANSPORT EQUIP	1997	74,102	180.2	160.6	1.1220	83,142	83,142
W39200	TRANSPORT EQUIP	1999	81,206	180.2	167.8	1.0739	87,207	87,207
W39200	TRANSPORT EQUIP	2000	49,353	180.2	173.1	1.0410	51,377	51,377
W39200	TRANSPORT EQUIP	2001	66,206	180.2	180.2	1.0000	66,206	66,206
	W39200	Class Totals	289,554				309,435	309,435
W39400	TOOLS AND WORK EQUIP	1985	120	180.2	108.0	1.6685	200	200
W39400	TOOLS AND WORK EQUIP	1995	1,055	180.2	152.2	1.1840	1,249	1,249
W39400	TOOLS AND WORK EQUIP	1998	2,501	180.2	163.6	1.1015	2,755	2,755
	W39400	Class Totals	3,676				4,205	4,205
W39700	COMM EQUIP	1987	42	180.2	113.2	1.5919	66	66
W39700	COMM EQUIP	1990	3,759	180.2	129.4	1.3926	5,235	5,235
	W39700	Class Totals	3,801				5,301	5,301
W39800	MISC EQUIP	1981	2,026	180.2	91.9	1.9608	3,972	3,972
W39800	MISC EQUIP	1987	5,759	180.2	113.2	1.5919	9,168	9,168
W39800	MISC EQUIP	1993	13,049	180.2	145.5	1.2385	16,161	16,161
W39800	MISC EQUIP	1996	35,716	180.2	156.6	1.1507	41,099	41,099
W39800	MISC EQUIP	2001	2,020	180.2	180.2	1.0000	2,020	2,020

	W39800	Class Totals		58,571	72,422	72,422
Company Code:	4006	Business Area:	4508	53,321,381	58,763,088	58,598,675

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Book Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	**Revenues**						
2	*Metered Water Revenues*	$ 5,846,076			$ 5,846,076	119,289	$ 5,965,365
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	339,961			339,961		339,961
5		$ 6,186,037		$ -	$ 6,186,037	$ 119,289	$ 6,305,326
6	**Operating Expenses**						
7	Salaries and Wages	$ 632,324	1/6	(88,621)	$ 543,704		$ 543,704
8	Purchased Water	382,700			382,700		382,700
9	Purchased Power	601,814			601,814		601,814
10	Chemicals	10,523			10,523		10,523
11	Repairs and Maintenance	198,956			198,956		198,956
12	Office Supplies and Expense	164,777	7	(30,625)	134,152		134,152
13	Outside Services	35,465			35,465		35,465
14	Service Company Charges	713,274	10	(23,839)	689,434		689,434
15	Water Testing	8,614			8,614		8,614
16	*Rents*	25,841			25,841		25,841
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	33,390	8	(1,418)	31,972		31,972
19	Insurance - Health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	43,906			43,906		43,906
21	Miscellaneous Expense	188,009	9	71	188,081		188,081
22	Depreciation Expense	1,187,079	3	(29,504)	1,157,575		1,157,575
23	Taxes Other Than Income	40,435	2	(6,398)	34,037		34,037
24	Property Taxes	315,444	4	(4,687)	310,758		310,758
25	Income Tax	387,708		96,133	483,841		529,885
26					-		-
27	**Total Operating Expenses**	$ 4,970,260		$ (88,888)	$ 4,881,371	$ -	$ 4,927,416
28	**Profit (Loss) Before Interest & Taxes**	$ 1,215,777		$ 88,888	$ 1,304,666	$ 119,289	$ 1,377,911
29	**Other Income (Expense)**						
30	*Interest Income*	-			-		-
31	Other income	-			-		-
32	Interest Expense	(599,031)	5	64,035	(534,996)		(534,996)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (599,031)		$ 64,035	$ (534,996)	$ -	$ (534,996)
36	**Net Profit (Loss)**	$ 616,746		$ 152,923	$ 769,669	$ 119,289	$ 842,914
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-2					Rebuttal A-1	
40							
41							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Agua Fria Water
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ (75,952)
	6	Adjust to Actual 2002 Additional (Corporate)	(12,669)
Purchased Water	11	Adjust to annualized 2001 qty ordered	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(30,625)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(23,839)
Water Testing		None	
Rents		None	-
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(1,418)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	71
Depreciation Expense	3	Depreciation Expense	(29,504)
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	(6,398)
Property Taxes	4	Property Taxes	(4,687)
Income Tax			96,133
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (88,888)
Operating Income			$ 88,888

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.		Amount
1	Projected Salaries & Wages and Related Expenses	
2		
3	Actual 2002 Wages and Salaries	
4	0 Salaries & Wages	$ 430,190
5		
6	Direct Filing Proposed Wages and Salaries	
7	0 Salaries & Wages	506,142
8		
9	Increase (Decrease)	$ (75,952)
10		
11	Adjustment to Revenues and/or Expenses	$ (75,952)
12		
13		
14		
15		

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.			
1	Projected Salaries & Wages and Related Expenses		
2			
3	PR Taxes Based on Actual 2002 Wages and Salaries		**Amount**
4	# Taxes Other Than Income		34,037
5			
6	Direct Filing Proposed PR Taxes		
7	# Taxes Other Than Income		40,435
8			
9	Increase (Decrease)	$	(6,398)
10			
11	Adjustment to Revenues and/or Expenses	$	(6,398)
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.		Account No.	Description	Rebuttak Original Cost	Rate	Depreciation Expense
1	Depreciation Expense					
2						
3		Account		Rebuttak		Depreciation
4		No.	Description	Original Cost	Rate	Expense
5			**Intangible**			
6		301.00	Organization	$ 1,229	0.00%	$ -
7		302.00	Franchises	78,887	0.00%	-
8		303.00	Miscellaneous Intangibles	115,264	0.00%	-
9			**Subtotal Intangible**	$ 195,380		$ -
10						
11			**Source of Supply**			
12		310.00	Land and Land Rights	$ 217,682	0.00%	$ -
13		311.00	Structures and Improvements	1,200,703	2.50%	30,018
14		312.00	Collecting and Impounding Res.	-	0.00%	-
15		313.00	Lakes, Rivers, Other Intakes	-	0.00%	-
16		314.00	Wells and Springs	4,052,408	2.52%	102,121
17			**Subtotal Source of Supply**	$ 5,470,794		$ 132,138
18						
19			**Pumping**			
20		320.00	Land and Land Rights	$ 43,062	0.00%	$ -
21		321.00	Structures and Improvements	1,235,539	1.67%	20,634
22		323.00	Other Power Production	-	0.00%	-
23		325.00	Electric Pumping Equipment	14,614,341	4.42%	645,954
24		326.00	Diesel Pumping Equipment	25,799	4.42%	1,140
25		328.10	Gas Engine Pumping Equipment	697	4.42%	31
26			**Subtotal Pumping**	$ 15,919,438		$ 667,759
27						
28			**Water Treatment**			
29		330.00	Land and Land Rights	$ -	0.00%	$ -
30		331.00	Structures and Improvements	39,917	1.67%	667
31		332.00	Water Treatment Equipment	384,316	4.00%	15,373
32			**Subtotal Water Treatment**	$ 424,232		$ 16,039
33						
34			**Transmission and Distribution**			
35		340.00	Land and Land Rights	$ 225	0.00%	$ -
36		341.00	Structures and Improvements	-	0.00%	-
37		342.00	Distribution, Reservoirs, & ST	3,090,646	1.67%	51,614
38		343.00	Transmission and Distribution	21,459,474	1.53%	328,330
39		344.00	Fire Mains	-	0.00%	-
40		345.00	Services	2,694,167	2.48%	66,815
41		346.00	Meters	1,744,305	2.51%	43,782
42		348.00	Hydrants	2,805,185	2.00%	56,104
43		349.00	Other Transmission & Distribution	-	0.00%	-
44			**Subtotal Transmission and Distribution**	$ 31,794,002		$ 546,645
45						
46			**General**			
47		389.00	Land and Land Rights	$ 681	0.00%	$ -
48		390.00	Structures and Improvements	467,707	1.68%	7,861
49		391.00	Office Funiture and Equipment	230,305	4.55%	10,468
50		391.10	Computer Equipment	187,706	4.55%	8,532
51		392.00	Transportation Equipment	251,004	25.00%	62,751
52		393.00	Stores Equipment	4,012	3.92%	157
53		394.00	Tools, Shop and Garage	57,402	4.14%	2,374
54		395.00	Laboratory Equipment	18,183	3.71%	675
55		396.00	Power Operated Equipment	16,710	5.14%	860
56		397.00	Communication Equipment	122,529	10.28%	12,593
57		398.00	Miscellaneous Equipment	36,583	4.98%	1,822
58			**Subtotal General**	$ 1,392,822		$ 108,091
59						
60			**Double Booked Advance**	(4,128,730)	2.88%	(118,901)
61						
62						
63			TOTALS	$ 51,067,939	2.880%	$ 1,351,772
64						
65	Amortization of Deferred Regulatory Assets			$ 109,279	2.88%	3,147
66						
67	Less: Amotization of Contributions			$ 1,973,438	10.0000%	(197,344)
68	Rebuttal Depreciation Expense					$ 1,157,575
69						
70	Direct Filing Depreciation Expense					1,187,079
71						
72	Increase (decrease) in Depreciation Expense					(29,504)
73						
74	Adjustment to Revenues and/or Expenses					$ (29,504)
75						

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Adjust Property Taxes to Reflect Proposed Revenues:		
2			
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$	6,186,037
4	Rebuttal Adjusted Revenues in year ended 12/31/01		6,186,037
5	Proposed Revenues		6,305,326
6	Average of three year's of revenue	$	6,225,800
7	Average of three year's of revenue, times 2		12,451,600
8	Add:		
9	Construction Work in Progess at 10%		
10	Deduct:		
11	Book Value of Transportation Equipment		251,004
12	Book Value of Transportation Equipment (proforma)		-
13	Total Book Value of Transportation Equipment	$	251,004
14			
15	Full Cash Value	$	12,200,596
16	Assessment Ratio		25%
17	Assessed Value		3,050,149
18	Property Tax Rate		10.188273%
19			
20	Property Tax		310,758
21	Tax on Parcels		0
22			
23	Total Rebuttal Property Tax at Proposed Rates	$	310,758
24	Direct Filing Proposed Property Taxes		315,444
25	Increase (Decrease) in Property Taxes	$	(4,687)
26			
27			
28	Adjustment to Revenues and/or Expenses	$	(4,687)
29			
30			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$18,346,919
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	534,996
6	Direct Filing Interest Expense	599,031
7	Increase in Interest Expense	$ (64,035)
8		
9	Adjustment to Revenues and/or Expense	$ (64,035)
10		
11		

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Wages Expense (Corporate)	$	113,513
5			
6	Direct Filing Proposed Additonal Wages Expense (Corporat		126,182
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(12,669)
10			
11	Adjustment to Revenue and/or Expense	$	(12,669)
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	129,971
5			
6	Direct Filing Proposed Additonal Office Expense (Corporate)		160,596
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(30,625)
10			
11	Adjustment to Revenue and/or Expense	$	(30,625)
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	31,445
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corpor		32,863
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(1,418)
10			
11	Adjustment to Revenue and/or Expense	$	(1,418)
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	5,069
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporate)		4,997
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	71
10			
11	Adjustment to Revenue and/or Expense	$	71
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.1384	
5	Total Charges		$ 689,434
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.1384	
10	Total Charges		713,274
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (23,839)
14			
15			
16			
17			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							

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Arizona American - Anthem Water
Test Year Ending December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 9,627,995
2		
3	Adjusted Operating Income	711,849
4		
5	Current Rate of Return	7.39%
6		
7	Required Operating Income	$ 723,640
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 11,791
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 19,203
17		

18	Customer		Present	Proposed	Dollar	Percent
19	Classification		Rates	Rates	Increase	Increase
20	5/8 Inch	Residential	$ 3,606	$ 3,645	$ 39	1.07%
21	3/4 Inch	Residential	620,738	627,283	6,545	1.05%
22	1 Inch	Residential	650,122	656,761	6,639	1.02%
23	1.5 Inch	Residential	2,834	2,862	28	0.98%
24	2 Inch	Residential	65,116	65,851	735	1.13%
25	3 Inch	Residential	-	-	-	0.00%
26	4 Inch	Residential	-	-	-	0.00%
27	3/4 Inch	Commercial	2,064	2,085	21	1.01%
28	1 Inch	Commercial	50,820	51,402	582	1.14%
29	1.5 Inch	Commercial	19,528	19,752	224	1.15%
30	2 Inch	Commercial	100,690	101,817	1,127	1.12%
31	3 Inch	Commercial	63,160	63,888	728	1.15%
32	2 Inch	Wholesale	-	-	-	0.00%
33	3 Inch	Wholesale	11,915	11,915	-	0.00%
34	6 Inch	Wholesale	56	56	-	0.00%
35	10 Inch	Wholesale	18,457	18,457	-	0.00%
36	4 Inch	Fire Protection	3,330	3,369	39	1.18%
37	6 Inch	Fire Protection	19,845	20,079	234	1.18%
38	Miscellaneous Revenues		1,950,387	1,950,387	-	0.00%
39	Citizens Water Resouces (Treatco)		226,872	226,872	-	0.00%
40	Subtotal Water Revenues		$ 3,809,540	$ 3,826,480	$ 16,940	0.44%
41						

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Schedule A-1
Page 2
Witness: Bourassa

Line No.						
1	**Revenue Annualization**					
2	Citizens Water Resouces (Treatco)		$ (18,289)	$ (18,289)	$ -	0.00%
3	3/4 Inch	Residential	67,152	67,853	701	1.04%
4	1 Inch	Residential	98,822	99,823	1,001	1.01%
5	2 Inch	Residential	(3,894)	(3,937)	(43)	1.12%
6	3/4 Inch	Commercial	1,642	1,659	17	1.02%
7	1 Inch	Commercial	2,646	2,672	27	1.01%
8	1.5 Inch	Commercial	12,807	12,953	146	1.14%
9	2 Inch	Commercial	13,560	13,712	152	1.12%
10	3 Inch	Commercial	(24,131)	(24,409)	(278)	1.15%
11	3 Inch	Wholesale	45,275	45,275	-	0.00%
12	6 Inch	Wholesale	5	5	-	0.00%
13	10 Inch	Wholesale	1,678	1,678	-	0.00%
14	6 Inch	Fire Protection	(405)	(410)	(5)	1.18%
15	Total Revenues Annualziations		196,868	198,586	1,718	0.87%
16	Total Water Revenues with		0	0	0	0
17	Revenue Annualizaiton		$ 4,006,408	$ 4,025,066	$ 18,658	0.47%
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	SUPPORTING SCHEDULES:					
36	Rebuttal B-1					
37	Rebuttal C-1					
38	Rebuttal D-1					
39	Rebuttal H-1					
40						
41						
42						

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Summary of Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 41,526,829	$ 43,175,131	$ 43,175,131
3	Less: Accumulated Depreciation	2,086,614	2,177,290	2,177,290
4				
5	Net Utility Plant in Service	$ 39,440,216	$ 40,997,842	$ 40,997,842
6				
7	Less:			
8	Advances in Aid of			
9	Construction	29,093,642	30,248,440	30,248,440
10	Contributions in Aid of			
11	Construction - Net of amortization	1,075,425	1,118,111	1,118,111
12	Customer Meter Deposits	3,296	3,296	3,296
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	10,960,967	-	-
21				
22	Total Rate Base	$ 20,228,820	$ 9,627,995	$ 9,627,995
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rebuttal B-2			Rebuttal A-1
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 41,428,652	(1)	98,178	$ 41,526,829
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	2,087,920	(2)	(1,306)	2,086,614
8					
9	Net Utility Plant				
10	in Service	$ 39,340,732			$ 39,440,216
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	29,093,642			29,093,642
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,075,425			1,075,425
18	Purposes Only)				
19	Customer Meter Deposits	3,296			3,296
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	11,045,860	(3)	(84,893)	10,960,967
28					
29	Total	$ 20,214,229			$ 20,228,820
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					

Arizona American - Anthem Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ -	$ -	$ -	$ -	$ -	$ -
3	302.00	Franchises	3,827,476	-	3,827,476	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 3,827,476	$ -	$ 3,827,476	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 5,000	$ -	$ 5,000	$ -	$ -	$ -
9	311.00	Structures and Improvements	93,281	118,894	212,175	7,086	-	7,086
10	312.00	Collecting and Impounding Res.	370,979	-	370,979	16,351	-	16,351
11	313.00	Lakes, Rivers, Other Intakes	394,971	-	394,971	26,323	-	26,323
12	314.00	Wells and Springs	461,497	-	461,497	22,685	-	22,685
13		**Subtotal Source of Supply**	$ 1,325,728	$ 118,894	$ 1,444,622	$ 72,445	$ -	$ 72,445
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 20,000	$ -	$ 20,000	$ -	$ -	$ -
17	321.00	Structures and Improvements	2,067,878	(10,000)	2,057,878	89,942	-	89,942
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	9,609,435	(998)	9,608,437	1,005,929	-	1,005,929
20	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
21	328.10	Gas Engine Pumping Equipment	1,476	-	1,476	97	-	97
22		**Subtotal Pumping**	$ 11,698,789	$ (10,998)	$ 11,687,791	$ 1,095,968	$ -	$ 1,095,968
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	634,556	-	634,556	10,414	-	10,414
27	332.00	Water Treatment Equipment	4,375,605	2,944	4,378,548	253,912	-	253,912
28		**Subtotal Water Treatment**	$ 5,010,160	$ 2,944	$ 5,013,104	$ 264,326	$ -	$ 264,326
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
32	341.00	Structures and Improvements	18,469	-	18,469	305	-	305
33	342.00	Distribution, Reservoirs, & ST	1,866,969	15,364	1,882,332	82,474	-	82,474
34	343.00	Transmission and Distribution	15,456,070	-	15,456,070	453,932	-	453,932
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	773,445	-	773,445	23,942	-	23,942
37	346.00	Meters	411,258	-	411,258	11,468	-	11,468
38	348.00	Hydrants	618,693	-	618,693	15,871	-	15,871
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Dis.**	$ 19,144,904	$ 15,364	$ 19,160,267	$ 587,992	$ -	$ 587,992
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 171	$ -	$ 171	$ -	$ -	$ -
44	390.00	Structures and Improvements	117,574	-	117,574	11,840	-	11,840
45	391.00	Office Funiture and Equipment	60,023	(2,147)	57,876	13,552	-	13,552
46	391.10	Computer Equipment	81,094	(21,342)	59,753	(15,260)	-	(15,260)
47	392.00	Transportation Equipment	91,298	(1,028)	90,271	36,938	(1,293)	35,645
48	393.00	Stores Equipment	1,008	-	1,008	273	-	273
49	394.00	Tools, Shop and Garage	19,430	(5,000)	14,430	671	-	671
50	395.00	Laboratory Equipment	7,071	(450)	6,621	1,257	-	1,257
51	396.00	Power Operated Equipment	6,724	(2,523)	4,201	1,539	-	1,539
52	397.00	Communication Equipment	27,473	4,995	32,468	11,676	(13)	11,663
53	398.00	Miscellaneous Equipment	9,728	(531)	9,196	4,703	-	4,703
54		**Subtotal General**	$ 421,595	$ (28,026)	$ 393,569	$ 67,188	$ (1,306)	$ 65,882
55								
56								
57				-			-	
58				-			-	
59		TOTAL WATER PLANT	$ 41,428,652	$ 98,178	$ 41,526,830	$ 2,087,920	$ (1,306)	$ 2,086,614
60								
61								
62		SUPPORTING SCHEDULES:						
63		Rebuttal B-2, page 2a, 2b, 3a, 3b						
64								
65								

Arizona American - Anthem Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Blank Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					-
3	302.00	Franchises	3,827,476					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 3,827,476	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 5,000					-
9	311.00	Structures and Improvements	93,281					118,894
10	312.00	Collecting and Impounding Res.	370,979					-
11	313.00	Lakes, Rivers, Other Intakes	394,971					-
12	314.00	Wells and Springs	461,497					-
13		**Subtotal Source of Supply**	$ 1,325,728	$ -	$ -	$ -	$ -	$ 118,894
14								
15		**Pumping**						-
16	320.00	Land and Land Rights	$ 20,000					-
17	321.00	Structures and Improvements	2,067,878					(10,000)
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	9,609,435					(998)
20	326.00	Diesel Pumping Equipment	-					-
21	328.10	Gas Engine Pumping Equipment	1,476					-
22		**Subtotal Pumping**	$ 11,698,789	$ -	$ -	$ -	$ -	$ (10,998)
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	634,556					-
27	332.00	Water Treatment Equipment	4,375,605					2,944
28		**Subtotal Water Treatment**	$ 5,010,160	$ -	$ -	$ -	$ -	$ 2,944
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					-
32	341.00	Structures and Improvements	18,469					-
33	342.00	Distribution, Reservoirs, & ST	1,866,969					15,364
34	343.00	Transmission and Distribution	15,456,070					-
35	344.00	Fire Mains	-					-
36	345.00	Services	773,445					-
37	346.00	Meters	411,258					-
38	348.00	Hydrants	618,693					-
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributio**	$ 19,144,904	$ -	$ -	$ -	$ -	$ 15,364
41								
42		***Allocated Common Plant***						
43	389.00	Land and Land Rights	$ 171					-
44	390.00	Structures and Improvements	117,574					-
45	391.00	Office Funiture and Equipment	60,023					(2,147)
46	391.10	Computer Equipment	81,094					-
47	392.00	Transportation Equipment	91,298					(1,028)
48	393.00	Stores Equipment	1,008					-
49	394.00	Tools, Shop and Garage	19,430					(5,000)
50	395.00	Laboratory Equipment	7,071					(450)
51	396.00	Power Operated Equipment	6,724					(2,500)
52	397.00	Communication Equipment	27,473					4,995
53	398.00	Miscellaneous Equipment	9,728					-
54		**Subtotal General**	$ 421,595	$ -	$ -	$ -	$ -	$ (6,129)
55								
56								
57								
58								
59		TOTAL WATER PLANT	$ 41,428,652	$ -	$ -	$ -	$ -	$ 120,074
60								
61			ADJ #			Reference		
62			1	Plant Not Used and Useful		ACC Staff		
63			2	Unidentified Plant		ACC Staff		
64			3	Mis-posted Plant		ACC Staff		
65			4	Plant Removed by Prev. Decision		ACC Staff		
66			5	Post Test Year Plant		ACC Staff		
67								
68								

Arizona American - Anthem Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	3,827,476
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,827,476
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ 5,000
9	311.00	Structures and Improvements						118,894	212,175
10	312.00	Collecting and Impounding Res.						-	370,979
11	313.00	Lakes, Rivers, Other Intakes						-	394,971
12	314.00	Wells and Springs						-	461,497
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ 118,894	$ 1,444,622
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ 20,000
17	321.00	Structures and Improvements						(10,000)	2,057,878
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						(998)	9,608,437
20	326.00	Diesel Pumping Equipment						-	-
21	328.10	Gas Engine Pumping Equipment						-	1,476
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ (10,998)	$ 11,687,791
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights						-	$ -
26	331.00	Structures and Improvements						-	634,556
27	332.00	Water Treatment Equipment						2,944	4,378,548
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ 2,944	$ 5,013,104
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	18,469
33	342.00	Distribution, Reservoirs, & ST						15,364	1,882,332
34	343.00	Transmission and Distribution						-	15,456,070
35	344.00	Fire Mains						-	-
36	345.00	Services						-	773,445
37	346.00	Meters						-	411,258
38	348.00	Hydrants						-	618,693
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ 15,364	$ 19,160,267
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ 171
44	390.00	Structures and Improvements			-			-	117,574
45	391.00	Office Funiture and Equipment			-			(2,147)	57,876
46	391.10	Computer Equipment			(21,342)			(21,342)	59,753
47	392.00	Transportation Equipment			-			(1,028)	90,271
48	393.00	Stores Equipment			-			-	1,008
49	394.00	Tools, Shop and Garage			-			(5,000)	14,430
50	395.00	Laboratory Equipment			-			(450)	6,621
51	396.00	Power Operated Equipment			(23)			(2,523)	4,201
52	397.00	Communication Equipment			-			4,995	32,468
53	398.00	Miscellaneous Equipment			(531)			(531)	9,196
54		**Subtotal General**	$ -	$ -	$ (21,896)	$ -	$ -	$ (28,026)	$ 393,569
55									
56									
57								-	-
58								-	-
59		*TOTAL WATER PLANT*	$ -	$ -	$ (21,896)	$ -	$ -	$ 98,178	$ 41,526,830
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									
68									

Arizona American - Anthem Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Blank Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -					
9	311.00	Structures and Improvements	7,086					
10	312.00	Collecting and Impounding Res.	16,351					
11	313.00	Lakes, Rivers, Other Intakes	26,323					
12	314.00	Wells and Springs	22,685					
13		**Subtotal Source of Supply**	$ 72,445	$ -	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					
17	321.00	Structures and Improvements	89,942					
18	323.00	Other Power Production	-					
19	325.00	Electric Pumping Equipment	1,005,929					
20	326.00	Diesel Pumping Equipment	-					
21	328.10	Gas Engine Pumping Equipment	97					
22		**Subtotal Pumping**	$ 1,095,968	$ -	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	10,414					
27	332.00	Water Treatment Equipment	253,912					
28		**Subtotal Water Treatment**	$ 264,326	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	305					
33	342.00	Distribution, Reservoirs, & ST	82,474					
34	343.00	Transmission and Distribution	453,932					
35	344.00	Fire Mains	-					
36	345.00	Services	23,942					
37	346.00	Meters	11,468					
38	348.00	Hydrants	15,871					
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributio**	$ 587,992	$ -	$ -	$ -	$ -	$ -
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	11,840					
45	391.00	Office Funiture and Equipment	13,552					
46	391.10	Computer Equipment	(15,260)					
47	392.00	Transportation Equipment	35,645					
48	393.00	Stores Equipment	273					
49	394.00	Tools, Shop and Garage	671					
50	395.00	Laboratory Equipment	1,257					
51	396.00	Power Operated Equipment	1,539					
52	397.00	Communication Equipment	11,663					
53	398.00	Miscellaneous Equipment	4,703					
54		**Subtotal General**	$ 65,882	$ -	$ -	$ -	$ -	$ -
55								
56								
57			-					
58			-					
59		TOTAL WATER PLANT	$ 2,086,614	$ -	$ -	$ -	$ -	$ -
60								
61								
62								
63								
64								
65								
66								
67								
68								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Schedule B-2, Page 6
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Decision	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American - Anthem Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						-	7,086
10	312.00	Collecting and Impounding Res.						-	16,351
11	313.00	Lakes, Rivers, Other Intakes						-	26,323
12	314.00	Wells and Springs						-	22,685
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ -	$ 72,445
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ -
17	321.00	Structures and Improvements						-	89,942
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						-	1,005,929
20	326.00	Diesel Pumping Equipment						-	-
21	328.10	Gas Engine Pumping Equipment						-	97
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,095,968
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights						$ -	$ -
26	331.00	Structures and Improvements						-	10,414
27	332.00	Water Treatment Equipment						-	253,912
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ -	$ 264,326
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	305
33	342.00	Distribution, Reservoirs, & ST						-	82,474
34	343.00	Transmission and Distribution						-	453,932
35	344.00	Fire Mains						-	-
36	345.00	Services						-	23,942
37	346.00	Meters						-	11,468
38	348.00	Hydrants						-	15,871
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ -	$ 587,992
41									-
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights						$ -	$ -
44	390.00	Structures and Improvements			-			-	11,840
45	391.00	Office Funiture and Equipment			-			-	13,552
46	391.10	Computer Equipment			-			-	(15,260)
47	392.00	Transportation Equipment			(1,293)			(1,293)	34,352
48	393.00	Stores Equipment			-			-	273
49	394.00	Tools, Shop and Garage			-			-	671
50	395.00	Laboratory Equipment			-			-	1,257
51	396.00	Power Operated Equipment			-			-	1,539
52	397.00	Communication Equipment			(13)			(13)	11,650
53	398.00	Miscellaneous Equipment			-			-	4,703
54		**Subtotal General**	$ -	$ -	$ (1,306)	$ -	$ -	$ (1,306)	$ 64,576
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (1,306)	$ -	$ -	$ (1,306)	$ 2,085,308
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									
68									

Arizona American - Anthem Water
Common Plant Allocation
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost	Rebuttal Allocated Original Cost	Rebuttal Allocated Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.03511	$ 171	$ 171	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.03511	117,574	117,574	-	10,916	10,916	-
5	391.00	Office Funiture and Equipment	0.03511	35,023	35,023	-	12,656	12,656	-
6	391.10	Computer Equipment	0.03511	50,142	28,801	(21,342)	(15,260)	(16,553)	(1,293)
7	392.00	Transportation Equipment	0.03511	63,098	63,098	-	36,445	36,445	-
8	393.00	Stores Equipment	0.03511	1,008	1,008	-	273	273	-
9	394.00	Tools, Shop and Garage	0.03511	14,430	14,430	-	640	640	-
10	395.00	Laboratory Equipment	0.03511	4,571	4,571	-	806	806	-
11	396.00	Power Operated Equipment	0.03511	4,224	4,201	(23)	1,503	1,490	(13)
12	397.00	Communication Equipment	0.03511	20,273	20,273	-	11,676	11,676	-
13	398.00	Miscellaneous Equipment	0.03511	9,728	9,196	(531)	4,509	3,978	(531)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 320,243	$ 298,347	$ (21,896)	$ 64,164	$ 62,327	$ (1,837)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-2, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00		0 $ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	Communication Equipment	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345						
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051		(607,932)				
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325						
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101		(669)				
13		**Subtotal General**	$ 9,122,373	$ (458)	(458)	$ (608,601)	$ (14,679)	$ -	$ -
14							$ (14,679)		
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	Computer Equipment	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Anthem Water
Test Year Ending December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Proforma Adjustments Label	Proforma Adjustments Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 44,418,748	(1)	(1,243,617)	$ 43,175,131
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	2,231,837	(2)	(54,547)	2,177,290
8					
9	Net Utility Plant				
10	in Service	$ 42,186,911			$ 40,997,842
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	31,193,464	(3)	(945,024)	30,248,440
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,153,043	(4)	(34,932)	1,118,111
18	Purposes Only)				
19	Customer Meter Deposits	3,296			3,296
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27					
28					
29	Total	$ 9,837,108			$ 9,627,995
30					
31					
32	(1) See B-3, Page 2				
33	(2) See B-3, Page 3				
34	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36					
37					
38					
39					
40					
41					
42					

Arizona American - Anthem Water
RCND Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ -	$ -	$ -	$ -	$ -	$ -
3	302.00	Franchises	4,019,354	(191,878)	3,827,476	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 4,019,354	$ (191,878)	$ 3,827,476	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 5,519	$ (519)	$ 5,000	$ -	$ -	$ -
9	311.00	Structures and Improvements	103,569	116,555	220,124	7,766	(155)	7,612
10	312.00	Collecting and Impounding Res.	409,486	(28,825)	380,661	17,727	(1,030)	16,697
11	313.00	Lakes, Rivers, Other Intakes	435,970	(30,689)	405,280	28,543	(1,662)	26,881
12	314.00	Wells and Springs	509,321	(25,248)	484,073	25,036	(1,241)	23,795
13		**Subtotal Source of Supply**	$ 1,463,865	$ 31,273	$ 1,495,138	$ 79,072	$ (4,087)	$ 74,984
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 20,000	$ -	$ 20,000	$ -	$ -	$ -
17	321.00	Structures and Improvements	2,278,216	(57,823)	2,220,394	97,380	(1,691)	95,689
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	10,415,980	(309,608)	10,106,372	1,072,586	(25,505)	1,047,081
20	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
21	328.10	Gas Engine Pumping Equipment	1,502	(26)	1,476	98	(1)	97
22		**Subtotal Pumping**	$ 12,715,698	$ (367,456)	$ 12,348,241	$ 1,170,064	$ (27,197)	$ 1,142,867
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	643,522	(2,038)	641,483	10,486	(16)	10,470
27	332.00	Water Treatment Equipment	4,552,835	(66,207)	4,486,628	260,665	(2,635)	258,030
28		**Subtotal Water Treatment**	$ 5,196,356	$ (68,245)	$ 5,128,111	$ 271,151	$ (2,651)	$ 268,500
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
32	341.00	Structures and Improvements	20,386	(436)	19,951	321	(4)	317
33	342.00	Distribution, Reservoirs, & ST	2,051,522	(122,785)	1,928,737	89,494	(5,255)	84,239
34	343.00	Transmission and Distribution	16,558,831	(468,957)	16,089,874	480,612	(11,643)	468,969
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	811,938	(14,039)	797,899	25,130	(435)	24,695
37	346.00	Meters	429,324	(7,735)	421,590	11,998	(242)	11,756
38	348.00	Hydrants	650,577	3,571	654,148	16,689	92	16,780
39	349.00	*Other Transmission & Distribution*	-	-	-	-	-	-
40		**Subtotal Transmission and Dis.**	$ 20,522,578	$ (610,379)	$ 19,912,199	$ 624,243	$ (17,487)	$ 606,756
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 443	$ (272)	$ 171	$ -	$ -	$ -
44	390.00	Structures and Improvements	159,573	(4,167)	155,407	18,689	(582)	18,107
45	391.00	Office Funiture and Equipment	70,179	(2,105)	68,073	18,524	332	18,857
46	391.10	Computer Equipment	86,724	(24,099)	62,625	(16,975)	(1,246)	(18,222)
47	392.00	Transportation Equipment	98,017	(2,007)	96,010	41,060	(588)	40,472
48	393.00	Stores Equipment	1,315	14	1,329	384	13	397
49	394.00	Tools, Shop and Garage	23,388	(5,031)	18,358	526	14	541
50	395.00	Laboratory Equipment	7,791	(504)	7,287	1,411	(4)	1,407
51	396.00	Power Operated Equipment	7,919	(2,443)	5,476	2,004	15	2,019
52	397.00	Communication Equipment	31,699	4,624	36,323	14,587	(103)	14,484
53	398.00	Miscellaneous Equipment	13,848	(943)	12,905	7,096	(975)	6,121
54		**Subtotal General**	$ 500,897	$ (36,932)	$ 463,965	$ 87,307	$ (3,124)	$ 84,183
55								
56								
57								
58								
59		TOTAL WATER PLANT	$ 44,418,748	$ (1,243,617)	$ 43,175,131	$ 2,231,837	$ (54,547)	$ 2,177,290
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-3, page 2a, 2b, 3a, 3b						
63								

Arizona American - Anthem Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Blank Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					-
3	302.00	Franchises	4,019,354					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 4,019,354	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 5,519					-
9	311.00	Structures and Improvements	103,569					118,894
10	312.00	Collecting and Impounding Res.	409,486					-
11	313.00	*Lakes, Rivers, Other Intakes*	435,970					-
12	314.00	Wells and Springs	509,321					-
13		**Subtotal Source of Supply**	$ 1,463,865	$ -	$ -	$ -	$ -	$ 118,894
14								
15		**Pumping**						-
16	320.00	Land and Land Rights	$ 20,000					-
17	321.00	Structures and Improvements	2,278,216					(10,000)
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	10,415,980					(998)
20	326.00	Diesel Pumping Equipment	-					-
21	328.10	Gas Engine Pumping Equipment	1,502					-
22		**Subtotal Pumping**	$ 12,715,698	$ -	$ -	$ -	$ -	$ (10,998)
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	643,522					-
27	332.00	Water Treatment Equipment	4,552,835					2,944
28		**Subtotal Water Treatment**	$ 5,196,356	$ -	$ -	$ -	$ -	$ 2,944
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					-
32	341.00	Structures and Improvements	20,386					-
33	342.00	Distribution, Reservoirs, & ST	2,051,522					15,364
34	343.00	Transmission and Distribution	16,558,831					-
35	344.00	Fire Mains	-					-
36	345.00	Services	811,938					-
37	346.00	Meters	429,324					-
38	348.00	Hydrants	650,577					-
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributio**	$ 20,522,578	$ -	$ -	$ -	$ -	$ 15,364
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 443					-
44	390.00	Structures and Improvements	159,573					-
45	391.00	Office Funiture and Equipment	70,179					(2,147)
46	391.10	Computer Equipment	86,724					-
47	392.00	Transportation Equipment	98,017					(1,028)
48	393.00	Stores Equipment	1,315					-
49	394.00	Tools, Shop and Garage	23,388					(5,000)
50	395.00	Laboratory Equipment	7,791					(450)
51	396.00	Power Operated Equipment	7,919					(2,500)
52	397.00	Communication Equipment	31,699					4,995
53	398.00	Miscellaneous Equipment	13,848					-
54		**Subtotal General**	$ 500,897	$ -	$ -	$ -	$ -	$ (6,129)
55								
56								
57								
58								
59		TOTAL WATER PLANT	$ 44,418,748	$ -	$ -	$ -	$ -	$ 120,074
60								

ADJ #		Reference
1	Plant Not Used and Useful	Blank
2	Unidentified Plant	Blank
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decision	Blank
5	Post Test Year Plant	ACC Staff

Arizona American - Anthem Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				-		$ -	$ -
3	302.00	Franchises				(191,878)		(191,878)	3,827,476
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (191,878)	$ -	$ (191,878)	$ 3,827,476
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				(519)		$ (519)	$ 5,000
9	311.00	Structures and Improvements				(2,339)		116,555	220,124
10	312.00	Collecting and Impounding Res.				(28,825)		(28,825)	380,661
11	313.00	Lakes, Rivers, Other Intakes				(30,689)		(30,689)	405,280
12	314.00	Wells and Springs				(25,248)		(25,248)	484,073
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (87,621)	$ -	$ 31,273	$ 1,495,138
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ 20,000
17	321.00	Structures and Improvements				(47,823)		(57,823)	2,220,394
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				(308,610)		(309,608)	10,106,372
20	326.00	Diesel Pumping Equipment				-		-	-
21	328.10	Gas Engine Pumping Equipment				(26)		(26)	1,476
22		**Subtotal Pumping**	$ -	$ -	$ -	$ (356,459)	$ -	$ (367,456)	$ 12,348,241
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights				-		-	$ -
26	331.00	Structures and Improvements				(2,038)		(2,038)	641,483
27	332.00	Water Treatment Equipment				(69,150)		(66,207)	4,486,628
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (71,189)	$ -	$ (68,245)	$ 5,128,111
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				(436)		(436)	19,951
33	342.00	Distribution, Reservoirs, & ST				(138,148)		(122,785)	1,928,737
34	343.00	Transmission and Distribution				(468,957)		(468,957)	16,089,874
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(14,039)		(14,039)	797,899
37	346.00	Meters				(7,735)		(7,735)	421,590
38	348.00	Hydrants				3,571		3,571	654,148
39	349.00	Other Transmission & Distribution				-		-	-
40		***Subtotal Transmission and Distributio***	$ -	$ -	$ -	$ (625,743)	$ -	$ (610,379)	$ 19,912,199
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			(272)			$ (272)	$ 171
44	390.00	Structures and Improvements			(4,167)			(4,167)	155,407
45	391.00	Office Funiture and Equipment			42			(2,105)	68,073
46	391.10	Computer Equipment			(24,099)			(24,099)	62,625
47	392.00	Transportation Equipment			(979)			(2,007)	96,010
48	393.00	Stores Equipment			14			14	1,329
49	394.00	Tools, Shop and Garage			(31)			(5,031)	18,358
50	395.00	Laboratory Equipment			(55)			(504)	7,287
51	396.00	Power Operated Equipment			57			(2,443)	5,476
52	397.00	Communication Equipment			(371)			4,624	36,323
53	398.00	Miscellaneous Equipment			(943)			(943)	12,905
54		**Subtotal General**	$ -	$ -	$ (30,802)	$ -	$ -	$ (36,932)	$ 463,965
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (30,802)	$ (1,332,889)	$ -	$ (1,243,617)	$ 43,175,131
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustm		Blank			
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Anthem Water
Plant Summary
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Exhibit
Rebuttal Schedule B-3
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Blank Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -					
9	311.00	Structures and Improvements	7,766					
10	312.00	Collecting and Impounding Res.	17,727					
11	313.00	Lakes, Rivers, Other Intakes	28,543					
12	314.00	Wells and Springs	25,036					
13		**Subtotal Source of Supply**	$ 79,072	$ -	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					
17	321.00	Structures and Improvements	97,380					
18	323.00	Other Power Production	-					
19	325.00	Electric Pumping Equipment	1,072,586					
20	326.00	Diesel Pumping Equipment	-					
21	328.10	Gas Engine Pumping Equipment	98					
22		**Subtotal Pumping**	$ 1,170,064	$ -	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	10,486					
27	332.00	Water Treatment Equipment	260,665					
28		**Subtotal Water Treatment**	$ 271,151	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	321					
33	342.00	Distribution, Reservoirs, & ST	89,494					
34	343.00	Transmission and Distribution	480,612					
35	344.00	Fire Mains	-					
36	345.00	Services	25,130					
37	346.00	Meters	11,998					
38	348.00	Hydrants	16,689					
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributio**	$ 624,243	$ -	$ -	$ -	$ -	$ -
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	18,689					
45	391.00	Office Funiture and Equipment	18,524					
46	391.10	Computer Equipment	(16,975)					
47	392.00	Transportation Equipment	41,060					
48	393.00	Stores Equipment	384					
49	394.00	Tools, Shop and Garage	526					
50	395.00	Laboratory Equipment	1,411					
51	396.00	Power Operated Equipment	2,004					
52	397.00	Communication Equipment	14,587					
53	398.00	Miscellaneous Equipment	7,096					
54		**Subtotal General**	$ 87,307	$ -	$ -	$ -	$ -	$ -
55								
56								
57			-					
58			-					
59		TOTAL WATER PLANT	$ 2,231,837	$ -	$ -	$ -	$ -	$ -
60								

ADJ #		Reference
1	Plant Not Used and Useful	Blank
2	Unidentified Plant	Blank
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decision	Blank
5	Post Test Year Plant	ACC Staff

Arizona American - Anthem Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				-		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				-		$ -	$ -
9	311.00	Structures and Improvements				(155)		(155)	7,612
10	312.00	Collecting and Impounding Res.				(1,030)		(1,030)	16,697
11	313.00	Lakes, Rivers, Other Intakes				(1,662)		(1,662)	26,881
12	314.00	Wells and Springs				(1,241)		(1,241)	23,795
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (4,087)	$ -	$ (4,087)	$ 74,984
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ -
17	321.00	Structures and Improvements				(1,691)		(1,691)	95,689
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				(25,505)		(25,505)	1,047,081
20	326.00	Diesel Pumping Equipment				-		-	-
21	328.10	Gas Engine Pumping Equipment				(1)		(1)	97
22		**Subtotal Pumping**	$ -	$ -	$ -	$ (27,197)	$ -	$ (27,197)	$ 1,142,867
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights				-		$ -	$ -
26	331.00	Structures and Improvements				(16)		(16)	10,470
27	332.00	*Water Treatment Equipment*				(2,635)		(2,635)	258,030
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (2,651)	$ -	$ (2,651)	$ 268,500
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				(4)		(4)	317
33	342.00	Distribution, Reservoirs, & ST				(5,255)		(5,255)	84,239
34	343.00	Transmission and Distribution				(11,643)		(11,643)	468,969
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(435)		(435)	24,695
37	346.00	Meters				(242)		(242)	11,756
38	348.00	Hydrants				92		92	16,780
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ (17,487)	$ -	$ (17,487)	$ 606,756
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			(582)			(582)	18,107
45	391.00	Office Funiture and Equipment			332			332	18,857
46	391.10	Computer Equipment			(1,246)			(1,246)	(18,222)
47	392.00	Transportation Equipment			(588)			(588)	40,472
48	393.00	Stores Equipment			13			13	397
49	394.00	Tools, Shop and Garage			14			14	541
50	395.00	Laboratory Equipment			(4)			(4)	1,407
51	396.00	Power Operated Equipment			15			15	2,019
52	397.00	Communication Equipment			(103)			(103)	14,484
53	398.00	Miscellaneous Equipment			(975)			(975)	6,121
54		**Subtotal General**	$ -	$ -	$ (3,124)	$ -	$ -	$ (3,124)	$ 84,183
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (3,124)	$ (51,423)	$ -	$ (54,547)	$ 2,177,290
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustm		Blank			
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Anthem Water
RCND Common Plant Allocation
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.03511	$ 443	$ 171	$ (272)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.03511	159,573	155,407	(4,167)	17,765	17,183	(582)
5	391.00	Office Funiture and Equipment	0.03511	45,179	45,221	42	17,628	17,960	332
6	391.10	Computer Equipment	0.03511	55,773	31,674	(24,099)	(16,975)	(18,222)	(1,246)
7	392.00	Transportation Equipment	0.03511	69,817	68,838	(979)	40,567	39,979	(588)
8	393.00	Stores Equipment	0.03511	1,315	1,329	14	384	397	13
9	394.00	Tools, Shop and Garage	0.03511	18,388	18,358	(31)	495	510	14
10	395.00	Laboratory Equipment	0.03511	5,291	5,236	(55)	960	956	(4)
11	396.00	Power Operated Equipment	0.03511	5,419	5,476	57	1,968	1,983	15
12	397.00	Communication Equipment	0.03511	24,499	24,128	(371)	14,587	14,484	(103)
13	398.00	Miscellaneous Equipment	0.03511	13,848	12,905	(943)	6,903	5,927	(975)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 399,546	$ 368,743	$ (30,802)	$ 84,283	$ 81,159	$ (3,124)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description		Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1									
2	389.00		0	$ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements		4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment		1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment		1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment		1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment		37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage		523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment		150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment		154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment		697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment		394,470	(26,855)	367,615	196,632	(27,786)	168,847
13									
14									
15		TOTALCOMMON PLANT		$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16									
17				SUPPORTING SCHEDULES					
18				Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19									
20									

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	Computer Equipment	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		**Subtotal General**	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
16									
17									
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20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	Laboratory Equipment	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	Miscellaneous Equipment	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments	O.C. Adjusted A/D
1								
2		**Intangible**						
3	301.00	Organization	-	-	-	-	-	-
4	302.00	Franchises	3,827,476	-	3,827,476	-	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
6		**Subtotal Intangible**	3,827,476	-	3,827,476	-	-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	5,000	-	5,000	-	-	-
10	311.00	Structures and Improvements	90,181	-	90,181	5,960	-	5,960
11	312.00	Collecting and Impounding Res.	370,979	-	370,979	13,254	-	13,254
12	313.00	Lakes, Rivers, Other Intakes	394,971	-	394,971	21,387	-	21,387
13	314.00	Wells and Springs	461,497	-	461,497	22,685	-	22,685
14		**Subtotal Source of Supply**	1,322,628	-	1,322,628	63,287	-	63,287
15								
16		**Pumping**	-	-	-	-	-	-
17	320.00	Land and Land Rights	20,000	-	20,000	-	-	-
18	321.00	Structures and Improvements	2,057,878	-	2,057,878	72,766	-	72,766
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	9,604,435	-	9,604,435	793,757	-	793,757
21	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	1,476	-	1,476	65	-	65
23		**Subtotal Pumping**	11,683,789	-	11,683,789	866,588	-	866,588
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	634,556	-	634,556	5,118	-	5,118
28	332.00	Water Treatment Equipment	4,370,605	-	4,370,605	166,535	-	166,535
29		**Subtotal Water Treatment**	5,005,160	-	5,005,160	171,653	-	171,653
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	-	-	-
33	341.00	Structures and Improvements	18,469	-	18,469	151	-	151
34	342.00	Distribution, Reservoirs, & ST	1,777,969	-	1,777,969	67,634	-	67,634
35	343.00	Transmission and Distribution	15,456,070	-	15,456,070	366,685	-	366,685
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	773,445	-	773,445	23,795	-	23,795
38	346.00	Meters	411,258	-	411,258	11,468	-	11,468
39	348.00	Hydrants	618,693	-	618,693	15,871	-	15,871
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	19,055,904	-	19,055,904	485,603	-	485,603
42								
43		**General**						
44	389.00	Land and Land Rights	-	-	-	-	-	-
45	390.00	Structures and Improvements	110,668	-	110,668	3,954	-	3,954
46	391.00	Office Funiture and Equipment	39,073	-	39,073	3,465	-	3,465
47	391.10	Computer Equipment	-	-	-	-	-	-
48	392.00	Transportation Equipment	109,600	-	109,600	10,924	-	10,924
49	393.00	Stores Equipment	-	-	-	-	-	-
50	394.00	Tools, Shop and Garage	4,046	-	4,046	-	-	-
51	395.00	Laboratory Equipment	24,313	-	24,313	1,930	-	1,930
52	396.00	Power Operated Equipment	4,719	-	4,719	234	-	234
53	397.00	Communication Equipment	-	-	-	-	-	-
54	398.00	Miscellaneous Equipment	8,440	-	8,440	144	-	144
55		**Subtotal General**	300,860	-	300,860	20,650	-	20,650
			(148,497)	-	(148,497)	(39,391)	-	(39,391)
			(450,822)	450,822	-	(111,822)	111,822	(0)
		TOTAL WATER PLANT	40,596,498	450,822	41,047,320	1,456,567	111,822	1,568,389

Arizona - American Anthem Water
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa

Line No.	Account No.	Description	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	Adjustment (B-3, page 2b, Adj. #9) RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1							
2		**Intangible**					
3	301.00	Organization	-	-	-	-	-
4	302.00	Franchises	4,019,354	-	4,019,354	(191,878)	3,827,476
5	303.00	Miscellaneous Intangibles	-	-	-	-	-
6		**Subtotal Intangible**	4,019,354	-	4,019,354	(191,878)	3,827,476
7							
8		**Source of Supply**					
9	310.00	Land and Land Rights	5,519	-	5,519	(519)	5,000
10	311.00	Structures and Improvements	100,469	-	100,469	(2,339)	98,130
11	312.00	Collecting and Impounding Res.	409,486	-	409,486	(28,825)	380,661
12	313.00	Lakes, Rivers, Other Intakes	435,970	-	435,970	(30,689)	405,280
13	314.00	Wells and Springs	509,321	-	509,321	(25,248)	484,073
14		**Subtotal Source of Supply**	1,460,765	-	1,460,765	(87,621)	1,373,144
15							
16		**Pumping**	-	-	-	-	-
17	320.00	Land and Land Rights	20,000	-	20,000	-	20,000
18	321.00	Structures and Improvements	2,268,216	-	2,268,216	(47,823)	2,220,394
19	323.00	Other Power Production	-	-	-	-	-
20	325.00	Electric Pumping Equipment	10,410,980	-	10,410,980	(308,610)	10,102,369
21	326.00	Diesel Pumping Equipment	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	1,502	-	1,502	(26)	1,476
23		**Subtotal Pumping**	12,700,698	-	12,700,698	(356,459)	12,344,239
24							
25		**Water Treatment**					
26	330.00	Land and Land Rights	-	-	-	-	-
27	331.00	Structures and Improvements	643,522	-	643,522	(2,038)	641,483
28	332.00	Water Treatment Equipment	4,547,835	-	4,547,835	(69,150)	4,478,684
29		**Subtotal Water Treatment**	5,191,356	-	5,191,356	(71,189)	5,120,167
30							
31		**Transmission and Distribution**					
32	340.00	Land and Land Rights	-	-	-	-	-
33	341.00	Structures and Improvements	20,386	-	20,386	(436)	19,951
34	342.00	Distribution, Reservoirs, & ST	1,962,522	-	1,962,522	(138,148)	1,824,374
35	343.00	Transmission and Distribution	16,558,831	-	16,558,831	(468,957)	16,089,874
36	344.00	Fire Mains	-	-	-	-	-
37	345.00	Services	811,938	-	811,938	(14,039)	797,899
38	346.00	Meters	429,324	-	429,324	(7,735)	421,590
39	348.00	Hydrants	650,577	-	650,577	3,571	654,148
40	349.00	Other Transmission & Distribution	-	-	-	-	-
41		**Subtotal Trans & Dist**	20,433,578	-	20,433,578	(625,743)	19,807,836
42							
43		**General**				**(Common Plant, B-2, Page 6)**	
44	389.00	Land and Land Rights	-	-	-	-	-
45	390.00	Structures and Improvements	122,156	-	122,156	(2,612)	119,544
46	391.00	Office Funiture and Equipment	42,624	-	42,624	(906)	41,718
47	391.10	Computer Equipment	-	-	-	-	-
48	392.00	Transportation Equipment	110,534	-	110,534	148	110,681
49	393.00	Stores Equipment	-	-	-	-	-
50	394.00	Tools, Shop and Garage	4,046	-	4,046	-	4,046
51	395.00	Laboratory Equipment	26,837	-	26,837	(727)	26,110
52	396.00	Power Operated Equipment	4,801	-	4,801	(82)	4,719
53	397.00	Communication Equipment	-	-	-	-	-
54	398.00	Miscellaneous Equipment	8,511	-	8,511	11	8,522
55		**Subtotal General**	319,507	-	319,507	(4,168)	315,339
			(177,260)	-	(177,260)	177,260	-
			(543,736)	543,736	(0)	0	-
		TOTAL WATER PLANT	43,404,261	543,736	43,947,997	(1,159,796)	42,788,201

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1								
2		**Intangible**						
3	301.00	Organization	-	-	-	-	-	-
4	302.00	Franchises	-	-	-	1.0000	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
6		**Subtotal Intangible**	-	-	-		-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	-	-	1.0000	-	-
10	311.00	Structures and Improvements	6,639	-	6,639	1.0881	6,485	(155)
11	312.00	Collecting and Impounding Res.	14,630	-	14,630	1.0261	13,600	(1,030)
12	313.00	Lakes, Rivers, Other Intakes	23,607	-	23,607	1.0261	21,946	(1,662)
13	314.00	Wells and Springs	25,036	-	25,036	1.0489	23,795	(1,241)
14		**Subtotal Source of Supply**	69,913	-	69,913		65,826	(4,087)
15								
16		**Pumping**	-	-	-	-	-	-
17	320.00	Land and Land Rights	-	-	-	1.0000	-	-
18	321.00	Structures and Improvements	80,204	-	80,204	1.0790	78,513	(1,691)
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	860,414	-	860,414	1.0518	834,909	(25,505)
21	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	66	-	66	1.0000	65	(1)
23		**Subtotal Pumping**	940,683	-	940,683		913,486	(27,197)
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	5,190	-	5,190	1.0109	5,174	(16)
28	332.00	Water Treatment Equipment	173,288	-	173,288	1.0247	170,653	(2,635)
29		**Subtotal Water Treatment**	178,478	-	178,478		175,827	(2,651)
30								
31		***Transmission and Distribution***						
32	340.00	Land and Land Rights	-	-	-	-	-	-
33	341.00	Structures and Improvements	167	-	167	1.0802	163	(4)
34	342.00	Distribution, Reservoirs, & ST	74,654	-	74,654	1.0261	69,399	(5,255)
35	343.00	Transmission and Distribution	393,364	-	393,364	1.0410	381,721	(11,643)
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	24,982	-	24,982	1.0316	24,547	(435)
38	346.00	Meters	11,998	-	11,998	1.0251	11,756	(242)
39	348.00	Hydrants	16,689	-	16,689	1.0573	16,780	92
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	521,854	-	521,854		504,367	(17,487)
42								
43		**General**						**(Common Plant, B-2, Page 7)**
44	389.00	Land and Land Rights	-	-	-	-	-	-
45	390.00	Structures and Improvements	4,364	-	4,364	1.0802	4,271	(93)
46	391.00	Office Funiture and Equipment	3,779	-	3,779	1.0677	3,699	(80)
47	391.10	Computer Equipment	-	-	-	-	-	-
48	392.00	Transportation Equipment	11,080	-	11,080	1.0099	11,032	(49)
49	393.00	Stores Equipment	-	-	-	-	-	-
50	394.00	Tools, Shop and Garage	-	-	-	1.0000	-	-
51	395.00	Laboratory Equipment	2,130	-	2,130	1.0739	2,072	(58)
52	396.00	Power Operated Equipment	238	-	238	1.0000	234	(4)
53	397.00	Communication Equipment	-	-	-	-	-	-
54	398.00	Miscellaneous Equipment	145	-	145	1.0097	146	0
55		**Subtotal General**	21,738	-	21,738		21,454	(284)
			(47,020)	-	(47,020)	-	-	47,020
			(134,869)	134,869	0	-	-	(0)
		TOTAL WATER PLANT	1,550,777	134,869	1,685,646		1,680,959	(4,687)

Trended RCN
Handy-Whitman

Company Code: 4023 Business Area: 4538 Anthem Water (Treatco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W30200	FRANCH/CONSENTS	1999	1,747,694	180.2	167.8	1.0739	1,876,849	1,747,694
W30200	FRANCH/CONSENTS	2001	1,978,943	180.2	180.2	1.0000	1,978,943	1,978,943
	W30200	Class Totals	3,726,638				3,855,793	3,726,638
W31000	LAND/LAND RIGHTS	1999	5,000	180.2	167.8	1.0739	5,369	5,000
	W31000	Class Totals	5,000				5,369	5,000
W31100	STRUCT AND IMPROV	1999	99,114	350.0	324.0	1.0802	107,063	107,063
W31100	STRUCT AND IMPROV	2001	-8,933	350.0	350.0	1.0000	-8,933	-8,933
	W31100	Class Totals	90,181				98,130	98,130
W31200	COL/IMPOUND RESER	1999	370,978	275.0	268.0	1.0261	380,661	380,661
	W31200	Class Totals	370,978				380,661	380,661
W31300	LK/RIVER/OTH INTAKES	1999	394,971	275.0	268.0	1.0261	405,280	405,280
	W31300	Class Totals	394,971				405,280	405,280
W31400	WELLS AND SPRINGS	1999	460,731	321.0	306.0	1.0490	483,307	483,307

Trended RCN
Handy-Whitman

Company Code: 4023 Business Area: 4538 Anthem Water (Treatco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31400	WELLS AND SPRINGS	2001	765	321.0	321.0	1.0000	765	765
	W31400	Class Totals	461,496				484,072	484,072
W32000	LAND/LAND RIGHTS	2001	20,000	180.2	180.2	1.0000	20,000	20,000
	W32000	Class Totals	20,000				20,000	20,000
W32100	STRUCT AND IMPROV	1999	2,026,379	350.0	324.0	1.0802	2,188,895	2,188,895
W32100	STRUCT AND IMPROV	2001	31,498	350.0	350.0	1.0000	31,498	31,498
	W32100	Class Totals	2,057,878				2,220,393	2,220,393
W32500	ELEC PUMP EQUIP	1999	7,768,122	531.0	499.0	1.0641	8,266,058	8,266,058
W32500	ELEC PUMP EQUIP	2000	1,173	531.0	532.0	0.9981	1,171	1,171
W32500	ELEC PUMP EQUIP	2001	9,900	531.0	531.0	1.0000	9,900	9,900
W32500	ELEC PUMP EQUIP	2001	1,825,238	531.0	531.0	1.0000	1,825,238	1,825,238
	W32500	Class Totals	9,604,434				10,102,369	10,102,369
W32810	OTHER PUMP EQUIPMNT	2001	1,475	531.0	531.0	1.0000	1,475	1,475
	W32810	Class Totals	1,475				1,475	1,475

Trended RCN
Handy-Whitman

Company Code: 4023 Business Area: 4538 Anthem Water (Treatco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W33100	WATER TREAT EQUIP STRUCT &	1999	86,374	350.0	324.0	1.0802	93,301	93,301
W33100	WATER TREAT EQUIP STRUCT &	2001	548,181	350.0	350.0	1.0000	548,181	548,181
	W33100	Class Totals	634,555				641,483	641,483
W33200	WATER TREAT EQUIP	1999	1,707,417	403.0	379.0	1.0633	1,815,497	1,815,497
W33200	WATER TREAT EQUIP	2001	2,663,186	403.0	403.0	1.0000	2,663,186	2,663,186
	W33200	Class Totals	4,370,604				4,478,684	4,478,684
W34100	STRUCT AND IMPROV	1999	18,469	350.0	324.0	1.0802	19,950	19,950
	W34100	Class Totals	18,469				19,950	19,950
W34200	DIST RESRV & STNDPIP	1999	1,777,968	275.0	268.0	1.0261	1,824,373	1,824,373
	W34200	Class Totals	1,777,968				1,824,373	1,824,373
W34300	TRANS/DISTR	1999	8,533,458	324.0	306.0	1.0588	9,035,226	9,035,226
W34300	TRANS/DISTR	2001	12,400	324.0	320.0	1.0125	12,555	12,555
W34300	TRANS/DISTR	2001	2,863,658	324.0	324.0	1.0000	2,863,658	2,863,658
	W34300	Class Totals	11,409,517				11,911,439	11,911,439

Trended RCN
Handy-Whitman

Company Code: 4023 Business Area: 4538 Anthem Water (Treatco)

			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34500	SERVICES		1999	3,000	288.0	274.0	1.0511	3,153	3,153
W34500	SERVICES		2001	8,900	288.0	288.0	1.0000	8,900	8,900
		W34500	Class Totals	11,900				12,053	12,053
W34600	METERS		2001	27,515	350.0	350.0	1.0000	27,515	27,515
		W34600	Class Totals	27,515				27,515	27,515
W39000	MISC STRUCTURES		1999	110,668	350.0	324.0	1.0802	119,543	119,543
		W39000	Class Totals	110,668				119,543	119,543
W39100	OFFICE FURN/EQUIP		1999	31,682	180.2	167.8	1.0739	34,023	34,023
W39100	OFFICE FURN/EQUIP		2000	7,391	180.2	173.1	1.0410	7,694	7,694
		W39100	Class Totals	39,073				41,717	41,717
W39200	TRANSPORT EQUIP		2001	64,439	180.2	180.2	1.0000	64,439	64,439
		W39200	Class Totals	64,439				64,439	64,439
W39400	TOOLS AND WORK EQUIP		2001	4,045	180.2	180.2	1.0000	4,045	4,045

	W39400	Class Totals	4,045				4,045	4,045
W39500	LAB EQUIP	1999	24,312	180.2	167.8	1.0739	26,109	26,109
	W39500	Class Totals	24,312				26,109	26,109
W39600	PWR OPER EQUIP	2001	4,718	180.2	180.2	1.0000	4,718	4,718
	W39600	Class Totals	4,718				4,718	4,718
W39800	MISC EQUIP	2000	1,993	180.2	173.1	1.0410	2,074	2,074
W39800	MISC EQUIP	2001	6,447	180.2	180.2	1.0000	6,447	6,447
	W39800	Class Totals	8,440				8,521	8,521
Company Code:	4023	Business Area: 4538	35,239,286				36,758,143	36,628,619

Trended RCN
Handy-Whitman

Company Code: 4024 Business Area: 4540 Anthem Water (Distco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W30200	FRANCH/CONSENTS	1999	100,837	180.2	167.8	1.0739	108,289	100,837
	W30200	Class Totals	100,837				108,289	100,837
W34300	TRANS/DISTR	1999	1,503,731	324.0	306.0	1.0588	1,592,150	1,592,150
W34300	TRANS/DISTR	2000	1,015,113	324.0	316.0	1.0253	1,040,795	1,040,795
W34300	TRANS/DISTR	2001	1,422,403	324.0	320.0	1.0125	1,440,183	1,440,183
W34300	TRANS/DISTR	2001	105,304	324.0	324.0	1.0000	105,304	105,304
	W34300	Class Totals	4,046,552				4,178,434	4,178,434
W34500	SERVICES	1999	250,302	288.0	274.0	1.0511	263,093	263,093
W34500	SERVICES	2000	283,408	288.0	278.0	1.0360	293,611	293,611
W34500	SERVICES	2001	124,588	288.0	285.0	1.0105	125,897	125,897
W34500	SERVICES	2001	103,244	288.0	288.0	1.0000	103,244	103,244
	W34500	Class Totals	761,544				785,846	785,846
W34600	METERS	1999	146,495	350.0	332.0	1.0542	154,435	154,435
W34600	METERS	2000	69,947	350.0	339.0	1.0324	72,213	72,213
W34600	METERS	2001	22,100	350.0	348.0	1.0057	22,225	22,225
W34600	METERS	2001	145,199	350.0	350.0	1.0000	145,199	145,199
	W34600	Class Totals	383,741				394,074	394,074

Trended RCN
Handy-Whitman

Company Code: 4024 Business Area: 4540 Anthem Water (Distco)

			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34800	HYDRANTS		1999	196,028	527.0	484.0	1.0888	213,435	213,435
W34800	HYDRANTS		2000	240,808	527.0	498.0	1.0582	254,824	254,824
W34800	HYDRANTS		2001	173,051	527.0	515.0	1.0233	177,083	177,083
W34800	HYDRANTS		2001	8,804	527.0	527.0	1.0000	8,804	8,804
		W34800 Class Totals		618,693				654,147	654,147
W39200	TRANSPORT EQUIP		2000	26,361	180.2	173.1	1.0410	27,442	27,442
W39200	TRANSPORT EQUIP		2001	18,798	180.2	180.2	1.0000	18,798	18,798
		W39200 Class Totals		45,160				46,241	46,241
Company Code: 4024 Business Area: 4540				5,956,530				6,167,033	6,159,581

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 2,060,418			$ 2,060,418	18,658	$ 2,079,076
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	1,950,387			1,950,387	-	1,950,387
5		$ 4,010,805		$ -	$ 4,010,805	$ 18,658	$ 4,029,463
6	**Operating Expenses**						
7	Salaries and Wages	$ 585,309	1/6	(169,657)	$ 415,652		$ 415,652
8	Purchased Water	211,055	11	(39,000)	172,055		172,055
9	Purchased Power	264,489			264,489		264,489
10	Chemicals	95,282			95,282		95,282
11	Repairs and Maintenance	130,909			130,909		130,909
12	Office Supplies and Expense	74,576	7	(8,106)	66,470		66,470
13	Outside Services	27,139			27,139		27,139
14	Service Company Charges	472,080	10	(15,778)	456,302		456,302
15	Water Testing	1,193			1,193		1,193
16	Rents	18,568			18,568		18,568
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	17,095	8	(496)	16,600		16,600
19	Insurance - Health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	26,471			26,471		26,471
21	Miscellaneous Expense	172,138	9	(114)	172,024		172,024
22	Depreciation Expense	912,406	3	5,572	917,978		917,978
23	Taxes Other Than Income	31,169	2	(6,123)	25,046		25,046
24	Property Taxes	225,131	4	(3,355)	221,776		221,776
25	Income Tax	168,280		102,723	271,002		278,204
26					-		-
27	**Total Operating Expenses**	$ 3,433,290		$ (134,335)	$ 3,298,956	$ -	$ 3,306,157
28	**Operating Income**	$ 577,515		$ 134,335	$ 711,849	$ 18,658	$ 723,305
29	**Other Income (Expense)**						
30	Interest Income				-		-
31	Other income				-		-
32	Interest Expense	(309,824)	5	29,071	(280,752)		(280,752)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (309,824)		$ 29,071	$ (280,752)	$ -	$ (280,752)
36	**Net Profit (Loss)**	$ 267,691		$ 163,406	$ 431,097	$ 18,658	$ 442,553
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-2					Rebuttal A-1	
40							
41							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Anthem Water
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ (66,858)
	6	Adjust to Actual 2002 Additional (Corporate)	(102,799)
Purchased Water	11	Adjust to annualized 2001 qty ordered	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(8,106)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(15,778)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(496)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	(114)
Depreciation Expense	3	Depreciation Expense	5,572
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	(6,123)
Property Taxes	4	Property Taxes	(3,355)
Income Tax			102,723
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (95,335)
Operating Income			$ 95,335

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.		Amount
1	Projected Salaries & Wages and Related Expenses	
2		
3	Actual 2002 Wages and Salaries	
4	0 Salaries & Wages	$ 302,138
5		
6	Direct Filing Proposed Wages and Salaries	
7	0 Salaries & Wages	368,996
8		
9	Increase (Decrease)	$ (66,858)
10		
11	Adjustment to Revenues and/or Expenses	$ (66,858)
12		
13		
14		
15		

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.		Amount
1	Projected Salaries & Wages and Related Expenses	
2		
3	PR Taxes Based on Actual 2002 Wages and Salaries	
4	# Taxes Other Than Income	25,046
5		
6	Direct Filing Proposed PR Taxes	
7	# Taxes Other Than Income	31,169
8		
9	Increase (Decrease)	$ (6,123)
10		
11	Adjustment to Revenues and/or Expenses	$ (6,123)
12		
13		
14		
15		

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.					
1	Depreciation Expense				
2					
3	**Account**		**Rebuttak**		**Depreciation**
4	**No.**	**Description**	**Original Cost**	**Rate**	**Expense**
5		**Intangible**			
6	301.00	Organization	$ -	0.00%	$ -
7	302.00	Franchises	3,827,476	0.00%	-
8	303.00	Miscellaneous Intangibles	-	0.00%	-
9		**Subtotal Intangible**	$ 3,827,476		$ -
10					
11		**Source of Supply**			
12	310.00	Land and Land Rights	$ 5,000	0.00%	$ -
13	311.00	Structures and Improvements	212,175	2.50%	5,304
14	312.00	Collecting and Impounding Res.	370,979	2.50%	9,274
15	313.00	Lakes, Rivers, Other Intakes	394,971	2.50%	9,874
16	314.00	Wells and Springs	461,497	2.52%	11,630
17		**Subtotal Source of Supply**	$ 1,444,622		$ 36,083
18					
19		**Pumping**			
20	320.00	Land and Land Rights	$ 20,000	0.00%	$ -
21	321.00	Structures and Improvements	2,057,878	1.67%	34,367
22	323.00	Other Power Production	-	0.00%	-
23	325.00	Electric Pumping Equipment	9,608,437	4.42%	424,693
24	326.00	Diesel Pumping Equipment	-	4.42%	-
25	328.10	Gas Engine Pumping Equipment	1,476	4.42%	65
26		**Subtotal Pumping**	$ 11,687,791		$ 459,125
27					
28		**Water Treatment**			
29	330.00	Land and Land Rights	$ -	0.00%	$ -
30	331.00	Structures and Improvements	634,556	1.67%	10,597
31	332.00	Water Treatment Equipment	4,378,548	4.00%	175,142
32		**Subtotal Water Treatment**	$ 5,013,104		$ 185,739
33					
34		**Transmission and Distribution**			
35	340.00	Land and Land Rights	$ -	0.00%	$ -
36	341.00	Structures and Improvements	18,469	0.00%	-
37	342.00	Distribution, Reservoirs, & ST	1,882,332	1.67%	31,435
38	343.00	Transmission and Distribution	15,456,070	1.53%	236,478
39	344.00	Fire Mains	-	0.00%	-
40	345.00	Services	773,445	2.48%	19,181
41	346.00	Meters	411,258	2.51%	10,323
42	348.00	Hydrants	618,693	2.00%	12,374
43	349.00	Other Transmission & Distribution	-	0.00%	-
44		**Subtotal Transmission and Distribution**	$ 19,160,267		$ 309,791
45					
46		**General**			
47	389.00	Land and Land Rights	$ 171	0.00%	$ -
48	390.00	Structures and Improvements	117,574	1.68%	1,976
49	391.00	Office Funiture and Equipment	57,876	4.55%	2,631
50	391.10	Computer Equipment	59,753	4.55%	2,716
51	392.00	Transportation Equipment	90,271	25.00%	22,568
52	393.00	Stores Equipment	1,008	3.92%	40
53	394.00	Tools, Shop and Garage	14,430	4.14%	597
54	395.00	Laboratory Equipment	6,621	3.71%	246
55	396.00	Power Operated Equipment	4,201	5.14%	216
56	397.00	Communication Equipment	32,468	10.28%	3,337
57	398.00	Miscellaneous Equipment	9,196	4.98%	458
58		**Subtotal General**	$ 393,569		$ 34,783
59					
60					
61					
62					
63		TOTALS	$ 41,526,830	2.4695%	$ 1,025,520
64					
65	Amortization of Deferred Regulatory Assets		$ -	2.4695%	-
66					
67	Less: Amotization of Contributions		$ 1,075,425	10.0000%	(107,542)
68	Rebuttal Depreciation Expense				$ 917,978
69					
70	Direct Filing Depreciation Expense				912,406
71					
72	Increase (decrease) in Depreciation Expense				5,572
73					
74	Adjustment to Revenues and/or Expenses				$ 5,572
75					

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$ 4,010,805
4	Rebuttal Adjusted Revenues in year ended 12/31/01	4,010,805
5	Proposed Revenues	4,029,463
6	Average of three year's of revenue	$ 4,017,024
7	Average of three year's of revenue, times 2	8,034,048
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	90,271
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 90,271
14		
15	Full Cash Value	$ 7,943,778
16	Assessment Ratio	25%
17	Assessed Value	1,985,944
18	Property Tax Rate	11.167304%
19		
20	Property Tax	221,776
21	Tax on Parcels	0
22		
23	Total Rebuttal Property Tax at Proposed Rates	$ 221,776
24	Direct Filing Proposed Property Taxes	225,131
25	Increase (Decrease) in Property Taxes	$ (3,355)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (3,355)
29		
30		

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$9,627,995
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	280,752
6	Direct Filing Interest Expense	309,824
7	Increase in Interest Expense	$ (29,071)
8		
9	Adjustment to Revenues and/or Expense	$ (29,071)
10		
11		

Arizona American - Anthem Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Wages Expense (Corporate)	$	113,513
5			
6	Direct Filing Proposed Additonal Wages Expense (Corpora		216,313
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(102,799)
10			
11	Adjustment to Revenue and/or Expense	$	(102,799)
12			
13			
14			
15			

Arizona American - Anthem Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	55,279
5			
6	Direct Filing Proposed Additonal Office Expense (Corporat		63,385
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(8,106)
10			
11	Adjustment to Revenue and/or Expense	$	(8,106)
12			
13			
14			
15			

Arizona American - Anthem Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	16,502
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corp		16,997
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(496)
10			
11	Adjustment to Revenue and/or Expense	$	(496)
12			
13			
14			
15			

Arizona American - Anthem Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	4,185
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporate		4,300
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(114)
10			
11	Adjustment to Revenue and/or Expense	$	(114)
12			
13			
14			
15			

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.0916	
5	Total Charges		$ 456,302
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.0916	
10	Total Charges		472,080
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (15,778)
14			
15			
16			
17			

Arizona American - Anthem Water
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:				RECAP SCHEDULES:		
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							

ANTHEM/AGUA FRIA WASTEWATER

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 2,789,661
2		
3	Adjusted Operating Income	10,786
4		
5	Current Rate of Return	0.39%
6		
7	Required Operating Income	$ 209,671
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 198,885
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 323,911
17		

18	Customer	Present	Proposed	Dollar	Percent
19	Classification	Rates	Rates	Increase	Increase
20	Residential	$ 650,824	$ 897,893	$ 247,069	37.96%
21	Small Commercial 5/8 Inch Meter	1,501	2,071	570	37.95%
22	Small Commercial 3/4 Inch Meter	-	-	-	0.00%
23	Small Commercial 1 Inch Meter	-	-	-	0.00%
24	Large Commercial	29,477	40,667	11,190	37.96%
25	Revenues from Treatco excluding Annualization	11,231	11,231	-	0.00%
26	Miscellaneous Revenues	986,072	986,072	-	0.00%
27	Subtotal of Revenues	$ 1,679,105	$ 1,937,934	$ 258,829	15.41%
28					
29	**Revenue Annualization**				
30	Treatco Revenue Annualization	13,480	13,480	-	0.00%
31	Residential	167,515	231,113	63,598	37.97%
32	Small Commercial 5/8 Inch Meter	(841)	(1,160)	(319)	37.96%
33	Small Commercial 3/4 Inch Meter	-	-	-	0.00%
34	Small Commercial 1 Inch Meter	-	-	-	0.00%
35	Large Commercial	3,930	5,422	1,492	37.96%
36	Total Revenue Annualization	184,083	248,853	64,771	35.19%
37	Total Revenues with Revenue Annualization	1,863,188	2,186,787	323,599	17.37%
38					

39 SUPPORTING SCHEDULES:
40 Rebuttal B-1
41 Rebuttal C-1
42 Rebuttal D-1
43 Rebuttal H-1

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 23,036,402	$ 23,671,364	$ 23,671,364
3	Less: Accumulated Depreciation	787,791	826,446	826,446
4				
5	Net Utility Plant in Service	$ 22,248,611	$ 22,844,918	$ 22,844,918
6				
7	Less:			
8	Advances in Aid of			
9	Construction	19,045,098	19,570,045	19,570,045
10	Contributions in Aid of			
11	Construction - Net of amortization	472,196	485,212	485,212
12	Customer Meter Deposits	-	-	-
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Deferred Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	6,087,822	-	-
21				
22	Total Rate Base	$ 8,819,139	$ 2,789,661	$ 2,789,661
23				
24				
25				
26	SUPPORTING SCHEDULES:		RECAP SCHEDULES:	
27	Rebuttal B-2		Rebuttal A-1	
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 23,053,411	(1)	(17,008)	$ 23,036,402
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	789,221	(2)	(1,430)	787,791
8					
9	Net Utility Plant				
10	in Service	$ 22,264,190			$ 22,248,611
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	19,045,098			19,045,098
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	472,196			472,196
18	Purposes Only)				
19	Customer Meter Deposits	-			-
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Deferred Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	6,134,972	(3)	(47,150)	6,087,822
28					
29	Total	$ 8,881,868			$ 8,819,139
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					

Arizona American - Anthem/Agua Fria Wastwater
Plant Summary
December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ -	$ -	$ -	$ -	$ -	$ -
3	302.00	Franchises	249,528	-	249,528	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 249,528	$ -	$ 249,528	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 336,560	$ -	$ 336,560	$ -	$ -	$ -
9	311.00	Structures and Improvements	2,400	1,379	3,779	-	-	-
10	312.00	Preliminary Treatment	828,719	1,208	829,927	657	-	657
11	313.00	Primary Treatment Equipment	-	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	2,062,401	-	2,062,401	49,790	-	49,790
13	315,00	Tertiary Equipment	8,731,796	-	8,731,796	427,454	-	427,454
14	316.00	Disinfection Equipment	891,776	-	891,776	5,739	-	5,739
15	317.00	Effluent Lift Station E	813,270	-	813,270	1,778	-	1,778
16	318.00	Outfall Line	-	-	-	-	-	-
17	319.00	Sludge, Treatment & Distribution	-	-	-	19,349	-	19,349
18	321.00	Influent Lift Station	5,000	2,463	7,463	-	-	-
19	322.00	General Treatment Equipment	83,108	-	83,108	6,855	-	6,855
20		**Subtotal Treatment & Discharge**	$ 13,755,029	$ 5,050	$ 13,760,079	$ 511,621	$ -	$ 511,621
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
24	341.00	Structures and Improvements	-	-	-	-	-	-
25	342.00	Collection System Lift	140,048	4,940	144,988	19,590	-	19,590
26	343.00	Collection Mains	7,425,126	-	7,425,126	138,243	-	138,243
27	344.00	Force Mains	1,918	-	1,918	-	-	-
28	345.00	Discharge Services	1,170,937	-	1,170,937	29,438	-	29,438
29	348.00	Manholes	-	-	-	40,395	-	40,395
30		**Subtotal Collection and Influent**	$ 8,738,028	$ 4,940	$ 8,742,968	$ 227,666	$ -	$ 227,666
31								
32		**General**						
33	389.00	Land and Land Rights	$ 133	$ -	$ 133	$ -	$ -	$ -
34	390.00	Structures and Improvements	91,498	-	91,498	8,495	-	8,495
35	391.00	Office Funiture and Equipment	46,755	(2,842)	43,914	9,849	-	9,849
36	391.10	Computer Equipment	69,974	(16,608)	53,365	(11,876)	(1,006)	(12,882)
37	392.00	Transportation Equipment	49,104	-	49,104	28,362	-	28,362
38	393.00	Stores Equipment	785	-	785	213	-	213
39	394.00	Tools, Shop and Garage	16,457	(5,227)	11,230	498	-	498
40	395.00	Laboratory Equipment	5,284	(1,727)	3,557	627	-	627
41	396.00	Power Operated Equipment	3,287	(18)	3,269	1,170	(10)	1,160
42	397.00	Communication Equipment	15,777	4,038	19,814	9,086	-	9,086
43	398.00	Miscellaneous Equipment	11,770	(4,614)	7,157	3,509	(414)	3,096
44		**Subtotal General**	$ 310,826	$ (26,999)	$ 283,827	$ 49,934	$ (1,430)	$ 48,504
45								
46				-	-	-	-	-
47				-	-	-	-	-
48		TOTAL WASTEWATER PLANT	$ 23,053,411	$ (17,008)	$ 23,036,403	$ 789,221	$ (1,430)	$ 787,791
49								
50		SUPPORTING SCHEDULES:						
51		Rebuttal B-2, page 2a, 2b, 3a, 3b						
52								
53								

Arizona American
Agua Fria/Anthem Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Blank Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					$ -
3	302.00	Franchises	249,528					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 249,528	$ -	$ -	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 336,560					$ -
9	311.00	Structures and Improvements	2,400					1,379
10	312.00	Preliminary Treatment	828,719					1,208
11	313.00	Primary Treatment Equipment	-					-
12	314.00	Secondary Treatment Equipment	2,062,401					-
13	315,00	Tertiary Equipment	8,731,796					-
14	316.00	Disinfection Equipment	891,776					-
15	317.00	Effluent Lift Station E	813,270					-
16	318.00	Outfall Line	-					-
17	319.00	Sludge, Treatment & Distribution	-					-
18	321.00	Influent Lift Station	5,000					2,463
19	322.00	General Treatment Equipment	83,108					-
20		**Subtotal Treatment & Dis.**	$ 13,755,029	$ -	$ -	$ -	$ -	$ 5,050
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -					$ -
24	341.00	Structures and Improvements	-					-
25	342.00	Collection System Lift	140,048					4,940
26	343.00	Collection Mains	7,425,126					-
27	344.00	Force Mains	1,918					-
28	345.00	Discharge Services	1,170,937					-
29	348.00	Manholes	-					-
30		**Subtotal Collection and Infl.**	$ 8,738,028	$ -	$ -	$ -	$ -	$ 4,940
31								
32		**General**						
33	389.00	Land and Land Rights	$ 133					$ -
34	390.00	Structures and Improvements	91,498					-
35	391.00	Office Funiture and Equipment	46,755					(2,842)
36	391.10	Computer Equipment	69,974					-
37	392.00	Transportation Equipment	49,104					-
38	393.00	Stores Equipment	785					-
39	394.00	Tools, Shop and Garage	16,457					(5,227)
40	395.00	Laboratory Equipment	5,284					(1,727)
41	396.00	Power Operated Equipment	3,287					-
42	397.00	Communication Equipment	15,777					4,038
43	398.00	Miscellaneous Equipment	11,770					(4,200)
44		**Subtotal General**	$ 310,826	$ -	$ -	$ -	$ -	$ (9,958)
45								
46			-					
47			-					
48		TOTAL WASTEWATER PLANT	$ 23,053,411	$ -	$ -	$ -	$ -	$ 32
49								
50			ADJ #			Reference		
51			1	Plant Not Used and Useful		ACC Staff		
52			2	Unidentified Plant		ACC Staff		
53			3	Mis-posted Plant		ACC Staff		
54			4	Plant Removed by Prev. Decisio		ACC Staff		
55			5	Post Test Year Plant		ACC Staff		
56								

Arizona American
Agua Fria/Anthem Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	249,528
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 249,528
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights						$ -	$ 336,560
9	311.00	Structures and Improvements						1,379	3,779
10	312.00	Preliminary Treatment						1,208	829,927
11	313.00	Primary Treatment Equipment						-	-
12	314.00	Secondary Treatment Equipment						-	2,062,401
13	315,00	Tertiary Equipment						-	8,731,796
14	316.00	Disinfection Equipment						-	891,776
15	317.00	Effluent Lift Station E						-	813,270
16	318.00	Outfall Line						-	-
17	319.00	Sludge, Treatment & Distribution						-	-
18	321.00	Influent Lift Station						2,463	7,463
19	322.00	General Treatment Equipment						-	83,108
20		**Subtotal Treatment & Dis.**	$ -	$ -	$ -	$ -	$ -	$ 5,050	$ 13,760,079
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights							$ -
24	341.00	Structures and Improvements						-	-
25	342.00	Collection System Lift						4,940	144,988
26	343.00	Collection Mains						-	7,425,126
27	344.00	Force Mains						-	1,918
28	345.00	Discharge Services						-	1,170,937
29	348.00	Manholes						-	-
30		**Subtotal Collection and Infl.**	$ -	$ -	$ -	$ -	$ -	$ 4,940	$ 8,742,968
31									
32		**General**							
33	389.00	Land and Land Rights			$ -			$ -	$ 133
34	390.00	Structures and Improvements			-			-	91,498
35	391.00	Office Funiture and Equipment			-			(2,842)	43,914
36	391.10	Computer Equipment			(16,608)			(16,608)	53,365
37	392.00	Transportation Equipment			-			-	49,104
38	393.00	Stores Equipment			-			-	785
39	394.00	Tools, Shop and Garage			-			(5,227)	11,230
40	395.00	Laboratory Equipment			-			(1,727)	3,557
41	396.00	Power Operated Equipment			(18)			(18)	3,269
42	397.00	Communication Equipment			-			4,038	19,814
43	398.00	Miscellaneous Equipment			(414)			(4,614)	7,157
44		**Subtotal General**	$ -	$ -	$ (17,040)	$ -	$ -	$ (26,999)	$ 283,827
45									
46									-
47								-	-
48		TOTAL WASTEWATER PLANT	$ -	$ -	$ (17,040)	$ -	$ -	$ (17,008)	$ 23,036,403
49									
50			ADJ #			Reference			
51			6	Remove AFUDC Adjustment		ACC Staff			
52			7	Acquisition Adjustment					
53			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
54			9						
55			10						
56									

Arizona American - Agua Fria Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -					
9	311.00	Structures and Improvements	57,920					
10	312.00	Collecting and Impounding Res.	-					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	334,959					
13		**Subtotal Source of Supply**	$ 392,879	$ -	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -	-				
17	321.00	Structures and Improvements	54,255	(11,196)				
18	323.00	Other Power Production	-	-				
19	325.00	Electric Pumping Equipment	1,984,180	(15,122)				
20	326.00	Diesel Pumping Equipment	19,386	-				
21	328.10	Gas Engine Pumping Equipment	308	-				
22		**Subtotal Pumping**	$ 2,058,130	$ (26,318)	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	3,430	-				
27	332.00	Water Treatment Equipment	48,501	(3,442)				
28		**Subtotal Water Treatment**	$ 51,931	$ (3,442)	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	-	-				
33	342.00	Distribution, Reservoirs, & ST	20,686	(34,414)				
34	343.00	Transmission and Distribution	1,740,596	(7,710)				
35	344.00	Fire Mains	-	-				
36	345.00	Services	291,721	-				
37	346.00	Meters	148,596	-				
38	348.00	Hydrants	241,703	-				
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributio**	$ 2,443,302	$ (42,124)	$ -	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	44,422					
45	391.00	Office Funiture and Equipment	52,075					
46	391.10	Computer Equipment	(59,456)					
47	392.00	Transportation Equipment	181,157					
48	393.00	Stores Equipment	1,087					
49	394.00	Tools, Shop and Garage	2,621					
50	395.00	Laboratory Equipment	3,205					
51	396.00	Power Operated Equipment	5,979					
52	397.00	Communication Equipment	46,642					
53	398.00	Miscellaneous Equipment	19,382					
54		**Subtotal General**	$ 297,114	$ -	$ -	$ -	$ -	$ -
55								
56		Double Booked Advance						
57			-					
58		ADFUC adjustment 3/95	(52,460)					
59		TOTAL WATER PLANT	$ 5,190,896	$ (71,884)	$ -	$ -	$ -	$ -
60								
61				ADJ #			Reference	
62				1	Plant Not Used and Useful		Rebuttal Schedule B-2, Page 8	
63				2	Unidentified Plant		ACC Staff	
64				3	Mis-posted Plant		ACC Staff	
65				4	Plant Removed by Prev. Decision		ACC Staff	
66				5	Post Test Year Plant		ACC Staff	
67								
68								

Arizona American
Agua Fria/Anthem Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						-	-
10	312.00	Preliminary Treatment						-	657
11	313.00	Primary Treatment Equipment						-	-
12	314.00	Secondary Treatment Equipment						-	49,790
13	315,00	Tertiary Equipment						-	427,454
14	316.00	Disinfection Equipment						-	5,739
15	317.00	Effluent Lift Station E						-	1,778
16	318.00	Outfall Line						-	-
17	319.00	Sludge, Treatment & Distribution						-	19,349
18	321.00	Influent Lift Station						-	-
19	322.00	General Treatment Equipment						-	6,855
20		**Subtotal Treatment & Dis.**	$ -	$ -	$ -	$ -	$ -	$ -	$ 511,621
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights							$ -
24	341.00	Structures and Improvements						-	-
25	342.00	Collection System Lift						-	19,590
26	343.00	Collection Mains						-	138,243
27	344.00	*Force Mains*						-	-
28	345.00	Discharge Services						-	29,438
29	348.00	Manholes						-	40,395
30		**Subtotal Collection and Infl.**	$ -	$ -	$ -	$ -	$ -	$ -	$ 227,666
31									
32		**General**							
33	389.00	Land and Land Rights			$ -			$ -	$ -
34	390.00	Structures and Improvements			-			-	8,495
35	391.00	Office Funiture and Equipment			-			-	9,849
36	391.10	Computer Equipment			(1,006)			(1,006)	(12,882)
37	392.00	Transportation Equipment			-			-	28,362
38	393.00	Stores Equipment			-			-	213
39	394.00	Tools, Shop and Garage			-			-	498
40	395.00	Laboratory Equipment			-			-	627
41	396.00	Power Operated Equipment			(10)			(10)	1,160
42	397.00	Communication Equipment			-			-	9,086
43	398.00	Miscellaneous Equipment			(414)			(414)	3,096
44		**Subtotal General**	$ -	$ -	$ (1,430)	$ -	$ -	$ (1,430)	$ 48,504
45									
46									-
47								-	-
48		TOTAL WASTEWATER PLANT	$ -	$ -	$ (1,430)	$ -	$ -	$ (1,430)	$ 787,791
49									
50			ADJ #			Reference			
51			6	Remove AFUDC Adjustment		ACC Staff			
52			7	Acquisition Adjustment					
53			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
54			9						
55			10						
56									

Arizona American - Anthem\Agua Fria Wastewater
Plant Summary with Common Plant Adjustments
at December 31, 2002

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost	Rebuttal Allocated Original Cost	Rebuttal Allocated Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.02732	$ 133	$ 133	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.02732	91,498	91,498	-	8,495	8,495	-
5	391.00	Office Funiture and Equipment	0.02732	27,255	27,255	-	9,849	9,849	-
6	391.10	Computer Equipment	0.02732	39,022	22,413	(16,608)	(11,876)	(12,882)	(1,006)
7	392.00	Transportation Equipment	0.02732	49,104	49,104	-	28,362	28,362	-
8	393.00	Stores Equipment	0.02732	785	785	-	213	213	-
9	394.00	Tools, Shop and Garage	0.02732	11,230	11,230	-	498	498	-
10	395.00	Laboratory Equipment	0.02732	3,557	3,557	-	627	627	-
11	396.00	Power Operated Equipment	0.02732	3,287	3,269	(18)	1,170	1,160	(10)
12	397.00	Communication Equipment	0.02732	15,777	15,777	-	9,086	9,086	-
13	398.00	Miscellaneous Equipment	0.02732	7,570	7,157	(414)	3,509	3,096	(414)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 249,219	$ 232,179	$ (17,040)	$ 49,934	$ 48,504	$ (1,430)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-2, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00		0 $ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	Communication Equipment	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345		(607,932)				
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051						
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325		(669)				
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101	(458)		(14,679)			
13		**Subtotal General**	$ 9,122,373	$ (458)	$ (608,601)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	Computer Equipment	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Proforma Adjustment Label	Proforma Adjustment Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 24,106,918	(1)	(435,555)	$ 23,671,364
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	843,970	(2)	(17,525)	826,446
8					
9	Net Utility Plant				
10	in Service	$ 23,262,948			$ 22,844,918
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	19,937,010	(3)	(366,965)	19,570,045
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	472,196	(4)	13,015	485,212
18	Purposes Only)				
19	Customer Meter Deposits	-			-
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Deferred Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 2,853,742			$ 2,789,661
30					
31					
32	(1) See B-3, Page 2				
33	(2) See B-3, Page 3				
34	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36					
37					
38					
39					
40					
41					
42					

Arizona American
Anthem/Agua Fria Wastewater
RCND Plant Summary
December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ -	$ -	$ -	$ -	$ -	$ -
3	302.00	Franchises	275,341	(25,813)	249,528	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 275,341	$ (25,813)	$ 249,528	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 336,560	$ -	$ 336,560	$ -	$ -	$ -
9	311.00	Structures and Improvements	2,400	1,379	3,779	-	-	-
10	312.00	Preliminary Treatment	828,719	1,208	829,927	657	-	657
11	313.00	Primary Treatment Equipment	-	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	2,106,352	(17,149)	2,089,203	50,861	(418)	50,443
13	315.00	Tertiary Equipment	9,095,977	(142,025)	8,953,952	450,009	(8,796)	441,213
14	316.00	Disinfection Equipment	895,260	(1,359)	893,900	5,762	(9)	5,753
15	317.00	Effluent Lift Station E	813,270	-	813,270	1,778	-	1,778
16	318.00	Outfall Line	-	-	-	-	-	-
17	319.00	Sludge, Treatment & Distribution	17,377	(6,780)	10,597	19,534	(73)	19,462
18	321.00	Influent Lift Station	5,000	2,463	7,463	-	-	-
19	322.00	General Treatment Equipment	91,735	(3,366)	88,369	7,567	(278)	7,289
20		**Subtotal Treatment & Dis.**	$ 14,192,649	$ (165,629)	$ 14,027,020	$ 536,167	$ (9,573)	$ 526,594
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
24	341.00	Structures and Improvements	-	-	-	-	-	-
25	342.00	Collection System Lift	154,585	(732)	153,853	21,623	(793)	20,830
26	343.00	Collection Mains	7,875,353	(149,704)	7,725,649	146,914	(3,593)	143,321
27	344.00	Force Mains	1,918	-	1,918	-	-	-
28	345.00	Discharge Services	1,234,533	(24,612)	1,209,920	31,037	(619)	30,418
29	348.00	Manholes	(0)	(18,267)	(18,268)	42,638	(515)	42,123
30		**Subtotal Collection and Infl.**	$ 9,266,388	$ (193,316)	$ 9,073,073	$ 242,212	$ (5,520)	$ 236,692
31								
32		**General**						
33	389.00	Land and Land Rights	$ 345	$ (212)	$ 133	$ -	$ -	$ -
34	390.00	Structures and Improvements	124,183	(18,148)	106,035	13,825	(453)	13,372
35	391.00	Office Funiture and Equipment	54,659	(3,756)	50,903	13,718	259	13,977
36	391.10	Computer Equipment	74,356	(18,754)	55,602	(13,211)	(970)	(14,180)
37	392.00	Transportation Equipment	54,333	(762)	53,571	31,570	(458)	31,113
38	393.00	Stores Equipment	1,023	11	1,034	299	10	309
39	394.00	Tools, Shop and Garage	19,537	(5,251)	14,286	385	11	397
40	395.00	Laboratory Equipment	5,845	(2,785)	3,060	747	(3)	744
41	396.00	Power Operated Equipment	4,217	45	4,262	1,532	12	1,543
42	397.00	Communication Equipment	19,065	3,749	22,814	11,352	(80)	11,272
43	398.00	Miscellaneous Equipment	14,977	(4,934)	10,043	5,372	(759)	4,613
44		**Subtotal General**	$ 372,541	$ (50,798)	$ 321,743	$ 65,591	$ (2,431)	$ 63,160
45								
46				-	-	-	-	-
47				-	-	-	-	-
48		TOTAL WASTEWATER PLANT	$ 24,106,919	$ (435,555)	$ 23,671,364	$ 843,970	$ (17,525)	$ 826,446
49								
50		SUPPORTING SCHEDULES:						
51		Rebuttal B-2, page 2a, 2b, 3a, 3b						
52								

Arizona American
Agua Fria/Anthem Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Not Used Adjustment 1	Unidentifies Adjustment 2	Mispost Adjustment 3	Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					$ -
3	302.00	Franchises	275,341					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 275,341	$ -	$ -	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ 336,560					$ -
9	311.00	Structures and Improvements	2,400					1,379
10	312.00	Preliminary Treatment	828,719					1,208
11	313.00	Primary Treatment Equipment	-					-
12	314.00	Secondary Treatment Equipment	2,106,352					-
13	315,00	Tertiary Equipment	9,095,977					-
14	316.00	Disinfection Equipment	895,260					-
15	317.00	Effluent Lift Station E	813,270					-
16	318.00	Outfall Line	-					-
17	319.00	Sludge, Treatment & Distribution	17,377					-
18	321.00	Influent Lift Station	5,000					2,463
19	322.00	General Treatment Equipment	91,735					-
20		**Subtotal Treatment & Dis.**	$ 14,192,649	$ -	$ -	$ -	$ -	$ 5,050
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -					$ -
24	341.00	Structures and Improvements	-					-
25	342.00	Collection System Lift	154,585					4,940
26	343.00	Collection Mains	7,875,353					-
27	344.00	Force Mains	1,918					-
28	345.00	Discharge Services	1,234,533					-
29	348.00	Manholes	(0)					-
30		**Subtotal Collection and Infl.**	$ 9,266,388	$ -	$ -	$ -	$ -	$ 4,940
31								
32		**General**						
33	389.00	Land and Land Rights	$ 345					$ -
34	390.00	Structures and Improvements	124,183					-
35	391.00	Office Funiture and Equipment	54,659					(2,842)
36	391.10	Computer Equipment	74,356					-
37	392.00	Transportation Equipment	54,333					-
38	393.00	Stores Equipment	1,023					-
39	394.00	Tools, Shop and Garage	19,537					(5,227)
40	395.00	Laboratory Equipment	5,845					(1,727)
41	396.00	Power Operated Equipment	4,217					-
42	397.00	Communication Equipment	19,065					4,038
43	398.00	Miscellaneous Equipment	14,977					(4,200)
44		**Subtotal General**	$ 372,541	$ -	$ -	$ -	$ -	$ (9,958)
45								
46			-					
47			-					
48		TOTAL WASTEWATER PLANT	$ 24,106,919	$ -	$ -	$ -	$ -	$ 32
49								
50			ADJ #			Reference		
51			1	Plant Not Used and Useful		Blank		
52			2	Unidentified Plant		Blank		
53			3	Mis-posted Plant		Blank		
54			4	Plant Removed by Prev. Decision		Blank		
55			5	Post Test Year Plant		ACC Staff		

Arizona American
Agua Fria/Anthem Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				$ -		$ -	$ -
3	302.00	Franchises				(25,813)		(25,813)	249,528
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (25,813)	$ -	$ (25,813)	$ 249,528
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights				$ -		$ -	$ 336,560
9	311.00	Structures and Improvements				-		1,379	3,779
10	312.00	Preliminary Treatment				-		1,208	829,927
11	313.00	Primary Treatment Equipment				-		-	-
12	314.00	Secondary Treatment Equipment				(17,149)		(17,149)	2,089,203
13	315,00	Tertiary Equipment				(142,025)		(142,025)	8,953,952
14	316.00	Disinfection Equipment				(1,359)		(1,359)	893,900
15	317.00	Effluent Lift Station E				-		-	813,270
16	318.00	Outfall Line				-		-	-
17	319.00	Sludge, Treatment & Distribution				(6,780)		(6,780)	10,597
18	321.00	Influent Lift Station				-		2,463	7,463
19	322.00	General Treatment Equipment				(3,366)		(3,366)	88,369
20		**Subtotal Treatment & Dis.**	$ -	$ -	$ -	$ (170,679)	$ -	$ (165,629)	$ 14,027,020
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights				$ -			$ -
24	341.00	*Structures and Improvements*				-		-	-
25	342.00	Collection System Lift				(5,672)		(732)	153,853
26	343.00	Collection Mains				(149,704)		(149,704)	7,725,649
27	344.00	Force Mains				-		-	1,918
28	345.00	Discharge Services				(24,612)		(24,612)	1,209,920
29	348.00	Manholes				(18,267)		(18,267)	(18,268)
30		**Subtotal Collection and Infl.**	$ -	$ -	$ -	$ (198,256)	$ -	$ (193,316)	$ 9,073,073
31									
32		**General**							
33	389.00	Land and Land Rights			$ (212)	$ -		$ (212)	$ 133
34	390.00	Structures and Improvements			(3,243)	(14,906)		(18,148)	106,035
35	391.00	Office Funiture and Equipment			33	(947)		(3,756)	50,903
36	391.10	Computer Equipment			(18,754)	-		(18,754)	55,602
37	392.00	Transportation Equipment			(762)	-		(762)	53,571
38	393.00	Stores Equipment			11	-		11	1,034
39	394.00	Tools, Shop and Garage			(24)	-		(5,251)	14,286
40	395.00	Laboratory Equipment			(42)	(1,015)		(2,785)	3,060
41	396.00	Power Operated Equipment			45	-		45	4,262
42	397.00	Communication Equipment			(289)	-		3,749	22,814
43	398.00	Miscellaneous Equipment			(734)	-		(4,934)	10,043
44		**Subtotal General**	$ -	$ -	$ (23,971)	$ (16,868)	$ -	$ (50,798)	$ 321,743
45									
46									-
47								-	-
48		TOTAL WASTEWATER PLANT	$ -	$ -	$ (23,971)	$ (411,616)	$ -	$ (435,555)	$ 23,671,364
49									

ADJ #		Reference
6	Remove Trended AFUDC Adjustme	Blank
7	Acquisition Adjustment	Blank
8	Common Plant Adjustments	Rebuttal B-3, Page 4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10		

Arizona American
Agua Fria/Anthem Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Unidentifies Adjustment 2	Mispost Adjustment 3	Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		***Subtotal Intangible***	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	$ -					
9	311.00	Structures and Improvements	-					
10	312.00	Preliminary Treatment	657					
11	313.00	Primary Treatment Equipment	-					
12	314.00	Secondary Treatment Equipment	50,861					
13	315,00	Tertiary Equipment	450,009					
14	316.00	Disinfection Equipment	5,762					
15	317.00	Effluent Lift Station E	1,778					
16	318.00	Outfall Line	-					
17	319.00	Sludge, Treatment & Distribution	19,534					
18	321.00	Influent Lift Station	-					
19	322.00	General Treatment Equipment	7,567					
20		**Subtotal Treatment & Dis.**	$ 536,167	$ -	$ -	$ -	$ -	$ -
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	$ -					
24	341.00	Structures and Improvements	-					
25	342.00	Collection System Lift	21,623					
26	343.00	Collection Mains	146,914					
27	344.00	Force Mains	-					
28	345.00	Discharge Services	31,037					
29	348.00	Manholes	42,638					
30		**Subtotal Collection and Infl.**	$ 242,212	$ -	$ -	$ -	$ -	$ -
31								
32		**General**						
33	389.00	Land and Land Rights	$ -					
34	390.00	Structures and Improvements	13,825					
35	391.00	Office Funiture and Equipment	13,718					
36	391.10	Computer Equipment	(13,211)					
37	392.00	Transportation Equipment	31,570					
38	393.00	Stores Equipment	299					
39	394.00	Tools, Shop and Garage	385					
40	395.00	Laboratory Equipment	747					
41	396.00	Power Operated Equipment	1,532					
42	397.00	Communication Equipment	11,352					
43	398.00	Miscellaneous Equipment	5,372					
44		**Subtotal General**	$ 65,591	$ -	$ -	$ -	$ -	$ -
45								
46			-					
47			-					
48		TOTAL WASTEWATER PLANT	$ 843,970	$ -	$ -	$ -	$ -	$ -
49								
50								
51								
52								
53								
54								
55								

ADJ #		Reference
1	Plant Not Used and Useful	Blank
2	Unidentified Plant	Blank
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decision	Blank
5	Post Test Year Plant	ACC Staff

Arizona American
Agua Fria/Anthem Wastewater
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				$ -		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Treatment & Discharge**							
8	310.00	Land and Land Rights				$ -		$ -	$ -
9	311.00	Structures and Improvements				-		-	-
10	312.00	Preliminary Treatment				-		-	657
11	313.00	Primary Treatment Equipment				-		-	-
12	314.00	Secondary Treatment Equipment				(418)		(418)	50,443
13	315,00	Tertiary Equipment				(8,796)		(8,796)	441,213
14	316.00	Disinfection Equipment				(9)		(9)	5,753
15	317.00	Effluent Lift Station E				-		-	1,778
16	318.00	Outfall Line				-		-	-
17	319.00	Sludge, Treatment & Distribution				(73)		(73)	19,462
18	321.00	Influent Lift Station				-		-	-
19	322.00	General Treatment Equipment				(278)		(278)	7,289
20		**Subtotal Treatment & Dis.**	$ -	$ -	$ -	$ (9,573)	$ -	$ (9,573)	$ 526,594
21									
22		**Collection and Influent**							
23	340.00	Land and Land Rights				$ -			$ -
24	341.00	Structures and Improvements				-		-	-
25	342.00	Collection System Lift				(793)		(793)	20,830
26	343.00	Collection Mains				(3,593)		(3,593)	143,321
27	344.00	Force Mains				-		-	-
28	345.00	Discharge Services				(619)		(619)	30,418
29	348.00	Manholes				(515)		(515)	42,123
30		**Subtotal Collection and Infl.**	$ -	$ -	$ -	$ (5,520)	$ -	$ (5,520)	$ 236,692
31									
32		**General**							
33	389.00	Land and Land Rights			$ -			$ -	$ -
34	390.00	Structures and Improvements			(453)			(453)	13,372
35	391.00	Office Funiture and Equipment			259			259	13,977
36	391.10	Computer Equipment			(970)			(970)	(14,180)
37	392.00	Transportation Equipment			(458)			(458)	31,113
38	393.00	Stores Equipment			10			10	309
39	394.00	Tools, Shop and Garage			11			11	397
40	395.00	Laboratory Equipment			(3)			(3)	744
41	396.00	Power Operated Equipment			12			12	1,543
42	397.00	Communication Equipment			(80)			(80)	11,272
43	398.00	Miscellaneous Equipment			(759)			(759)	4,613
44		**Subtotal General**	$ -	$ -	$ (2,431)	$ -	$ -	$ (2,431)	$ 63,160
45									
46									-
47								-	-
48		TOTAL WASTEWATER PLANT	$ -	$ -	$ (2,431)	$ (15,093)	$ -	$ (17,525)	$ 826,446
49									

ADJ #		Reference
6	Remove Trended AFUDC Adjustme	Blank
7	Acquisition Adjustment	Blank
8	Common Plant Adjustments	Rebuttal B-3, Page 4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10		

Arizona American
Anthem\Agua Fria Wastewater
RCND Plant Summary with Common Plant Adjustments
at December 31, 2002

Exhibit
Rebuttal Schedule B-3
Page 4

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.02732	$ 345	$ 133	$ (212)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.02732	124,183	120,941	(3,243)	13,825	13,372	(453)
5	391.00	Office Funiture and Equipment	0.02732	35,159	35,192	33	13,718	13,977	259
6	391.10	Computer Equipment	0.02732	43,404	24,650	(18,754)	(13,211)	(14,180)	(970)
7	392.00	Transportation Equipment	0.02732	54,333	53,571	(762)	31,570	31,113	(458)
8	393.00	Stores Equipment	0.02732	1,023	1,034	11	299	309	10
9	394.00	Tools, Shop and Garage	0.02732	14,310	14,286	(24)	385	397	11
10	395.00	Laboratory Equipment	0.02732	4,118	4,075	(42)	747	744	(3)
11	396.00	Power Operated Equipment	0.02732	4,217	4,262	45	1,532	1,543	12
12	397.00	Communication Equipment	0.02732	19,065	18,777	(289)	11,352	11,272	(80)
13	398.00	Miscellaneous Equipment	0.02732	10,777	10,043	(734)	5,372	4,613	(759)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 310,934	$ 286,963	$ (23,971)	$ 65,591	$ 63,160	$ (2,431)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00		0 $ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment	1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment	1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment	1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment	37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage	523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment	150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment	154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment	697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment	394,470	(26,855)	367,615	196,632	(27,786)	168,847
13								
14								
15		TOTALCOMMON PLANT	$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	Computer Equipment	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		**Subtotal General**	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	Laboratory Equipment	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	*Miscellaneous Equipment*	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments	O.C. Adjusted A/D
1		**Intangible**						
2	301.00	Organization	-	-	-	-	-	-
3	302.00	Franchises	248,678	-	248,678	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	248,678	-	248,678	-	-	-
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	336,560	-	336,560	-	-	-
9	311.00	Structures and Improvements	-	-	-	-	-	-
10	312.00	Preliminary Treatment	800,483	-	800,483	657	-	657
11	313.00	Primary Treatment Equipment	-	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	2,043,907	-	2,043,907	49,790	-	49,790
13	315,00	Tertiary Equipment	6,901,702	-	6,901,702	427,454	-	427,454
14	316.00	Disinfection Equipment	872,216	-	872,216	5,739	-	5,739
15	317.00	Effluent Lift Station E	808,883	-	808,883	1,778	-	1,778
16	318.00	Outfall Line	-	-	-	-	-	-
17	319.00	Sludge, Treatment & Distribution	1,808,517	-	1,808,517	19,349	-	19,349
18	321.00	Influent Lift Station	-	-	-	-	-	-
19	322.00	General Treatment Equipment	83,108	-	83,108	6,855	-	6,855
20		**Subtotal Treat & Disc**	13,655,376	-	13,655,376	511,621	-	511,621
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	-	-	-	-	-	-
24	341.00	Structures and Improvements	-	-	-	-	-	-
25	342.00	Collection System Lift	140,048	-	140,048	19,590	-	19,590
26	343.00	Collection Mains	5,850,175	-	5,850,175	138,243	-	138,243
27	344.00	Force Mains	1,918	-	1,918	-	-	-
28	345.00	Discharge Services	1,170,937	-	1,170,937	29,438	-	29,438
29	348.00	Manholes	1,574,950	-	1,574,950	40,395	-	40,395
30		**Subtotal Coll.and Infl.**	8,738,028	-	8,738,028	227,666	-	227,666
31								
32		**General**						
33	389.00	Land and Land Rights	-	-	-	-	-	-
34	390.00	Structures and Improvements	637,475	-	637,475	22,642	-	22,642
35	391.00	Office Funiture and Equipment	31,682	-	31,682	3,136	-	3,136
36	391.10	Computer Equipment	-	-	-	-	-	-
37	392.00	Transportation Equipment	-	-	-	-	-	-
38	393.00	Stores Equipment	-	-	-	-	-	-
39	394.00	Tools, Shop and Garage	-	-	-	-	-	-
40	395.00	Laboratory Equipment	36,160	-	36,160	3,711	-	3,711
41	396.00	Power Operated Equipment	-	-	-	-	-	-
42	397.00	Communication Equipment	-	-	-	-	-	-
43	398.00	Miscellaneous Equipment	-	-	-	-	-	-
44		**Subtotal General**	705,317	-	705,317	29,488	-	29,488
45								
46			-	-	-	-	-	-
47			-	-	-	-	-	-
48		TOTAL WASTEWATER PLANT	23,347,400	-	23,347,400	768,775	-	768,775
49								
50								
51								

Line No.	Account No.	Description	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	Adjustment (B-3, page 2b, Adj. #9) RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1		**Intangible**					
2	301.00	Organization	-	-	-	-	-
3	302.00	Franchises	274,491	-	274,491	(25,813)	248,678
4	303.00	*Miscellaneous Intangibles*	-	-	-	-	-
5		**Subtotal Intangible**	274,491	-	274,491	(25,813)	248,678
6							
7		**Treatment & Discharge**					
8	310.00	Land and Land Rights	336,560	-	336,560	-	336,560
9	311.00	Structures and Improvements	-	-	-	-	-
10	312.00	Preliminary Treatment	800,483	-	800,483	-	800,483
11	313.00	Primary Treatment Equipment	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	2,087,858	-	2,087,858	(17,149)	2,070,709
13	315.00	Tertiary Equipment	7,265,883	-	7,265,883	(142,025)	7,123,858
14	316.00	Disinfection Equipment	875,700	-	875,700	(1,359)	874,340
15	317.00	Effluent Lift Station E	808,883	-	808,883	-	808,883
16	318.00	Outfall Line	-	-	-	-	-
17	319.00	Sludge, Treatment & Distribution	1,825,894	-	1,825,894	(6,780)	1,819,114
18	321.00	Influent Lift Station	-	-	-	-	-
19	322.00	General Treatment Equipment	91,735	-	91,735	(3,366)	88,369
20		**Subtotal Treat & Disc**	14,092,996	-	14,092,996	(170,679)	13,922,317
21							
22		**Collection and Influent**					
23	340.00	Land and Land Rights	-	-	-	-	-
24	341.00	Structures and Improvements	-	-	-	-	-
25	342.00	Collection System Lift	154,585	-	154,585	(5,672)	148,913
26	343.00	Collection Mains	6,214,767	-	6,214,767	(149,704)	6,065,062
27	344.00	Force Mains	1,918	-	1,918	-	1,918
28	345.00	Discharge Services	1,234,533	-	1,234,533	(24,612)	1,209,920
29	348.00	Manholes	1,660,586	-	1,660,586	(18,267)	1,642,319
30		**Subtotal Coll.and Infl.**	9,266,388	-	9,266,388	(198,256)	9,068,132
31							
32		**General**				**(Common Plant, B-2, Page 6)**	
33	389.00	Land and Land Rights	-	-	-	-	-
34	390.00	Structures and Improvements	703,245	-	703,245	(14,906)	688,339
35	391.00	Office Funiture and Equipment	34,971	-	34,971	(947)	34,023
36	391.10	Computer Equipment	-	-	-	-	-
37	392.00	Transportation Equipment	-	-	-	-	-
38	393.00	Stores Equipment	-	-	-	-	-
39	394.00	Tools, Shop and Garage	-	-	-	-	-
40	395.00	Laboratory Equipment	39,685	-	39,685	(1,015)	38,669
41	396.00	Power Operated Equipment	-	-	-	-	-
42	397.00	Communication Equipment	-	-	-	-	-
43	398.00	Miscellaneous Equipment	-	-	-	-	-
44		**Subtotal General**	777,901	-	777,901	(16,868)	761,032
45							
46			-	-	-	-	-
47			-	-	-	-	-
48		TOTAL WASTEWATER PLANT	24,411,775	-	24,411,775	(411,616)	24,000,160
49							
50							
51							

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1		**Intangible**						
2	301.00	Organization	-	-	-	-	-	-
3	302.00	Franchises	-	-	-	1.0000	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	-	-	-		-	-
6								
7		**Treatment & Discharge**						
8	310.00	Land and Land Rights	-	-	-	1.0000	-	-
9	311.00	Structures and Improvements	-	-	-	-	-	-
10	312.00	Preliminary Treatment	657	-	657	1.0000	657	-
11	313.00	Primary Treatment Equipment	-	-	-	-	-	-
12	314.00	Secondary Treatment Equipment	50,861	-	50,861	1.0131	50,443	(418)
13	315.00	Tertiary Equipment	450,009	-	450,009	1.0322	441,213	(8,796)
14	316.00	Disinfection Equipment	5,762	-	5,762	1.0024	5,753	(9)
15	317.00	Effluent Lift Station E	1,778	-	1,778	1.0000	1,778	-
16	318.00	Outfall Line	-	-	-	-	-	-
17	319.00	Sludge, Treatment & Distribution	19,534	-	19,534	1.0059	19,462	(73)
18	321.00	Influent Lift Station	-	-	-	-	-	-
19	322.00	General Treatment Equipment	7,567	-	7,567	1.0633	7,289	(278)
20		**Subtotal Treat & Disc**	536,167	-	536,167		526,594	(9,573)
21								
22		**Collection and Influent**						
23	340.00	Land and Land Rights	-	-	-	-	-	-
24	341.00	Structures and Improvements	-	-	-	-	-	-
25	342.00	Collection System Lift	21,623	-	21,623	1.0633	20,830	(793)
26	343.00	Collection Mains	146,914	-	146,914	1.0367	143,321	(3,593)
27	344.00	Force Mains	-	-	-	1.0000	-	-
28	345.00	Discharge Services	31,037	-	31,037	1.0333	30,418	(619)
29	348.00	Manholes	42,638	-	42,638	1.0428	42,123	(515)
30		**Subtotal Coll.and Infl.**	242,212	-	242,212		236,692	(5,520)
31								
32		**General**						**(Common Plant, B-2, Page 7)**
33	389.00	Land and Land Rights	-	-	-	-	-	-
34	390.00	Structures and Improvements	24,978	-	24,978	1.0798	24,448	(529)
35	391.00	Office Funiture and Equipment	3,461	-	3,461	1.0739	3,367	(94)
36	391.10	Computer Equipment	-	-	-	-	-	-
37	392.00	Transportation Equipment	-	-	-	-	-	-
38	393.00	Stores Equipment	-	-	-	-	-	-
39	394.00	Tools, Shop and Garage	-	-	-	-	-	-
40	395.00	Laboratory Equipment	4,073	-	4,073	1.0694	3,968	(104)
41	396.00	Power Operated Equipment	-	-	-	-	-	-
42	397.00	Communication Equipment	-	-	-	-	-	-
43	398.00	Miscellaneous Equipment	-	-	-	-	-	-
44		**Subtotal General**	32,512	-	32,512		31,784	(727)
45								
46			-	-	-	-	-	-
47			-	-	-	-	-	-
48		TOTAL WASTEWATER PLANT	810,891	-	810,891		795,071	(15,821)
49								
50								
51								

10/09/2003

Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 1
Witness: Bourassa

Company Code: 4023 Business Area: 4539 Anthem/Agua Fria Wastewater (Treatco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T30200	FRANCH/CONSENTS	1999	172,542	180.2	167.8	1.0739	185,293	172,542
	T30200	Class Totals	172,542				185,293	172,542
T31000	LAND/LAND RIGHTS	2001	336,560	180.2	180.2	1.0000	336,560	336,560
	T31000	Class Totals	336,560				336,560	336,560
T31200	PRE TREATMENT EQ	2001	800,483	403.0	403.0	1.0000	800,483	800,483
	T31200	Class Totals	800,483				800,483	800,483
T31400	SCND TREAMENT EQ	1999	423,421	403.0	379.0	1.0633	450,223	450,223
T31400	SCND TREAMENT EQ	2001	1,620,485	403.0	403.0	1.0000	1,620,485	1,620,485
	T31400	Class Totals	2,043,906				2,070,709	2,070,709
T31500	TERTIARY EQ	1999	3,506,483	403.0	379.0	1.0633	3,728,443	3,728,443
T31500	TERTIARY EQ	2000	5,878	403.0	390.0	1.0333	6,073	6,073
T31500	TERTIARY EQ	2001	3,389,340	403.0	403.0	1.0000	3,389,340	3,389,340
	T31500	Class Totals	6,901,701				7,123,858	7,123,858

Trended RCN
Handy-Whitman

Company Code: 4023 Business Area: 4539 Anthem/Agua Fria Wastewater (Treatco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T31600	DISINFECTION EQ	1999	33,565	403.0	379.0	1.0633	35,689	35,689
T31600	DISINFECTION EQ	2001	838,650	403.0	403.0	1.0000	838,650	838,650
	T31600	Class Totals	872,215				874,340	874,340
T31700	EFFLUENT STATION	2001	808,883	403.0	403.0	1.0000	808,883	808,883
	T31700	Class Totals	808,883				808,883	808,883
T31900	SLUDGE, TRMNT & DIS	1999	167,405	403.0	379.0	1.0633	178,002	178,002
T31900	SLUDGE, TRMNT & DIS	2001	1,641,111	403.0	403.0	1.0000	1,641,111	1,641,111
	T31900	Class Totals	1,808,517				1,819,113	1,819,113
T32200	GNL TRMNT EQ	1999	83,108	403.0	379.0	1.0633	88,369	88,369
	T32200	Class Totals	83,108				88,369	88,369
T34200	COLL. SYSTEM LIFT	1999	140,048	403.0	379.0	1.0633	148,913	148,913
	T34200	Class Totals	140,048				148,913	148,913
T34300	COLL. MAINS	1999	1,807,675	324.0	306.0	1.0588	1,913,966	1,913,966
T34300	COLL. MAINS	2000	139,128	324.0	316.0	1.0253	142,648	142,648

Trended RCN
Handy-Whitman

Company Code: 4023 Business Area: 4539 Anthem/Agua Fria Wastewater (Treatco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T34300	COLL. MAINS	2001	10,050	324.0	320.0	1.0125	10,175	10,175
T34300	COLL. MAINS	2001	560,387	324.0	324.0	1.0000	560,387	560,387
	T34300	Class Totals	2,517,240				2,627,177	2,627,177
T34400	FORCE MAINS	2001	1,917	324.0	324.0	1.0000	1,917	1,917
	T34400	Class Totals	1,917				1,917	1,917
T34800	MANHOLES	1999	353,651	350.0	324.0	1.0802	382,013	382,013
T34800	MANHOLES	2000	26,727	350.0	338.0	1.0355	27,676	27,676
T34800	MANHOLES	2001	136,494	350.0	350.0	1.0000	136,494	136,494
	T34800	Class Totals	516,873				546,184	546,184
T39000	STRUCT AND IMPROV	1999	631,624	350.0	324.0	1.0802	682,280	682,280
T39000	STRUCT AND IMPROV	2000	5,851	350.0	338.0	1.0355	6,059	6,059
	T39000	Class Totals	637,475				688,339	688,339
T39100	OFFICE FURN/EQUIP	1999	31,682	180.2	167.8	1.0739	34,023	34,023
	T39100	Class Totals	31,682				34,023	34,023

Trended RCN
Handy-Whitman

Company Code: 4023 Business Area: 4539 Anthem/Agua Fria Wastewater (Treatco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T39500	LAB EQUIP	1999	33,959	180.2	167.8	1.0739	36,469	36,469
T39500	LAB EQUIP	2001	2,200	180.2	180.2	1.0000	2,200	2,200
T39500	Class Totals		36,159				38,669	38,669
Company Code: 4023	Business Area: 4539		17,709,315				18,192,835	18,180,084

Company Code: 4024 Business Area: 4541 Anthem/Agua Fria Wastewater (Distco)

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
T30200	FRANCH/CONSENTS	1999	76,136	180.2	167.8	1.0739	81,762	76,136
	T30200	Class Totals	76,136				81,762	76,136
T34300	COLL. MAINS	1999	1,165,667	324.0	306.0	1.0588	1,234,208	1,234,208
T34300	COLL. MAINS	2000	970,544	324.0	316.0	1.0253	995,099	995,099
T34300	COLL. MAINS	2001	948,352	324.0	320.0	1.0125	960,207	960,207
T34300	COLL. MAINS	2001	248,369	324.0	324.0	1.0000	248,369	248,369
	T34300	Class Totals	3,332,934				3,437,884	3,437,884
T34500	DISCHARGE SERVICES	1999	421,678	324.0	306.0	1.0588	446,473	446,473
T34500	DISCHARGE SERVICES	2000	408,144	324.0	316.0	1.0253	418,470	418,470
T34500	DISCHARGE SERVICES	2001	309,049	324.0	320.0	1.0125	312,912	312,912
T34500	DISCHARGE SERVICES	2001	32,064	324.0	324.0	1.0000	32,064	32,064
	T34500	Class Totals	1,170,936				1,209,920	1,209,920
T34800	MANHOLES	1999	273,309	350.0	324.0	1.0802	295,228	295,228
T34800	MANHOLES	2000	406,339	350.0	338.0	1.0355	420,764	420,764
T34800	MANHOLES	2001	300,375	350.0	348.0	1.0057	302,087	302,087
T34800	MANHOLES	2001	78,053	350.0	350.0	1.0000	78,053	78,053
	T34800	Class Totals	1,058,077				1,096,134	1,096,134

Company Code:	4024	Business Area:	4541	5,638,084	5,825,701	5,820,075

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Rebuttal Adjusted with Rate Increase
1	**Revenues**						
2	Flat Rate Revenues	$ 880,474			$ 880,474	323,599	$ 1,204,073
3	Measured Revenues	-			-		-
4	Other Wastewater Revenues	986,072			986,072	-	986,072
5		$ 1,866,546		$ -	$ 1,866,546	$ 323,599	$ 2,190,145
6	**Operating Expenses**						
7	Salaries and Wages	$ 317,956	1/6	(61,890)	$ 256,067		$ 256,067
8	Purchased Wasterwater Treatment	19,925			19,925		19,925
9	Purchased Power	5,714			5,714		5,714
10	Fuel for Power Production	-			-		-
11	Chemicals	-			-		-
12	Materials and Supplies	(1,053)			(1,053)		(1,053)
13	Repairs and Maintenance	-			-		-
14	Office Supplies and Expense	72,565	7	(5,744)	66,821		66,821
15	Outside Services	26,544			26,544		26,544
16	Service Company Charges	287,577	10	(9,612)	277,965		277,965
17	Water Testing	-			-		-
18	Rents	8,308			8,308		8,308
19	Transportation Expenses	-			-		-
20	Insurance - General Liability	(3,612)	8	(150)	(3,761)		(3,761)
21	Insurance - health and Life	-			-		-
22	Regulatory Commission Expense - Rate Case	12,319			12,319		12,319
23	Miscellaneous Expense	241,357	9	(125)	241,232		241,232
24	Depreciation Expense	876,022	3	(11,251)	864,771		864,771
25	Taxes Other Than Income	17,520	2	(1,307)	16,213		16,213
26	Property Taxes	121,472	4	(12,420)	109,052		109,052
27	Income Tax	(87,213)		42,857	(44,357)		80,549
28					-		-
29	**Total Operating Expenses**	$ 1,915,401		$ (59,641)	$ 1,855,760	$ -	$ 1,980,666
30	**Operating Income**	$ (48,855)		$ 59,641	$ 10,786	$ 323,599	$ 209,480
31	**Other Income (Expense)**						
32	Interest Income	-			-		-
33	Other income	-			-		-
34	Interest Expense	(89,880)	5	8,533	(81,347)		(81,347)
35	Other Expense	-			-		-
36	Gain/Loss Sale of Fixed Assets	-			-		-
37	**Total Other Income (Expense)**	$ (89,880)		$ 8,533	$ (81,347)	$ -	$ (81,347)
38	**Net Profit (Loss)**	$ (138,735)		$ 68,174	$ (70,560)	$ 323,599	$ 128,133
39							
40	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
41	Rebuttal C-2					Rebuttal A-1	
42							
43							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Agua Fria Anthem Wastewater
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ (10,490)
	6	Adjust to Actual 2002 Additional (Corporate)	(51,400)
Purchased Water	11	Adjust to annualized 2001 qty ordered	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(5,744)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(9,612)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(150)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	(125)
Depreciation Expense	3	Depreciation Expense	(11,251)
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	(1,307)
Property Taxes	4	Property Taxes	(12,420)
Income Tax			42,857
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (59,641)
Operating Income			$ 59,641

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.		Amount
1	Projected Salaries & Wages and Related Expenses	
2		
3	Actual 2002 Wages and Salaries	
4	0 Salaries & Wages	$ 199,310
5		
6	Direct Filing Proposed Wages and Salaries	
7	0 Salaries & Wages	209,800
8		
9	Increase (Decrease)	$ (10,490)
10		
11	Adjustment to Revenues and/or Expenses	$ (10,490)
12		
13		
14		
15		

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.			Amount
1	Projected Salaries & Wages and Related Expenses		
2			
3	PR Taxes Based on Actual 2002 Wages and Salaries		
4	# Taxes Other Than Income		16,213
5			
6	Direct Filing Proposed PR Taxes		
7	# Taxes Other Than Income		17,520
8			
9	Increase (Decrease)	$	(1,307)
10			
11	Adjustment to Revenues and/or Expenses	$	(1,307)
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.					
1	Depreciation Expense				
2					
3	Account		Rebuttak		Depreciation
4	No.	Description	Original Cost	Rate	Expense
5		**Intangible**			
6	301.00	Organization	$ -	0.00%	$ -
7	302.00	Franchises	249,528	0.00%	-
8	303.00	Miscellaneous Intangibles	-	0.00%	-
9		**Subtotal Intangible**	$ 249,528		$ -
10					
11		**Treatment & Discharge**			
12	310.00	Land and Land Rights	$ 336,560	0.00%	$ -
13	311.00	Structures and Improvements	3,779	5.00%	189
14	312.00	Preliminary Treatment	829,927	5.00%	41,496
15	313.00	Primary Treatment Equipment	-	5.00%	-
16	314.00	Secondary Treatment Equipment	2,062,401	5.00%	103,120
17	315,00	Tertiary Equipment	8,731,796	5.00%	436,590
18	316.00	Disinfection Equipment	891,776	5.00%	44,589
19	317.00	Effluent Lift Station E	813,270	8.40%	68,315
20	318.00	Outfall Line	-	5.00%	-
21	319.00	Sludge, Treatment & Distribution	-	5.00%	-
22	321.00	Influent Lift Station	7,463	8.40%	627
23	322.00	General Treatment Equipment	83,108	5.00%	4,155
24		**Subtotal Treatment & Discharge**	$ 13,760,079		$ 699,081
25					
26		**Collection and Influent**			
27	340.00	Land and Land Rights	$ -	0.00%	$ -
28	341.00	Structures and Improvements	-	1.67%	-
29	342.00	Collection System Lift	144,988	8.40%	12,179
30	343.00	Collection Mains	7,425,126	2.04%	151,473
31	344.00	Force Mains	1,918	2.07%	40
32	345.00	Discharge Services	1,170,937	2.04%	23,887
33	348.00	Manholes	-	2.03%	-
34		**Subtotal Collection and Influent**	$ 8,742,968		$ 187,578
35					
36		**General**			
37	389.00	Land and Land Rights	$ 133	0.00%	$ -
38	390.00	Structures and Improvements	91,498	1.68%	1,538
39	391.00	Office Funiture and Equipment	43,914	4.55%	1,996
40	391.10	Computer Equipment	53,365	4.55%	2,426
41	392.00	Transportation Equipment	49,104	25.00%	12,276
42	393.00	Stores Equipment	785	3.92%	31
43	394.00	Tools, Shop and Garage	11,230	4.14%	464
44	395.00	Laboratory Equipment	3,557	3.71%	132
45	396.00	Power Operated Equipment	3,269	5.14%	168
46	397.00	Communication Equipment	19,814	10.28%	2,036
47	398.00	Miscellaneous Equipment	7,157	4.98%	356
48		**Subtotal General**	$ 283,827		$ 21,424
49					
50					
51					
52		TOTALS	$ 23,036,403	3.94%	$ 908,083
53					
54					
55					
56	Amortization of Deferred Regulatory Assets		$ 99,122	3.94%	3,907
57					
58	Less: Amotization of Contributions		$ 472,196	10.0000%	(47,220)
59	Rebuttal Depreciation Expense				$ 864,771
60					
61	Direct Filing Depreciation Expense				876,022
62					
63	Increase (decrease) in Depreciation Expense				(11,251)
64					
65	Adjustment to Revenues and/or Expenses				$ (11,251)
66					

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$ 1,866,546
4	Rebuttal Adjusted Revenues in year ended 12/31/01	1,866,546
5	Proposed Revenues	2,190,145
6	Average of three year's of revenue	$ 1,974,413
7	Average of three year's of revenue, times 2	3,948,825
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	49,104
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 49,104
14		
15	Full Cash Value	$ 3,899,721
16	Assessment Ratio	25%
17	Assessed Value	974,930
18	Property Tax Rate	11.185601%
19		
20	Property Tax	109,052
21	Tax on Parcels	
22		
23	Total Rebuttal Property Tax at Proposed Rates	$ 109,052
24	Direct Filing Proposed Property Taxes	121,472
25	Increase (Decrease) in Property Taxes	$ (12,420)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (12,420)
29		
30		

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$2,789,661
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	81,347
6	Direct Filing Interest Expense	89,880
7	Increase in Interest Expense	$ (8,533)
8		
9	Adjustment to Revenues and/or Expense	$ (8,533)
10		
11		

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Wages Expense (Corporate)	$	56,757
5			
6	Direct Filing Proposed Additional Wages Expense (Corporate)		108,156
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(51,400)
10			
11	Adjustment to Revenue and/or Expense	$	(51,400)
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	23,547
5			
6	Direct Filing Proposed Additonal Office Expense (Corporate)		29,291
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(5,744)
10			
11	*Adjustment to Revenue and/or Expense*	$	(5,744)
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	4,781
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corporat		4,931
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(150)
10			
11	Adjustment to Revenue and/or Expense	$	(150)
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	4,050
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporate)		4,175
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(125)
10			
11	Adjustment to Revenue and/or Expense	$	(125)
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.0558	
5	Total Charges		$ 277,965
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.0558	
10	Total Charges		287,577
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (9,612)
14			
15			
16			
17			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Bourassa

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:				RECAP SCHEDULES:		
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							

TUBAC
WATER

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page
Witness: Bourassa

Line No.						
1	Fair Value Rate base				$ 1,732,373	
2						
3	Adjusted Operating Income				15,757	
4						
5	Current Rate of Return				0.91%	
6						
7	Required Operating Income				$ 130,205	
8						
9	Required Rate of Return on Fair Value Rate Base				7.52%	
10						
11	Operating Income Deficiency				$ 114,448	
12						
13	Gross Revenue Conversion Factor				1.6286	
14						
15	Increase in Gross Revenue					
16	Requirement				$ 186,394	
17						
18	Customer		Present	Proposed	Dollar	Percent
19	Classification		Rates	Rates	Increase	Increase
20	5/8 Inch	Residential	$ 192,378	$ 334,948	$ 142,569	74.11%
21	1 Inch	Residential	11,339	19,744	8,405	74.12%
22	1.5 Inch	Residential	1,501	2,613	1,112	74.10%
23	2 Inch	Residential	1,671	2,910	1,239	74.14%
24	3 Inch	Residential	1,255	2,186	931	74.22%
25			-	-	-	0.00%
26	5/8 Inch	Commercial	20,444	35,598	15,154	74.12%
27	1 Inch	Commercial	6,953	12,106	5,153	74.11%
28	1.5 Inch	Commercial	2,753	4,793	2,040	74.11%
29	2 Inch	Commercial	9,544	16,612	7,068	74.06%
30	3 Inch	Commercial	807	1,406	599	74.17%
31	Miscellaneous Revenues		2,691	2,691	-	0.00%
32			0	0	0	0
33	Subtotal of Water Revenues		$ 251,336	$ 435,607	$ 184,270	73.32%
34						
35						
36	Revenue Annualization					
37	5/8 Inch	Residential	$ 738	$ 1,284	$ 547	74.13%
38	1 Inch	Residential	370	644	274	74.15%
39	5/8 Inch	Commercial	350	609	259	74.15%
40	1 Inch	Commercial	218	379	161	74.12%
41	3 Inch	Commercial	801	1,396	594	74.17%
42	Total Revenue Annualization		2,476	4,312	1,836	74.15%
43	Total Water Revenues with		-	-	-	0.00%
44	Revenue Annualization		$ 253,812	$ 439,919	$ 186,106	73.32%
45						
46	SUPPORTING SCHEDULES:					
47	Rebuttal B-1					
48	Rebuttal C-1					
49	Rebuttal D-1					
50	Rebuttal H-1					
51						
52						

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 2,009,845	$ 3,101,018	$ 3,101,018
3	Less: Accumulated Depreciation	569,206	883,956	883,956
4				
5	Net Utility Plant in Service	$ 1,440,638	$ 2,217,062	$ 2,217,062
6				
7	Less:			
8	Advances in Aid of			
9	Construction	170,081	262,421	262,421
10	Contributions in Aid of			
11	Construction - Net of amortization	143,675	221,678	221,678
12	Customer Meter Deposits	590	590	590
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	527,102	-	-
21				
22	Total Rate Base	$ 1,653,394	$ 1,732,373	$ 1,732,373
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rebuttal B-2			Rebuttal A-1
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 1,967,167	(1)	42,677	$ 2,009,845
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	569,484	(2)	(278)	569,206
8					
9	Net Utility Plant				
10	in Service	$ 1,397,683			$ 1,440,638
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	$ 170,081			$ 170,081
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	143,675			143,675
18	Purposes Only)				
19	Customer Meter Deposits	590			590
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	531,184	(3)	(4,082)	527,102
28					
29	Total	$ 1,614,521			$ 1,653,394
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Schedule B-2
Page 2
Witness: Bourassa

Line No.	ccount No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 567	-	$ 567	$ -	-	$ -
3	302.00	Franchises	2,030	-	2,030	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 2,597	$ -	$ 2,597	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 20,414	-	$ 20,414	$ -	-	$ -
9	311.00	Structures and Improvements	20,492	234	20,727	4,423	-	4,423
10	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
11	313.00	Lales, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	116,034	(1,624)	114,410	70,253	(1,624)	68,629
13		**Subtotal Source of Supply**	$ 156,940	$ (1,390)	$ 155,550	$ 74,676	$ (1,624)	$ 73,052
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 50	-	$ 50	$ -	-	$ -
17	321.00	Structures and Improvements	14,608	-	14,608	8,048	-	8,048
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	244,199	26,375	270,574	107,377	-	107,377
20	326.00	Diesel Pumping Equipment	879	-	879	88	-	88
21	328.10	Gas Engine Pumping Equipment	42,995	-	42,995	11,377	-	11,377
22		**Subtotal Pumping**	$ 302,731	$ 26,375	$ 329,106	$ 126,890	$ -	$ 126,890
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ 50	-	$ 50	$ -	-	$ -
26	331.00	Structures and Improvements	-	-	-	-	-	-
27	332.00	Water Treatment Equipment	505	-	505	114	-	114
28		**Subtotal Water Treatment**	$ 555	$ -	$ 555	$ 114	$ -	$ 114
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 539	-	$ 539	$ -	-	$ -
32	341.00	Structures and Improvements	156	-	156	71	-	71
33	342.00	Distribution, Reservoirs, & ST	142,420	-	142,420	29,237	-	29,237
34	343.00	Transmission and Distribution	921,147	18,020	939,168	244,995	-	244,995
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	272,942	-	272,942	58,504	-	58,504
37	346.00	Meters	87,950	-	87,950	22,214	-	22,214
38	348.00	Hydrants	24,189	-	24,189	1,604	-	1,604
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Distribution**	$ 1,449,344	$ 18,020	$ 1,467,364	$ 356,626	$ -	$ 356,626
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 26	-	$ 26	$ -	-	$ -
44	390.00	Structures and Improvements	17,767	-	17,767	1,657	-	1,657
45	391.00	Office Funiture and Equipment	9,093	(563)	8,530	2,100	-	2,100
46	391.10	Computer Equipment	13,194	(3,225)	9,969	(1,363)	(195)	(1,558)
47	392.00	Transportation Equipment	9,535	-	9,535	7,652	-	7,652
48	393.00	Stores Equipment	152	-	152	110	-	110
49	394.00	Tools, Shop and Garage	2,181	-	2,181	236	-	236
50	395.00	Laboratory Equipment	691	-	691	122	-	122
51	396.00	Power Operated Equipment	638	(4)	635	227	(2)	225
52	397.00	Communication Equipment	3,764	85	3,848	1,827	-	1,827
53	398.00	Miscellaneous Equipment	1,470	(80)	1,390	698	(80)	617
54		**Subtotal General**	$ 58,511	$ (3,787)	$ 54,724	$ 13,265	$ (278)	$ 12,988
55								
56								
57		Plant 3/95	(1,674)	1,624	(50)	(1,674)	1,624	(50)
58		ADFUC adjustment 3/95	(1,835)	1,835	-	(413)	-	(413)
59		TOTAL WATER PLANT	$ 1,967,168	$ 42,677	$ 2,009,846	$ 569,484	$ (278)	$ 569,206
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-2, page 2a, 2b, 3a, 3b						
63								
64								

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Blank Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 567					-
3	302.00	Franchises	2,030					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 2,597	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 20,414					-
9	311.00	Structures and Improvements	20,492					234
10	312.00	Collecting and Impounding Res.	-					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	116,034	(1,624)				-
13		**Subtotal Source of Supply**	$ 156,940	$ (1,624)	$ -	$ -	$ -	$ 234
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 50					-
17	321.00	Structures and Improvements	14,608					-
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	244,199					26,375
20	326.00	Diesel Pumping Equipment	879					-
21	328.10	Gas Engine Pumping Equipment	42,995					-
22		**Subtotal Pumping**	$ 302,731	$ -	$ -	$ -	$ -	$ 26,375
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ 50					-
26	331.00	Structures and Improvements	-					-
27	332.00	Water Treatment Equipment	505					-
28		**Subtotal Water Treatment**	$ 555	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 539					-
32	341.00	Structures and Improvements	156					-
33	342.00	Distribution, Reservoirs, & ST	142,420					-
34	343.00	Transmission and Distribution	921,147					18,020
35	344.00	Fire Mains	-					-
36	345.00	Services	272,942					-
37	346.00	Meters	87,950					-
38	348.00	Hydrants	24,189					-
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributio**	$ 1,449,344	$ -	$ -	$ -	$ -	$ 18,020
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 26					-
44	390.00	Structures and Improvements	17,767					-
45	391.00	Office Funiture and Equipment	9,093					(563)
46	391.10	Computer Equipment	13,194					-
47	392.00	Transportation Equipment	9,535					-
48	393.00	Stores Equipment	152					-
49	394.00	Tools, Shop and Garage	2,181					-
50	395.00	Laboratory Equipment	691					-
51	396.00	Power Operated Equipment	638					-
52	397.00	Communication Equipment	3,764					85
53	398.00	Miscellaneous Equipment	1,470					-
54		**Subtotal General**	$ 58,511	$ -	$ -	$ -	$ -	$ (478)
55								
56								
57		Plant 3/95	(1,674)			1,624		
58		ADFUC Adjustment 3/95	(1,835)					
59		TOTAL WATER PLANT	$ 1,967,168	$ (1,624)	$ -	$ 1,624	$ -	$ 44,151
60								
61			ADJ #			Reference		
62			1	Plant Not Used and Useful		ACC Staff		
63			2	Unidentified Plant		ACC Staff		
64			3	Mis-posted Plant		ACC Staff		
65			4	Plant Removed by Prev. Decision		ACC Staff		
66			5	Post Test Year Plant		ACC Staff		
67								

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Blank Adjustment 9	Blank Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ 567
3	302.00	Franchises						-	2,030
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,597
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ 20,414
9	311.00	Structures and Improvements						234	20,727
10	312.00	Collecting and Impounding Res.						-	-
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(1,624)	114,410
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ (1,390)	$ 155,550
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ 50
17	321.00	Structures and Improvements						-	14,608
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						26,375	270,574
20	326.00	Diesel Pumping Equipment						-	879
21	328.10	Gas Engine Pumping Equipment						-	42,995
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ 26,375	$ 329,106
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights						-	$ 50
26	331.00	Structures and Improvements						-	-
27	332.00	Water Treatment Equipment						-	505
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ -	$ 555
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ 539
32	341.00	Structures and Improvements						-	156
33	342.00	Distribution, Reservoirs, & ST						-	142,420
34	343.00	Transmission and Distribution						18,020	939,168
35	344.00	Fire Mains						-	-
36	345.00	Services						-	272,942
37	346.00	Meters						-	87,950
38	348.00	Hydrants						-	24,189
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ 18,020	$ 1,467,364
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ 26
44	390.00	Structures and Improvements			-			-	17,767
45	391.00	Office Funiture and Equipment			-			(563)	8,530
46	391.10	Computer Equipment			(3,225)			(3,225)	9,969
47	392.00	Transportation Equipment			-			-	9,535
48	393.00	Stores Equipment			-			-	152
49	394.00	Tools, Shop and Garage			-			-	2,181
50	395.00	Laboratory Equipment			-			-	691
51	396.00	Power Operated Equipment			(4)			(4)	635
52	397.00	Communication Equipment			-			85	3,848
53	398.00	Miscellaneous Equipment			(80)			(80)	1,390
54		**Subtotal General**	$ -	$ -	$ (3,309)	$ -	$ -	$ (3,787)	$ 54,724
55									
56									
57		Plant 3/95						1,624	(50)
58		ADFUDC adjustment 3/95	1,835					1,835	-
59		TOTAL WATER PLANT	$ 1,835	$ -	$ (3,309)	$ -	$ -	$ 42,677	$ 2,009,846
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Blank Unidentifies Adjustment 2	Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Blank Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 567					
3	302.00	Franchises	2,030					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ 2,597	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 20,414					
9	311.00	Structures and Improvements	20,727					
10	312.00	Collecting and Impounding Res.	-					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	114,410	(1,624)				
13		**Subtotal Source of Supply**	$ 155,550	$ (1,624)	$ -	$ -	$ -	$ -
14	-							
15		**Pumping**						
16	320.00	*Land and Land Rights*	$ 50					
17	321.00	Structures and Improvements	14,608					
18	323.00	Other Power Production	-					
19	325.00	Electric Pumping Equipment	270,574					
20	326.00	Diesel Pumping Equipment	879					
21	328.10	Gas Engine Pumping Equipment	42,995					
22		**Subtotal Pumping**	$ 329,106	$ -	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ 50					
26	331.00	Structures and Improvements	-					
27	332.00	Water Treatment Equipment	505					
28		**Subtotal Water Treatment**	$ 555	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 539					
32	341.00	Structures and Improvements	156					
33	342.00	Distribution, Reservoirs, & ST	142,420					
34	343.00	Transmission and Distribution	939,168					
35	344.00	Fire Mains	-					
36	345.00	Services	272,942					
37	346.00	Meters	87,950					
38	348.00	Hydrants	24,189					
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributio**	$ 1,467,364	$ -	$ -	$ -	$ -	$ -
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 26					
44	390.00	Structures and Improvements	17,767					
45	391.00	Office Funiture and Equipment	8,530					
46	391.10	Computer Equipment	9,969					
47	392.00	Transportation Equipment	9,535					
48	393.00	Stores Equipment	152					
49	394.00	Tools, Shop and Garage	2,181					
50	395.00	Laboratory Equipment	691					
51	396.00	Power Operated Equipment	635					
52	397.00	Communication Equipment	3,848					
53	398.00	Miscellaneous Equipment	1,390					
54		**Subtotal General**	$ 54,724	$ -	$ -	$ -	$ -	$ -
55								
56								
57		Plant 3/95	(1,674)			1,624		
58		ADFUC adjustment 3/95	-					
59		TOTAL WATER PLANT	$ 2,008,222	$ (1,624)	$ -	$ 1,624	$ -	$ -
60								
61				ADJ #			Reference	
62				1	Plant Not Used and Useful		Rebuttal Schedule B-2, Page 8	
63				2	Unidentified Plant		ACC Staff	
64				3	Mis-posted Plant		ACC Staff	
65				4	Plant Removed by Prev. Decision		ACC Staff	
66				5	Post Test Year Plant		ACC Staff	
67								

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Blank Adjustment 9	Blank Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ 567
3	302.00	Franchises						-	2,030
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,597
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ 20,414
9	311.00	Structures and Improvements						-	20,727
10	312.00	Collecting and Impounding Res.						-	-
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(1,624)	112,786
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ (1,624)	$ 153,926
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ 50
17	321.00	Structures and Improvements						-	14,608
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						-	270,574
20	326.00	Diesel Pumping Equipment						-	879
21	328.10	Gas Engine Pumping Equipment						-	42,995
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ -	$ 329,106
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights						$ -	$ 50
26	331.00	Structures and Improvements						-	-
27	332.00	Water Treatment Equipment						-	505
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ -	$ 555
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ 539
32	341.00	Structures and Improvements						-	156
33	342.00	Distribution, Reservoirs, & ST						-	142,420
34	343.00	Transmission and Distribution						-	939,168
35	344.00	Fire Mains						-	-
36	345.00	Services						-	272,942
37	346.00	Meters						-	87,950
38	348.00	Hydrants						-	24,189
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,467,364
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ 26
44	390.00	Structures and Improvements			-			-	17,767
45	391.00	Office Funiture and Equipment			-			-	8,530
46	391.10	Computer Equipment			(195)			(195)	9,774
47	392.00	Transportation Equipment			-			-	9,535
48	393.00	Stores Equipment			-			-	152
49	394.00	Tools, Shop and Garage			-			-	2,181
50	395.00	Laboratory Equipment			-			-	691
51	396.00	Power Operated Equipment			(2)			(2)	633
52	397.00	Communication Equipment			-			-	3,848
53	398.00	Miscellaneous Equipment			(80)			(80)	1,309
54		**Subtotal General**	$ -	$ -	$ (278)	$ -	$ -	$ (278)	$ 54,446
55									
56									
57		Plant 3/95						1,624	(50)
58		ADFUC adjustment 3/95 *	-					-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (278)	$ -	$ -	$ (278)	$ 2,007,944
60									

ADJ #		Reference
6	Remove AFUDC Adjustment	ACC Staff
7	Acquisition Adjustment	
8	Common Plant Adjustments	Rebuttal B-2, Page 4
9		
10		

Arizona American - Tubac Water
Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost	Rebuttal Allocated Original Cost	Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.00530	$ 26	$ 26	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.00530	17,767	17,767	-	1,650	1,650	-
5	391.00	Office Funiture and Equipment	0.00530	5,293	5,293	-	1,912	1,912	-
6	391.10	Computer Equipment	0.00530	7,577	4,352	(3,225)	(2,306)	(2,501)	(195)
7	392.00	Transportation Equipment	0.00530	9,535	9,535	-	5,507	5,507	-
8	393.00	Stores Equipment	0.00530	152	152	-	41	41	-
9	394.00	Tools, Shop and Garage	0.00530	2,181	2,181	-	97	97	-
10	395.00	Laboratory Equipment	0.00530	691	691	-	122	122	-
11	396.00	Power Operated Equipment	0.00530	638	635	(4)	227	225	(2)
12	397.00	Communication Equipment	0.00530	3,064	3,064	-	1,764	1,764	-
13	398.00	Miscellaneous Equipment	0.00530	1,470	1,390	(80)	681	601	(80)
14						-			
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 48,394	$ 45,085	$ (3,309)	$ 9,696	$ 9,419	$ (278)
20									
21									
22		SUPPORTING SCHEDULES							
23		Rebuttal B-2, Page 5							
24									
25									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00	0	$ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	Communication Equipment	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345		(607,932)				
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051						
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325		(669)				
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101	(458)		(14,679)			
13		**Subtotal General**	$ 9,122,373	$ (458)	$ (608,601)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	Computer Equipment	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona-American Tubac Water
Plant Not Used and Useful

Exhibit
Rebuttal Schedule B-2
Page 8

Asset Id	Asset Desc.	Class	Acq. Date	Original Cost	A/D	RCN	Adjust O.C.	Adjust A/D	Adjust RCND	Adj.RCN A/D
1680788	WELL EACH	W31400	19590701	617	(835)	3,799	(617)	(617)	(3,799)	(3,799)
1680789	WELL EACH	W31400	19590701	1,007	(1,349)	6,201	(1,007)	(1,007)	(6,201)	(6,201)
				1,624	(2,184)	10,000	(1,624)	(1,624)	(10,000)	(10,000)

Arizona American - Tubac Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 3,429,947	(1)	(328,929)	$ 3,101,018
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	978,646	(2)	(94,690)	883,956
8					
9	Net Utility Plant				
10	in Service	$ 2,451,301			$ 2,217,062
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	$ 296,553	(3)	(34,132)	$ 262,421
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	250,511	(4)	(28,833)	221,678
18	Purposes Only)				
19	Customer Meter Deposits	590			590
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27					
28	Total	$ 1,903,647			$ 1,732,373
29					
30					
31					
32	(1) See B-3, Page 2				
33	(2) See B-3, Page 3				
34	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36					
37					
38					
39					
40					
41					
42					

Arizona American - Tubac Water
RCND Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2
Witness: Bourassa

Line No.	ccount No.	Description	Direct Trended Reproduction Cost New	Adjustment	Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 1,688	$ (1,121)	$ 567	$ -	$ -	$ -
3	302.00	Franchises	4,842	(2,812)	2,030	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 6,529	$ (3,932)	$ 2,597	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 29,470	(9,057)	$ 20,414	$ -	-	$ -
9	311.00	Structures and Improvements	30,400	(891)	29,509	6,496	(236)	6,261
10	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
11	313.00	Lales, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	213,964	(39,049)	174,915	114,908	(17,878)	97,030
13		**Subtotal Source of Supply**	$ 273,834	$ (48,997)	$ 224,837	$ 121,404	$ (18,113)	$ 103,291
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 150	$ (100)	$ 50	$ -	$ -	$ -
17	321.00	Structures and Improvements	59,034	(3,160)	55,874	32,092	(1,710)	30,381
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	356,052	67,087	423,139	154,689	17,220	171,909
20	326.00	Diesel Pumping Equipment	970	(35)	935	97	(3)	94
21	328.10	Gas Engine Pumping Equipment	52,349	(375)	51,974	13,654	(91)	13,563
22		**Subtotal Pumping**	$ 468,556	$ 63,416	$ 531,972	$ 200,531	$ 15,415	$ 215,946
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ 150	$ (100)	$ 50	$ -	$ -	$ -
26	331.00	Structures and Improvements	-	-	-	-	-	-
27	332.00	Water Treatment Equipment	579	(1)	578	129	(0)	129
28		**Subtotal Water Treatment**	$ 729	$ (101)	$ 628	$ 129	$ (0)	$ 129
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 1,348	$ (809)	$ 539	$ -	$ -	$ -
32	341.00	Structures and Improvements	793	(30)	763	357	(13)	343
33	342.00	Distribution, Reservoirs, & ST	222,668	(18,080)	204,587	45,061	(3,565)	41,495
34	343.00	Transmission and Distribution	1,801,146	(271,267)	1,529,879	480,191	(77,317)	402,874
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	433,766	(49,483)	384,283	91,007	(10,001)	81,006
37	346.00	Meters	129,451	(5,809)	123,643	32,195	(1,397)	30,798
38	348.00	Hydrants	36,009	4,901	40,910	2,271	277	2,548
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Distributi**	$ 2,625,181	$ (340,578)	$ 2,284,603	$ 651,082	$ (92,017)	$ 559,065
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 67	$ -	$ 67	$ -	$ -	$ -
44	390.00	Structures and Improvements	24,114	(88)	24,026	2,692	(88)	2,604
45	391.00	Office Funiture and Equipment	10,627	(512)	10,115	2,852	50	2,902
46	391.10	Computer Equipment	11,190	(188)	11,002	(1,622)	(188)	(1,810)
47	392.00	Transportation Equipment	10,550	(89)	10,462	8,275	(89)	8,186
48	393.00	Stores Equipment	199	2	201	126	2	128
49	394.00	Tools, Shop and Garage	2,779	2	2,781	214	2	216
50	395.00	Laboratory Equipment	800	(1)	799	145	(1)	145
51	396.00	Power Operated Equipment	819	2	821	297	2	300
52	397.00	Communication Equipment	4,402	69	4,471	2,267	(16)	2,251
53	398.00	Miscellaneous Equipment	2,093	(147)	1,945	1,059	(147)	912
54		**Subtotal General**	$ 67,640	$ (950)	$ 66,690	$ 16,306	$ (472)	$ 15,833
55								
56								
57		Plant 3/95	(10,308)	-	(10,308)	(10,308)	-	(10,308)
58		ADFUC adjustment 3/95	(2,213)	2,213	(0)	(498)	498	0
59		TOTAL WATER PLANT	$ 3,429,948	$ (328,929)	$ 3,101,019	$ 978,646	$ (94,690)	$ 883,956
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-3, page 2a, 2b, 3a, 3b						
63								
64								

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Not Used Adjustment 1	Unidentifies Adjustment 2	Mispost Adjustment 3	Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 1,688					-
3	302.00	Franchises	4,842					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 6,529	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 29,470					-
9	311.00	Structures and Improvements	30,400					234
10	312.00	Collecting and Impounding Res.	-					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	213,964	(10,000)				-
13		**Subtotal Source of Supply**	$ 273,834	$ (10,000)	$ -	$ -	$ -	$ 234
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 150					-
17	321.00	Structures and Improvements	59,034					-
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	356,052					26,375
20	326.00	Diesel Pumping Equipment	970					-
21	328.10	Gas Engine Pumping Equipment	52,349					-
22		**Subtotal Pumping**	$ 468,556	$ -	$ -	$ -	$ -	$ 26,375
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ 150					-
26	331.00	Structures and Improvements	-					-
27	332.00	Water Treatment Equipment	579					-
28		**Subtotal Water Treatment**	$ 729	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 1,348					-
32	341.00	Structures and Improvements	793					-
33	342.00	Distribution, Reservoirs, & ST	222,668					-
34	343.00	Transmission and Distribution	1,801,146					18,020
35	344.00	Fire Mains	-					-
36	345.00	Services	433,766					-
37	346.00	Meters	129,451					-
38	348.00	Hydrants	36,009					-
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributio**	$ 2,625,181	$ -	$ -	$ -	$ -	$ 18,020
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ 67					-
44	390.00	Structures and Improvements	24,114					-
45	391.00	Office Funiture and Equipment	10,627					(563)
46	391.10	Computer Equipment	11,190					-
47	392.00	Transportation Equipment	10,550					-
48	393.00	Stores Equipment	199					-
49	394.00	Tools, Shop and Garage	2,779					-
50	395.00	Laboratory Equipment	800					-
51	396.00	Power Operated Equipment	819					-
52	397.00	Communication Equipment	4,402					85
53	398.00	Miscellaneous Equipment	2,093					-
54		**Subtotal General**	$ 67,640	$ -	$ -	$ -	$ -	$ (478)
55								
56								
57		Plant 3/95	(10,308)					
58		ADEUC adjustment 2/99	(2,213)					
59		TOTAL WATER PLANT	$ 3,429,948	$ (10,000)	$ -	$ -	$ -	$ 44,151
60								
61			ADJ #		Reference			
62			1	Plant Not Used and Useful	Rebuttal Sched B-3, Page 8			
63			2	Unidentified Plant	Blank			
64			3	Mis-posted Plant	Blank			
65			4	Plant Removed by Prev. Decis	Blank			
66			5	Post Test Year Plant	ACC Staff			
67								

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				(1,121)		$ (1,121)	$ 567
3	302.00	Franchises				(2,812)		(2,812)	2,030
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (3,932)	$ -	$ (3,932)	$ 2,597
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				(9,057)		$ (9,057)	$ 20,414
9	311.00	Structures and Improvements				(1,126)		(891)	29,509
10	312.00	Collecting and Impounding Res.				-		-	-
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(29,049)		(39,049)	174,915
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (39,231)	$ -	$ (48,997)	$ 224,837
14									
15		**Pumping**							
16	320.00	Land and Land Rights				(100)		$ (100)	$ 50
17	321.00	Structures and Improvements				(3,160)		(3,160)	55,874
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				40,712		67,087	423,139
20	326.00	Diesel Pumping Equipment				(35)		(35)	935
21	328.10	Gas Engine Pumping Equipment				(375)		(375)	51,974
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 37,041	$ -	$ 63,416	$ 531,972
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights				(100)		(100)	$ 50
26	331.00	Structures and Improvements				-		-	-
27	332.00	Water Treatment Equipment				(1)		(1)	578
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (101)	$ -	$ (101)	$ 628
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				(809)		$ (809)	$ 539
32	341.00	Structures and Improvements				(30)		(30)	763
33	342.00	Distribution, Reservoirs, & ST				(18,080)		(18,080)	204,587
34	343.00	Transmission and Distribution				(289,287)		(271,267)	1,529,879
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(49,483)		(49,483)	384,283
37	346.00	Meters				(5,809)		(5,809)	123,643
38	348.00	Hydrants				4,901		4,901	40,910
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ (358,598)	$ -	$ (340,578)	$ 2,284,603
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ 67
44	390.00	Structures and Improvements			(88)			(88)	24,026
45	391.00	Office Funiture and Equipment			50			(512)	10,115
46	391.10	Computer Equipment			(188)			(188)	11,002
47	392.00	Transportation Equipment			(89)			(89)	10,462
48	393.00	Stores Equipment			2			2	201
49	394.00	Tools, Shop and Garage			2			2	2,781
50	395.00	Laboratory Equipment			(1)			(1)	799
51	396.00	Power Operated Equipment			2			2	821
52	397.00	Communication Equipment			(16)			69	4,471
53	398.00	Miscellaneous Equipment			(147)			(147)	1,945
54		**Subtotal General**	$ -	$ -	$ (472)	$ -	$ -	$ (950)	$ 66,690
55									
56									
57		Plant 3/95						-	(10,308)
58		AFUDC adjustment 3/95 *	2,213					2,213	(0)
59		TOTAL WATER PLANT	$ 2,213	$ -	$ (472)	$ (364,822)	$ -	$ (328,929)	$ 3,101,019
60									
61			ADJ #		Reference				
62			6	Remove Trended AFUDC Adjustment					
63			7	Acquisition Adjustment	Blank				
64			8	Common Plant Adjustments	Rebuttal B-3, Page 4				
65			9	Adjust to Rebuttal RCN Study	Rebuttal B-4				
66			10						
67									

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Unidentifies Adjustment 2	Mispost Adjustment 3	Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -					
9	311.00	Structures and Improvements	6,496					
10	312.00	Collecting and Impounding Res.	-					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	114,908	(10,000)				
13		**Subtotal Source of Supply**	$ 121,404	$ (10,000)	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					
17	321.00	Structures and Improvements	32,092					
18	323.00	Other Power Production	-					
19	325.00	Electric Pumping Equipment	154,689					
20	326.00	Diesel Pumping Equipment	97					
21	328.10	Gas Engine Pumping Equipment	13,654					
22		**Subtotal Pumping**	$ 200,531	$ -	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	-					
27	332.00	Water Treatment Equipment	129					
28		**Subtotal Water Treatment**	$ 129	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	357					
33	342.00	Distribution, Reservoirs, & ST	45,061					
34	343.00	Transmission and Distribution	480,191					
35	344.00	Fire Mains	-					
36	345.00	Services	91,007					
37	346.00	Meters	32,195					
38	348.00	Hydrants	2,271					
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributio**	$ 651,082	$ -	$ -	$ -	$ -	$ -
41								
42		**Allocated Common Plant**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	2,692					
45	391.00	Office Funiture and Equipment	2,852					
46	391.10	Computer Equipment	(1,622)					
47	392.00	Transportation Equipment	8,275					
48	393.00	Stores Equipment	126					
49	394.00	Tools, Shop and Garage	214					
50	395.00	Laboratory Equipment	145					
51	396.00	Power Operated Equipment	297					
52	397.00	Communication Equipment	2,267					
53	398.00	Miscellaneous Equipment	1,059					
54		**Subtotal General**	$ 16,306	$ -	$ -	$ -	$ -	$ -
55								
56								
57		Plant 3/95	(10,308)					
58		ADPUC adjustment 3/95	(498)					
59		TOTAL WATER PLANT	$ 978,646	$ (10,000)	$ -	$ -	$ -	$ -
60								
61				ADJ #			Reference	
62				1	Plant Not Used and Useful		Rebuttal Sched B-3, Page 8	
63				2	Unidentified Plant		Blank	
64				3	Mis-posted Plant		Blank	
65				4	Plant Removed by Prev. Decis		Blank	
66				5	Post Test Year Plant		ACC Staff	
67								

Arizona American - Tubac Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				-		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		***Subtotal Intangible***	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				-		$ -	$ -
9	311.00	Structures and Improvements				(236)		(236)	6,261
10	312.00	Collecting and Impounding Res.				-		-	-
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(7,878)		(17,878)	97,030
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (8,114)	$ -	$ (18,113)	$ 103,291
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ -
17	321.00	Structures and Improvements				(1,710)		(1,710)	30,381
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				17,220		17,220	171,909
20	326.00	Diesel Pumping Equipment				(3)		(3)	94
21	328.10	Gas Engine Pumping Equipment				(91)		(91)	13,563
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 15,415	$ -	$ 15,415	$ 215,946
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights				-		$ -	$ -
26	331.00	Structures and Improvements				-		-	-
27	332.00	Water Treatment Equipment				(0)		(0)	129
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (0)	$ -	$ (0)	$ 129
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				(13)		(13)	343
33	342.00	Distribution, Reservoirs, & ST				(3,565)		(3,565)	41,495
34	343.00	Transmission and Distribution				(77,317)		(77,317)	402,874
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(10,001)		(10,001)	81,006
37	346.00	Meters				(1,397)		(1,397)	30,798
38	348.00	Hydrants				277		277	2,548
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ (92,017)	$ -	$ (92,017)	$ 559,065
41									
42		**Allocated Common Plant**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			(88)			(88)	2,604
45	391.00	Office Funiture and Equipment			50			50	2,902
46	391.10	Computer Equipment			(188)			(188)	(1,810)
47	392.00	Transportation Equipment			(89)			(89)	8,186
48	393.00	Stores Equipment			2			2	128
49	394.00	Tools, Shop and Garage			2			2	216
50	395.00	Laboratory Equipment			(1)			(1)	145
51	396.00	Power Operated Equipment			2			2	300
52	397.00	Communication Equipment			(16)			(16)	2,251
53	398.00	Miscellaneous Equipment			(147)			(147)	912
54		**Subtotal General**	$ -	$ -	$ (472)	$ -	$ -	$ (472)	$ 15,833
55									
56									
57		Plant 3/95						-	(10,308)
58		ADFUC adjustment 3/95 *	498					498	0
59		TOTAL WATER PLANT	$ 498	$ -	$ (472)	$ (84,716)	$ -	$ (94,690)	$ 883,956
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustment					
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Tubac Water
RCND Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Maricopa Common Plant**							
3	389.00	Land and Land Rights	0.00530	$ 67	$ 26	$ (41)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.00530	24,114	23,485	(630)	2,685	2,597	(88)
5	391.00	Office Funiture and Equipment	0.00530	6,827	6,834	6	2,664	2,714	50
6	391.10	Computer Equipment	0.00530	8,428	4,787	(3,642)	(2,565)	(2,754)	(188)
7	392.00	Transportation Equipment	0.00530	10,550	10,403	(148)	6,130	6,042	(89)
8	393.00	Stores Equipment	0.00530	199	201	2	58	60	2
9	394.00	Tools, Shop and Garage	0.00530	2,779	2,774	(5)	75	77	2
10	395.00	Laboratory Equipment	0.00530	800	791	(8)	145	145	(1)
11	396.00	Power Operated Equipment	0.00530	819	828	9	297	300	2
12	397.00	Communication Equipment	0.00530	3,702	3,646	(56)	2,204	2,189	(16)
13	398.00	Miscellaneous Equipment	0.00530	2,093	1,950	(142)	1,043	896	(147)
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 60,378	$ 55,723	$ (4,655)	$ 12,737	$ 12,264	$ (472)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00		0 $ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment	1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment	1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment	1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment	37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage	523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment	150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment	154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment	697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment	394,470	(26,855)	367,615	196,632	(27,786)	168,847
13								
14								
15		TOTALCOMMON PLANT	$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	Computer Equipment	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		**Subtotal General**	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	Laboratory Equipment	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	Miscellaneous Equipment	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona-American Tubac Water
B-3 Adjustments

Exhibit B-4
Page A1
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments	O.C. Adjusted A/D
1		**Intangible**						
2	301.00	Organization	567	-	567	-	-	-
3	302.00	Franchises	2,030	-	2,030	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	2,597	-	2,597	-	-	-
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	20,414	-	20,414	-	-	-
9	311.00	Structures and Improvements	19,992	-	19,992	4,183	-	4,183
10	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	180,979	(1,624)	179,355	76,797	(1,624)	75,173
13		**Subtotal Source of Supply**	221,385	(1,624)	219,761	80,980	(1,624)	79,356
14								
15		**Pumping**	-	-	-	-	-	-
16	320.00	Land and Land Rights	50	-	50	-	-	-
17	321.00	Structures and Improvements	14,608	-	14,608	7,906	-	7,906
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	241,749	-	241,749	102,255	-	102,255
20	326.00	Diesel Pumping Equipment	879	-	879	88	-	88
21	328.10	Gas Engine Pumping Equipment	42,995	-	42,995	10,466	-	10,466
22		**Subtotal Pumping**	300,281	-	300,281	120,714	-	120,714
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	50	-	50	-	-	-
26	331.00	Structures and Improvements	-	-	-	-	-	-
27	332.00	Water Treatment Equipment	505	-	505	104	-	104
28		**Subtotal Water Treatment**	555	-	555	104	-	104
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	539	-	539	-	-	-
32	341.00	Structures and Improvements	156	-	156	70	-	70
33	342.00	Distribution, Reservoirs, & ST	142,420	-	142,420	28,084	-	28,084
34	343.00	Transmission and Distribution	884,097	-	884,097	236,291	-	236,291
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	272,942	-	272,942	55,162	-	55,162
37	346.00	Meters	87,950	-	87,950	21,151	-	21,151
38	348.00	Hydrants	24,189	-	24,189	1,366	-	1,366
39	349.00	Other Transmission & Distributio	-	-	-	-	-	-
40		**Subtotal Trans & Dist**	1,412,294	-	1,412,294	342,124	-	342,124
41								
42		**General**						
43	389.00	Land and Land Rights	2,755	-	2,755	-	-	-
44	390.00	Structures and Improvements	498	-	498	78	-	78
45	391.00	Office Funiture and Equipment	11,451	-	11,451	2,029	-	2,029
46	391.10	Computer Equipment	9,435	-	9,435	6,583	-	6,583
47	392.00	Transportation Equipment	17,166	-	17,166	13,302	-	13,302
48	393.00	Stores Equipment	3,418	-	3,418	1,044	-	1,044
49	394.00	Tools, Shop and Garage	8,161	-	8,161	1,162	-	1,162
50	395.00	Laboratory Equipment	-	-	-	-	-	-
51	396.00	Power Operated Equipment	-	-	-	-	-	-
52	397.00	Communication Equipment	2,462	-	2,462	822	-	822
53	398.00	Miscellaneous Equipment	659	-	659	134	-	134
54		**Subtotal General**	56,004	-	56,004	25,156	-	25,156
55								
		TOTAL WATER PLANT	1,993,116	(1,624)	1,991,492	569,078	(1,624)	567,454

Arizona-American Tubac Water
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa

Line No.	Account No.	Description	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	Adjustment (B-3, page 2b, Adj. #9) RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1							
2		**Intangible**					
3	301.00	Organization	1,688	-	1,688	(1,121)	567
4	302.00	Franchises	4,842	-	4,842	(2,812)	2,030
5	303.00	Miscellaneous Intangibles	-	-	-	-	-
6		**Subtotal Intangible**	6,529	-	6,529	(3,932)	2,597
7							
8		**Source of Supply**					
9	310.00	Land and Land Rights	29,470	-	29,470	(9,057)	20,414
10	311.00	Structures and Improvements	29,900	-	29,900	(1,126)	28,774
11	312.00	Collecting and Impounding Res.	-	-	-	-	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-
13	314.00	Wells and Springs	289,950	(10,000)	279,950	(29,049)	250,901
14		**Subtotal Source of Supply**	349,320	(10,000)	339,320	(39,231)	300,088
15							
16		**Pumping**	-	-	-	-	-
17	320.00	Land and Land Rights	150	-	150	(100)	50
18	321.00	Structures and Improvements	59,034	-	59,034	(3,160)	55,874
19	323.00	Other Power Production	-	-	-	-	-
20	325.00	Electric Pumping Equipment	353,602	-	353,602	40,712	394,314
21	326.00	Diesel Pumping Equipment	970	-	970	(35)	935
22	328.10	Gas Engine Pumping Equipment	52,349	-	52,349	(375)	51,974
23		**Subtotal Pumping**	466,106	-	466,106	37,041	503,147
24							
25		**Water Treatment**					
26	330.00	Land and Land Rights	150	-	150	(100)	50
27	331.00	Structures and Improvements	-	-	-	-	-
28	332.00	Water Treatment Equipment	579	-	579	(1)	578
29		**Subtotal Water Treatment**	729	-	729	(101)	628
30							
31		**Transmission and Distribution**					
32	340.00	Land and Land Rights	1,348	-	1,348	(809)	539
33	341.00	Structures and Improvements	793	-	793	(30)	763
34	342.00	Distribution, Reservoirs, & ST	222,668	-	222,668	(18,080)	204,587
35	343.00	Transmission and Distribution	1,764,096	-	1,764,096	(289,287)	1,474,809
36	344.00	Fire Mains	-	-	-	-	-
37	345.00	Services	433,766	-	433,766	(49,483)	384,283
38	346.00	Meters	129,451	-	129,451	(5,809)	123,643
39	348.00	Hydrants	36,009	-	36,009	4,901	40,910
40	349.00	Other Transmission & Distributio	-	-	-	-	-
41		**Subtotal Trans & Dist**	2,588,131	-	2,588,131	(358,598)	2,229,533
42							
43		**General**				**(Common Plant, B-2, Page 6)**	
44	389.00	Land and Land Rights	3,748	-	3,748	(993)	2,755
45	390.00	Structures and Improvements	594	-	594	(10)	585
46	391.00	Office Funiture and Equipment	13,226	-	13,226	(247)	12,979
47	391.10	Computer Equipment	10,852	-	10,852	(255)	10,597
48	392.00	Transportation Equipment	19,318	-	19,318	(404)	18,914
49	393.00	Stores Equipment	4,300	-	4,300	(158)	4,142
50	394.00	Tools, Shop and Garage	10,195	-	10,195	(270)	9,925
51	395.00	Laboratory Equipment	-	-	-	-	-
52	396.00	Power Operated Equipment	-	-	-	-	-
53	397.00	Communication Equipment	3,011	-	3,011	(83)	2,928
54	398.00	Miscellaneous Equipment	756	-	756	(17)	739
55		**Subtotal General**	66,000	-	66,000	(2,436)	63,564
		TOTAL WATER PLANT	3,476,815	(10,000)	3,466,815	(367,258)	3,099,558

Arizona-American Tubac Water
B-3 Adjustments

Exhibit B-4
Page A3
Witness: Bourassa

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1								
2		**Intangible**						
3	301.00	Organization	-	-	-	1.0000	-	-
4	302.00	Franchises	-	-	-	1.0000	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
6		**Subtotal Intangible**	-	-	-		-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	-	-	1.0000	-	-
10	311.00	Structures and Improvements	6,257	-	6,257	1.4393	6,021	(236)
11	312.00	Collecting and Impounding Res.	-	-	-	-	-	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	123,038	(10,000)	113,038	1.3989	105,160	(7,878)
14		**Subtotal Source of Supply**	129,295	(10,000)	119,295		111,181	(8,114)
15								
16		**Pumping**	-	-	-	-	-	-
17	320.00	Land and Land Rights	-	-	-	1.0000	-	-
18	321.00	Structures and Improvements	31,950	-	31,950	3.8248	30,239	(1,710)
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	149,566	-	149,566	1.6311	166,786	17,220
21	326.00	Diesel Pumping Equipment	97	-	97	1.0641	94	(3)
22	328.10	Gas Engine Pumping Equipment	12,743	-	12,743	1.2088	12,652	(91)
23		**Subtotal Pumping**	194,356	-	194,356		209,771	15,415
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	1.0000	-	-
27	331.00	Structures and Improvements	-	-	-	-	-	-
28	332.00	Water Treatment Equipment	119	-	119	1.1449	119	(0)
29		**Subtotal Water Treatment**	119	-	119		119	(0)
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	1.0000	-	-
33	341.00	Structures and Improvements	355	-	355	4.8879	342	(13)
34	342.00	Distribution, Reservoirs, & ST	43,907	-	43,907	1.4365	40,342	(3,565)
35	343.00	Transmission and Distribution	471,488	-	471,488	1.6682	394,170	(77,317)
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	87,666	-	87,666	1.4079	77,665	(10,001)
38	346.00	Meters	31,132	-	31,132	1.4058	29,735	(1,397)
39	348.00	Hydrants	2,033	-	2,033	1.6913	2,310	277
40	349.00	Other Transmission & Distributio	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	636,580	-	636,580		544,563	(92,017)
42								
43		**General**						**(Common Plant, B-2, Page 7)**
44	389.00	Land and Land Rights	-	-	-	1.0000	-	-
45	390.00	Structures and Improvements	93	-	93	1.1745	92	(2)
46	391.00	Office Funiture and Equipment	2,343	-	2,343	1.1334	2,299	(44)
47	391.10	Computer Equipment	7,572	-	7,572	1.1232	7,394	(178)
48	392.00	Transportation Equipment	14,970	-	14,970	1.1019	14,657	(313)
49	393.00	Stores Equipment	1,314	-	1,314	1.2118	1,265	(48)
50	394.00	Tools, Shop and Garage	1,452	-	1,452	1.2162	1,414	(38)
51	395.00	Laboratory Equipment	-	-	-	-	-	-
52	396.00	Power Operated Equipment	-	-	-	-	-	-
53	397.00	Communication Equipment	1,006	-	1,006	1.1893	978	(28)
54	398.00	Miscellaneous Equipment	154	-	154	1.1220	151	(3)
55		**Subtotal General**	28,904	-	28,904		28,250	(654)
		TOTAL WATER PLANT	989,254	(10,000)	979,254		893,884	(85,370)

10/09/2003

Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 1
Witness: Bourassa

Company Code: 4002 Business Area: 4503 Tubac Valley Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W30100	ORGANIZATION	1974	543	180.2	47.7	3.7778	2,051	543
W30100	ORGANIZATION	1977	24	180.2	59.9	3.0083	72	24
W30100	Class Totals		567				2,123	567
W30200	FRANCH/CONSENTS	1974	1,324	180.2	47.7	3.7778	5,001	1,324
W30200	FRANCH/CONSENTS	1994	706	180.2	148.7	1.2118	855	706
W30200	Class Totals		2,030				5,857	2,030
W31000	LAND/LAND RIGHTS	1974	212	180.2	47.7	3.7778	800	212
W31000	LAND/LAND RIGHTS	1981	2,730	180.2	91.9	1.9608	5,352	2,730
W31000	LAND/LAND RIGHTS	1984	8,375	180.2	103.6	1.7394	14,567	8,375
W31000	LAND/LAND RIGHTS	1996	9,096	180.2	156.6	1.1507	10,467	9,096
W31000	Class Totals		20,413				31,188	20,413
W31100	STRUCT AND IMPROV	1967	747	350.0	66.0	5.3030	3,961	3,961
W31100	STRUCT AND IMPROV	1968	354	350.0	69.0	5.0725	1,795	1,795
W31100	STRUCT AND IMPROV	1970	106	350.0	80.0	4.3750	463	463
W31100	STRUCT AND IMPROV	1984	3,974	350.0	238.0	1.4706	5,844	5,844
W31100	STRUCT AND IMPROV	1997	13,937	350.0	310.0	1.1290	15,735	15,735
W31100	STRUCT AND IMPROV	1997	873	350.0	314.0	1.1146	973	973

	W31100	Class Totals	19,992				28,774	28,774
W31400	WELLS AND SPRINGS	1965	2,176	321.0	65.0	4.9385	10,746	10,746
W31400	WELLS AND SPRINGS	1967	2,862	321.0	69.0	4.6522	13,314	13,314
W31400	WELLS AND SPRINGS	1984	105,009	321.0	228.0	1.4079	147,842	147,842
W31400	WELLS AND SPRINGS	1990	9,008	321.0	242.0	1.3264	11,948	11,948
W31400	WELLS AND SPRINGS	1996	55,848	321.0	288.0	1.1146	62,249	62,249
W31400	WELLS AND SPRINGS	1997	2,980	321.0	296.0	1.0845	3,232	3,232
W31400	WELLS AND SPRINGS	1998	1,470	321.0	301.0	1.0664	1,567	1,567
	W31400	Class Totals	179,354				250,900	250,900
W32000	LAND/LAND RIGHTS	1974	50	180.2	47.7	3.7778	188	50
	W32000	Class Totals	50				188	50
W32100	STRUCT AND IMPROV	1967	8,112	350.0	66.0	5.3030	43,017	43,017
W32100	STRUCT AND IMPROV	1968	42	350.0	69.0	5.0725	213	213
W32100	STRUCT AND IMPROV	1970	1,185	350.0	80.0	4.3750	5,184	5,184
W32100	STRUCT AND IMPROV	1984	4,453	350.0	238.0	1.4706	6,548	6,548
W32100	STRUCT AND IMPROV	1997	816	350.0	314.0	1.1146	909	909
	W32100	Class Totals	14,608				55,873	55,873
W32500	ELEC PUMP EQUIP	1967	2,851	531.0	81.0	6.5556	18,690	18,690
W32500	ELEC PUMP EQUIP	1969	3,215	531.0	84.0	6.3214	20,323	20,323
W32500	ELEC PUMP EQUIP	1973	2,403	531.0	100.0	5.3100	12,759	12,759

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32500	ELEC PUMP EQUIP	1974	622	531.0	122.0	4.3525	2,707	2,707
W32500	ELEC PUMP EQUIP	1975	1,300	531.0	155.0	3.4258	4,453	4,453
W32500	ELEC PUMP EQUIP	1977	1,412	531.0	184.0	2.8859	4,074	4,074
W32500	ELEC PUMP EQUIP	1979	7,077	531.0	205.0	2.5902	18,330	18,330
W32500	ELEC PUMP EQUIP	1982	940	531.0	260.0	2.0423	1,919	1,919
W32500	ELEC PUMP EQUIP	1984	38,028	531.0	277.0	1.9170	72,899	72,899
W32500	ELEC PUMP EQUIP	1985	22,894	531.0	282.0	1.8830	43,109	43,109
W32500	ELEC PUMP EQUIP	1990	8,605	531.0	340.0	1.5618	13,440	13,440
W32500	ELEC PUMP EQUIP	1994	45,809	531.0	420.0	1.2643	57,916	57,916
W32500	ELEC PUMP EQUIP	1994	1,327	531.0	426.0	1.2465	1,654	1,654
W32500	ELEC PUMP EQUIP	1995	15,620	531.0	438.0	1.2123	18,936	18,936
W32500	ELEC PUMP EQUIP	1995	2,032	531.0	437.0	1.2151	2,469	2,469
W32500	ELEC PUMP EQUIP	1996	646	531.0	446.0	1.1906	770	770
W32500	ELEC PUMP EQUIP	1997	62,424	531.0	454.0	1.1696	73,012	73,012
W32500	ELEC PUMP EQUIP	1997	3,948	531.0	476.0	1.1155	4,404	4,404
W32500	ELEC PUMP EQUIP	1998	14,940	531.0	485.0	1.0948	16,356	16,356
W32500	ELEC PUMP EQUIP	1998	2,481	531.0	486.0	1.0926	2,711	2,711
W32500	ELEC PUMP EQUIP	1999	1,932	531.0	499.0	1.0641	2,055	2,055
W32500	ELEC PUMP EQUIP	1999	1,238	531.0	499.0	1.0641	1,317	1,317
	W32500	Class Totals	241,749				394,314	394,314
W32600	DIESEL PUMP EQUIP	1999	878	531.0	499.0	1.0641	935	935
	W32600	Class Totals	878				935	935

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32800	OTHER PUMP EQUIP	1994	28,221	531.0	420.0	1.2643	35,680	35,680
W32800	OTHER PUMP EQUIP	1997	5,775	531.0	476.0	1.1155	6,442	6,442
W32800	OTHER PUMP EQUIP	1998	8,997	531.0	485.0	1.0948	9,850	9,850
	W32800	Class Totals	42,994				51,973	51,973
W33000	LAND/LAND RIGHTS	1974	50	180.2	47.7	3.7778	188	50
	W33000	Class Totals	50				188	50
W33200	WATER TREAT EQUIP	1997	504	403.0	352.0	1.1449	578	578
	W33200	Class Totals	504				578	578
W34000	LAND/LAND RIGHTS	1974	329	180.2	47.7	3.7778	1,242	329
W34000	LAND/LAND RIGHTS	1982	210	180.2	97.4	1.8501	388	210
	W34000	Class Totals	539				1,631	539
W34100	STRUCT AND IMPROV	1968	72	350.0	69.0	5.0725	365	365
W34100	STRUCT AND IMPROV	1969	84	350.0	74.0	4.7297	397	397
	W34100	Class Totals	156				762	762

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34200	DIST RESRV & STNDPIP	1959	570	275.0	36.0	7.6389	4,354	4,354
W34200	DIST RESRV & STNDPIP	1967	5,193	275.0	47.0	5.8511	30,384	30,384
W34200	DIST RESRV & STNDPIP	1979	211	275.0	178.0	1.5449	325	325
W34200	DIST RESRV & STNDPIP	1990	134,407	275.0	221.0	1.2443	167,242	167,242
W34200	DIST RESRV & STNDPIP	1994	2,039	275.0	246.0	1.1179	2,279	2,279
	W34200	Class Totals	142,420				204,587	204,587
W34300	TRANS/DISTR	1959	20,362	324.0	70.0	4.6286	94,247	94,247
W34300	TRANS/DISTR	1960	1,253	324.0	71.0	4.5634	5,717	5,717
W34300	TRANS/DISTR	1961	2,715	324.0	73.0	4.4384	12,053	12,053
W34300	TRANS/DISTR	1964	1,246	324.0	78.0	4.1538	5,175	5,175
W34300	TRANS/DISTR	1966	14,789	324.0	78.0	4.1538	61,432	61,432
W34300	TRANS/DISTR	1968	2,484	324.0	80.0	4.0500	10,060	10,060
W34300	TRANS/DISTR	1969	31,929	324.0	83.0	3.9036	124,638	124,638
W34300	TRANS/DISTR	1970	21,660	324.0	87.0	3.7241	80,664	80,664
W34300	TRANS/DISTR	1971	16,946	324.0	95.0	3.4105	57,794	57,794
W34300	TRANS/DISTR	1972	297	324.0	98.0	3.3061	981	981
W34300	TRANS/DISTR	1973	6,633	324.0	100.0	3.2400	21,490	21,490
W34300	TRANS/DISTR	1974	28,233	324.0	133.0	2.4361	68,778	68,778
W34300	TRANS/DISTR	1975	40,893	324.0	151.0	2.1457	87,744	87,744
W34300	TRANS/DISTR	1976	10,362	324.0	259.0	1.2510	12,962	12,962
W34300	TRANS/DISTR	1977	39,846	324.0	166.0	1.9518	77,771	77,771
W34300	TRANS/DISTR	1978	1,604	324.0	179.0	1.8101	2,903	2,903
W34300	TRANS/DISTR	1979	455	324.0	193.0	1.6788	763	763
W34300	TRANS/DISTR	1980	4,960	324.0	209.0	1.5502	7,688	7,688

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34300	TRANS/DISTR	1981	24,528	324.0	224.0	1.4464	35,477	35,477
W34300	TRANS/DISTR	1982	46,198	324.0	239.0	1.3556	62,626	62,626
W34300	TRANS/DISTR	1983	927	324.0	246.0	1.3171	1,220	1,220
W34300	TRANS/DISTR	1984	2,099	324.0	244.0	1.3279	2,787	2,787
W34300	TRANS/DISTR	1985	137	324.0	248.0	1.3065	178	178
W34300	TRANS/DISTR	1986	61,537	324.0	245.0	1.3224	81,376	81,376
W34300	TRANS/DISTR	1989	20,207	324.0	273.0	1.1868	23,982	23,982
W34300	TRANS/DISTR	1990	26,458	324.0	273.0	1.1868	31,400	31,400
W34300	TRANS/DISTR	1992	5,311	324.0	277.0	1.1697	6,212	6,212
W34300	TRANS/DISTR	1993	27,136	324.0	281.0	1.1530	31,288	31,288
W34300	TRANS/DISTR	1994	105,891	324.0	291.0	1.1134	117,899	117,899
W34300	TRANS/DISTR	1995	68,089	324.0	286.0	1.1329	77,138	77,138
W34300	TRANS/DISTR	1996	33,147	324.0	289.0	1.1211	37,161	37,161
W34300	TRANS/DISTR	1996	9,326	324.0	292.0	1.1096	10,348	10,348
W34300	TRANS/DISTR	1997	145,093	324.0	299.0	1.0836	157,223	157,223
W34300	TRANS/DISTR	1998	37,882	324.0	301.0	1.0764	40,776	40,776
W34300	TRANS/DISTR	1998	14,079	324.0	300.0	1.0800	15,206	15,206
W34300	TRANS/DISTR	1999	1,687	324.0	313.0	1.0351	1,747	1,747
W34300	TRANS/DISTR	2000	7,690	324.0	316.0	1.0253	7,885	7,885
	W34300	Class Totals	884,097				1,474,808	1,474,808
W34500	SERVICES	1959	107	288.0	49.0	5.8776	628	628
W34500	SERVICES	1962	151	288.0	56.0	5.1429	776	776
W34500	SERVICES	1963	8	288.0	56.0	5.1429	41	41
W34500	SERVICES	1965	987	288.0	61.0	4.7213	4,659	4,659

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W34500	SERVICES	1967	2,187	288.0	66.0	4.3636	9,543	9,543
W34500	SERVICES	1968	2,677	288.0	68.0	4.2353	11,337	11,337
W34500	SERVICES	1969	4,024	288.0	72.0	4.0000	16,096	16,096
W34500	SERVICES	1970	6,500	288.0	83.0	3.4699	22,554	22,554
W34500	SERVICES	1971	3,536	288.0	88.0	3.2727	11,572	11,572
W34500	SERVICES	1972	2,978	288.0	92.0	3.1304	9,322	9,322
W34500	SERVICES	1973	1,517	288.0	100.0	2.8800	4,368	4,368
W34500	SERVICES	1974	3,291	288.0	118.0	2.4407	8,032	8,032
W34500	SERVICES	1975	7,798	288.0	124.0	2.3226	18,111	18,111
W34500	SERVICES	1976	2,084	288.0	129.0	2.2326	4,652	4,652
W34500	SERVICES	1977	739	288.0	142.0	2.0282	1,498	1,498
W34500	SERVICES	1978	3,541	288.0	150.0	1.9200	6,798	6,798
W34500	SERVICES	1979	761	288.0	168.0	1.7143	1,304	1,304
W34500	SERVICES	1980	3,204	288.0	181.0	1.5912	5,098	5,098
W34500	SERVICES	1981	1,026	288.0	192.0	1.5000	1,539	1,539
W34500	SERVICES	1982	804	288.0	198.0	1.4545	1,169	1,169
W34500	SERVICES	1984	980	288.0	211.0	1.3649	1,337	1,337
W34500	SERVICES	1987	1,942	288.0	227.0	1.2687	2,463	2,463
W34500	SERVICES	1988	643	288.0	228.0	1.2632	813	813
W34500	SERVICES	1988	945	288.0	230.0	1.2522	1,183	1,183
W34500	SERVICES	1989	1,129	288.0	221.0	1.3032	1,471	1,471
W34500	SERVICES	1989	29	288.0	224.0	1.2857	37	37
W34500	SERVICES	1990	579	288.0	228.0	1.2632	731	731
W34500	SERVICES	1991	1,265	288.0	235.0	1.2255	1,551	1,551
W34500	SERVICES	1992	12,009	288.0	241.0	1.1950	14,350	14,350
W34500	SERVICES	1992	2,958	288.0	251.0	1.1474	3,394	3,394
W34500	SERVICES	1993	24,487	288.0	251.0	1.1474	28,096	28,096

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34500	SERVICES	1993	425	288.0	249.0	1.1566	491	491
W34500	SERVICES	1994	18,109	288.0	265.0	1.0868	19,681	19,681
W34500	SERVICES	1995	4,609	288.0	253.0	1.1383	5,246	5,246
W34500	SERVICES	1995	28,889	288.0	255.0	1.1294	32,627	32,627
W34500	SERVICES	1996	3,542	288.0	263.0	1.0951	3,879	3,879
W34500	SERVICES	1996	15,647	288.0	262.0	1.0992	17,200	17,200
W34500	SERVICES	1997	18,575	288.0	266.0	1.0827	20,111	20,111
W34500	SERVICES	1998	5,405	288.0	268.0	1.0746	5,808	5,808
W34500	SERVICES	1998	12,710	288.0	261.0	1.1034	14,025	14,025
W34500	SERVICES	1999	7,195	288.0	274.0	1.0511	7,563	7,563
W34500	SERVICES	2000	4,602	288.0	278.0	1.0360	4,767	4,767
W34500	SERVICES	2001	58,340	288.0	288.0	1.0000	58,340	58,340
	W34500	Class Totals	272,942				384,282	384,282
W34600	METERS	1959	562	350.0	54.0	6.4815	3,642	3,642
W34600	METERS	1961	43	350.0	57.0	6.1404	264	264
W34600	METERS	1971	1,053	350.0	89.0	3.9326	4,141	4,141
W34600	METERS	1972	69	350.0	94.0	3.7234	256	256
W34600	METERS	1973	1,302	350.0	100.0	3.5000	4,557	4,557
W34600	METERS	1974	214	350.0	118.0	2.9661	634	634
W34600	METERS	1977	172	350.0	151.0	2.3179	398	398
W34600	METERS	1978	197	350.0	162.0	2.1605	425	425
W34600	METERS	1979	443	350.0	174.0	2.0115	891	891
W34600	METERS	1981	1,995	350.0	202.0	1.7327	3,456	3,456
W34600	METERS	1982	1,631	350.0	219.0	1.5982	2,606	2,606

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			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34600	METERS		1984	1,520	350.0	241.0	1.4523	2,207	2,207
W34600	METERS		1985	2,392	350.0	239.0	1.4644	3,502	3,502
W34600	METERS		1986	4,559	350.0	248.0	1.4113	6,435	6,435
W34600	METERS		1987	3,562	350.0	253.0	1.3834	4,928	4,928
W34600	METERS		1988	1,035	350.0	256.0	1.3672	1,415	1,415
W34600	METERS		1988	1,265	350.0	259.0	1.3514	1,709	1,709
W34600	METERS		1989	2,277	350.0	261.0	1.3410	3,053	3,053
W34600	METERS		1990	28,661	350.0	262.0	1.3359	38,289	38,289
W34600	METERS		1990	4,884	350.0	264.0	1.3258	6,475	6,475
W34600	METERS		1991	996	350.0	276.0	1.2681	1,263	1,263
W34600	METERS		1992	1,816	350.0	278.0	1.2590	2,286	2,286
W34600	METERS		1992	1,727	350.0	283.0	1.2367	2,136	2,136
W34600	METERS		1993	5,835	350.0	292.0	1.1986	6,993	6,993
W34600	METERS		1994	406	350.0	304.0	1.1513	467	467
W34600	METERS		1994	203	350.0	297.0	1.1785	239	239
W34600	METERS		1995	838	350.0	303.0	1.1551	968	968
W34600	METERS		1995	4,155	350.0	303.0	1.1551	4,799	4,799
W34600	METERS		1996	247	350.0	316.0	1.1076	273	273
W34600	METERS		1996	1,649	350.0	318.0	1.1006	1,814	1,814
W34600	METERS		1997	7,396	350.0	322.0	1.0870	8,039	8,039
W34600	METERS		1998	1,695	350.0	325.0	1.0769	1,825	1,825
W34600	METERS		1998	1,074	350.0	322.0	1.0870	1,167	1,167
W34600	METERS		2000	47	350.0	339.0	1.0324	49	49
W34600	METERS		2001	2,024	350.0	350.0	1.0000	2,024	2,024
		W34600	Class Totals	87,950				123,642	123,642

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34800	HYDRANTS	1967	683	527.0	68.0	7.7500	5,293	5,293
W34800	HYDRANTS	1970	656	527.0	84.0	6.2738	4,115	4,115
W34800	HYDRANTS	1977	882	527.0	175.0	3.0114	2,656	2,656
W34800	HYDRANTS	1985	385	527.0	287.0	1.8362	706	706
W34800	HYDRANTS	1989	541	527.0	338.0	1.5592	843	843
W34800	HYDRANTS	1990	4,972	527.0	349.0	1.5100	7,508	7,508
W34800	HYDRANTS	1994	2,944	527.0	373.0	1.4129	4,160	4,160
W34800	HYDRANTS	1996	2,609	527.0	379.0	1.3905	3,627	3,627
W34800	HYDRANTS	1997	3,572	527.0	453.0	1.1634	4,156	4,156
W34800	HYDRANTS	1998	4,178	527.0	467.0	1.1285	4,715	4,715
W34800	HYDRANTS	1998	2,764	527.0	466.0	1.1309	3,125	3,125
W34800	Class Totals		24,188				40,910	40,910
W38900	LAND/LAND RIGHTS	1990	2,755	180.2	129.4	1.3926	3,836	2,755
W38900	Class Totals		2,755				3,836	2,755
W39000	MISC STRUCTURES	1995	497	350.0	298.0	1.1745	584	584
W39000	Class Totals		497				584	584
W39100	OFFICE FURN/EQUIP	1994	163	180.2	148.7	1.2118	197	197
W39100	OFFICE FURN/EQUIP	1995	1,543	180.2	152.2	1.1840	1,826	1,826

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39100	OFFICE FURN/EQUIP	1996	2,688	180.2	156.6	1.1507	3,093	3,093
W39100	OFFICE FURN/EQUIP	1997	3,537	180.2	160.6	1.1220	3,969	3,969
W39100	OFFICE FURN/EQUIP	1997	743	180.2	160.6	1.1220	834	834
W39100	OFFICE FURN/EQUIP	1998	2,775	180.2	163.6	1.1015	3,057	3,057
	W39100	Class Totals	11,451				12,978	12,978
W39110	COMPUTER EQUIPMENT	1994	1,021	180.2	148.7	1.2118	1,237	1,237
W39110	COMPUTER EQUIPMENT	1996	3,462	180.2	156.6	1.1507	3,984	3,984
W39110	COMPUTER EQUIPMENT	1998	3,655	180.2	163.6	1.1015	4,026	4,026
W39110	COMPUTER EQUIPMENT	2000	1,295	180.2	173.1	1.0410	1,349	1,349
	W39110	Class Totals	9,435				10,597	10,597
W39200	TRANSPORT EQUIP	1997	307	180.2	160.6	1.1220	344	344
W39200	TRANSPORT EQUIP	1998	16,858	180.2	163.6	1.1015	18,569	18,569
	W39200	Class Totals	17,165				18,914	18,914
W39300	STORES EQUIPMENT	1994	3,417	180.2	148.7	1.2118	4,141	4,141
	W39300	Class Totals	3,417				4,141	4,141
W39400	TOOLS AND WORK EQUIP	1982	259	180.2	97.4	1.8501	479	479
W39400	TOOLS AND WORK EQUIP	1988	57	180.2	117.7	1.5310	87	87

Trended RCN
Handy-Whitman

Company Code: 4002 Business Area: 4503 Tubac Valley Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39400	TOOLS AND WORK EQUIP	1990	171	180.2	129.4	1.3926	238	238
W39400	TOOLS AND WORK EQUIP	1994	5,905	180.2	148.7	1.2118	7,156	7,156
W39400	TOOLS AND WORK EQUIP	1996	61	180.2	156.6	1.1507	70	70
W39400	TOOLS AND WORK EQUIP	1997	643	180.2	160.6	1.1220	722	722
W39400	TOOLS AND WORK EQUIP	1998	1,062	180.2	163.6	1.1015	1,170	1,170
	W39400	Class Totals	8,160				9,924	9,924
W39700	COMM EQUIP	1994	1,419	180.2	148.7	1.2118	1,719	1,719
W39700	COMM EQUIP	1995	450	180.2	152.2	1.1840	532	532
W39700	COMM EQUIP	1996	399	180.2	156.6	1.1507	460	460
W39700	COMM EQUIP	1997	191	180.2	160.6	1.1220	215	215
	W39700	Class Totals	2,460				2,927	2,927
W39800	MISC EQUIP	1997	659	180.2	160.6	1.1220	739	739
	W39800	Class Totals	659				739	739
Company Code: 4002	Business Area: 4503		1,991,490				3,118,168	3,099,557

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Rebuttal Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 251,795			$ 251,795	186,106	$ 437,901
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	2,691			2,691		2,691
5		$ 254,486		$ -	$ 254,486	$ 186,106	$ 440,592
6	**Operating Expenses**						
7	Salaries and Wages	$ 77,690	1/6	(3,739)	$ 73,951		$ 73,951
8	Purchased Water	-			-		-
9	Purchased Power	20,767			20,767		20,767
10	Chemicals	16			16		16
11	Repairs and Maintenance	18,029			18,029		18,029
12	Office Supplies and Expense	19,965	7	(2,122)	17,842		17,842
13	Outside Services	10,516			10,516		10,516
14	Service Company Charges	38,653	10	(1,292)	37,361		37,361
15	Water Testing	1,420			1,420		1,420
16	Rents	3,454			3,454		3,454
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	3,428	8	(443)	2,985		2,985
19	Insurance - health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	1,680			1,680		1,680
21	Miscellaneous Expense	7,022	9	1	7,023		7,023
22	Depreciation Expense	37,216	3	149	37,365		37,365
23	Taxes Other Than Income	4,809	2	286	5,095		5,095
24	Property Taxes	23,752	4	(677)	23,075		23,075
25	Income Tax	(28,507)		6,656	(21,851)		49,984
26					-		-
27	**Total Operating Expenses**	$ 239,909		$ (1,180)	$ 238,729	$ -	$ 310,564
28	**Operating Income**	$ 14,577		$ 1,180	$ 15,757	$ 186,106	$ 130,028
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(59,925)	5	9,409	(50,516)		(50,516)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets				-		-
35	**Total Other Income (Expense)**	$ (59,925)		$ 9,409	$ (50,516)	$ -	$ (50,516)
36	**Net Profit (Loss)**	$ (45,348)		$ 10,589	$ (34,759)	$ 186,106	$ 79,512
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-2					Rebuttal A-1	
40							
41							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Tubac Water
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ 4,828
	6	Adjust to Actual 2002 Additional (Corporate)	(8,567)
Purchased Water	11	Adjust to annualized 2001 qty ordered	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(2,122)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(1,292)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(443)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	1
Depreciation Expense	3	Depreciation Expense	149
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	286
Property Taxes	4	Property Taxes	(677)
Income Tax			6,656
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (1,180)
Operating Income			$ 1,180

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.				
1	Projected Salaries & Wages and Related Expenses			
2				
3	Actual 2002 Wages and Salaries			**Amount**
4	601	Salaries & Wages	$	64,491
5				
6	Direct Filing Proposed Wages and Salaries			
7	601	Salaries & Wages	$	59,664
8				
9	Increase (Decrease)		$	4,828
10				
11	Adjustment to Revenues and/or Expenses		$	4,828
12				
13				
14				
15				

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.				
1	Projected Salaries & Wages and Related Expenses			
2				
3	PR Taxes Based on Actual 2002 Wages and Salaries			**Amount**
4	408	Taxes Other Than Income		5,095
5				
6	Direct Filing Proposed PR Taxes			
7	408	Taxes Other Than Income		4,809
8				
9	Increase (Decrease)		$	286
10				
11	Adjustment to Revenues and/or Expenses		$	286
12				
13				
14				
15				

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.						
1	Depreciation Expense					
2						
3	Account		Rebuttak			Depreciation
4	No.	Description	Original Cost		Rate	Expense
5		**Intangible**				
6	301.00	Organization	$	567	0.00%	$ -
7	302.00	Franchises		2,030	0.00%	-
8	303.00	Miscellaneous Intangibles		-	0.00%	-
9		**Subtotal Intangible**	$	2,597		$ -
10						
11		**Source of Supply**				
12	310.00	Land and Land Rights	$	20,414	0.00%	$ -
13	311.00	Structures and Improvements		20,727	2.40%	497
14	312.00	Collecting and Impounding Res.		-	0.00%	-
15	313.00	Lakes, Rivers, Other Intakes		-	0.00%	-
16	314.00	Wells and Springs		114,410	3.08%	3,524
17		**Subtotal Source of Supply**	$	155,550		$ 4,021
18						
19		**Pumping**				
20	320.00	Land and Land Rights	$	50	0.00%	$ -
21	321.00	Structures and Improvements		14,608	1.94%	283
22	323.00	Other Power Production		-	0.00%	-
23	325.00	Electric Pumping Equipment		270,574	4.24%	11,472
24	326.00	Diesel Pumping Equipment		879	5.00%	44
25	328.10	Gas Engine Pumping Equipment		42,995	4.24%	1,823
26		**Subtotal Pumping**	$	329,106		$ 13,623
27						
28		**Water Treatment**				
29	330.00	Land and Land Rights	$	50	0.00%	$ -
30	331.00	Structures and Improvements		-	0.00%	-
31	332.00	Water Treatment Equipment		505	4.00%	20
32		**Subtotal Water Treatment**	$	555		$ 20
33						
34		**Transmission and Distribution**				
35	340.00	Land and Land Rights	$	539	0.00%	$ -
36	341.00	Structures and Improvements		156	1.92%	3
37	342.00	Distribution, Reservoirs, & ST		142,420	1.62%	2,307
38	343.00	Transmission and Distribution		939,168	1.97%	18,502
39	344.00	Fire Mains		-	0.00%	-
40	345.00	Services		272,942	2.45%	6,687
41	346.00	Meters		87,950	2.42%	2,128
42	348.00	Hydrants		24,189	1.97%	477
43	349.00	Other Transmission & Distribution		-	0.00%	-
44		**Subtotal Transmission and Distribution**	$	1,467,364		$ 30,104
45						
46		**General**				
47	389.00	Land and Land Rights	$	26	0.00%	$ -
48	390.00	Structures and Improvements		17,767	2.89%	513
49	391.00	Office Funiture and Equipment		8,530	3.28%	280
50	391.10	Computer Equipment		9,969	3.28%	327
51	392.00	Transportation Equipment		9,535	25.00%	2,384
52	393.00	Stores Equipment		152	4.00%	6
53	394.00	Tools, Shop and Garage		2,181	3.42%	75
54	395.00	Laboratory Equipment		691	0.00%	-
55	396.00	Power Operated Equipment		635	0.00%	-
56	397.00	Communication Equipment		3,848	5.03%	194
57	398.00	Miscellaneous Equipment		1,390	4.93%	69
58		**Subtotal General**	$	54,724		$ 3,847
59						
60						
61						
62						
63		TOTALS	$	2,009,896	0.02568	$ 51,615
64						
65	Amortization of Deferred Regulatory Assets		$	4,596	2.5680%	118
66						
67	Less: Amortization of Contributions		$	143,675	10.0000%	(14,367)
68	Rebuttal Depreciation Expense					$ 37,365
69						
70	Direct Filing Depreciation Expense					37,216
71						
72	Increase (decrease) in Depreciation Expense					149
73						
74	Adjustment to Revenues and/or Expenses					$ 149
75						

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Adjust Property Taxes to Reflect Proposed Revenues:		
2			
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$	254,486
4	Rebuttal Adjusted Revenues in year ended 12/31/01		254,486
5	Proposed Revenues		440,592
6	Average of three year's of revenue	$	316,521
7	Average of three year's of revenue, times 2		633,043
8	Add:		
9	Construction Work in Progess at 10%		
10	Deduct:		
11	Book Value of Transportation Equipment		9,535
12	Book Value of Transportation Equipment (proforma)		0
13	Total Book Value of Transportation Equipment	$	9,535
14			
15	Full Cash Value	$	623,508
16	Assessment Ratio		25%
17	Assessed Value		155,877
18	Property Tax Rate		14.796183%
19			
20	Property Tax		23,064
21	Tax on Parcels		12
22			
23	Total Rebuttal Property Tax at Proposed Rates	$	23,075
24	Direct Filing Proposed Property Taxes		23,752
25	Increase (Decrease) in Property Taxes	$	(677)
26			
27			
28	Adjustment to Revenues and/or Expenses	$	(677)
29			
30			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$1,732,373
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	50,516
6	Direct Filing Interest Expense	59,925
7	Increase in Interest Expense	$ (9,409)
8		
9	Adjustment to Revenues and/or Expense	$ (9,409)
10		
11		

Arizona American - Tubac Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Salaries & Wages Expense (C	$	9,459
5			
6	Direct Filing Proposed Additonal Salaries & Wages Ex		18,026
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(8,567)
10			
11	Adjustment to Revenue and/or Expense	$	(8,567)
12			
13			
14			
15			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	9,325
5			
6	Direct Filing Proposed Additonal Office Expense (Corp		11,447
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(2,122)
10			
11	Adjustment to Revenue and/or Expense	$	(2,122)
12			
13			
14			
15			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	2,969
5			
6	Direct Filing Proposed Additonal Insurance Expense (		3,412
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(443)
10			
11	Adjustment to Revenue and/or Expense	$	(443)
12			
13			
14			
15			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	223
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corp		221
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	1
10			
11	Adjustment to Revenue and/or Expense	$	1
12			
13			
14			
15			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.0075	
5	Total Charges		$ 37,361
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.0075	
10	Total Charges		38,653
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (1,292)
14			
15			
16			
17			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	(e) Cost Rate	Weighted Cost	End of Projected Year Percent of Total	(e) Cost Rate	Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
9							
10							
11							
12							
13							

MOHAVE WATER

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.			
1	Fair Value Rate Base	$	13,422,542
2			
3	Adjusted Operating Income		888,029
4			
5	Current Rate of Return		6.62%
6			
7	Required Operating Income	$	1,008,838
8			
9	Required Rate of Returnon Fair Value Rate base		7.52%
10			
11	Operating Income Deficiency	$	120,809
12			
13	Gross Revenue Conversion Factor		1.6286
14			
15	Increase in Gross Revenue		
16	Requirement	$	196,754

	Customer Classification	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
18					
20	Residential 5/8 Inch	$ 2,648,370	$ 2,769,461	$ 121,091	4.57%
21	Residential 1 Inch	15,626	16,355	729	4.66%
22	Residential 1.5 Inch	-	-	-	0.00%
23	Residential 2 Inch	14,500	15,181	681	4.70%
24		0	0	0	0
25	Residential Muti-family 5/8 Inch	94,231	98,486	4,255	4.52%
26	Residential Muti-family 1 Inch	44,888	46,920	2,032	4.53%
27	Residential Muti-family 1.5 Inch	16,223	16,944	721	4.44%
28	Residential Muti-family 2 Inch	248,296	259,467	11,170	4.50%
29	Residential Muti-family 4 Inch	17,645	18,442	797	4.52%
30	Residential Muti-family 6 Inch	162,922	170,218	7,296	4.48%
31		0	0	0	0
32	Rio Water Residential 5/8 Inch	80,529	84,197	3,668	4.55%
33	Rio Water Residential 1 Inch	26	27	1	4.56%
34	Rio Water Residential 2 Inch	74	77	3	4.55%
35		0	0	0	0
36	Commercial 5/8 Inch	125,418	131,218	5,800	4.62%
37	Commercial 1 Inch	90,568	94,804	4,236	4.68%
38	Commercial 1.5 Inch	28,828	30,185	1,357	4.71%
39	Commercial 2 Inch	355,657	372,403	16,746	4.71%
40	Commercial 3 Inch	51,990	54,437	2,447	4.71%

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 2
Witness: Bourassa

Line No.		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
1					
2	Commercial Multi-Unit 5/8 Inch	16,427	17,174	747	4.55%
3	Commercial Multi-Unit 1 Inch	3,014	3,149	135	4.48%
4	Commercial Multi-Unit 1.5 Inch	2,619	2,741	122	4.66%
5	Commercial Multi-Unit 2 Inch	9,383	9,814	431	4.59%
6		-	-	-	0.00%
7	Public Authority 58 Inch	4,450	4,651	201	4.52%
8	Public Authority 1 Inch	5,109	5,348	239	4.67%
9	Public Authority 1.5 Inch	3,877	4,058	181	4.68%
10	Public Authority 2 Inch	61,130	64,005	2,874	4.70%
11	Public Authority 3 Inch	15,446	16,176	730	4.72%
12	Public Authority 4 Inch	19,712	20,643	931	4.72%
13	Public Authority 6 Inch	33,295	34,867	1,572	4.72%
14		-	-	-	0.00%
15	Private Fire 2 Inch	264	275	11	4.33%
16	Private Fire 4 Inch	4,554	4,759	205	4.50%
17	Private Fire 6 Inch	1,539	1,611	72	4.67%
18	Private Fire 8 Inch	588	615	27	4.58%
19	Private Fire 10 Inch	180	188	8	4.60%
20	Private Fire Hydrant	14,489	15,153	664	4.58%
21	Miscellaneous Revenues	108,705	108,705	-	0.00%
22	Difference Between Bill Count Rev. & G/L Rev.	48,141	50,376	2,235	4.64%
23	Subtotal of Water Revenues	$ 4,348,715	$ 4,543,132	$ 194,417	4.47%
24	**Revenue Annualization**				
25	Residential 5/8 Inch	$ 49,762	$ 52,038	$ 2,276	4.57%
26	Residential 1 Inch	1,073	1,123	50	4.66%
27	Residential 1.5 Inch	-	-	-	0.00%
28	Residential 2 Inch	(1,244)	(1,302)	(58)	4.69%
29		0	0	0	0
30	Residential Muti-family 5/8 Inch	(1,693)	(1,771)	(78)	4.63%
31	Residential Muti-family 1 Inch	57	59	3	4.58%
32	Residential Muti-family 1.5 Inch	(277)	(289)	(12)	4.39%
33	Residential Muti-family 2 Inch	(13,893)	(14,510)	(617)	4.44%
34	Residential Muti-family 4 Inch	-	-	-	0.00%
35	Residential Muti-family 6 Inch	(10,652)	(11,114)	(463)	4.34%
36					
37	Rio Water Residential 5/8 Inch	2,721	2,844	124	4.55%
38	Rio Water Residential 1 Inch	287	300	13	4.56%
39	Rio Water Residential 2 Inch	212	221	10	4.55%
40		0	0	0	0
41	Commercial 5/8 Inch	2,096	2,193	97	4.62%
42	Commercial 1 Inch	3,184	3,333	149	4.67%
43	Commercial 1.5 Inch	0	0	0	0
44	Commercial 2 Inch	10,608	11,107	499	4.71%
45	Commercial 3 Inch	2,711	2,839	128	4.70%

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 3
Witness: Bourassa

Line No.		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
1					
2	Commercial Multi-Unit 5/8 Inch	3,966	4,150	185	4.65%
3	Commercial Multi-Unit 1 Inch	42	44	2	4.45%
4	Commercial Multi-Unit 1.5 Inch	0	0	0	0
5	Commercial Multi-Unit 2 Inch	(2,842)	(2,970)	(128)	4.50%
6		0	0	0	0
7	Public Authority 58 Inch	0	0	0	0
8	Public Authority 1 Inch	45	47	2	4.66%
9	Public Authority 1.5 Inch	0	0	0	0
10	Public Authority 2 Inch	(977)	(1,023)	(46)	4.71%
11	Public Authority 3 Inch	0	0	0	0
12	Public Authority 4 Inch	(18)	(19)	(1)	4.50%
13	Public Authority 6 Inch	0	0	0	0
14		0	0	0	0
15	Private Fire 2 Inch	132	138	6	4.33%
16	Private Fire 4 Inch	0	0	0	0
17	Private Fire 6 Inch	81	85	4	4.67%
18	Private Fire 8 Inch	132	138	6	4.58%
19	Private Fire 10 Inch	-	-	-	0.00%
20	Private Fire Hydrant	(95)	(100)	(4)	4.58%
21	Total Revenue Annualization	$ 45,417	$ 47,562	$ 2,144	4.72%
22	Revenues from Page 1	$ 4,348,715	$ 4,543,132	$ 194,417	4.47%
23	Totals	$ 4,394,133	$ 4,590,694	$ 196,561	4.47%
24					
25					
26					
27					
28					
29					
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43					
44	SUPPORTING SCHEDULES:				
45	Rebuttal B-1				
46	Rebuttal C-1				
47	Rebuttal D-1				
48	Rebuttal H-1				
49					

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Onl
1				
2	Gross Utility Plant in Service	$ 23,808,662	$ 33,059,063	$ 33,059,063
3	Less: Accumulated Depreciation	7,686,592	10,797,746	10,797,746
4				
5	Net Utility Plant in Service	$ 16,122,070	$ 22,261,317	$ 22,261,317
6				
7	Less:			
8	Advances in Aid of			
9	Construction	3,462,178	4,807,341	4,807,341
10	Contributions in Aid of			
11	Construction - Net of amortization	2,825,809	3,923,722	3,923,722
12	Customer Meter Deposits	107,711	107,711	107,711
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	6,074,881	-	-
21				
22	Total Rate Base	$ 15,801,254	$ 13,422,542	$ 13,422,542
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rebuttal B-2			Rebuttal A-1
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 23,833,079	(1)	(24,417)	$ 23,808,662
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	7,852,645	(2)	(166,054)	7,686,592
8					
9	Net Utility Plant				
10	in Service	$ 15,980,434			$ 16,122,070
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	3,462,178			3,462,178
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	2,825,809			2,825,809
18	Purposes Only)				
19	Customer Meter Deposits	107,711			107,711
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	6,121,931	(3)	(47,050)	6,074,881
28					
29	Total	$ 15,706,667			$ 15,801,254
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
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39					
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41					
42					
43					
44					
45					

Arizona American - Mohave Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2
Witness: Bourassa

Line No.	ccount No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 34,004	$ -	$ 34,004	$ -	$ -	$ -
3	302.00	Franchises	37,061	-	37,061	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 71,064	$ -	$ 71,064	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 261,542	$ (52,494)	$ 209,047	$ -	$ -	$ -
9	311.00	Structures and Improvements	643,073	127,873	770,947	93,175	-	93,175
10	312.00	Collecting and Impounding Res.	663,944	-	663,944	85,053	-	85,053
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	802,320	(48,111)	754,209	291,301	(37,111)	254,190
13		**Subtotal Source of Supply**	$ 2,370,879	$ 27,268	$ 2,398,147	$ 469,529	$ (37,111)	$ 432,418
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 2,361	$ -	$ 2,361	$ -	$ -	$ -
17	321.00	Structures and Improvements	1,687	-	1,687	(2,625)	-	(2,625)
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	1,708,531	146,092	1,854,623	955,693	-	955,693
20	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
21	328.10	Gas Engine Pumping Equipment	-	-	-	-	-	-
22		**Subtotal Pumping**	$ 1,712,579	$ 146,092	$ 1,858,671	$ 953,068	$ -	$ 953,068
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	15,157	-	15,157	7,145	-	7,145
27	332.00	Water Treatment Equipment	49,196	1,674	50,870	46,935	-	46,935
28		**Subtotal Water Treatment**	$ 64,353	$ 1,674	$ 66,027	$ 54,081	$ -	$ 54,081
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 9,609	$ -	$ 9,609	$ -	$ -	$ -
32	341.00	Structures and Improvements	4,583	-	4,583	2,040	-	2,040
33	342.00	Distribution, Reservoirs, & ST	1,599,028	(108,719)	1,490,310	252,618	(96,020)	156,598
34	343.00	Transmission and Distribution	11,691,493	(30,000)	11,661,493	3,624,332	-	3,624,332
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	2,863,818	-	2,863,818	1,417,991	-	1,417,991
37	346.00	Meters	1,825,557	-	1,825,557	601,180	-	601,180
38	348.00	Hydrants	-	-	-	-	-	-
39	349.00	Other Transmission & Distribution	23,400	(23,400)	-	-	-	-
40		**Subtotal Transmission and Distribution**	$ 18,017,489	$ (162,119)	$ 17,855,370	$ 5,898,160	$ (96,020)	$ 5,802,140
41								
42		**General**						
43	389.00	Land and Land Rights	$ 293	$ -	$ 293	$ -	$ -	$ -
44	390.00	Structures and Improvements	65,851	(32,923)	32,929	35,000	(32,923)	2,077
45	391.00	Office Funiture and Equipment	313,106	(11,960)	301,147	12,040	-	12,040
46	391.10	Computer Equipment	353,433	-	353,433	(79,435)	-	(79,435)
47	392.00	Transportation Equipment	542,457	3,678	546,135	348,481	-	348,481
48	393.00	Stores Equipment	2,865	-	2,865	1,959	-	1,959
49	394.00	Tools, Shop and Garage	118,742	821	119,563	80,036	-	80,036
50	395.00	Laboratory Equipment	7,277	-	7,277	5,316	-	5,316
51	396.00	Power Operated Equipment	71,294	-	71,294	51,145	-	51,145
52	397.00	Communication Equipment	110,561	3,050	113,611	15,517	-	15,517
53	398.00	Miscellaneous Equipment	10,836	-	10,836	7,748	-	7,748
54		**Subtotal General**	$ 1,596,716	$ (37,333)	$ 1,559,383	$ 477,807	$ (32,923)	$ 444,884
55								
56								
57								
58								
59		TOTAL WATER PLANT	$ 23,833,079	$ (24,417)	$ 23,808,662	$ 7,852,645	$ (166,054)	$ 7,686,592
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-2, page 2a, 2b, 3a, 3b						
63								

Arizona American - Mohave Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 34,004					-
3	302.00	Franchises	37,061					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 71,064	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 261,542		(63,719)			11,225
9	311.00	Structures and Improvements	643,073					127,873
10	312.00	Collecting and Impounding Res.	663,944					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	802,320		(37,111)			(11,000)
13		**Subtotal Source of Supply**	$ 2,370,879	$ -	$ (100,830)	$ -	$ -	$ 128,098
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 2,361					-
17	321.00	Structures and Improvements	1,687					-
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	1,708,531					146,092
20	326.00	Diesel Pumping Equipment	-					-
21	328.10	Gas Engine Pumping Equipment	-					-
22		**Subtotal Pumping**	$ 1,712,579	$ -	$ -	$ -	$ -	$ 146,092
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	15,157					-
27	332.00	Water Treatment Equipment	49,196					1,674
28		**Subtotal Water Treatment**	$ 64,353	$ -	$ -	$ -	$ -	$ 1,674
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 9,609					-
32	341.00	Structures and Improvements	4,583					-
33	342.00	Distribution, Reservoirs, & ST	1,599,028		(96,020)			(12,699)
34	343.00	Transmission and Distribution	11,691,493					(30,000)
35	344.00	Fire Mains	-					-
36	345.00	Services	2,863,818					-
37	346.00	Meters	1,825,557					-
38	348.00	Hydrants	-					-
39	349.00	Other Transmission & Distribution	23,400					(23,400)
40		**Subtotal Transmission and Distributio**	$ 18,017,489	$ -	$ (96,020)	$ -	$ -	$ (66,099)
41								
42		**General**						
43	389.00	Land and Land Rights	$ 293					-
44	390.00	Structures and Improvements	65,851					-
45	391.00	Office Funiture and Equipment	313,106					(11,960)
46	391.10	Computer Equipment	353,433					-
47	392.00	Transportation Equipment	542,457					3,678
48	393.00	Stores Equipment	2,865					-
49	394.00	Tools, Shop and Garage	118,742					821
50	395.00	Laboratory Equipment	7,277					-
51	396.00	Power Operated Equipment	71,294					-
52	397.00	Communication Equipment	110,561					3,050
53	398.00	Miscellaneous Equipment	10,836					-
54		**Subtotal General**	$ 1,596,716	$ -	$ -	$ -	$ -	$ (4,410)
55								
56								
57								
58			-					
59		TOTAL WATER PLANT	$ 23,833,079	$ -	$ (196,850)	$ -	$ -	$ 205,356
60								

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Decision	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American - Mohave Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ 34,004
3	302.00	Franchises						-	37,061
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 71,064
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ (52,494)	$ 209,047
9	311.00	Structures and Improvements						127,873	770,947
10	312.00	Collecting and Impounding Res.						-	663,944
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(48,111)	754,209
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ 27,268	$ 2,398,147
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ 2,361
17	321.00	Structures and Improvements						-	1,687
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						146,092	1,854,623
20	326.00	Diesel Pumping Equipment						-	-
21	328.10	Gas Engine Pumping Equipment						-	-
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ 146,092	$ 1,858,671
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights						-	$ -
26	331.00	Structures and Improvements						-	15,157
27	332.00	Water Treatment Equipment						1,674	50,870
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ 1,674	$ 66,027
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ 9,609
32	341.00	Structures and Improvements						-	4,583
33	342.00	Distribution, Reservoirs, & ST						(108,719)	1,490,310
34	343.00	Transmission and Distribution						(30,000)	11,661,493
35	344.00	Fire Mains						-	-
36	345.00	Services						-	2,863,818
37	346.00	Meters						-	1,825,557
38	348.00	Hydrants						-	-
39	349.00	Other Transmission & Distribution						(23,400)	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ (162,119)	$ 17,855,370
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ 293
44	390.00	Structures and Improvements			(32,923)			(32,923)	32,929
45	391.00	Office Funiture and Equipment			-			(11,960)	301,147
46	391.10	Computer Equipment			-			-	353,433
47	392.00	Transportation Equipment			-			3,678	546,135
48	393.00	Stores Equipment			-			-	2,865
49	394.00	Tools, Shop and Garage			-			821	119,563
50	395.00	Laboratory Equipment			-			-	7,277
51	396.00	Power Operated Equipment			-			-	71,294
52	397.00	Communication Equipment			-			3,050	113,611
53	398.00	Miscellaneous Equipment			-			-	10,836
54		**Subtotal General**	$ -	$ -	$ (32,923)	$ -	$ -	$ (37,333)	$ 1,559,383
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (32,923)	$ -	$ -	$ (24,417)	$ 23,808,662
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									
68									

Arizona American - Mohave Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -		-			
3	302.00	Franchises	-		-			
4	303.00	Miscellaneous Intangibles	-		-			
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -		-			
9	311.00	Structures and Improvements	93,175					
10	312.00	Collecting and Impounding Res.	85,053					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	291,301		(37,111)			
13		**Subtotal Source of Supply**	$ 469,529	$ -	$ (37,111)	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					
17	321.00	Structures and Improvements	(2,625)					
18	323.00	Other Power Production	-					
19	325.00	Electric Pumping Equipment	955,693					
20	326.00	Diesel Pumping Equipment	-					
21	328.10	Gas Engine Pumping Equipment	-					
22		**Subtotal Pumping**	$ 953,068	$ -	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	7,145					
27	332.00	Water Treatment Equipment	46,935					
28		**Subtotal Water Treatment**	$ 54,081	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	2,040					
33	342.00	Distribution, Reservoirs, & ST	252,618		(96,020)			
34	343.00	Transmission and Distribution	3,624,332					
35	344.00	Fire Mains	-					
36	345.00	Services	1,417,991					
37	346.00	Meters	601,180					
38	348.00	Hydrants	-					
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributio**	$ 5,898,160	$ -	$ (96,020)	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	35,000					
45	391.00	Office Funiture and Equipment	12,040					
46	391.10	Computer Equipment	(79,435)					
47	392.00	Transportation Equipment	348,481					
48	393.00	Stores Equipment	1,959					
49	394.00	Tools, Shop and Garage	80,036					
50	395.00	Laboratory Equipment	5,316					
51	396.00	Power Operated Equipment	51,145					
52	397.00	Communication Equipment	15,517					
53	398.00	Miscellaneous Equipment	7,748					
54		**Subtotal General**	$ 477,807	$ -	$ -	$ -	$ -	$ -
55								
56								
57			-		-			
58			-		-			
59		TOTAL WATER PLANT	$ 7,852,645	$ -	$ (133,131)	$ -	$ -	$ -
60								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Schedule B-2, Page 8
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Deci	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American - Mohave Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						-	93,175
10	312.00	Collecting and Impounding Res.						-	85,053
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(37,111)	254,190
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ (37,111)	$ 432,418
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ -
17	321.00	Structures and Improvements						-	(2,625)
18	323.00	Other Power Production						-	-
19	325.00	Electric Pumping Equipment						-	955,693
20	326.00	Diesel Pumping Equipment						-	-
21	328.10	Gas Engine Pumping Equipment						-	-
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ -	$ 953,068
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights						$ -	$ -
26	331.00	Structures and Improvements						-	7,145
27	332.00	Water Treatment Equipment						-	46,935
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ -	$ 54,081
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	2,040
33	342.00	Distribution, Reservoirs, & ST						(96,020)	156,598
34	343.00	Transmission and Distribution						-	3,624,332
35	344.00	Fire Mains						-	-
36	345.00	Services						-	1,417,991
37	346.00	Meters						-	601,180
38	348.00	Hydrants						-	-
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ -	$ -	$ (96,020)	$ 5,802,140
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			(32,923)			(32,923)	2,077
45	391.00	Office Funiture and Equipment			-			-	12,040
46	391.10	Computer Equipment			-			-	(79,435)
47	392.00	Transportation Equipment			-			-	348,481
48	393.00	Stores Equipment			-			-	1,959
49	394.00	Tools, Shop and Garage			-			-	80,036
50	395.00	Laboratory Equipment			-			-	5,316
51	396.00	Power Operated Equipment			-			-	51,145
52	397.00	Communication Equipment			-			-	15,517
53	398.00	Miscellaneous Equipment			-			-	7,748
54		**Subtotal General**	$ -	$ -	$ (32,923)	$ -	$ -	$ (32,923)	$ 444,884
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (32,923)	$ -	$ -	$ (166,054)	$ 7,686,592
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									
68									

Arizona American - Mohave Water
Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost Amount	Rebuttal Allocated Original Cost Amount	Rebuttal Allocated Original Cost Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Mohave Common Plant**							
3	389.00	Land and Land Rights	0.88640	$ 293	$ 293	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.88640	122,727	89,805	(32,923)	58,920	25,997	(32,923)
5	391.00	Office Funiture and Equipment	0.88640	117,106	117,106	-	9,438	9,438	-
6	391.10	Computer Equipment	0.88640	290,120	290,120	-	(85,822)	(85,822)	-
7	392.00	Transportation Equipment	0.88640	524,857	524,857	-	285,102	285,102	-
8	393.00	Stores Equipment	0.88640	2,865	2,865	-	1,896	1,896	-
9	394.00	Tools, Shop and Garage	0.88640	117,242	117,242	-	75,310	75,310	-
10	395.00	Laboratory Equipment	0.88640	7,277	7,277	-	5,191	5,191	-
11	396.00	Power Operated Equipment	0.88640	71,294	71,294	-	47,856	47,856	-
12	397.00	Communication Equipment	0.88640	86,761	86,761	-	13,895	13,895	-
13	398.00	Miscellaneous Equipment	0.88640	10,836	10,836	-	7,388	7,388	-
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 1,351,379	$ 1,318,456	$ (32,923)	$ 419,174	$ 386,251	$ (32,923)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-2, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00		0 $ 4,880	$ -	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	3,349,189	-	3,349,189	310,963	-	310,963
4	391.00	Office Funiture and Equipment	997,650	-	997,650	360,503	-	360,503
5	391.10	Computer Equipment	1,428,345	(607,932)	820,413	(434,702)	(36,834)	(471,536)
6	392.00	Transportation Equipment	1,797,409	-	1,797,409	1,038,162	-	1,038,162
7	393.00	Stores Equipment	28,727	-	28,727	7,782	-	7,782
8	394.00	Tools, Shop and Garage	411,051	-	411,051	18,237	-	18,237
9	395.00	Laboratory Equipment	130,207	-	130,207	22,954	-	22,954
10	396.00	Power Operated Equipment	120,325	(669)	119,656	42,813	(368)	42,444
11	397.00	Communication Equipment	577,488	-	577,488	332,600	-	332,600
12	398.00	Miscellaneous Equipment	277,101	(15,137)	261,964	128,455	(15,137)	113,318
13								
14								
15		TOTALCOMMON PLANT	$ 9,122,373	$ (623,738)	$ 8,498,635	$ 1,827,766	$ (52,339)	$ 1,775,427
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880						
3	390.00	Structures and Improvements	3,349,189						
4	391.00	Office Funiture and Equipment	997,650						
5	391.10	Computer Equipment	1,428,345		(607,932)				
6	392.00	Transportation Equipment	1,797,409						
7	393.00	Stores Equipment	28,727						
8	394.00	Tools, Shop and Garage	411,051						
9	395.00	Laboratory Equipment	130,207						
10	396.00	Power Operated Equipment	120,325		(669)				
11	397.00	Communication Equipment	577,488						
12	398.00	Miscellaneous Equipment	277,101	(458)		(14,679)			
13		**Subtotal General**	$ 9,122,373	$ (458)	$ (608,601)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
2	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
3	Plant Not Used and Useful	ACC Staff, Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 4,880
3	390.00	Structures and Improvements							-	3,349,189
4	391.00	Office Funiture and Equipment							-	997,650
5	391.10	Computer Equipment							(607,932)	820,413
6	392.00	Transportation Equipment							-	1,797,409
7	393.00	Stores Equipment							-	28,727
8	394.00	Tools, Shop and Garage							-	411,051
9	395.00	Laboratory Equipment							-	130,207
10	396.00	Power Operated Equipment							(669)	119,656
11	397.00	Communication Equipment							-	577,488
12	398.00	Miscellaneous Equipment							(15,137)	261,964
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (623,738)	$ 8,498,635
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -						
3	390.00	Structures and Improvements	310,963						
4	391.00	Office Funiture and Equipment	360,503						
5	391.10	Computer Equipment	(434,702)		(36,834)				
6	392.00	Transportation Equipment	1,038,162						
7	393.00	Stores Equipment	7,782						
8	394.00	Tools, Shop and Garage	18,237						
9	395.00	Laboratory Equipment	22,954						
10	396.00	Power Operated Equipment	42,813		(368)				
11	397.00	Communication Equipment	332,600						
12	398.00	Miscellaneous Equipment	128,455	(458)		(14,679)			
13		**Subtotal General**	$ 1,827,766	$ (458)	$ (37,202)	$ (14,679)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4		
5		

Arizona American - Maricopa Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							-	310,963
4	391.00	Office Funiture and Equipment							-	360,503
5	391.10	Computer Equipment							(36,834)	(471,536)
6	392.00	Transportation Equipment							-	1,038,162
7	393.00	Stores Equipment							-	7,782
8	394.00	Tools, Shop and Garage							-	18,237
9	395.00	Laboratory Equipment							-	22,954
10	396.00	Power Operated Equipment							(368)	42,444
11	397.00	Communication Equipment							-	332,600
12	398.00	Miscellaneous Equipment							(15,137)	113,318
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (52,339)	$ 1,775,427
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Mohave
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00	Land and Land Rights	$ 330	$ -	$ 330	$ -	$ -	$ -
3	390.00	Structures and Improvements	138,455	(37,142)	101,313	66,471	(37,142)	29,329
4	391.00	Office Funiture and Equipment	132,114	-	132,114	10,648	-	10,648
5	391.10	Computer Equipment	327,299	-	327,299	(96,821)	-	(96,821)
6	392.00	Transportation Equipment	592,119	-	592,119	321,639	-	321,639
7	393.00	Stores Equipment	3,232	-	3,232	2,139	-	2,139
8	394.00	Tools, Shop and Garage	132,267	-	132,267	84,962	-	84,962
9	395.00	Laboratory Equipment	8,210	-	8,210	5,856	-	5,856
10	396.00	Power Operated Equipment	80,431	-	80,431	53,989	-	53,989
11	397.00	Communication Equipment	97,880	-	97,880	15,676	-	15,676
12	398.00	Miscellaneous Equipment	12,225	-	12,225	8,335	-	8,335
13								
14								
15		TOTAL COMMON PLANT	$ 1,524,562	$ (37,142)	$ 1,487,420	$ 472,893	$ (37,142)	$ 435,751
16								
17								
18			SUPPORTING SCHEDULES					
19			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
20								

Arizona American - Mohave
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00	Land and Land Rights	$ 877	$ (547)	$ 330	$ -	$ -	$ -
3	390.00	Structures and Improvements	374,988	(88,249)	286,739	180,040	(97,025)	83,014
4	391.00	Office Funiture and Equipment	157,149	(1,754)	155,395	12,655	(136)	12,519
5	391.10	Computer Equipment	380,060	(12,735)	367,325	(111,855)	3,658	(108,197)
6	392.00	Transportation Equipment	656,940	(5,361)	651,579	359,836	(3,063)	356,773
7	393.00	Stores Equipment	5,152	596	5,748	3,410	394	3,804
8	394.00	Tools, Shop and Garage	156,665	(3,652)	153,013	106,783	(3,423)	103,361
9	395.00	Laboratory Equipment	12,298	611	12,909	8,966	466	9,432
10	396.00	Power Operated Equipment	104,798	1,203	106,000	66,017	(649)	65,368
11	397.00	Communication Equipment	123,604	(2,504)	121,100	19,564	(416)	19,148
12	398.00	Miscellaneous Equipment	21,035	2,992	24,027	14,583	2,171	16,753
13								
14								
15		TOTAL COMMON PLANT	$ 1,993,567	$ (109,401)	$ 1,884,166	$ 659,997	$ (98,022)	$ 561,975
16								
17								
18			SUPPORTING SCHEDULES					
19			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
20								

Arizona American - Mohave Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Mohave Water Unidentified Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 330						
3	390.00	Structures and Improvements	138,455	(37,142)					
4	391.00	Office Funiture and Equipment	132,114						
5	391.10	Computer Equipment	327,299						
6	392.00	Transportation Equipment	592,119						
7	393.00	Stores Equipment	3,232						
8	394.00	Tools, Shop and Garage	132,267						
9	395.00	Laboratory Equipment	8,210						
10	396.00	Power Operated Equipment	80,431						
11	397.00	Communication Equipment	97,880						
12	398.00	Miscellaneous Equipment	12,225						
13		**Subtotal General**	$ 1,524,562	$ (37,142)	$ -	$ -	$ -	$ -	$ -
14									
15			ADJ #			Reference			
16			1	Plant Not Used and Useful		Rebuttal B-2, Page 8			
17			2						
18			3						
19			4						
20			5						
21									

Arizona American - Mohave Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 330
3	390.00	Structures and Improvements							(37,142)	101,313
4	391.00	Office Funiture and Equipment							-	132,114
5	391.10	Computer Equipment							-	327,299
6	392.00	Transportation Equipment							-	592,119
7	393.00	Stores Equipment							-	3,232
8	394.00	Tools, Shop and Garage							-	132,267
9	395.00	Laboratory Equipment							-	8,210
10	396.00	Power Operated Equipment							-	80,431
11	397.00	Communication Equipment							-	97,880
12	398.00	Miscellaneous Equipment							-	12,225
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (37,142)	$ 1,487,420
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										

Arizona American - Mohave Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bouras

Line No.	Account No.	Description	Direct Accumulated Depreciation	Mohave Water Unidentified Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -	-	-	-			
3	390.00	Structures and Improvements	66,471	(37,142)	-	-			
4	391.00	Office Funiture and Equipment	10,648	-	-	-			
5	391.10	Computer Equipment	(96,821)	-	-	-			
6	392.00	Transportation Equipment	321,639	-	-	-			
7	393.00	Stores Equipment	2,139	-	-	-			
8	394.00	Tools, Shop and Garage	84,962	-	-	-			
9	395.00	Laboratory Equipment	5,856	-	-	-			
10	396.00	Power Operated Equipment	53,989	-	-	-			
11	397.00	Communication Equipment	15,676	-	-	-			
12	398.00	Miscellaneous Equipment	8,335	-	-	-			
13		**Subtotal General**	$ 472,893	$ (37,142)	$ -	$ -	$ -	$ -	$ -
14									
15			ADJ #			Reference			
16			1	Plant Not Used and Useful		Rebuttal Schedule B-2, Page 6			
17			2						
18			3						
19			4						
20			5						
21									

Arizona American - Mohave Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							(37,142)	29,329
4	391.00	Office Funiture and Equipment							-	10,648
5	391.10	Computer Equipment							-	(96,821)
6	392.00	Transportation Equipment							-	321,639
7	393.00	Stores Equipment							-	2,139
8	394.00	Tools, Shop and Garage							-	84,962
9	395.00	Laboratory Equipment							-	5,856
10	396.00	Power Operated Equipment							-	53,989
11	397.00	Communication Equipment							-	15,676
12	398.00	Miscellaneous Equipment							-	8,335
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (37,142)	$ 435,751
14										
15										
16										
17										
18										
19										
20										
21										

ADJ #	Reference
6	
7	
8	
9	
10	

Arizona-American - Mohave Water
Unidentified Plant

Exhibit
Rebuttal Schedule B-2
Page 8

Asset Id	Asset Desc.	Class	Acq. Date	Original Cost	A/D	nrcn	Adjust O.C.	Adjust A/D	Adjust RCND	Adj.RCN A/D
1603918	UNIDENTIFIED	W31000	19720701	15,000	0	56,604	(15,000)	0	(56,604)	0
1605625	UNIDENTIFIED	W31000	19760701	16,784	0	43,640	(16,784)	0	(43,640)	0
1607148	UNIDENTIFIED	W31000	19780701	30,333	0	68,255	(30,333)	0	(68,255)	0
1610256	UNIDENTIFIED	W31000	19810101	1,602	0	2,798	(1,602)	0	(2,798)	0
				63,719	0	171,297	(63,719)	0	(171,297)	0
1603340	UNIDENTIFIED	W31400	19700701	10,354	(9,785)	48,452	(10,354)	(10,354)	(48,452)	(48,452)
1604975	UNIDENTIFIED	W31400	19750701	23,599	(18,498)	62,747	(23,599)	(23,599)	(62,747)	(62,747)
1606412	UNIDENTIFIED	W31400	19770701	3,158	(2,273)	7,697	(3,158)	(3,158)	(7,697)	(7,697)
				37,111	(30,557)	118,896	(37,111)	(37,111)	(118,896)	(118,896)
1602579	UNIDENTIFIED	W34200	19670701	13,373	(6,776)	74,501	(13,373)	(13,373)	(74,501)	(74,501)
1603341	UNIDENTIFIED	W34200	19700701	15,115	(7,035)	70,731	(15,115)	(15,115)	(70,731)	(70,731)
1603638	UNIDENTIFIED	W34200	19710701	7,069	(3,192)	29,541	(7,069)	(7,069)	(29,541)	(29,541)
1603919	UNIDENTIFIED	W34200	19720701	1,652	(723)	6,234	(1,652)	(1,652)	(6,234)	(6,234)
1604297	UNIDENTIFIED	W34200	19730701	34,114	(14,462)	117,393	(34,114)	(34,114)	(117,393)	(117,393)
1604976	UNIDENTIFIED	W34200	19750701	24,365	(9,655)	64,784	(24,365)	(24,365)	(64,784)	(64,784)
1605627	UNIDENTIFIED	W34200	19760701	87	(36)	226	(87)	(87)	(226)	(226)
1607149	UNIDENTIFIED	W34200	19780701	245	(93)	551	(245)	(245)	(551)	(551)
				96,020	(41,971)	363,961	(96,020)	(96,020)	(363,961)	(363,961)
1603923	UNIDENTIFIED	W39000	19720701	283	(158)	1,068	(283)	(283)	(1,068)	(1,068)
1605631	UNIDENTIFIED	W39000	19760701	467	(227)	1,214	(467)	(467)	(1,214)	(1,214)
1606414	UNIDENTIFIED	W39000	19770701	25,461	(11,776)	62,054	(25,461)	(25,461)	(62,054)	(62,054)
1607154	UNIDENTIFIED	W39000	19780701	2,427	(1,079)	5,461	(2,427)	(2,427)	(5,461)	(5,461)
1608165	UNIDENTIFIED	W39000	19790701	1,803	(777)	3,701	(1,803)	(1,803)	(3,701)	(3,701)
1609089	UNIDENTIFIED	W39000	19800701	6,701	(2,729)	12,251	(6,701)	(6,701)	(12,251)	(12,251)
				37,142	(16,746)	85,748	(37,142)	(37,142)	(85,748)	(85,748)

Arizona American - Mohave Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 37,349,632	(1)	(4,290,569)	$ 33,059,063
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	12,174,906	(2)	(1,377,160)	10,797,746
8					
9	Net Utility Plant				
10	in Service	$ 25,174,726			$ 22,261,317
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	5,425,697	(3)	(618,356)	4,807,341
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	4,428,421	(4)	(504,699)	3,923,722
18	Purposes Only)				
19	Customer Meter Deposits	107,711			107,711
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 15,212,896			$ 13,422,542
30					
31					
32	(1) See B-3, Page 2				
33	(2) See B-3, Page 3				
34	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36					
37					
38					
39					
40					
41					
42					

Arizona American - Mohave Water
RCND Plant Summary
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Rebuttal Schedule B-3
Page 2
Witness: Bourassa

Line No.	ccount No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 66,252	$ (32,249)	$ 34,004	$ -	$ -	$ -
3	302.00	Franchises	46,555	(9,494)	37,061	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 112,807	$ (41,743)	$ 71,064	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 517,307	$ (308,260)	$ 209,047	$ -	$ -	$ -
9	311.00	Structures and Improvements	793,701	108,264	901,965	127,266	(4,438)	122,828
10	312.00	Collecting and Impounding Res.	773,969	(61,054)	712,914	97,751	(7,046)	90,705
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	1,332,866	(217,367)	1,115,498	479,446	(108,607)	370,840
13		**Subtotal Source of Supply**	$ 3,417,842	$ (478,417)	$ 2,939,425	$ 704,463	$ (120,091)	$ 584,372
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 8,125	$ (5,764)	$ 2,361	$ -	$ -	$ -
17	321.00	Structures and Improvements	5,062	(182)	4,880	(7,916)	285	(7,631)
18	323.00	Other Power Production	-	-	-	-	-	-
19	325.00	Electric Pumping Equipment	2,335,293	442,987	2,778,280	1,290,244	158,475	1,448,720
20	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
21	328.10	Gas Engine Pumping Equipment	-	-	-	-	-	-
22		**Subtotal Pumping**	$ 2,348,479	$ 437,041	$ 2,785,521	$ 1,282,329	$ 158,760	$ 1,441,089
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	-	$ -	-	-	$ -	-
26	331.00	Structures and Improvements	26,079	(2,605)	23,474	7,145	-	7,145
27	332.00	Water Treatment Equipment	64,796	(1,630)	63,165	63,088	(3,422)	59,667
28		**Subtotal Water Treatment**	$ 90,875	$ (4,236)	$ 86,639	$ 70,233	$ (3,422)	$ 66,812
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 44,998	$ (35,388)	$ 9,609	$ -	$ -	$ -
32	341.00	Structures and Improvements	10,885	(677)	10,209	4,789	(295)	4,494
33	342.00	Distribution, Reservoirs, & ST	2,403,514	(614,723)	1,788,791	416,187	(219,782)	196,405
34	343.00	Transmission and Distribution	20,028,451	(2,748,705)	17,279,745	6,106,665	(809,496)	5,297,169
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	4,524,277	(540,172)	3,984,105	2,195,253	(252,855)	1,942,398
37	346.00	Meters	2,331,661	(138,766)	2,192,896	751,329	(41,169)	710,161
38	348.00	Hydrants	-	-	-	-	-	-
39	349.00	Other Transmission & Distribution	23,400	(23,400)	-	-	-	-
40		**Subtotal Transmission and Distribution**	$ 29,367,185	$ (4,101,831)	$ 25,265,355	$ 9,474,224	$ (1,323,597)	$ 8,150,627
41								
42		**General**						
43	389.00	Land and Land Rights	$ 778	$ (485)	$ 293	$ -	$ -	$ -
44	390.00	Structures and Improvements	275,515	(78,224)	197,291	135,668	-	135,668
45	391.00	Office Funiture and Equipment	335,297	(13,515)	321,783	13,819	(86,004)	(72,185)
46	391.10	Computer Equipment	400,200	(11,289)	388,911	(92,762)	(121)	(92,883)
47	392.00	Transportation Equipment	599,915	(1,074)	598,841	382,339	3,243	385,581
48	393.00	Stores Equipment	4,567	528	5,095	3,086	(2,715)	371
49	394.00	Tools, Shop and Garage	140,368	(2,416)	137,953	99,379	350	99,729
50	395.00	Laboratory Equipment	10,901	541	11,443	8,073	(3,034)	5,040
51	396.00	Power Operated Equipment	92,893	1,066	93,959	61,807	413	62,219
52	397.00	Communication Equipment	133,364	830	134,194	18,963	(575)	18,388
53	398.00	Miscellaneous Equipment	18,645	2,652	21,298	13,286	(369)	12,918
54		**Subtotal General**	$ 2,012,444	$ (101,384)	$ 1,911,060	$ 643,657	$ (88,811)	$ 554,846
55								
56								
57				-	-	-	-	-
58				-	-	-	-	-
59		TOTAL WATER PLANT	$ 37,349,633	$ (4,290,569)	$ 33,059,063	$ 12,174,906	$ (1,377,160)	$ 10,797,746
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-3, page 2a, 2b, 3a, 3b						
63								

Arizona American - Mohave Water
Plant Summary
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Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 66,252					-
3	302.00	Franchises	46,555					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 112,807	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 517,307		(171,297)			11,225
9	311.00	Structures and Improvements	793,701					127,873
10	312.00	Collecting and Impounding Res.	773,969					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	1,332,866		(118,896)			(11,000)
13		**Subtotal Source of Supply**	$ 3,417,842	$ -	$ (290,193)	$ -	$ -	$ 128,098
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ 8,125					-
17	321.00	Structures and Improvements	5,062					-
18	323.00	Other Power Production	-					-
19	325.00	Electric Pumping Equipment	2,335,293					146,092
20	326.00	Diesel Pumping Equipment	-					-
21	328.10	Gas Engine Pumping Equipment	-					-
22		**Subtotal Pumping**	$ 2,348,479	$ -	$ -	$ -	$ -	$ 146,092
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	26,079					-
27	332.00	Water Treatment Equipment	64,796					1,674
28		**Subtotal Water Treatment**	$ 90,875	$ -	$ -	$ -	$ -	$ 1,674
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ 44,998					-
32	341.00	Structures and Improvements	10,885					-
33	342.00	Distribution, Reservoirs, & ST	2,403,514		(363,961)			(12,699)
34	343.00	Transmission and Distribution	20,028,451					(30,000)
35	344.00	Fire Mains	-					-
36	345.00	Services	4,524,277					-
37	346.00	Meters	2,331,661					-
38	348.00	Hydrants	-					-
39	349.00	Other Transmission & Distribution	23,400					(23,400)
40		**Subtotal Transmission and Distributi**	$ 29,367,185	$ -	$ (363,961)	$ -	$ -	$ (66,099)
41								
42		**General**						
43	389.00	Land and Land Rights	$ 778					-
44	390.00	Structures and Improvements	275,515					-
45	391.00	Office Funiture and Equipment	335,297					(11,960)
46	391.10	Computer Equipment	400,200					-
47	392.00	Transportation Equipment	599,915					3,678
48	393.00	Stores Equipment	4,567					-
49	394.00	Tools, Shop and Garage	140,368					821
50	395.00	Laboratory Equipment	10,901					-
51	396.00	Power Operated Equipment	92,893					-
52	397.00	Communication Equipment	133,364					3,050
53	398.00	Miscellaneous Equipment	18,645					-
54		**Subtotal General**	$ 2,012,444	$ -	$ -	$ -	$ -	$ (4,410)
55								
56								
57								
58								
59		TOTAL WATER PLANT	$ 37,349,633	$ -	$ (654,154)	$ -	$ -	$ 205,356
60								

ADJ #		Reference
1	Plant Not Used and Useful	Blank
2	Unidentified Plant	Rebuttal Sched B-3, Page 8
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decision	Blank
5	Post Test Year Plant	ACC Staff

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Plant Summary
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Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				(32,249)		$ (32,249)	$ 34,004
3	302.00	Franchises				(9,494)		(9,494)	37,061
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (41,743)	$ -	$ (41,743)	$ 71,064
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				(148,188)		$ (308,260)	$ 209,047
9	311.00	Structures and Improvements				(19,609)		108,264	901,965
10	312.00	Collecting and Impounding Res.				(61,054)		(61,054)	712,914
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(87,472)		(217,367)	1,115,498
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (316,323)	$ -	$ (478,417)	$ 2,939,425
14									
15		**Pumping**							
16	320.00	Land and Land Rights				(5,764)		$ (5,764)	$ 2,361
17	321.00	Structures and Improvements				(182)		(182)	4,880
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				296,895		442,987	2,778,280
20	326.00	Diesel Pumping Equipment				-		-	-
21	328.10	Gas Engine Pumping Equipment				-		-	-
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 290,949	$ -	$ 437,041	$ 2,785,521
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights				-		-	$ -
26	331.00	Structures and Improvements				(2,605)		(2,605)	23,474
27	332.00	Water Treatment Equipment				(3,305)		(1,630)	63,165
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (5,910)	$ -	$ (4,236)	$ 86,639
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				(35,388)		$ (35,388)	$ 9,609
32	341.00	Structures and Improvements				(677)		(677)	10,209
33	342.00	Distribution, Reservoirs, & ST				(238,063)		(614,723)	1,788,791
34	343.00	Transmission and Distribution				(2,718,705)		(2,748,705)	17,279,745
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(540,172)		(540,172)	3,984,105
37	346.00	Meters				(138,766)		(138,766)	2,192,896
38	348.00	Hydrants				-		-	-
39	349.00	Other Transmission & Distribution				-		(23,400)	-
40		**Subtotal Transmission and Distributi**	$ -	$ -	$ -	$ (3,671,771)	$ -	$ (4,101,831)	$ 25,265,355
41									
42		**General**							
43	389.00	Land and Land Rights			(485)			$ (485)	$ 293
44	390.00	Structures and Improvements			(78,224)			(78,224)	197,291
45	391.00	Office Funiture and Equipment			(1,555)			(13,515)	321,783
46	391.10	Computer Equipment			(11,289)			(11,289)	388,911
47	392.00	Transportation Equipment			(4,752)			(1,074)	598,841
48	393.00	Stores Equipment			528			528	5,095
49	394.00	Tools, Shop and Garage			(3,237)			(2,416)	137,953
50	395.00	Laboratory Equipment			541			541	11,443
51	396.00	Power Operated Equipment			1,066			1,066	93,959
52	397.00	Communication Equipment			(2,220)			830	134,194
53	398.00	Miscellaneous Equipment			2,652			2,652	21,298
54		**Subtotal General**	$ -	$ -	$ (96,974)	$ -	$ -	$ (101,384)	$ 1,911,060
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (96,974)	$ (3,744,798)	$ -	$ (4,290,569)	$ 33,059,063
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustm		Blank			
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Mohave Water
Plant Summary
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Page 3a
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Line No.	Account No.	Description	Direct Accumulated Depreciation	Blank Not Used Adjustment 1	Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -		-			
9	311.00	Structures and Improvements	127,266					
10	312.00	Collecting and Impounding Res.	97,751					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	479,446		(118,896)			
13		**Subtotal Source of Supply**	$ 704,463	$ -	$ (118,896)	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					
17	321.00	Structures and Improvements	(7,916)					
18	323.00	Other Power Production	-					
19	325.00	Electric Pumping Equipment	1,290,244					
20	326.00	Diesel Pumping Equipment	-					
21	328.10	Gas Engine Pumping Equipment	-					
22		**Subtotal Pumping**	$ 1,282,329	$ -	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	7,145					
27	332.00	Water Treatment Equipment	63,088					
28		**Subtotal Water Treatment**	$ 70,233	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	4,789					
33	342.00	Distribution, Reservoirs, & ST	416,187		(363,961)			
34	343.00	Transmission and Distribution	6,106,665					
35	344.00	Fire Mains	-					
36	345.00	Services	2,195,253					
37	346.00	Meters	751,329					
38	348.00	Hydrants	-					
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributi**	$ 9,474,224	$ -	$ (363,961)	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	135,668					
45	391.00	Office Funiture and Equipment	13,819					
46	391.10	Computer Equipment	(92,762)					
47	392.00	Transportation Equipment	382,339					
48	393.00	Stores Equipment	3,086					
49	394.00	Tools, Shop and Garage	99,379					
50	395.00	Laboratory Equipment	8,073					
51	396.00	Power Operated Equipment	61,807					
52	397.00	Communication Equipment	18,963					
53	398.00	Miscellaneous Equipment	13,286					
54		**Subtotal General**	$ 643,657	$ -	$ -	$ -	$ -	$ -
55								
56								
57			-					
58			-					
59		TOTAL WATER PLANT	$ 12,174,906	$ -	$ (482,857)	$ -	$ -	$ -
60								
61				ADJ #			Reference	
62				1	Plant Not Used and Useful		Blank	
63				2	Unidentified Plant		Rebuttal Sched B-3, Page 8	
64				3	Mis-posted Plant		Blank	
65				4	Plant Removed by Prev. Deci		Blank	
66				5	Post Test Year Plant		ACC Staff	
67								

Arizona American - Mohave Water
Plant Summary
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Page 3b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Blank Acquisition Adj Adjustment 7	Common Plan Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				-		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				-		$ -	$ -
9	311.00	Structures and Improvements				(4,438)		(4,438)	122,828
10	312.00	Collecting and Impounding Res.				(7,046)		(7,046)	90,705
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				10,289		(108,607)	370,840
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (1,195)	$ -	$ (120,091)	$ 584,372
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ -
17	321.00	Structures and Improvements				285		285	(7,631)
18	323.00	Other Power Production				-		-	-
19	325.00	Electric Pumping Equipment				158,475		158,475	1,448,720
20	326.00	Diesel Pumping Equipment				-		-	-
21	328.10	Gas Engine Pumping Equipment				-		-	-
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 158,760	$ -	$ 158,760	$ 1,441,089
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights				-		$ -	$ -
26	331.00	Structures and Improvements				-		-	7,145
27	332.00	Water Treatment Equipment				(3,422)		(3,422)	59,667
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (3,422)	$ -	$ (3,422)	$ 66,812
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				(295)		(295)	4,494
33	342.00	Distribution, Reservoirs, & ST				144,179		(219,782)	196,405
34	343.00	Transmission and Distribution				(809,496)		(809,496)	5,297,169
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(252,855)		(252,855)	1,942,398
37	346.00	Meters				(41,169)		(41,169)	710,161
38	348.00	Hydrants				-		-	-
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distributi**	$ -	$ -	$ -	$ (959,636)	$ -	$ (1,323,597)	$ 8,150,627
41									
42		**General**							
43	389.00	Land and Land Rights						$ -	$ -
44	390.00	Structures and Improvements			-			-	135,668
45	391.00	Office Funiture and Equipment			(86,004)			(86,004)	(72,185)
46	391.10	Computer Equipment			(121)			(121)	(92,883)
47	392.00	Transportation Equipment			3,243			3,243	385,581
48	393.00	Stores Equipment			(2,715)			(2,715)	371
49	394.00	Tools, Shop and Garage			350			350	99,729
50	395.00	Laboratory Equipment			(3,034)			(3,034)	5,040
51	396.00	Power Operated Equipment			413			413	62,219
52	397.00	Communication Equipment			(575)			(575)	18,388
53	398.00	Miscellaneous Equipment			(369)			(369)	12,918
54		**Subtotal General**	$ -	$ -	$ (88,811)	$ -	$ -	$ (88,811)	$ 554,846
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (88,811)	$ (805,493)	$ -	$ (1,377,160)	$ 10,797,746
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adj		Blank			
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Mohave Water
RCND Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Mohave Common Plant**							
3	389.00	Land and Land Rights	0.88640	$ 778	$ 293	$ (485)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.88640	332,391	254,167	(78,224)	159,588	73,584	(86,004)
5	391.00	Office Funiture and Equipment	0.88640	139,297	137,743	(1,555)	11,217	11,097	(121)
6	391.10	Computer Equipment	0.88640	336,887	325,598	(11,289)	(99,149)	(95,906)	3,243
7	392.00	Transportation Equipment	0.88640	582,315	577,563	(4,752)	318,960	316,245	(2,715)
8	393.00	Stores Equipment	0.88640	4,567	5,095	528	3,022	3,372	350
9	394.00	Tools, Shop and Garage	0.88640	138,868	135,632	(3,237)	94,653	91,619	(3,034)
10	395.00	Laboratory Equipment	0.88640	10,901	11,443	541	7,948	8,360	413
11	396.00	Power Operated Equipment	0.88640	92,893	93,959	1,066	58,518	57,943	(575)
12	397.00	Communication Equipment	0.88640	109,564	107,344	(2,220)	17,342	16,973	(369)
13	398.00	Miscellaneous Equipment	0.88640	18,645	21,298	2,652	12,926	14,850	1,924
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 1,767,107	$ 1,670,133	$ (96,974)	$ 585,025	$ 498,137	$ (86,887)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									
25									
26									
27									

Arizona American - Maricopa
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00	0	$ 12,628	$ (7,748)	$ 4,880	$ -	$ -	$ -
3	390.00	Structures and Improvements	4,545,571	(118,688)	4,426,882	506,059	(16,579)	489,480
4	391.00	Office Funiture and Equipment	1,286,955	1,191	1,288,146	502,142	9,471	511,613
5	391.10	Computer Equipment	1,588,744	(686,472)	902,272	(483,558)	(35,499)	(519,057)
6	392.00	Transportation Equipment	1,988,785	(27,882)	1,960,903	1,155,595	(16,750)	1,138,845
7	393.00	Stores Equipment	37,463	387	37,850	10,952	359	11,312
8	394.00	Tools, Shop and Garage	523,808	(874)	522,934	14,105	411	14,516
9	395.00	Laboratory Equipment	150,719	(1,554)	149,166	27,352	(109)	27,243
10	396.00	Power Operated Equipment	154,364	1,634	155,998	56,063	425	56,488
11	397.00	Communication Equipment	697,864	(10,566)	687,298	415,524	(2,934)	412,590
12	398.00	Miscellaneous Equipment	394,470	(26,855)	367,615	196,632	(27,786)	168,847
13								
14								
15		TOTALCOMMON PLANT	$ 11,381,370	$ (877,427)	$ 10,503,943	$ 2,400,866	$ (88,989)	$ 2,311,877
16								
17			SUPPORTING SCHEDULES					
18			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
19								
20								

Arizona American - Mohave Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Mohave Water Unidentified Adjustment 1	Mohave Water RCN Study Adjustment 2	Havasu Water RCN Study Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 877						
3	390.00	Structures and Improvements	374,988		(547)	-			
4	391.00	Office Funiture and Equipment	157,149	(85,748)	(2,500)	(1)			
5	391.10	Computer Equipment	380,060		(1,553)	(201)			
6	392.00	Transportation Equipment	656,940		(12,073)	(663)			
7	393.00	Stores Equipment	5,152		(4,955)	(407)			
8	394.00	Tools, Shop and Garage	156,665		596	-			
9	395.00	Laboratory Equipment	12,298		(3,349)	(302)			
10	396.00	Power Operated Equipment	104,798		611	-			
11	397.00	Communication Equipment	123,604		(1,068)	2,270			
12	398.00	Miscellaneous Equipment	21,035		(2,220)	(285)			
13		**Subtotal General**	$ 1,993,567	$ (85,748)	$ 3,004	$ (11)	$ -	$ -	$ -
14					(24,054)	401			
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Adjust to Rebuttal RCN Study	Rebuttal B-4
3	Adjust to Rebuttal RCN Study	Rebuttal B-4
4		
5		

Arizona American - Mohave Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ (547)	$ 330
3	390.00	Structures and Improvements							(88,249)	286,739
4	391.00	Office Funiture and Equipment							(1,754)	155,395
5	391.10	Computer Equipment							(12,735)	367,325
6	392.00	Transportation Equipment							(5,361)	651,579
7	393.00	Stores Equipment							596	5,748
8	394.00	Tools, Shop and Garage							(3,652)	153,013
9	395.00	Laboratory Equipment							611	12,909
10	396.00	Power Operated Equipment							1,203	106,000
11	397.00	Communication Equipment							(2,504)	121,100
12	398.00	Miscellaneous Equipment							2,992	24,027
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (109,401)	$ 1,884,166
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Mohave Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Mohave Water Unidentified Adjustment 1	Mohave Water RCN Study Adjustment 2	Havasu Water RCN Study Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**		-					
2	389.00	Land and Land Rights	$ -	-	-	-			
3	390.00	Structures and Improvements	66,471	(85,748)	(11,277)	(0)			
4	391.00	Office Funiture and Equipment	10,648	-	(126)	(10)			
5	391.10	Computer Equipment	(96,821)	-	3,758	(100)			
6	392.00	Transportation Equipment	321,639	-	(2,986)	(76)			
7	393.00	Stores Equipment	2,139	-	394	-			
8	394.00	Tools, Shop and Garage	84,962	-	(3,277)	(146)			
9	395.00	Laboratory Equipment	5,856	-	466	-			
10	396.00	Power Operated Equipment	53,989	-	(1,077)	428			
11	397.00	Communication Equipment	15,676	-	(293)	(123)			
12	398.00	Miscellaneous Equipment	8,335	-	2,169	1			
13		**Subtotal General**	$ 472,893	$ (85,748)	$ (12,248)	$ (26)	$ -	$ -	$ -
14									
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16									
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18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Schedule B-2, Page 6
2	Adjust to Rebuttal RCN Study	
3	Adjust to Rebuttal RCN Study	
4		
5		

Arizona American - Mohave Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							(97,025)	(30,554)
4	391.00	Office Funiture and Equipment							(136)	10,512
5	391.10	Computer Equipment							3,658	(93,163)
6	392.00	Transportation Equipment							(3,063)	318,576
7	393.00	Stores Equipment							394	2,533
8	394.00	Tools, Shop and Garage							(3,423)	81,539
9	395.00	Laboratory Equipment							466	6,321
10	396.00	Power Operated Equipment							(649)	53,340
11	397.00	Communication Equipment							(416)	15,260
12	398.00	Miscellaneous Equipment							2,171	10,506
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (98,022)	$ 374,871
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 4,880				(6,755)	-	-
3	390.00	Structures and Improvements	3,349,189				(78,054)	-	(2,575)
4	391.00	Office Funiture and Equipment	997,650				5,995	(2,202)	6,085
5	391.10	Computer Equipment	1,428,345		(670,782)		(12,717)	-	(2,402)
6	392.00	Transportation Equipment	1,797,409				(14,376)	(109)	(3,537)
7	393.00	Stores Equipment	28,727				732	-	59
8	394.00	Tools, Shop and Garage	411,051				1,875	(1,135)	(212)
9	395.00	Laboratory Equipment	130,207				(52)	-	116
10	396.00	Power Operated Equipment	120,325		(799)		3,730	-	(1,226)
11	397.00	Communication Equipment	577,488				(1,313)	-	1,715
12	398.00	Miscellaneous Equipment	277,101	(670)		(39,030)	12,635	(43)	454
13		**Subtotal General**	$ 9,122,373	$ (670)	$ (671,581)	$ (39,030)	$ (88,300)	$ (3,489)	$ (1,523)
14									
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23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights	-	(993)	-	-	-		$ (7,748)	$ (2,868)
3	390.00	Structures and Improvements	(17,341)	(10)	(3,192)	(2,612)	(14,906)		(118,688)	3,230,501
4	391.00	Office Funiture and Equipment	(4,567)	(247)	(2,019)	(906)	(947)		1,191	998,841
5	391.10	Computer Equipment	241	(255)	(556)	-	-		(686,472)	741,874
6	392.00	Transportation Equipment	(5,231)	(404)	(4,372)	148	-		(27,882)	1,769,527
7	393.00	Stores Equipment	(246)	(158)	-	-	-		387	29,114
8	394.00	Tools, Shop and Garage	(1,038)	(270)	(94)	-	-		(874)	410,177
9	395.00	Laboratory Equipment	124	-	-	(727)	(1,015)		(1,554)	128,654
10	396.00	Power Operated Equipment	11	-	-	(82)	-		1,634	121,959
11	397.00	Communication Equipment	(10,889)	(83)	3	-	-		(10,566)	566,923
12	398.00	Miscellaneous Equipment	413	(17)	(609)	11	-		(26,855)	250,246
13		**Subtotal General**	$ (38,523)	$ (2,436)	$ (10,839)	$ (4,168)	$ (16,868)	$ -	$ (877,427)	$ 8,244,946
14										
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19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Sun City West Water Unidentified Adjustment 1	Sun City Water Not Used Adjustment 2	Sun City Wastewater Unidentified Adjustment 3	Sun City Water RCN Study Adjustment 4	Sun City Wastewater RCN Study Adjustment 5	Sun City West Water RCN Study Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -				-	-	-
3	390.00	Structures and Improvements	310,963				(14,303)	-	(901)
4	391.00	Office Funiture and Equipment	360,503				3,247	526	6,108
5	391.10	Computer Equipment	(434,702)		(40,657)		5,273	-	118
6	392.00	Transportation Equipment	1,038,162				(9,526)	(109)	(2,171)
7	393.00	Stores Equipment	7,782				357	-	46
8	394.00	Tools, Shop and Garage	18,237				175	442	(60)
9	395.00	Laboratory Equipment	22,954				(18)	-	43
10	396.00	Power Operated Equipment	42,813		(440)		1,414	-	(546)
11	397.00	Communication Equipment	332,600				(1,154)	-	1,730
12	398.00	Miscellaneous Equipment	128,455	(670)		(39,030)	8,302	3,466	213
13		**Subtotal General**	$ 1,827,766	$ (670)	$ (41,096)	$ (39,030)	$ (6,233)	$ 4,325	$ 4,581
14									
15									
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22									
23									
24									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Plant Not Used and Useful	Rebuttal B-2, Page 8
3	Plant Not Used and Useful	Rebuttal B-2, Page 8
4	Adjust to Rebuttal RCN Study	Rebuttal B-4
5	Adjust to Rebuttal RCN Study	Rebuttal B-4
6	Adjust to Rebuttal RCN Study	Rebuttal B-4

Arizona American - Maricopa Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
7b
Witness: Bourassa

Line No.	Account No.	Description	Sun City West Wastewater RCN Study Adjustment 7	Tubac Water RCN Study Adjustment 8	Agua Fria Water RCN Study Adjustment 9	Anthem Water RCN Study Adjustment 10	Anthem Wastewater RCN Study Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights	-	-	-	-	-		$ -	$ -
3	390.00	Structures and Improvements	(492)	(2)	(259)	(93)	(529)		(16,579)	294,384
4	391.00	Office Funiture and Equipment	82	(44)	(274)	(80)	(94)		9,471	369,974
5	391.10	Computer Equipment	(9)	(178)	(48)	-	-		(35,499)	(470,201)
6	392.00	Transportation Equipment	(1,564)	(313)	(3,018)	(49)	-		(16,750)	1,021,413
7	393.00	Stores Equipment	5	(48)	-	-	-		359	8,141
8	394.00	Tools, Shop and Garage	(89)	(38)	(19)	-	-		411	18,648
9	395.00	Laboratory Equipment	28	-	-	(58)	(104)		(109)	22,845
10	396.00	Power Operated Equipment	1	-	-	(4)	-		425	43,238
11	397.00	Communication Equipment	(3,485)	(28)	3	-	-		(2,934)	329,666
12	398.00	Miscellaneous Equipment	150	(3)	(213)	0	-		(27,786)	100,670
13		**Subtotal General**	$ (5,372)	$ (654)	$ (3,829)	$ (284)	$ (727)	$ -	$ (88,989)	$ 1,738,777
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

ADJ #		Reference
7	Adjust to Rebuttal RCN Study	Rebuttal B-4
8	Adjust to Rebuttal RCN Study	Rebuttal B-4
9	Adjust to Rebuttal RCN Study	Rebuttal B-4
10	Adjust to Rebuttal RCN Study	Rebuttal B-4
11	Adjust to Rebuttal RCN Study	Rebuttal B-4
12		

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments
1							
2		**Intangible**					
3	301.00	Organization	34,004	-	34,004	-	-
4	302.00	Franchises	37,061	-	37,061	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-
6		**Subtotal Intangible**	71,064	-	71,064	-	-
7							
8		**Source of Supply**					
9	310.00	Land and Land Rights	245,942	(63,719)	182,223	-	-
10	311.00	Structures and Improvements	387,473	-	387,473	87,695	-
11	312.00	Collecting and Impounding Res.	663,944	-	663,944	76,625	-
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-
13	314.00	Wells and Springs	791,320	(37,111)	754,209	280,623	(37,111)
14		**Subtotal Source of Supply**	2,088,679	(100,830)	1,987,849	444,942	(37,111)
15							
16		**Pumping**	-	-	-	-	-
17	320.00	Land and Land Rights	2,361	-	2,361	-	-
18	321.00	Structures and Improvements	1,687	-	1,687	(2,645)	-
19	323.00	Other Power Production	-	-	-	-	-
20	325.00	Electric Pumping Equipment	1,708,531	-	1,708,531	911,974	-
21	326.00	Diesel Pumping Equipment	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	-	-	-	-	-
23		**Subtotal Pumping**	1,712,579	-	1,712,579	909,329	-
24							
25		**Water Treatment**					
26	330.00	Land and Land Rights	-	-	-	-	-
27	331.00	Structures and Improvements	15,157	-	15,157	-	-
28	332.00	Water Treatment Equipment	49,196	-	49,196	50,941	-
29		**Subtotal Water Treatment**	64,353	-	64,353	50,941	-
30							
31		**Transmission and Distribution**					
32	340.00	Land and Land Rights	9,609	-	9,609	-	-
33	341.00	Structures and Improvements	4,583	-	4,583	1,999	-
34	342.00	Distribution, Reservoirs, & ST	1,189,528	(96,020)	1,093,508	241,857	(96,020)
35	343.00	Transmission and Distribution	11,661,493	-	11,661,493	3,472,215	-
36	344.00	Fire Mains	-	-	-	-	-
37	345.00	Services	2,863,818	-	2,863,818	1,340,557	-
38	346.00	Meters	1,825,557	-	1,825,557	541,600	-
39	348.00	Hydrants	-	-	-	-	-
40	349.00	Other Transmission & Distribution	-	-	-	-	-
41		**Subtotal Trans & Dist**	17,554,589	(96,020)	17,458,569	5,598,228	(96,020)
42							
43		**General**					
44	389.00	Land and Land Rights	330	-	330	-	-
45	390.00	Structures and Improvements	138,436	(37,142)	101,294	66,470	(37,142)
46	391.00	Office Funiture and Equipment	128,860	-	128,860	10,492	-
47	391.10	Computer Equipment	316,332	-	316,332	(98,475)	-
48	392.00	Transportation Equipment	507,232	-	507,232	305,731	-
49	393.00	Stores Equipment	3,232	-	3,232	2,139	-
50	394.00	Tools, Shop and Garage	80,827	-	80,827	79,073	-
51	395.00	Laboratory Equipment	7,623	-	7,623	5,813	-
52	396.00	Power Operated Equipment	47,338	-	47,338	47,751	-
53	397.00	Communication Equipment	88,663	-	88,663	11,687	-
54	398.00	Miscellaneous Equipment	11,645	-	11,645	8,410	-
55		**Subtotal General**	1,330,518	(37,142)	1,293,376	439,091	(37,142)
			-	-	-	-	-
			-	-	-	-	-
	TOTAL WATER PLANT		22,821,782	(233,992)	22,587,790	7,442,532	(170,273)

Arizona-American Mohave Water
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa
(B-3, page 2b, Adj. #9)

Line No.	Account No.	Description	O.C. Adjusted A/D	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	Adjustment RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1								
2		**Intangible**						
3	301.00	Organization	-	66,252	-	66,252	(32,249)	34,004
4	302.00	Franchises	-	46,555	-	46,555	(9,494)	37,061
5	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
6		**Subtotal Intangible**	-	112,807	-	112,807	(41,743)	71,064
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	501,707	(171,297)	330,410	(148,188)	182,223
10	311.00	Structures and Improvements	87,695	538,101	-	538,101	(19,609)	518,492
11	312.00	Collecting and Impounding Res.	76,625	773,969	-	773,969	(61,054)	712,914
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	243,512	1,321,866	(118,896)	1,202,970	(87,472)	1,115,498
14		**Subtotal Source of Supply**	407,831	3,135,642	(290,193)	2,845,450	(316,323)	2,529,127
15								
16		**Pumping**	-	-	-	-	-	-
17	320.00	Land and Land Rights	-	8,125	-	8,125	(5,764)	2,361
18	321.00	Structures and Improvements	(2,645)	5,062	-	5,062	(182)	4,880
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	911,974	2,335,293	-	2,335,293	296,895	2,632,188
21	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	-	-	-	-	-	-
23		**Subtotal Pumping**	909,329	2,348,479	-	2,348,479	290,949	2,639,429
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	-	26,079	-	26,079	(2,605)	23,474
28	332.00	Water Treatment Equipment	50,941	64,796	-	64,796	(3,305)	61,491
29		**Subtotal Water Treatment**	50,941	90,875	-	90,875	(5,910)	84,965
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	44,998	-	44,998	(35,388)	9,609
33	341.00	Structures and Improvements	1,999	10,885	-	10,885	(677)	10,209
34	342.00	Distribution, Reservoirs, & ST	145,837	1,994,014	(363,961)	1,630,053	(238,063)	1,391,990
35	343.00	Transmission and Distribution	3,472,215	19,998,451	-	19,998,451	(2,718,705)	17,279,745
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	1,340,557	4,524,277	-	4,524,277	(540,172)	3,984,105
38	346.00	Meters	541,600	2,331,661	-	2,331,661	(138,766)	2,192,896
39	348.00	Hydrants	-	-	-	-	-	-
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	5,502,208	28,904,285	(363,961)	28,540,324	(3,671,771)	24,868,553
42								
43		**General**					**(Common Plant, B-2, Page 6)**	
44	389.00	Land and Land Rights	-	877	-	877	(547)	330
45	390.00	Structures and Improvements	29,328	374,964	(85,748)	289,216	(2,500)	286,716
46	391.00	Office Funiture and Equipment	10,492	152,959	-	152,959	(1,553)	151,406
47	391.10	Computer Equipment	(98,475)	366,085	-	366,085	(12,073)	354,013
48	392.00	Transportation Equipment	305,731	569,950	-	569,950	(4,955)	564,995
49	393.00	Stores Equipment	2,139	5,152	-	5,152	596	5,748
50	394.00	Tools, Shop and Garage	79,073	101,126	-	101,126	(3,349)	97,777
51	395.00	Laboratory Equipment	5,813	11,701	-	11,701	611	12,312
52	396.00	Power Operated Equipment	47,751	56,403	-	56,403	(1,068)	55,335
53	397.00	Communication Equipment	11,687	112,735	-	112,735	(2,220)	110,515
54	398.00	Miscellaneous Equipment	8,410	20,321	-	20,321	3,004	23,325
55		**Subtotal General**	401,949	1,772,273	(85,748)	1,686,524	(24,054)	1,662,471
			-	-	-	-	-	-
			-	-	-	-	-	-
	TOTAL WATER PLANT		7,272,259	36,364,361	(739,902)	35,624,459	(3,768,851)	31,855,608

Arizona-American Mohave Water
B-3 Adjustments

Exhibit B-4
Page A3
Witness: Bourassa

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1								
2		**Intangible**						
3	301.00	Organization	-	-	-	1.0000	-	-
4	302.00	Franchises	-	-	-	1.0000	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
6		**Subtotal Intangible**	-	-	-		-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	-	-	1.0000	-	-
10	311.00	Structures and Improvements	121,785	-	121,785	1.3381	117,347	(4,438)
11	312.00	Collecting and Impounding Res.	89,322	-	89,322	1.0738	82,276	(7,046)
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	468,768	(118,896)	349,872	1.4790	360,161	10,289
14		**Subtotal Source of Supply**	679,876	(118,896)	560,980		559,785	(1,195)
15								
16		**Pumping**	-	-	-	-	-	-
17	320.00	Land and Land Rights	-	-	-	1.0000	-	-
18	321.00	Structures and Improvements	(7,936)	-	(7,936)	2.8926	(7,651)	285
19	323.00	Other Power Production	-	-	-	-	-	-
20	325.00	Electric Pumping Equipment	1,246,525	-	1,246,525	1.5406	1,405,001	158,475
21	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	-	-	-	-	-	-
23		**Subtotal Pumping**	1,238,590	-	1,238,590		1,397,350	158,760
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	-	-	-	1.5487	-	-
28	332.00	Water Treatment Equipment	67,094	-	67,094	1.2499	63,672	(3,422)
29		**Subtotal Water Treatment**	67,094	-	67,094		63,672	(3,422)
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	1.0000	-	-
33	341.00	Structures and Improvements	4,748	-	4,748	2.2275	4,452	(295)
34	342.00	Distribution, Reservoirs, & ST	405,427	(363,961)	41,466	1.2730	185,644	144,179
35	343.00	Transmission and Distribution	5,954,548	-	5,954,548	1.4818	5,145,052	(809,496)
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	2,117,820	-	2,117,820	1.3912	1,864,965	(252,855)
38	346.00	Meters	691,749	-	691,749	1.2012	650,581	(41,169)
39	348.00	Hydrants	-	-	-	-	-	-
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	9,174,292	(363,961)	8,810,331		7,850,695	(959,636)
42								
43		**General**						**(Common Plant, B-2, Page 7)**
44	389.00	Land and Land Rights	-	-	-	1.0000	-	-
45	390.00	Structures and Improvements	180,038	(85,748)	94,290	2.8305	83,013	(11,277)
46	391.00	Office Funiture and Equipment	12,454	-	12,454	1.1750	12,328	(126)
47	391.10	Computer Equipment	(113,963)	-	(113,963)	1.1191	(110,205)	3,758
48	392.00	Transportation Equipment	343,533	-	343,533	1.1139	340,547	(2,986)
49	393.00	Stores Equipment	3,410	-	3,410	1.7786	3,804	394
50	394.00	Tools, Shop and Garage	98,932	-	98,932	1.2097	95,656	(3,277)
51	395.00	Laboratory Equipment	8,923	-	8,923	1.6151	9,388	466
52	396.00	Power Operated Equipment	56,895	-	56,895	1.1689	55,818	(1,077)
53	397.00	Communication Equipment	14,860	-	14,860	1.2465	14,568	(293)
54	398.00	Miscellaneous Equipment	14,675	-	14,675	2.0029	16,845	2,169
55		**Subtotal General**	619,757	(85,748)	534,009		521,761	(12,248)
			-	-	-	-	-	-
			-	-	-	-	-	-
	TOTAL WATER PLANT		11,779,608	(568,605)	11,211,003		10,393,263	(817,741)

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Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 1
Witness: Bourassa

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W30100	ORGANIZATION	1968	45	180.2	34.6	5.2081	234	45
W30100	ORGANIZATION	1969	1,014	180.2	36.3	4.9642	5,033	1,014
W30100	ORGANIZATION	1970	1,023	180.2	38.2	4.7173	4,825	1,023
W30100	ORGANIZATION	1971	4,249	180.2	39.5	4.5620	19,383	4,249
W30100	ORGANIZATION	1972	171	180.2	40.8	4.4167	755	171
W30100	ORGANIZATION	1981	6,481	180.2	91.9	1.9608	12,707	6,481
W30100	ORGANIZATION	1986	1,421	180.2	109.8	1.6412	2,332	1,421
W30100	ORGANIZATION	1988	3,461	180.2	117.7	1.5310	5,299	3,461
W30100	ORGANIZATION	1995	16,138	180.2	152.2	1.1840	19,107	16,138
	W30100	Class Totals	34,003				69,680	34,003
W30200	FRANCH/CONSENTS	1981	7,251	180.2	91.9	1.9608	14,217	7,251
W30200	FRANCH/CONSENTS	1982	48	180.2	97.4	1.8501	88	48
W30200	FRANCH/CONSENTS	1998	29,761	180.2	163.6	1.1015	32,782	29,761
	W30200	Class Totals	37,060				47,088	37,060
W31000	LAND/LAND RIGHTS	1971	12,311	180.2	39.5	4.5620	56,162	12,311
W31000	LAND/LAND RIGHTS	1973	363	180.2	43.1	4.1810	1,517	363
W31000	LAND/LAND RIGHTS	1976	13,776	180.2	55.8	3.2294	44,488	13,776
W31000	LAND/LAND RIGHTS	1981	81,167	180.2	91.9	1.9608	159,152	81,167
W31000	LAND/LAND RIGHTS	1982	375	180.2	97.4	1.8501	693	375
W31000	LAND/LAND RIGHTS	1984	2,467	180.2	103.6	1.7394	4,291	2,467
W31000	LAND/LAND RIGHTS	1988	16,585	180.2	117.7	1.5310	25,391	16,585

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Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 2
Witness: Bourassa

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31000	LAND/LAND RIGHTS	1989	28,323	180.2	123.3	1.4615	41,394	28,323
W31000	LAND/LAND RIGHTS	1993	3,454	180.2	145.5	1.2385	4,277	3,454
W31000	LAND/LAND RIGHTS	1995	19,319	180.2	152.2	1.1840	22,874	19,319
W31000	LAND/LAND RIGHTS	1996	4,081	180.2	156.6	1.1507	4,696	4,081
	W31000	Class Totals	182,222				364,941	182,222
W31100	STRUCT AND IMPROV	1976	1,617	350.0	140.0	2.5000	4,042	4,042
W31100	STRUCT AND IMPROV	1978	1,524	350.0	164.0	2.1341	3,252	3,252
W31100	STRUCT AND IMPROV	1979	3,495	350.0	182.0	1.9231	6,721	6,721
W31100	STRUCT AND IMPROV	1980	309	350.0	207.0	1.6908	522	522
W31100	STRUCT AND IMPROV	1982	10,621	350.0	226.0	1.5487	16,448	16,448
W31100	STRUCT AND IMPROV	1983	9,776	350.0	233.0	1.5021	14,684	14,684
W31100	STRUCT AND IMPROV	1984	24,564	350.0	238.0	1.4706	36,123	36,123
W31100	STRUCT AND IMPROV	1985	4,389	350.0	241.0	1.4523	6,374	6,374
W31100	STRUCT AND IMPROV	1986	34,413	350.0	246.0	1.4228	48,962	48,962
W31100	STRUCT AND IMPROV	1987	4,585	350.0	249.0	1.4056	6,445	6,445
W31100	STRUCT AND IMPROV	1990	79,840	350.0	259.0	1.3514	107,896	107,896
W31100	STRUCT AND IMPROV	1990	739	350.0	262.0	1.3359	987	987
W31100	STRUCT AND IMPROV	1991	1,086	350.0	260.0	1.3462	1,462	1,462
W31100	STRUCT AND IMPROV	1993	3,426	350.0	274.0	1.2774	4,376	4,376
W31100	STRUCT AND IMPROV	1993	184,923	350.0	277.0	1.2635	233,651	233,651
W31100	STRUCT AND IMPROV	1994	10,101	350.0	286.0	1.2238	12,362	12,362
W31100	STRUCT AND IMPROV	1994	2,075	350.0	291.0	1.2027	2,495	2,495
W31100	STRUCT AND IMPROV	1995	413	350.0	296.0	1.1824	488	488
W31100	STRUCT AND IMPROV	1995	7,643	350.0	298.0	1.1745	8,977	8,977

Trended RCN
Handy-Whitman

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31100	STRUCT AND IMPROV	1996	1,634	350.0	303.0	1.1551	1,887	1,887
W31100	STRUCT AND IMPROV	1997	125	350.0	314.0	1.1146	139	139
W31100	STRUCT AND IMPROV	1998	170	350.0	318.0	1.1006	187	187
	W31100	Class Totals	387,473				518,491	518,491
W31200	COL/IMPOUND RESER	1986	2,032	275.0	184.0	1.4946	3,037	3,037
W31200	COL/IMPOUND RESER	1987	17,771	275.0	196.0	1.4031	24,934	24,934
W31200	COL/IMPOUND RESER	1988	3,119	275.0	221.0	1.2443	3,880	3,880
W31200	COL/IMPOUND RESER	1989	2,293	275.0	209.0	1.3158	3,017	3,017
W31200	COL/IMPOUND RESER	1992	1,029	275.0	262.0	1.0496	1,080	1,080
W31200	COL/IMPOUND RESER	1995	336	275.0	251.0	1.0956	369	369
W31200	COL/IMPOUND RESER	1996	325,135	275.0	251.0	1.0956	356,218	356,218
W31200	COL/IMPOUND RESER	1998	312,227	275.0	268.0	1.0261	320,376	320,376
	W31200	Class Totals	663,944				712,914	712,914
W31400	WELLS AND SPRINGS	1947	3,100	321.0	32.0	10.0313	31,097	31,097
W31400	WELLS AND SPRINGS	1959	9,500	321.0	57.0	5.6316	53,500	53,500
W31400	WELLS AND SPRINGS	1960	1,500	321.0	57.0	5.6316	8,447	8,447
W31400	WELLS AND SPRINGS	1963	2,743	321.0	61.0	5.2623	14,434	14,434
W31400	WELLS AND SPRINGS	1964	2,934	321.0	64.0	5.0156	14,715	14,715
W31400	WELLS AND SPRINGS	1965	1,317	321.0	65.0	4.9385	6,504	6,504
W31400	WELLS AND SPRINGS	1966	1,201	321.0	66.0	4.8636	5,841	5,841
W31400	WELLS AND SPRINGS	1968	5,316	321.0	73.0	4.3973	23,376	23,376
W31400	WELLS AND SPRINGS	1972	14,424	321.0	94.0	3.4149	49,256	49,256

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Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
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Witness: Bourassa

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31400	WELLS AND SPRINGS	1973	11,656	321.0	100.0	3.2100	37,415	37,415
W31400	WELLS AND SPRINGS	1976	284	321.0	140.0	2.2929	651	651
W31400	WELLS AND SPRINGS	1977	23,727	321.0	151.0	2.1258	50,438	50,438
W31400	WELLS AND SPRINGS	1985	1,263	321.0	232.0	1.3836	1,747	1,747
W31400	WELLS AND SPRINGS	1986	154,407	321.0	238.0	1.3487	208,248	208,248
W31400	WELLS AND SPRINGS	1988	88,160	321.0	248.0	1.2944	114,114	114,114
W31400	WELLS AND SPRINGS	1989	97,662	321.0	246.0	1.3049	127,439	127,439
W31400	WELLS AND SPRINGS	1991	285	321.0	245.0	1.3102	373	373
W31400	WELLS AND SPRINGS	1996	162,177	321.0	288.0	1.1146	180,763	180,763
W31400	WELLS AND SPRINGS	1997	5,423	321.0	291.0	1.1031	5,982	5,982
W31400	WELLS AND SPRINGS	1997	153,373	321.0	296.0	1.0845	166,333	166,333
W31400	WELLS AND SPRINGS	1998	13,754	321.0	298.0	1.0772	14,816	14,816
	W31400	Class Totals	754,209				1,115,498	1,115,498
W32000	LAND/LAND RIGHTS	1973	2,361	180.2	43.1	4.1810	9,871	2,361
	W32000	Class Totals	2,361				9,871	2,361
W32100	STRUCT AND IMPROV	1974	1,687	350.0	121.0	2.8926	4,879	4,879
	W32100	Class Totals	1,687				4,879	4,879
W32500	ELEC PUMP EQUIP	1971	92	531.0	93.0	5.7097	525	525
W32500	ELEC PUMP EQUIP	1972	4,205	531.0	96.0	5.5313	23,259	23,259

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Exhibit
Schedule B-4
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Witness: Bourassa

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32500	ELEC PUMP EQUIP	1973	13,747	531.0	100.0	5.3100	72,996	72,996
W32500	ELEC PUMP EQUIP	1975	20,550	531.0	155.0	3.4258	70,400	70,400
W32500	ELEC PUMP EQUIP	1976	15,757	531.0	174.0	3.0517	48,085	48,085
W32500	ELEC PUMP EQUIP	1978	18,267	531.0	192.0	2.7656	50,519	50,519
W32500	ELEC PUMP EQUIP	1979	833	531.0	205.0	2.5902	2,157	2,157
W32500	ELEC PUMP EQUIP	1980	13,346	531.0	222.0	2.3919	31,922	31,922
W32500	ELEC PUMP EQUIP	1981	1,956	531.0	245.0	2.1673	4,239	4,239
W32500	ELEC PUMP EQUIP	1982	11,650	531.0	260.0	2.0423	23,792	23,792
W32500	ELEC PUMP EQUIP	1983	40,872	531.0	271.0	1.9594	80,084	80,084
W32500	ELEC PUMP EQUIP	1984	146,823	531.0	277.0	1.9170	281,459	281,459
W32500	ELEC PUMP EQUIP	1985	21,023	531.0	282.0	1.8830	39,586	39,586
W32500	ELEC PUMP EQUIP	1986	162,653	531.0	284.0	1.8697	304,112	304,112
W32500	ELEC PUMP EQUIP	1987	43,558	531.0	299.0	1.7759	77,355	77,355
W32500	ELEC PUMP EQUIP	1988	51,893	531.0	303.0	1.7525	90,943	90,943
W32500	ELEC PUMP EQUIP	1989	153,718	531.0	309.0	1.7184	264,150	264,150
W32500	ELEC PUMP EQUIP	1989	35,597	531.0	336.0	1.5804	56,258	56,258
W32500	ELEC PUMP EQUIP	1990	33,819	531.0	340.0	1.5618	52,818	52,818
W32500	ELEC PUMP EQUIP	1990	46,066	531.0	349.0	1.5215	70,090	70,090
W32500	ELEC PUMP EQUIP	1991	7,804	531.0	357.0	1.4874	11,608	11,608
W32500	ELEC PUMP EQUIP	1991	13,903	531.0	350.0	1.5171	21,093	21,093
W32500	ELEC PUMP EQUIP	1992	22,266	531.0	363.0	1.4628	32,571	32,571
W32500	ELEC PUMP EQUIP	1992	8,073	531.0	370.0	1.4351	11,585	11,585
W32500	ELEC PUMP EQUIP	1993	19,256	531.0	369.0	1.4390	27,710	27,710
W32500	ELEC PUMP EQUIP	1994	8,398	531.0	420.0	1.2643	10,618	10,618
W32500	ELEC PUMP EQUIP	1994	22,458	531.0	426.0	1.2465	27,993	27,993
W32500	ELEC PUMP EQUIP	1995	5,130	531.0	438.0	1.2123	6,219	6,219
W32500	ELEC PUMP EQUIP	1995	23,927	531.0	437.0	1.2151	29,074	29,074

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32500	ELEC PUMP EQUIP	1996	5,920	531.0	454.0	1.1696	6,924	6,924
W32500	ELEC PUMP EQUIP	1996	188,618	531.0	446.0	1.1906	224,569	224,569
W32500	ELEC PUMP EQUIP	1997	7,268	531.0	454.0	1.1696	8,501	8,501
W32500	ELEC PUMP EQUIP	1997	146,650	531.0	476.0	1.1155	163,588	163,588
W32500	ELEC PUMP EQUIP	1998	102,333	531.0	485.0	1.0948	112,034	112,034
W32500	ELEC PUMP EQUIP	1998	18,118	531.0	486.0	1.0926	19,796	19,796
W32500	ELEC PUMP EQUIP	1999	27,725	531.0	499.0	1.0641	29,502	29,502
W32500	ELEC PUMP EQUIP	2000	-4,285	531.0	523.0	1.0153	-4,350	-4,350
W32500	ELEC PUMP EQUIP	2000	76,519	531.0	532.0	0.9981	76,374	76,374
W32500	ELEC PUMP EQUIP	2001	64,098	531.0	531.0	1.0000	64,098	64,098
W32500	ELEC PUMP EQUIP	2001	107,914	531.0	531.0	1.0000	107,914	107,914
	W32500	Class Totals	1,708,530				2,632,187	2,632,187
W33100	WATER TREAT EQUIP STRUCT &	1982	15,157	350.0	226.0	1.5487	23,473	23,473
	W33100	Class Totals	15,157				23,473	23,473
W33200	WATER TREAT EQUIP	1974	488	403.0	122.0	3.3033	1,612	1,612
W33200	WATER TREAT EQUIP	1982	263	403.0	259.0	1.5560	409	409
W33200	WATER TREAT EQUIP	1984	8,839	403.0	279.0	1.4444	12,767	12,767
W33200	WATER TREAT EQUIP	1985	2,794	403.0	282.0	1.4291	3,992	3,992
W33200	WATER TREAT EQUIP	1986	180	403.0	287.0	1.4042	252	252
W33200	WATER TREAT EQUIP	1989	5,314	403.0	301.0	1.3389	7,115	7,115
W33200	WATER TREAT EQUIP	1990	6,055	403.0	311.0	1.2958	7,846	7,846
W33200	WATER TREAT EQUIP	1992	1,682	403.0	314.0	1.2834	2,159	2,159

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W33200	WATER TREAT EQUIP	1994	221	403.0	334.0	1.2066	267	267
W33200	WATER TREAT EQUIP	1995	587	403.0	335.0	1.2030	706	706
W33200	WATER TREAT EQUIP	1996	2,128	403.0	347.0	1.1614	2,472	2,472
W33200	WATER TREAT EQUIP	1998	4,869	403.0	367.0	1.0981	5,347	5,347
W33200	WATER TREAT EQUIP	1998	6,635	403.0	370.0	1.0892	7,227	7,227
W33200	WATER TREAT EQUIP	1999	2,741	403.0	379.0	1.0633	2,914	2,914
W33200	WATER TREAT EQUIP	2001	334	403.0	398.0	1.0126	338	338
W33200	WATER TREAT EQUIP	2001	6,061	403.0	403.0	1.0000	6,061	6,061
W33200	Class Totals		49,196				61,491	61,491
W34000	LAND/LAND RIGHTS	1968	7,250	180.2	34.6	5.2081	37,758	7,250
W34000	LAND/LAND RIGHTS	1971	634	180.2	39.5	4.5620	2,892	634
W34000	LAND/LAND RIGHTS	1974	841	180.2	47.7	3.7778	3,177	841
W34000	LAND/LAND RIGHTS	1988	884	180.2	117.7	1.5310	1,353	884
W34000	Class Totals		9,609				45,181	9,609
W34100	STRUCT AND IMPROV	1968	625	350.0	69.0	5.0725	3,170	3,170
W34100	STRUCT AND IMPROV	1972	167	350.0	93.0	3.7634	628	628
W34100	STRUCT AND IMPROV	1980	3,791	350.0	207.0	1.6908	6,409	6,409
W34100	Class Totals		4,583				10,208	10,208
W34200	DIST RESRV & STNDPIP	1971	26,903	275.0	82.0	3.3537	90,224	90,224

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34200	DIST RESRV & STNDPIP	1973	15,230	275.0	100.0	2.7500	41,882	41,882
W34200	DIST RESRV & STNDPIP	1978	1,417	275.0	173.0	1.5896	2,252	2,252
W34200	DIST RESRV & STNDPIP	1979	41,170	275.0	178.0	1.5449	63,603	63,603
W34200	DIST RESRV & STNDPIP	1981	6,181	275.0	208.0	1.3221	8,171	8,171
W34200	DIST RESRV & STNDPIP	1982	381	275.0	210.0	1.3095	498	498
W34200	DIST RESRV & STNDPIP	1983	85,780	275.0	182.0	1.5110	129,613	129,613
W34200	DIST RESRV & STNDPIP	1984	93,407	275.0	184.0	1.4946	139,606	139,606
W34200	DIST RESRV & STNDPIP	1985	127	275.0	181.0	1.5193	192	192
W34200	DIST RESRV & STNDPIP	1986	29,355	275.0	184.0	1.4946	43,873	43,873
W34200	DIST RESRV & STNDPIP	1988	72,701	275.0	221.0	1.2443	90,461	90,461
W34200	DIST RESRV & STNDPIP	1989	6,252	275.0	223.0	1.2332	7,710	7,710
W34200	DIST RESRV & STNDPIP	1991	232,013	275.0	259.0	1.0618	246,351	246,351
W34200	DIST RESRV & STNDPIP	1993	210,932	275.0	254.0	1.0827	228,376	228,376
W34200	DIST RESRV & STNDPIP	1993	57,513	275.0	246.0	1.1179	64,293	64,293
W34200	DIST RESRV & STNDPIP	1994	12,179	275.0	246.0	1.1179	13,614	13,614
W34200	DIST RESRV & STNDPIP	1995	1,151	275.0	246.0	1.1179	1,286	1,286
W34200	DIST RESRV & STNDPIP	1995	48,003	275.0	251.0	1.0956	52,592	52,592
W34200	DIST RESRV & STNDPIP	1996	10,357	275.0	251.0	1.0956	11,347	11,347
W34200	DIST RESRV & STNDPIP	1996	49,263	275.0	251.0	1.0956	53,973	53,973
W34200	DIST RESRV & STNDPIP	1997	92,614	275.0	251.0	1.0956	101,468	101,468
W34200	DIST RESRV & STNDPIP	1999	575	275.0	268.0	1.0261	590	590
	W34200	Class Totals	1,093,508				1,391,989	1,391,989
W34300	TRANS/DISTR	1964	11,328	324.0	78.0	4.1538	47,054	47,054
W34300	TRANS/DISTR	1968	446,563	324.0	80.0	4.0500	1,808,581	1,808,581

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W34300	TRANS/DISTR	1969	22,295	324.0	83.0	3.9036	87,030	87,030
W34300	TRANS/DISTR	1970	9,780	324.0	87.0	3.7241	36,421	36,421
W34300	TRANS/DISTR	1971	152,950	324.0	95.0	3.4105	521,635	521,635
W34300	TRANS/DISTR	1972	94,305	324.0	98.0	3.3061	311,781	311,781
W34300	TRANS/DISTR	1973	552,188	324.0	100.0	3.2400	1,789,089	1,789,089
W34300	TRANS/DISTR	1974	105,351	324.0	133.0	2.4361	256,645	256,645
W34300	TRANS/DISTR	1975	32,274	324.0	151.0	2.1457	69,250	69,250
W34300	TRANS/DISTR	1976	65,618	324.0	259.0	1.2510	82,088	82,088
W34300	TRANS/DISTR	1977	8,177	324.0	166.0	1.9518	15,959	15,959
W34300	TRANS/DISTR	1978	307,929	324.0	179.0	1.8101	557,382	557,382
W34300	TRANS/DISTR	1979	107,935	324.0	193.0	1.6788	181,201	181,201
W34300	TRANS/DISTR	1980	4,137	324.0	209.0	1.5502	6,413	6,413
W34300	TRANS/DISTR	1981	89,649	324.0	224.0	1.4464	129,668	129,668
W34300	TRANS/DISTR	1982	308,117	324.0	239.0	1.3556	417,684	417,684
W34300	TRANS/DISTR	1983	300,153	324.0	246.0	1.3171	395,331	395,331
W34300	TRANS/DISTR	1984	645,850	324.0	244.0	1.3279	857,624	857,624
W34300	TRANS/DISTR	1985	44,763	324.0	248.0	1.3065	58,482	58,482
W34300	TRANS/DISTR	1986	714,206	324.0	245.0	1.3224	944,465	944,465
W34300	TRANS/DISTR	1987	435,809	324.0	252.0	1.2857	560,320	560,320
W34300	TRANS/DISTR	1988	489,803	324.0	255.0	1.2706	622,344	622,344
W34300	TRANS/DISTR	1988	498,397	324.0	264.0	1.2273	611,683	611,683
W34300	TRANS/DISTR	1989	167,670	324.0	269.0	1.2045	201,959	201,959
W34300	TRANS/DISTR	1989	425,461	324.0	273.0	1.1868	504,937	504,937
W34300	TRANS/DISTR	1990	207,323	324.0	273.0	1.1868	246,051	246,051
W34300	TRANS/DISTR	1990	31,493	324.0	275.0	1.1782	37,105	37,105
W34300	TRANS/DISTR	1991	81,066	324.0	277.0	1.1697	94,822	94,822
W34300	TRANS/DISTR	1991	23,903	324.0	279.0	1.1613	27,758	27,758

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		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34300	TRANS/DISTR	1992	281,857	324.0	274.0	1.1825	333,296	333,296
W34300	TRANS/DISTR	1992	166,584	324.0	277.0	1.1697	194,854	194,854
W34300	TRANS/DISTR	1993	448,523	324.0	281.0	1.1530	517,147	517,147
W34300	TRANS/DISTR	1993	130,113	324.0	285.0	1.1368	147,912	147,912
W34300	TRANS/DISTR	1994	411,561	324.0	291.0	1.1134	458,232	458,232
W34300	TRANS/DISTR	1994	60,491	324.0	289.0	1.1211	67,817	67,817
W34300	TRANS/DISTR	1995	24,742	324.0	291.0	1.1134	27,548	27,548
W34300	TRANS/DISTR	1995	146,384	324.0	286.0	1.1329	165,838	165,838
W34300	TRANS/DISTR	1996	117,304	324.0	289.0	1.1211	131,509	131,509
W34300	TRANS/DISTR	1996	847,431	324.0	292.0	1.1096	940,309	940,309
W34300	TRANS/DISTR	1997	86,545	324.0	297.0	1.0909	94,412	94,412
W34300	TRANS/DISTR	1997	819,178	324.0	299.0	1.0836	887,662	887,662
W34300	TRANS/DISTR	1998	89,586	324.0	301.0	1.0764	96,431	96,431
W34300	TRANS/DISTR	1998	396,793	324.0	300.0	1.0800	428,537	428,537
W34300	TRANS/DISTR	1999	65,496	324.0	313.0	1.0351	67,795	67,795
W34300	TRANS/DISTR	1999	655,529	324.0	306.0	1.0588	694,074	694,074
W34300	TRANS/DISTR	2000	229,654	324.0	308.0	1.0519	241,573	241,573
W34300	TRANS/DISTR	2000	94,896	324.0	316.0	1.0253	97,297	97,297
W34300	TRANS/DISTR	2001	191,837	324.0	320.0	1.0125	194,235	194,235
W34300	TRANS/DISTR	2001	12,482	324.0	324.0	1.0000	12,482	12,482
	W34300	Class Totals	11,661,493				17,279,745	17,279,745
W34500	SERVICES	1967	3,114	288.0	66.0	4.3636	13,590	13,590
W34500	SERVICES	1968	23,885	288.0	68.0	4.2353	101,160	101,160
W34500	SERVICES	1969	19,357	288.0	72.0	4.0000	77,428	77,428

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W34500	SERVICES	1971	7,150	288.0	88.0	3.2727	23,399	23,399
W34500	SERVICES	1972	42,008	288.0	92.0	3.1304	131,501	131,501
W34500	SERVICES	1973	103,007	288.0	100.0	2.8800	296,660	296,660
W34500	SERVICES	1974	43,122	288.0	118.0	2.4407	105,247	105,247
W34500	SERVICES	1975	11,092	288.0	124.0	2.3226	25,763	25,763
W34500	SERVICES	1976	29,576	288.0	129.0	2.2326	66,031	66,031
W34500	SERVICES	1977	17,432	288.0	142.0	2.0282	35,355	35,355
W34500	SERVICES	1978	92,944	288.0	150.0	1.9200	178,452	178,452
W34500	SERVICES	1979	49,468	288.0	168.0	1.7143	84,802	84,802
W34500	SERVICES	1980	20,206	288.0	181.0	1.5912	32,151	32,151
W34500	SERVICES	1981	34,155	288.0	192.0	1.5000	51,232	51,232
W34500	SERVICES	1982	11,093	288.0	198.0	1.4545	16,134	16,134
W34500	SERVICES	1983	67,742	288.0	207.0	1.3913	94,249	94,249
W34500	SERVICES	1984	85,009	288.0	211.0	1.3649	116,028	116,028
W34500	SERVICES	1985	36,170	288.0	211.0	1.3649	49,368	49,368
W34500	SERVICES	1986	68,325	288.0	222.0	1.2973	88,638	88,638
W34500	SERVICES	1987	103,287	288.0	227.0	1.2687	131,041	131,041
W34500	SERVICES	1988	131,411	288.0	228.0	1.2632	165,999	165,999
W34500	SERVICES	1988	1,993	288.0	230.0	1.2522	2,496	2,496
W34500	SERVICES	1989	79,940	288.0	221.0	1.3032	104,178	104,178
W34500	SERVICES	1989	5,153	288.0	224.0	1.2857	6,625	6,625
W34500	SERVICES	1990	100,358	288.0	226.0	1.2743	127,887	127,887
W34500	SERVICES	1990	50	288.0	228.0	1.2632	63	63
W34500	SERVICES	1991	117,783	288.0	235.0	1.2255	144,343	144,343
W34500	SERVICES	1991	13,898	288.0	236.0	1.2203	16,960	16,960
W34500	SERVICES	1992	89,908	288.0	241.0	1.1950	107,440	107,440
W34500	SERVICES	1992	12,347	288.0	251.0	1.1474	14,167	14,167

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W34500	SERVICES	1993	139,793	288.0	251.0	1.1474	160,398	160,398
W34500	SERVICES	1993	38,428	288.0	249.0	1.1566	44,446	44,446
W34500	SERVICES	1994	278,751	288.0	265.0	1.0868	302,946	302,946
W34500	SERVICES	1994	13,617	288.0	250.0	1.1520	15,687	15,687
W34500	SERVICES	1995	28,195	288.0	253.0	1.1383	32,095	32,095
W34500	SERVICES	1995	171,754	288.0	255.0	1.1294	193,979	193,979
W34500	SERVICES	1996	49,549	288.0	263.0	1.0951	54,261	54,261
W34500	SERVICES	1996	111,875	288.0	262.0	1.0992	122,974	122,974
W34500	SERVICES	1997	11,702	288.0	263.0	1.0951	12,815	12,815
W34500	SERVICES	1997	146,553	288.0	266.0	1.0827	158,673	158,673
W34500	SERVICES	1998	1,456	288.0	268.0	1.0746	1,564	1,564
W34500	SERVICES	1998	121,955	288.0	261.0	1.1034	134,565	134,565
W34500	SERVICES	1999	18,656	288.0	271.0	1.0627	19,826	19,826
W34500	SERVICES	1999	127,558	288.0	274.0	1.0511	134,076	134,076
W34500	SERVICES	2000	16,418	288.0	278.0	1.0360	17,009	17,009
W34500	SERVICES	2000	83,816	288.0	278.0	1.0360	86,834	86,834
W34500	SERVICES	2001	76,518	288.0	285.0	1.0105	77,322	77,322
W34500	SERVICES	2001	6,225	288.0	288.0	1.0000	6,225	6,225
	W34500	Class Totals	2,863,818				3,984,105	3,984,105
W34600	METERS	1979	834	350.0	174.0	2.0115	1,677	1,677
W34600	METERS	1980	526	350.0	190.0	1.8421	968	968
W34600	METERS	1981	8,503	350.0	202.0	1.7327	14,733	14,733
W34600	METERS	1982	5,508	350.0	219.0	1.5982	8,802	8,802
W34600	METERS	1983	10,759	350.0	235.0	1.4894	16,024	16,024

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W34600	METERS	1984	15,720	350.0	241.0	1.4523	22,830	22,830
W34600	METERS	1985	31,857	350.0	239.0	1.4644	46,652	46,652
W34600	METERS	1986	65,140	350.0	248.0	1.4113	91,932	91,932
W34600	METERS	1987	83,296	350.0	253.0	1.3834	115,232	115,232
W34600	METERS	1988	63,865	350.0	256.0	1.3672	87,316	87,316
W34600	METERS	1988	12,120	350.0	259.0	1.3514	16,379	16,379
W34600	METERS	1989	47,628	350.0	257.0	1.3619	64,865	64,865
W34600	METERS	1990	74,213	350.0	262.0	1.3359	99,141	99,141
W34600	METERS	1990	6,668	350.0	264.0	1.3258	8,840	8,840
W34600	METERS	1991	108,693	350.0	274.0	1.2774	138,844	138,844
W34600	METERS	1991	4,135	350.0	276.0	1.2681	5,244	5,244
W34600	METERS	1992	99,683	350.0	278.0	1.2590	125,500	125,500
W34600	METERS	1993	182,635	350.0	292.0	1.1986	218,906	218,906
W34600	METERS	1993	14	350.0	295.0	1.1864	17	17
W34600	METERS	1994	179,238	350.0	304.0	1.1513	206,356	206,356
W34600	METERS	1995	22,051	350.0	303.0	1.1551	25,471	25,471
W34600	METERS	1995	170,083	350.0	303.0	1.1551	196,462	196,462
W34600	METERS	1996	45,023	350.0	316.0	1.1076	49,867	49,867
W34600	METERS	1996	140,126	350.0	318.0	1.1006	154,223	154,223
W34600	METERS	1997	1,102	350.0	318.0	1.1006	1,213	1,213
W34600	METERS	1997	155,573	350.0	322.0	1.0870	169,108	169,108
W34600	METERS	1998	7,748	350.0	325.0	1.0769	8,344	8,344
W34600	METERS	1998	121,853	350.0	322.0	1.0870	132,455	132,455
W34600	METERS	1999	68,443	350.0	332.0	1.0542	72,153	72,153
W34600	METERS	2000	865	350.0	336.0	1.0417	901	901
W34600	METERS	2000	14,371	350.0	339.0	1.0324	14,837	14,837
W34600	METERS	2001	55,038	350.0	348.0	1.0057	55,351	55,351

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W34600	METERS	2001	22,234	350.0	350.0	1.0000	22,234	22,234
	W34600 Class Totals		1,825,557				2,192,895	2,192,895
W38900	LAND/LAND RIGHTS	1975	330	180.2	52.6	3.4259	1,130	330
	W38900 Class Totals		330				1,130	330
W39000	MISC STRUCTURES	1973	51,037	350.0	100.0	3.5000	178,629	178,629
W39000	MISC STRUCTURES	1975	19,309	350.0	136.0	2.5735	49,691	49,691
W39000	MISC STRUCTURES	1979	29,344	350.0	182.0	1.9231	56,431	56,431
W39000	MISC STRUCTURES	1994	1,604	350.0	286.0	1.2238	1,962	1,962
	W39000 Class Totals		101,294				286,715	286,715
W39100	OFFICE FURN/EQUIP	1984	2,074	180.2	103.6	1.7394	3,607	3,607
W39100	OFFICE FURN/EQUIP	1985	118	180.2	108.0	1.6685	196	196
W39100	OFFICE FURN/EQUIP	1986	4,427	180.2	109.8	1.6412	7,265	7,265
W39100	OFFICE FURN/EQUIP	1987	2,163	180.2	113.2	1.5919	3,443	3,443
W39100	OFFICE FURN/EQUIP	1988	360	180.2	117.7	1.5310	551	551
W39100	OFFICE FURN/EQUIP	1989	2,666	180.2	123.3	1.4615	3,897	3,897
W39100	OFFICE FURN/EQUIP	1989	503	180.2	123.3	1.4615	735	735
W39100	OFFICE FURN/EQUIP	1990	7,087	180.2	129.4	1.3926	9,870	9,870
W39100	OFFICE FURN/EQUIP	1990	1,602	180.2	129.4	1.3926	2,231	2,231
W39100	OFFICE FURN/EQUIP	1991	1,562	180.2	136.2	1.3231	2,067	2,067

10/09/2003

Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
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Witness: Bourassa

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39100	OFFICE FURN/EQUIP	1991	4,898	180.2	136.2	1.3231	6,481	6,481
W39100	OFFICE FURN/EQUIP	1992	1,252	180.2	141.0	1.2780	1,600	1,600
W39100	OFFICE FURN/EQUIP	1992	628	180.2	141.0	1.2780	802	802
W39100	OFFICE FURN/EQUIP	1993	4,559	180.2	145.5	1.2385	5,646	5,646
W39100	OFFICE FURN/EQUIP	1993	14,083	180.2	145.5	1.2385	17,442	17,442
W39100	OFFICE FURN/EQUIP	1994	3,503	180.2	148.7	1.2118	4,244	4,244
W39100	OFFICE FURN/EQUIP	1995	4,046	180.2	152.2	1.1840	4,790	4,790
W39100	OFFICE FURN/EQUIP	1995	2,820	180.2	152.2	1.1840	3,338	3,338
W39100	OFFICE FURN/EQUIP	1996	625	180.2	156.6	1.1507	719	719
W39100	OFFICE FURN/EQUIP	1998	11,347	180.2	163.6	1.1015	12,499	12,499
W39100	OFFICE FURN/EQUIP	1998	3,289	180.2	163.6	1.1015	3,622	3,622
W39100	OFFICE FURN/EQUIP	1999	6,165	180.2	167.8	1.0739	6,620	6,620
W39100	OFFICE FURN/EQUIP	2000	15,890	180.2	173.1	1.0410	16,541	16,541
W39100	OFFICE FURN/EQUIP	2001	33,187	180.2	180.2	1.0000	33,187	33,187
	W39100	Class Totals	128,859				151,405	151,405
W39110	COMPUTER EQUIPMENT	1990	277	180.2	129.4	1.3926	386	386
W39110	COMPUTER EQUIPMENT	1993	56,285	180.2	145.5	1.2385	69,709	69,709
W39110	COMPUTER EQUIPMENT	1993	16,449	180.2	145.5	1.2385	20,373	20,373
W39110	COMPUTER EQUIPMENT	1994	1,547	180.2	148.7	1.2118	1,875	1,875
W39110	COMPUTER EQUIPMENT	1994	1,719	180.2	148.7	1.2118	2,083	2,083
W39110	COMPUTER EQUIPMENT	1995	24,942	180.2	152.2	1.1840	29,531	29,531
W39110	COMPUTER EQUIPMENT	1996	353	180.2	156.6	1.1507	406	406
W39110	COMPUTER EQUIPMENT	1996	3,792	180.2	156.6	1.1507	4,364	4,364
W39110	COMPUTER EQUIPMENT	1998	701	180.2	163.6	1.1015	773	773

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39110	COMPUTER EQUIPMENT	1999	11,519	180.2	167.8	1.0739	12,371	12,371
W39110	COMPUTER EQUIPMENT	1999	166,329	180.2	167.8	1.0739	178,620	178,620
W39110	COMPUTER EQUIPMENT	2000	26,924	180.2	173.1	1.0410	28,028	28,028
W39110	COMPUTER EQUIPMENT	2001	5,488	180.2	180.2	1.0000	5,488	5,488
	W39110	Class Totals	316,331				354,012	354,012
W39200	TRANSPORT EQUIP	1981	4,338	180.2	91.9	1.9608	8,505	8,505
W39200	TRANSPORT EQUIP	1987	98	180.2	113.2	1.5919	156	156
W39200	TRANSPORT EQUIP	1990	31,388	180.2	129.4	1.3926	43,710	43,710
W39200	TRANSPORT EQUIP	1992	13,803	180.2	141.0	1.2780	17,640	17,640
W39200	TRANSPORT EQUIP	1993	16,436	180.2	145.5	1.2385	20,355	20,355
W39200	TRANSPORT EQUIP	1993	2,645	180.2	145.5	1.2385	3,275	3,275
W39200	TRANSPORT EQUIP	1994	1,448	180.2	148.7	1.2118	1,755	1,755
W39200	TRANSPORT EQUIP	1994	26,162	180.2	148.7	1.2118	31,703	31,703
W39200	TRANSPORT EQUIP	1996	20,574	180.2	156.6	1.1507	23,675	23,675
W39200	TRANSPORT EQUIP	1996	21,938	180.2	156.6	1.1507	25,244	25,244
W39200	TRANSPORT EQUIP	1997	92,849	180.2	160.6	1.1220	104,176	104,176
W39200	TRANSPORT EQUIP	2000	225,452	180.2	173.1	1.0410	234,695	234,695
W39200	TRANSPORT EQUIP	2001	50,098	180.2	180.2	1.0000	50,098	50,098
	W39200	Class Totals	507,232				564,995	564,995
W39300	STORES EQUIPMENT	1978	261	180.2	65.0	2.7723	723	723
W39300	STORES EQUIPMENT	1980	571	180.2	83.3	2.1633	1,235	1,235
W39300	STORES EQUIPMENT	1986	1,038	180.2	109.8	1.6412	1,703	1,703

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39300	STORES EQUIPMENT	1987	14	180.2	113.2	1.5919	22	22
W39300	STORES EQUIPMENT	1988	1,347	180.2	117.7	1.5310	2,063	2,063
	W39300	Class Totals	3,231				5,747	5,747
W39400	TOOLS AND WORK EQUIP	1985	1,013	180.2	108.0	1.6685	1,690	1,690
W39400	TOOLS AND WORK EQUIP	1990	367	180.2	129.4	1.3926	512	512
W39400	TOOLS AND WORK EQUIP	1991	2,397	180.2	136.2	1.3231	3,172	3,172
W39400	TOOLS AND WORK EQUIP	1991	2,551	180.2	136.2	1.3231	3,375	3,375
W39400	TOOLS AND WORK EQUIP	1992	10,150	180.2	141.0	1.2780	12,972	12,972
W39400	TOOLS AND WORK EQUIP	1992	1,991	180.2	141.0	1.2780	2,544	2,544
W39400	TOOLS AND WORK EQUIP	1993	7,672	180.2	145.5	1.2385	9,502	9,502
W39400	TOOLS AND WORK EQUIP	1993	10,886	180.2	145.5	1.2385	13,482	13,482
W39400	TOOLS AND WORK EQUIP	1994	4,132	180.2	148.7	1.2118	5,007	5,007
W39400	TOOLS AND WORK EQUIP	1994	12,955	180.2	148.7	1.2118	15,699	15,699
W39400	TOOLS AND WORK EQUIP	1995	5,571	180.2	152.2	1.1840	6,596	6,596
W39400	TOOLS AND WORK EQUIP	1995	2,458	180.2	152.2	1.1840	2,910	2,910
W39400	TOOLS AND WORK EQUIP	1996	5,560	180.2	156.6	1.1507	6,398	6,398
W39400	TOOLS AND WORK EQUIP	1998	5,246	180.2	163.6	1.1015	5,778	5,778
W39400	TOOLS AND WORK EQUIP	1998	2,569	180.2	163.6	1.1015	2,830	2,830
W39400	TOOLS AND WORK EQUIP	2001	4,804	180.2	180.2	1.0000	4,804	4,804
W39400	TOOLS AND WORK EQUIP	2001	498	180.2	180.2	1.0000	498	498
	W39400	Class Totals	80,826				97,776	97,776
W39500	LAB EQUIP	1979	115	180.2	72.6	2.4821	285	285

Company Code: 4000 Business Area: 4500 Mohave Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39500	LAB EQUIP	1981	798	180.2	91.9	1.9608	1,564	1,564
W39500	LAB EQUIP	1983	1,762	180.2	99.0	1.8202	3,207	3,207
W39500	LAB EQUIP	1984	1,265	180.2	103.6	1.7394	2,200	2,200
W39500	LAB EQUIP	1987	673	180.2	113.2	1.5919	1,071	1,071
W39500	LAB EQUIP	1991	3,010	180.2	136.2	1.3231	3,982	3,982
W39500	Class Totals		7,623				12,311	12,311
W39600	PWR OPER EQUIP	1995	36,557	180.2	152.2	1.1840	43,283	43,283
W39600	PWR OPER EQUIP	1995	3,222	180.2	152.2	1.1840	3,815	3,815
W39600	PWR OPER EQUIP	1996	1,549	180.2	156.6	1.1507	1,782	1,782
W39600	PWR OPER EQUIP	1999	6,008	180.2	167.8	1.0739	6,452	6,452
W39600	Class Totals		47,338				55,335	55,335
W39700	COMM EQUIP	1978	102	180.2	65.0	2.7723	282	282
W39700	COMM EQUIP	1979	214	180.2	72.6	2.4821	531	531
W39700	COMM EQUIP	1987	1,636	180.2	113.2	1.5919	2,604	2,604
W39700	COMM EQUIP	1988	89	180.2	117.7	1.5310	136	136
W39700	COMM EQUIP	1990	2,095	180.2	129.4	1.3926	2,917	2,917
W39700	COMM EQUIP	1991	43,059	180.2	136.2	1.3231	56,971	56,971
W39700	COMM EQUIP	1991	7,878	180.2	136.2	1.3231	10,423	10,423
W39700	COMM EQUIP	1992	3,312	180.2	141.0	1.2780	4,232	4,232
W39700	COMM EQUIP	1993	2,624	180.2	145.5	1.2385	3,250	3,250
W39700	COMM EQUIP	1994	2,176	180.2	148.7	1.2118	2,637	2,637
W39700	COMM EQUIP	1998	117	180.2	163.6	1.1015	128	128

Trended RCN
Handy-Whitman

Company Code: 4000 Business Area: 4500 Mohave Water

			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39700	COMM EQUIP		2000	-5,824	180.2	173.1	1.0410	-6,063	-6,063
W39700	COMM EQUIP		2000	31,183	180.2	173.1	1.0410	32,461	32,461
		W39700	Class Totals	88,662				110,515	110,515
W39800	MISC EQUIP		1979	6,032	180.2	72.6	2.4821	14,972	14,972
W39800	MISC EQUIP		1980	366	180.2	83.3	2.1633	791	791
W39800	MISC EQUIP		1986	573	180.2	109.8	1.6412	940	940
W39800	MISC EQUIP		1987	155	180.2	113.2	1.5919	246	246
W39800	MISC EQUIP		1988	1,095	180.2	117.7	1.5310	1,676	1,676
W39800	MISC EQUIP		1988	1,409	180.2	117.7	1.5310	2,157	2,157
W39800	MISC EQUIP		1989	392	180.2	123.3	1.4615	574	574
W39800	MISC EQUIP		1992	120	180.2	141.0	1.2780	154	154
W39800	MISC EQUIP		1993	71	180.2	145.5	1.2385	88	88
W39800	MISC EQUIP		1994	1,261	180.2	148.7	1.2118	1,529	1,529
W39800	MISC EQUIP		1996	168	180.2	156.6	1.1507	193	193
		W39800	Class Totals	11,645				23,324	23,324
Company Code: 4000	Business Area: 4500			22,587,789				32,127,914	31,855,607

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 4,285,427			$ 4,285,427	196,561	$ 4,481,988
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	108,705			108,705		108,705
5		$ 4,394,132		$ -	$ 4,394,132	$ 196,561	$ 4,590,693
6	**Operating Expenses**						
7	Salaries and Wages	$ 844,087	1/6	(125,350)	$ 718,737		$ 718,737
8	Purchased Water	5,040			5,040		5,040
9	Purchased Power	294,603			294,603		294,603
10	Chemicals	8,150			8,150		8,150
11	Repairs and Maintenance	301,313			301,313		301,313
12	Office Supplies and Expense	249,611	7	(36,784)	212,827		212,827
13	Outside Services	5,177			5,177		5,177
14	Service Company Charges	521,040	10	(17,415)	503,626		503,626
15	Water Testing	-			-		-
16	Rents	18,305			18,305		18,305
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	27,385	8	(3,281)	24,105		24,105
19	Insurance - health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	29,013			29,013		29,013
21	Miscellaneous Expense	83,386	9	244	83,630		83,630
22	Depreciation Expense	692,199	3	(14,006)	678,194		678,194
23	Taxes Other Than Income	47,563	2	(1,019)	46,544		46,544
24	Property Taxes	271,789	4	(7,146)	264,643		264,643
25	Income Tax	199,299		112,898	312,197		388,068
26					-		-
27	**Total Operating Expenses**	$ 3,597,961		$ (91,858)	$ 3,506,103	$ -	$ 3,581,973
28	**Profit (Loss) Before Interest & Taxes**	$ 796,171		$ 91,858	$ 888,029	$ 196,561	$ 1,008,720
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(479,136)	5	87,735	(391,401)		(391,401)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (479,136)		$ 87,735	$ (391,401)	$ -	$ (391,401)
36	**Net Profit (Loss)**	$ 317,035		$ 179,593	$ 496,628	$ 196,561	$ 617,318
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-2					Rebuttal A-1	
40							
41							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Mohave Water
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ 3,149
	6	Adjust to Actual 2002 Additional (Corporate)	(128,499)
Purchased Water	11	Adjust to annualized 2001 qty	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(36,784)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(17,415)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(3,281)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	244
Depreciation Expense	3	Depreciation Expense	(14,006)
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	(1,019)
Property Taxes	4	Property Taxes	(7,146)
Income Tax			112,898
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (91,858)
Operating Income			$ 91,858

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-
Page 2
Witness: Bourassa

Line No.			Amount
1	Projected Salaries & Wages and Related Expenses		
2			
3	Actual 2002 Wages and Salaries		
4	0 Salaries & Wages	$	576,845
5			
6	Direct Filing Proposed Wages and Salaries		
7	0 Salaries & Wages		573,696
8			
9	Increase (Decrease)	$	3,149
10			
11	Adjustment to Revenues and/or Expenses	$	3,149
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-
Page 3
Witness: Bourassa

Line No.			
1	Projected Salaries & Wages and Related Expenses		
2			
3	PR Taxes Based on Actual 2002 Wages and Salaries	**Amount**	
4	## Taxes Other Than Income		46,544
5			
6	Direct Filing Proposed PR Taxes		
7	## Taxes Other Than Income		47,563
8			
9	Increase (Decrease)	$	(1,019)
10			
11	Adjustment to Revenues and/or Expenses	$	(1,019)
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.				
1	Depreciation Expense			
2				
3	count	Rebuttak		Depreciation
4	o Description	Original Cost	Rate	Expense
5	**Intangible**			
6	1. Organization	$ 34,004	0.00%	$ -
7	2. Franchises	37,061	0.00%	-
8	3. Miscellaneous Intangibles	-	0.00%	-
9	**Subtotal Intangible**	$ 71,064		$ -
10				
11	**Source of Supply**			
12	0. Land and Land Rights	$ 209,047	0.00%	$ -
13	1. Structures and Improvements	770,947	2.83%	21,818
14	2. Collecting and Impounding Res.	663,944	2.54%	16,864
15	3. Lakes, Rivers, Other Intakes	-	0.00%	-
16	4. Wells and Springs	754,209	2.70%	20,364
17	**Subtotal Source of Supply**	$ 2,398,147		$ 59,046
18				
19	**Pumping**			
20	0. Land and Land Rights	$ 2,361	0.00%	$ -
21	1. Structures and Improvements	1,687	2.39%	40
22	3. Other Power Production	-	0.00%	-
23	5. Electric Pumping Equipment	1,854,623	5.12%	94,957
24	6. Diesel Pumping Equipment	-	0.00%	-
25	8. Gas Engine Pumping Equipment	-	0.00%	-
26	**Subtotal Pumping**	$ 1,858,671		$ 94,997
27				
28	**Water Treatment**			
29	0. Land and Land Rights	$ -	0.00%	$ -
30	1. Structures and Improvements	15,157	2.50%	379
31	2. Water Treatment Equipment	50,870	12.00%	6,104
32	**Subtotal Water Treatment**	$ 66,027		$ 6,483
33				
34	**Transmission and Distribution**			
35	0. Land and Land Rights	$ 9,609	0.00%	$ -
36	1. Structures and Improvements	4,583	1.81%	83
37	2. Distribution, Reservoirs, & ST	1,490,310	1.81%	26,975
38	3. Transmission and Distribution	11,661,493	2.61%	304,365
39	4. Fire Mains	-	0.00%	-
40	5. Services	2,863,818	5.41%	154,933
41	6. Meters	1,825,557	6.53%	119,209
42	8. Hydrants	-	0.00%	-
43	9. Other Transmission & Distribution	-	0.00%	-
44	**Subtotal Transmission and Distribut**	$ 17,855,370		$ 605,564
45				
46	**General**			
47	9. Land and Land Rights	$ 293	0.00%	$ -
48	0. Structures and Improvements	32,929	2.03%	668
49	1. Office Funiture and Equipment	301,147	4.10%	12,343
50	1. Computer Equipment	353,433	4.10%	14,485
51	2. Transportation Equipment	546,135	25.00%	136,534
52	3. Stores Equipment	2,865	3.93%	113
53	4. Tools, Shop and Garage	119,563	7.55%	9,029
54	5. Laboratory Equipment	7,277	3.06%	223
55	6. Power Operated Equipment	71,294	9.23%	6,581
56	7. Communication Equipment	113,611	4.10%	4,662
57	8. Miscellaneous Equipment	10,836	6.19%	671
58	**Subtotal General**	$ 1,559,383		$ 185,308
59				
60				
61				
62				
63	TOTALS	$ 23,808,662	3.996%	$ 951,398
64				
65				
66	Amortization of Deferred Regulatory Asset	$ 234,640	3.9960%	9,376
67				
68	Less: Amotization of Contributions	$ 2,825,809	10.0000%	(282,581)
69	Rebuttal Depreciation Expense			$ 678,194
70				
71	Direct Filing Depreciation Expense			692,199
72				
73	Increase (decrease) in Depreciation Expense			(14,006)
74				
75	Adjustment to Revenues and/or Expenses			$ (14,006)
76				

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Adjust Property Taxes to Reflect Proposed Revenues:		
2			
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$	4,394,132
4	Rebuttal Adjusted Revenues in year ended 12/31/01		4,394,132
5	Proposed Revenues		4,590,693
6	Average of three year's of revenue	$	4,459,652
7	Average of three year's of revenue, times 2		8,919,305
8	Add:		
9	Construction Work in Progess at 10%		
10	Deduct:		
11	Book Value of Transportation Equipment		546,135
12	Book Value of Transportation Equipment (proforma)		-
13	Total Book Value of Transportation Equipment	$	546,135
14			
15	Full Cash Value	$	8,373,170
16	Assessment Ratio		25%
17	Assessed Value		2,093,292
18	Property Tax Rate		12.337393%
19			
20	Property Tax		258,258
21	Tax on Parcels		6,385
22			
23	Total Rebuttal Property Tax at Proposed Rates	$	264,643
24	Direct Filing Proposed Property Taxes		271,789
25	Increase (Decrease) in Property Taxes	$	(7,146)
26			
27			
28	Adjustment to Revenues and/or Expenses	$	(7,146)
29			
30			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$13,422,542
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	391,401
6	Direct Filing Interest Expense	479,136
7	Increase in Interest Expense	$ (87,735)
8		
9	Adjustment to Revenues and/or Expense	$ (87,735)
10		
11		

Arizona American - Mohave Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Wages Expense (Corporate)	$	141,892
5			
6	Direct Filing Proposed Additonal Wages Expense (Corporat		270,391
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(128,499)
10			
11	Adjustment to Revenue and/or Expense	$	(128,499)
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	110,555
5			
6	Direct Filing Proposed Additonal Office Expense (Corporate		147,339
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(36,784)
10			
11	Adjustment to Revenue and/or Expense	$	(36,784)
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	23,005
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corpo		26,286
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(3,281)
10			
11	Adjustment to Revenue and/or Expense	$	(3,281)
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	1,662
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporate)		1,418
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	244
10			
11	Adjustment to Revenue and/or Expense	$	244
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.1011	
5	Total Charges		$ 503,626
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.1011	
10	Total Charges		521,040
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (17,415)
14			
15			
16			
17			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
9							
10							
11							
12							
13							
14							
15							
16							

HAVASU
WATER

Arizona American - Havasu Water Company
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 1,216,964
2		
3	Adjusted Operating Income	12,310
4		
5	Current Rate of Return	1.01%
6		
7	Required Operating Income	$ 91,467
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 79,157
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 128,917

	Customer Classification		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
20	5/8 Inch Residential		$ 249,903	$ 324,855	$ 74,952	29.99%
21	1 Inch Residential		3,296	4,294	998	30.28%
22	1.5 Inch Residential		0	0	0	0
23	2 Inch Residential		1,580	2,055	476	30.11%
24	3 Inch Residential		0	0	0	0
25	4 Inch Residential		3,730	4,855	1,126	30.19%
26	6 Inch Residential		0	0	0	0
27	5/8 Inch Commercial		15,714	20,432	4,718	30.03%
28	1 Inch Commercial		7,007	9,112	2,105	30.03%
29	2 Inch Commercial		3,958	5,145	1,187	30.00%
30	3 Inch Commercial		30,088	39,132	9,044	30.06%
31	4 Inch Commercial		3,820	4,967	1,146	30.01%
32	6 inch Commercial		0	0	0	0
33	Multi-Family 44	1"	7,203	9,361	2,158	29.95%
34	Multi-Family 56	2"	7,741	10,058	2,316	29.92%
35	Multi-Family 64	4"	10,065	13,078	3,014	29.94%
36	Multi-Family 65	2"	9,406	12,222	2,817	29.94%
37	Multi-Family 67	4"	11,990	15,583	3,593	29.97%
38	Multi-Family 89	1"	13,438	16,696	3,257	24.24%
39	Multi-Family 102	2"	12,850	16,693	3,843	29.91%
40	Multi-Family 129	4"	16,174	21,032	4,858	30.03%
41	Multi-Family 153	4"	18,998	24,679	5,681	29.90%
42	Miscellaneous Revenues		10,532	10,532	-	0.00%
43	Difference between Bill Count Revenues		-	-	-	0.00%
44	and General Ledger Revenues		6,311	8,204	1,893	30.00%
45	**Subtotal Revenues**		$ 443,802	$ 572,985	$ 129,182	29.11%

Arizona American - Havasu Water Company
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Schedule A-1
Page 2
Witness: Bourassa

Line No.		Present Revenues	Proposed Revenues	Dollar Change	Percent Change
1	**Revenue Annualization**				
2	0				
3	0				
4	5/8 Inch Residential	11,725	15,244	3,519	30.01%
5	1 Inch Residential	(3,296)	(4,294)	(998)	30.28%
6	2 Inch Residential	(1,428)	(1,858)	(430)	30.15%
7	4 Inch Residential	(4,464)	(5,808)	(1,345)	30.12%
8	5/8 Inch Commercial	783	1,018	235	30.06%
9	1 Inch Commercial	(541)	(702)	(161)	29.80%
10	2 Inch Commercial	$ (764)	$ (991)	$ (228)	29.82%
11	3 Inch Commercial	$ (4,894)	$ (6,367)	$ (1,473)	30.11%
12	Total Revenue Annualizations	(2,878)	(3,760)	(881)	30.62%
13	**Total Revenues**	440,924	569,225	128,301	29.10%
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
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35					
36					
37					
38					
39					
40					
41					
42					
43					
44	SUPPORTING SCHEDULES:				
45	Rebuttal B-1				
46	Rebuttal C-1				
47	Rebuttal D-1				
48	Rebuttal H-1				
49					

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rebuttal Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 2,067,330	$ 2,900,341	$ 2,900,341
3	Less: Accumulated Depreciation	481,120	690,855	690,855
4				
5	Net Utility Plant in Service	$ 1,586,210	$ 2,209,486	$ 2,209,486
6				
7	Less:			
8	Advances in Aid of			
9	Construction	418,704	587,417	587,417
10	Contributions in Aid of			
11	Construction - Net of amortization	280,867	394,040	394,040
12	Customer Meter Deposits	11,066	11,066	11,066
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	519,281	-	-
21				
22	Total Rate Base	$ 1,394,854	$ 1,216,964	$ 1,216,964
23				
24				
25				
26	SUPPORTING SCHEDULES:		RECAP SCHEDULES:	
27	Rebuttal B-2		Rebuttal A-1	
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 2,165,408	(1)	(98,078)	$ 2,067,330
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	555,531	(2)	(74,410)	481,120
8					
9	Net Utility Plant				
10	in Service	$ 1,609,877			$ 1,586,210
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Pur	418,704			418,704
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemakin	280,867			280,867
18	Purposes Only)				
19	Customer Meter Deposits	11,066			11,066
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	523,302	(3)	(4,022)	519,281
28					
29	Total	$ 1,422,543			$ 1,394,854
30					
31					
32	(1) See Rebuttal B-2, Page 2				
33	(2) See Rebuttal B-2, Page 3				
34	(3) See Rebuttal B-2, Page 4				
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 10,144	$ -	$ 10,144	$ -	$ -	$ -
3	302.00	Franchises	-	-	-	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 10,144	$ -	$ 10,144	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 12,245	$ (4,473)	$ 7,772	$ -	$ -	$ -
9	311.00	Structures and Improvements	53,877	9,886	63,763	9,138	(401)	8,737
10	312.00	Collecting and Impounding Res.	148,253	-	148,253	21,141	-	21,141
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	107,017	(70,928)	36,089	76,963	(70,928)	6,035
13		**Subtotal Source of Supply**	$ 321,391	$ (65,515)	$ 255,876	$ 107,242	$ (71,329)	$ 35,914
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
17	321.00	Structures and Improvements	-	-	-	-	-	-
18	323.00	Other Power Production	22,738	-	22,738	11,300	-	11,300
19	325.00	Electric Pumping Equipment	254,974	(244)	254,730	49,812	(244)	49,568
20	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
21	328.10	Gas Engine Pumping Equipment	-	-	-	-	-	-
22		**Subtotal Pumping**	$ 277,712	$ (244)	$ 277,468	$ 61,112	$ (244)	$ 60,868
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	-	-	-	-	-	-
27	332.00	Water Treatment Equipment	25,315	-	25,315	26,162	-	26,162
28		**Subtotal Water Treatment**	$ 25,315	$ -	$ 25,315	$ 26,162	$ -	$ 26,162
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
32	341.00	Structures and Improvements	-	-	-	-	-	-
33	342.00	Distribution, Reservoirs, & ST	270,085	(44,214)	225,871	57,615	-	57,615
34	343.00	Transmission and Distribution	752,886	21,141	774,028	179,395	-	179,395
35	344.00	Fire Mains	-	-	-	-	-	-
36	345.00	Services	182,275	-	182,275	30,375	-	30,375
37	346.00	Meters	176,386	-	176,386	45,487	-	45,487
38	348.00	Hydrants	-	-	-	-	-	-
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Dis.**	$ 1,381,633	$ (23,072)	$ 1,358,560	$ 312,872	$ -	$ 312,872
41								
42		**General**						
43	389.00	Land and Land Rights	$ 25	$ -	$ 25	$ -	$ -	$ -
44	390.00	Structures and Improvements	10,577	(2,837)	7,740	5,078	(2,837)	2,241
45	391.00	Office Funiture and Equipment	31,793	(9,348)	22,444	910	-	910
46	391.10	Computer Equipment	33,449	-	33,449	(7,175)	-	(7,175)
47	392.00	Transportation Equipment	45,234	-	45,234	35,178	-	35,178
48	393.00	Stores Equipment	247	-	247	163	-	163
49	394.00	Tools, Shop and Garage	10,104	-	10,104	6,756	-	6,756
50	395.00	Laboratory Equipment	627	-	627	447	-	447
51	396.00	Power Operated Equipment	6,144	-	6,144	4,547	-	4,547
52	397.00	Communication Equipment	10,077	2,940	13,017	1,583	-	1,583
53	398.00	Miscellaneous Equipment	934	-	934	655	-	655
54		**Subtotal General**	$ 149,213	$ (9,246)	$ 139,967	$ 48,142	$ (2,837)	$ 45,305
55								
56								
57								
58								
59		TOTAL WATER PLANT	$ 2,165,408	$ (98,078)	$ 2,067,330	$ 555,531	$ (74,410)	$ 481,120
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-2, page 2a, 2b, 3a, 3b						
63								
64								

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Not Used Adjustment 1	Blank Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 10,144					-
3	302.00	Franchises	-					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 10,144	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 12,245	(5,746)				1,272
9	311.00	Structures and Improvements	53,877	(401)				10,287
10	312.00	Collecting and Impounding Res.	148,253					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	107,017	(70,928)				-
13		**Subtotal Source of Supply**	$ 321,391	$ (77,075)	$ -	$ -	$ -	$ 11,560
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					-
17	321.00	Structures and Improvements	-					-
18	323.00	Other Power Production	22,738					-
19	325.00	Electric Pumping Equipment	254,974	(244)				-
20	326.00	Diesel Pumping Equipment	-					-
21	328.10	Gas Engine Pumping Equipment	-					-
22		**Subtotal Pumping**	$ 277,712	$ (244)	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	-					-
27	332.00	Water Treatment Equipment	25,315					-
28		**Subtotal Water Treatment**	$ 25,315	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					-
32	341.00	Structures and Improvements	-					-
33	342.00	Distribution, Reservoirs, & ST	270,085					(44,214)
34	343.00	Transmission and Distribution	752,886					21,141
35	344.00	Fire Mains	-					-
36	345.00	Services	182,275					-
37	346.00	Meters	176,386					-
38	348.00	Hydrants	-					-
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributi**	$ 1,381,633	$ -	$ -	$ -	$ -	$ (23,072)
41								
42		**General**						
43	389.00	Land and Land Rights	$ 25					-
44	390.00	Structures and Improvements	10,577					-
45	391.00	Office Funiture and Equipment	31,793					(9,348)
46	391.10	Computer Equipment	33,449					-
47	392.00	Transportation Equipment	45,234					-
48	393.00	Stores Equipment	247					-
49	394.00	Tools, Shop and Garage	10,104					-
50	395.00	Laboratory Equipment	627					-
51	396.00	Power Operated Equipment	6,144					-
52	397.00	Communication Equipment	10,077					2,940
53	398.00	Miscellaneous Equipment	934					-
54		**Subtotal General**	$ 149,213	$ -	$ -	$ -	$ -	$ (6,409)
55								
56								
57			-					
58			-					
59		TOTAL WATER PLANT	$ 2,165,408	$ (77,319)	$ -	$ -	$ -	$ (17,922)
60								

ADJ #		Reference
1	Plant Not Used and Useful	ACC Staff
2	Unidentified Plant	ACC Staff
3	Mis-posted Plant	ACC Staff
4	Plant Removed by Prev. Decision	ACC Staff
5	Post Test Year Plant	ACC Staff

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Original Cost
1		**Intangible**							
2	301.00	Organization						$ -	$ 10,144
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,144
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ (4,473)	$ 7,772
9	311.00	Structures and Improvements						9,886	63,763
10	312.00	Collecting and Impounding Res.						-	148,253
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(70,928)	36,089
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ (65,515)	$ 255,876
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ -
17	321.00	Structures and Improvements						-	-
18	323.00	Other Power Production						-	22,738
19	325.00	Electric Pumping Equipment						(244)	254,730
20	326.00	Diesel Pumping Equipment						-	-
21	328.10	Gas Engine Pumping Equipment						-	-
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ (244)	$ 277,468
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights						-	$ -
26	331.00	Structures and Improvements						-	-
27	332.00	Water Treatment Equipment						-	25,315
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,315
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	-
33	342.00	Distribution, Reservoirs, & ST						(44,214)	225,871
34	343.00	Transmission and Distribution						21,141	774,028
35	344.00	Fire Mains						-	-
36	345.00	Services						-	182,275
37	346.00	Meters						-	176,386
38	348.00	Hydrants						-	-
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributi**	$ -	$ -	$ -	$ -	$ -	$ (23,072)	$ 1,358,560
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ 25
44	390.00	Structures and Improvements			(2,837)			(2,837)	7,740
45	391.00	Office Funiture and Equipment			-			(9,348)	22,444
46	391.10	Computer Equipment			-			-	33,449
47	392.00	Transportation Equipment			-			-	45,234
48	393.00	Stores Equipment			-			-	247
49	394.00	Tools, Shop and Garage			-			-	10,104
50	395.00	Laboratory Equipment			-			-	627
51	396.00	Power Operated Equipment			-			-	6,144
52	397.00	Communication Equipment			-			2,940	13,017
53	398.00	Miscellaneous Equipment			-			-	934
54		**Subtotal General**	$ -	$ -	$ (2,837)	$ -	$ -	$ (9,246)	$ 139,967
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (2,837)	$ -	$ -	$ (98,078)	$ 2,067,330
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3a
Witness: Bourassa

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Blank Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -	-				
9	311.00	Structures and Improvements	9,138	(401)				
10	312.00	Collecting and Impounding Res.	21,141					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	76,963	(70,928)				
13		**Subtotal Source of Supply**	$ 107,242	$ (71,329)	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					
17	321.00	Structures and Improvements	-					
18	323.00	Other Power Production	11,300					
19	325.00	Electric Pumping Equipment	49,812	(244)				
20	326.00	Diesel Pumping Equipment	-					
21	328.10	Gas Engine Pumping Equipment	-					
22		**Subtotal Pumping**	$ 61,112	$ (244)	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	-					
27	332.00	Water Treatment Equipment	26,162					
28		**Subtotal Water Treatment**	$ 26,162	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	-					
33	342.00	Distribution, Reservoirs, & ST	57,615					
34	343.00	Transmission and Distribution	179,395					
35	344.00	Fire Mains	-					
36	345.00	Services	30,375					
37	346.00	Meters	45,487					
38	348.00	Hydrants	-					
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributi**	$ 312,872	$ -	$ -	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	5,078					
45	391.00	Office Funiture and Equipment	910					
46	391.10	Computer Equipment	(7,175)					
47	392.00	Transportation Equipment	35,178					
48	393.00	Stores Equipment	163					
49	394.00	Tools, Shop and Garage	6,756					
50	395.00	Laboratory Equipment	447					
51	396.00	Power Operated Equipment	4,547					
52	397.00	Communication Equipment	1,583					
53	398.00	Miscellaneous Equipment	655					
54		**Subtotal General**	$ 48,142	$ -	$ -	$ -	$ -	$ -
55								
56								
57			-					
58			-					
59		TOTAL WATER PLANT	$ 555,531	$ (71,573)	$ -	$ -	$ -	$ -
60								
61				ADJ #			Reference	
62				1	Plant Not Used and Useful		Rebuttal Schedule B-2, Page 8	
63				2	Unidentified Plant		ACC Staff	
64				3	Mis-posted Plant		ACC Staff	
65				4	Plant Removed by Prev. Deci		ACC Staff	
66				5	Post Test Year Plant		ACC Staff	
67								

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization						$ -	$ -
3	302.00	Franchises						-	-
4	303.00	Miscellaneous Intangibles						-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights						$ -	$ -
9	311.00	Structures and Improvements						(401)	8,737
10	312.00	Collecting and Impounding Res.						-	21,141
11	313.00	Lakes, Rivers, Other Intakes						-	-
12	314.00	Wells and Springs						(70,928)	6,035
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ -	$ -	$ (71,329)	$ 35,914
14									
15		**Pumping**							
16	320.00	Land and Land Rights						$ -	$ -
17	321.00	Structures and Improvements						-	-
18	323.00	Other Power Production						-	11,300
19	325.00	Electric Pumping Equipment						(244)	49,568
20	326.00	Diesel Pumping Equipment						-	-
21	328.10	Gas Engine Pumping Equipment						-	-
22		**Subtotal Pumping**	$ -	$ -	$ -	$ -	$ -	$ (244)	$ 60,868
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights						$ -	$ -
26	331.00	Structures and Improvements						-	-
27	332.00	Water Treatment Equipment						-	26,162
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ -	$ -	$ -	$ 26,162
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights						$ -	$ -
32	341.00	Structures and Improvements						-	-
33	342.00	Distribution, Reservoirs, & ST						-	57,615
34	343.00	Transmission and Distribution						-	179,395
35	344.00	Fire Mains						-	-
36	345.00	Services						-	30,375
37	346.00	Meters						-	45,487
38	348.00	Hydrants						-	-
39	349.00	Other Transmission & Distribution						-	-
40		**Subtotal Transmission and Distributi**	$ -	$ -	$ -	$ -	$ -	$ -	$ 312,872
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			(2,837)			(2,837)	2,241
45	391.00	Office Funiture and Equipment			-			-	910
46	391.10	Computer Equipment			-			-	(7,175)
47	392.00	Transportation Equipment			-			-	35,178
48	393.00	Stores Equipment			-			-	163
49	394.00	Tools, Shop and Garage			-			-	6,756
50	395.00	Laboratory Equipment			-			-	447
51	396.00	Power Operated Equipment			-			-	4,547
52	397.00	Communication Equipment			-			-	1,583
53	398.00	Miscellaneous Equipment			-			-	655
54		**Subtotal General**	$ -	$ -	$ (2,837)	$ -	$ -	$ (2,837)	$ 45,305
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (2,837)	$ -	$ -	$ (74,410)	$ 481,120
60									
61			ADJ #			Reference			
62			6	Remove AFUDC Adjustment		ACC Staff			
63			7	Acquisition Adjustment					
64			8	Common Plant Adjustments		Rebuttal B-2, Page 4			
65			9						
66			10						
67									

Arizona American - Havasu Water
Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-2
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Original Cost Amount	Rebuttal Allocated Original Cost Amount	Rebuttal Allocated Original Cost Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Mohave Common Plant**							
3	389.00	Land and Land Rights	0.07639	$ 25	$ 25	$ -	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.07639	10,577	7,740	(2,837)	5,078	2,241	(2,837)
5	391.00	Office Funiture and Equipment	0.07639	10,093	10,093	-	813	813	-
6	391.10	Computer Equipment	0.07639	25,004	25,004	-	(7,397)	(7,397)	-
7	392.00	Transportation Equipment	0.07639	45,234	45,234	-	24,571	24,571	-
8	393.00	Stores Equipment	0.07639	247	247	-	163	163	-
9	394.00	Tools, Shop and Garage	0.07639	10,104	10,104	-	6,491	6,491	-
10	395.00	Laboratory Equipment	0.07639	627	627	-	447	447	-
11	396.00	Power Operated Equipment	0.07639	6,144	6,144	-	4,124	4,124	-
12	397.00	Communication Equipment	0.07639	7,477	7,477	-	1,198	1,198	-
13	398.00	Miscellaneous Equipment	0.07639	934	934	-	637	637	-
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 116,468	$ 113,630	$ (2,837)	$ 36,126	$ 33,289	$ (2,837)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-2, Page 5								
24									
25									
26									
27									

Arizona American - Mohave
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Adjustment	Rebuttal Original Cost	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1								
2	389.00	Land and Land Rights	$ 330	$ -	$ 330	$ -	$ -	$ -
3	390.00	Structures and Improvements	138,455	(37,142)	101,313	66,471	(37,142)	29,329
4	391.00	Office Funiture and Equipment	132,114	-	132,114	10,648	-	10,648
5	391.10	Computer Equipment	327,299	-	327,299	(96,821)	-	(96,821)
6	392.00	Transportation Equipment	592,119	-	592,119	321,639	-	321,639
7	393.00	Stores Equipment	3,232	-	3,232	2,139	-	2,139
8	394.00	Tools, Shop and Garage	132,267	-	132,267	84,962	-	84,962
9	395.00	Laboratory Equipment	8,210	-	8,210	5,856	-	5,856
10	396.00	Power Operated Equipment	80,431	-	80,431	53,989	-	53,989
11	397.00	Communication Equipment	97,880	-	97,880	15,676	-	15,676
12	398.00	Miscellaneous Equipment	12,225	-	12,225	8,335	-	8,335
13								
14								
15		TOTAL COMMON PLANT	$ 1,524,562	$ (37,142)	$ 1,487,420	$ 472,893	$ (37,142)	$ 435,751
16								
17								
18			SUPPORTING SCHEDULES					
19			Rebuttal Schedule B-2, Page 6a, 6b, 7a, 7b					
20								

Arizona American - Mohave Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	Mohave Water Unidentified Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 330						
3	390.00	Structures and Improvements	138,455	(37,142)					
4	391.00	Office Funiture and Equipment	132,114						
5	391.10	Computer Equipment	327,299						
6	392.00	Transportation Equipment	592,119						
7	393.00	Stores Equipment	3,232						
8	394.00	Tools, Shop and Garage	132,267						
9	395.00	Laboratory Equipment	8,210						
10	396.00	Power Operated Equipment	80,431						
11	397.00	Communication Equipment	97,880						
12	398.00	Miscellaneous Equipment	12,225						
13		**Subtotal General**	$ 1,524,562	$ (37,142)	$ -	$ -	$ -	$ -	$ -
14									
15			ADJ #			Reference			
16			1	Plant Not Used and Useful		Rebuttal B-2, Page 8			
17			2						
18			3						
19			4						
20			5						
21									

Arizona American - Mohave Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ -	$ 330
3	390.00	Structures and Improvements							(37,142)	101,313
4	391.00	Office Funiture and Equipment							-	132,114
5	391.10	Computer Equipment							-	327,299
6	392.00	Transportation Equipment							-	592,119
7	393.00	Stores Equipment							-	3,232
8	394.00	Tools, Shop and Garage							-	132,267
9	395.00	Laboratory Equipment							-	8,210
10	396.00	Power Operated Equipment							-	80,431
11	397.00	Communication Equipment							-	97,880
12	398.00	Miscellaneous Equipment							-	12,225
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (37,142)	$ 1,487,420
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										

Arizona American - Mohave Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7a
Witness: Bouras

Line No.	Account No.	Description	Direct Accumulated Depreciation	Mohave Water Unidentified Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ -	-	-	-			
3	390.00	Structures and Improvements	66,471	(37,142)	-	-			
4	391.00	Office Funiture and Equipment	10,648	-	-	-			
5	391.10	Computer Equipment	(96,821)	-	-	-			
6	392.00	Transportation Equipment	321,639	-	-	-			
7	393.00	Stores Equipment	2,139	-	-	-			
8	394.00	Tools, Shop and Garage	84,962	-	-	-			
9	395.00	Laboratory Equipment	5,856	-	-	-			
10	396.00	Power Operated Equipment	53,989	-	-	-			
11	397.00	Communication Equipment	15,676	-	-	-			
12	398.00	Miscellaneous Equipment	8,335	-	-	-			
13		**Subtotal General**	$ 472,893	$ (37,142)	$ -	$ -	$ -	$ -	$ -
14									
15			ADJ #			Reference			
16			1	Plant Not Used and Useful		Rebuttal Schedule B-2, Page 6			
17			2						
18			3						
19			4						
20			5						
21									

Arizona American - Mohave Common
Original Cost Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-2
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							(37,142)	29,329
4	391.00	Office Funiture and Equipment							-	10,648
5	391.10	Computer Equipment							-	(96,821)
6	392.00	Transportation Equipment							-	321,639
7	393.00	Stores Equipment							-	2,139
8	394.00	Tools, Shop and Garage							-	84,962
9	395.00	Laboratory Equipment							-	5,856
10	396.00	Power Operated Equipment							-	53,989
11	397.00	Communication Equipment							-	15,676
12	398.00	Miscellaneous Equipment							-	8,335
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (37,142)	$ 435,751
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										

Arizona-American Havasu Water District
Not Used and Useful Plant

Exhibit
Rebuttal Schedule B-2
Page 8

Asset Id	Asset Desc.	Class	Acq. Date	Original Cost	A/D	RCN	Adjust O.C.	Adjust A/D	Adjust RCND	Adj.RCN A/D
1711952	UNIDENTIFIED	W31000	19900415	2,000	0	2,786	(2,000)	0	(2,786)	0
1711953	UNIDENTIFIED	W31000	19900415	2,000	0	2,786	(2,000)	0	(2,786)	0
1712174	PARCEL EACH	W31000	19930515	1,746	0	2,295	(1,746)	0	(2,295)	0
				5,746	0	7,867	(5,746)	0	(7,867)	0
1711955	UNIDENTIFIED	W31100	19680101	401	(161)	2,133	(401)	(401)	(2,133)	(2,133)
1711959	UNIDENTIFIED	W31400	19680101	3,800	(10,370)	20,213	(3,800)	(3,800)	(20,213)	(20,213)
1711960	UNIDENTIFIED	W31400	19680101	2,564	(6,997)	13,638	(2,564)	(2,564)	(13,638)	(13,638)
1712176	CASING EACH	W31400	19930515	64,564	(32,422)	84,876	(64,564)	(64,564)	(84,876)	(84,876)
				70,928	(49,788)	118,727	(70,928)	(70,928)	(118,727)	(118,727)
1711998	UNIDENTIFIED	W32500	19780101	244	(104)	583	(244)	(244)	(583)	(583)
				77,319	(50,053)	129,309	(77,319)	(71,573)	(129,309)	(121,442)

Arizona American - Havasu Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rebuttal Schedule B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	Label	Amount	Rebuttal Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 3,347,492	(1)	(447,150)	$ 2,900,341
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	885,921	(2)	(195,065)	690,855
8					
9	Net Utility Plant				
10	in Service	$ 2,461,571			$ 2,209,486
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	647,272	(3)	(59,855)	587,417
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	434,191	(4)	(40,151)	394,040
18	Purposes Only)				
19	Customer Meter Deposits	11,066			11,066
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 1,369,042			$ 1,216,964
30					
31					
32	(1) See B-3, Page 2				
33	(2) See B-3, Page 3				
34	(3) Adjust AIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
35	(4) Adjust CIAC to trended amounts based on ratio of rebuttal RCN plant to rebuttal O.C. plant				
36					
37					
38					
39					
40					
41					
42					

Arizona American - Havasu Water
RCND Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Direct Accumulated Depreciation	Adjustment	Rebuttal Accumulated Depreciation
1		**Intangible**						
2	301.00	Organization	$ 13,801	$ (3,657)	$ 10,144	$ -	$ -	$ -
3	302.00	Franchises	-	-	-	-	-	-
4	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
5		**Subtotal Intangible**	$ 13,801	$ (3,657)	$ 10,144	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 16,236	$ (8,464)	$ 7,772	$ -	$ -	$ -
9	311.00	Structures and Improvements	132,085	2,705	134,790	35,992	(3,610)	32,382
10	312.00	Collecting and Impounding Res.	175,205	(12,779)	162,426	24,642	(1,660)	22,982
11	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
12	314.00	Wells and Springs	172,365	(123,777)	48,587	123,129	(115,474)	7,655
13		**Subtotal Source of Supply**	$ 495,891	$ (142,316)	$ 353,575	$ 183,763	$ (120,744)	$ 63,019
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
17	321.00	Structures and Improvements	-	-	-	-	-	-
18	323.00	Other Power Production	31,299	1,962	33,261	15,336	925	16,261
19	325.00	Electric Pumping Equipment	326,665	24,653	351,318	62,488	4,082	66,570
20	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
21	328.10	Gas Engine Pumping Equipment	-	-	-	-	-	-
22		**Subtotal Pumping**	$ 357,964	$ 26,615	$ 384,579	$ 77,824	$ 5,007	$ 82,831
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
26	331.00	Structures and Improvements	-	-	-	-	-	-
27	332.00	Water Treatment Equipment	32,586	(1,105)	31,481	33,239	(1,075)	32,164
28		**Subtotal Water Treatment**	$ 32,586	$ (1,105)	$ 31,481	$ 33,239	$ (1,075)	$ 32,164
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -	$ -	$ -	$ -	$ -	$ -
32	341.00	Structures and Improvements	-	-	-	-	-	-
33	342.00	Distribution, Reservoirs, & ST	405,373	(102,722)	302,651	107,631	(21,631)	86,000
34	343.00	Transmission and Distribution	1,281,349	(140,389)	1,140,960	305,734	(38,617)	267,117
35	344.00	Fire Mains	10,288	(10,288)	-	-	-	-
36	345.00	Services	298,040	(40,247)	257,792	47,995	(6,126)	41,869
37	346.00	Meters	267,159	(18,276)	248,883	67,299	(4,392)	62,907
38	348.00	Hydrants	-	-	-	-	-	-
39	349.00	Other Transmission & Distribution	-	-	-	-	-	-
40		**Subtotal Transmission and Dis.**	$ 2,262,209	$ (311,922)	$ 1,950,287	$ 528,659	$ (70,765)	$ 457,894
41								
42		**General**						
43	389.00	Land and Land Rights	$ 67	$ (42)	$ 25	$ -	$ -	$ -
44	390.00	Structures and Improvements	28,647	(6,742)	21,905	13,754	(7,412)	6,342
45	391.00	Office Funiture and Equipment	33,705	(9,482)	24,223	1,063	(10)	1,053
46	391.10	Computer Equipment	37,479	(973)	36,506	(8,324)	279	(8,044)
47	392.00	Transportation Equipment	50,186	(410)	49,777	38,096	(234)	37,862
48	393.00	Stores Equipment	394	46	439	260	30	291
49	394.00	Tools, Shop and Garage	11,968	(279)	11,689	8,423	(261)	8,162
50	395.00	Laboratory Equipment	940	47	986	685	36	721
51	396.00	Power Operated Equipment	8,006	92	8,098	5,466	(50)	5,416
52	397.00	Communication Equipment	12,043	2,748	14,791	1,880	(32)	1,848
53	398.00	Miscellaneous Equipment	1,607	229	1,836	1,132	166	1,298
54		**Subtotal General**	$ 185,042	$ (14,766)	$ 170,276	$ 62,436	$ (7,488)	$ 54,948
55								
56								
57								
58								
59		TOTAL WATER PLANT	$ 3,347,492	$ (447,150)	$ 2,900,342	$ 885,921	$ (195,065)	$ 690,855
60								
61		SUPPORTING SCHEDULES:						
62		Rebuttal B-3, page 2a, 2b, 3a, 3b						
63								

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Not Used Adjustment 1	Blank Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ 13,801					-
3	302.00	Franchises	-					-
4	303.00	Miscellaneous Intangibles	-					-
5		**Subtotal Intangible**	$ 13,801	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ 16,236	(7,867)				1,272
9	311.00	Structures and Improvements	132,085	(2,133)				10,287
10	312.00	Collecting and Impounding Res.	175,205					-
11	313.00	Lakes, Rivers, Other Intakes	-					-
12	314.00	Wells and Springs	172,365	(118,727)				-
13		**Subtotal Source of Supply**	$ 495,891	$ (128,726)	$ -	$ -	$ -	$ 11,560
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					-
17	321.00	Structures and Improvements	-					-
18	323.00	Other Power Production	31,299					-
19	325.00	Electric Pumping Equipment	326,665	(583)				-
20	326.00	Diesel Pumping Equipment	-					-
21	328.10	Gas Engine Pumping Equipment	-					-
22		**Subtotal Pumping**	$ 357,964	$ (583)	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					-
26	331.00	Structures and Improvements	-					-
27	332.00	Water Treatment Equipment	32,586					-
28		**Subtotal Water Treatment**	$ 32,586	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					-
32	341.00	Structures and Improvements	-					-
33	342.00	Distribution, Reservoirs, & ST	405,373					(44,214)
34	343.00	Transmission and Distribution	1,281,349					21,141
35	344.00	Fire Mains	10,288					-
36	345.00	Services	298,040					-
37	346.00	Meters	267,159					-
38	348.00	Hydrants	-					-
39	349.00	Other Transmission & Distribution	-					-
40		**Subtotal Transmission and Distributio**	$ 2,262,209	$ -	$ -	$ -	$ -	$ (23,072)
41								
42		**General**						
43	389.00	Land and Land Rights	$ 67					-
44	390.00	Structures and Improvements	28,647					-
45	391.00	Office Funiture and Equipment	33,705					(9,348)
46	391.10	Computer Equipment	37,479					-
47	392.00	Transportation Equipment	50,186					-
48	393.00	Stores Equipment	394					-
49	394.00	Tools, Shop and Garage	11,968					-
50	395.00	Laboratory Equipment	940					-
51	396.00	Power Operated Equipment	8,006					-
52	397.00	Communication Equipment	12,043					2,940
53	398.00	Miscellaneous Equipment	1,607					-
54		**Subtotal General**	$ 185,042	$ -	$ -	$ -	$ -	$ (6,409)
55								
56								
57			-					
58			-					
59		TOTAL WATER PLANT	$ 3,347,492	$ (129,309)	$ -	$ -	$ -	$ (17,922)
60								

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Sched B-3, Page 8
2	Unidentified Plant	Blank
3	Mis-posted Plant	Blank
4	Plant Removed by Prev. Decision	Blank
5	Post Test Year Plant	ACC Staff

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 2b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Trended Reproduction Cost New
1		**Intangible**							
2	301.00	Organization				(3,657)		$ (3,657)	$ 10,144
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ (3,657)	$ -	$ (3,657)	$ 10,144
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				(1,870)		$ (8,464)	$ 7,772
9	311.00	Structures and Improvements				(5,449)		2,705	134,790
10	312.00	Collecting and Impounding Res.				(12,779)		(12,779)	162,426
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				(5,051)		(123,777)	48,587
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ (25,149)	$ -	$ (142,316)	$ 353,575
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ -
17	321.00	Structures and Improvements				-		-	-
18	323.00	Other Power Production				1,962		1,962	33,261
19	325.00	Electric Pumping Equipment				25,236		24,653	351,318
20	326.00	Diesel Pumping Equipment				-		-	-
21	328.10	Gas Engine Pumping Equipment				-		-	-
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 27,198	$ -	$ 26,615	$ 384,579
23									
24		**Water Treatment**						$ -	
25	330.00	Land and Land Rights				-		-	$ -
26	331.00	Structures and Improvements				-		-	-
27	332.00	Water Treatment Equipment				(1,105)		(1,105)	31,481
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (1,105)	$ -	$ (1,105)	$ 31,481
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				-		-	-
33	342.00	Distribution, Reservoirs, & ST				(58,509)		(102,722)	302,651
34	343.00	Transmission and Distribution				(161,530)		(140,389)	1,140,960
35	344.00	Fire Mains				(10,288)		(10,288)	-
36	345.00	Services				(40,247)		(40,247)	257,792
37	346.00	Meters				(18,276)		(18,276)	248,883
38	348.00	Hydrants				-		-	-
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ (288,850)	$ -	$ (311,922)	$ 1,950,287
41									
42		**General**							
43	389.00	Land and Land Rights			(42)			$ (42)	$ 25
44	390.00	Structures and Improvements			(6,742)			(6,742)	21,905
45	391.00	Office Funiture and Equipment			(134)			(9,482)	24,223
46	391.10	Computer Equipment			(973)			(973)	36,506
47	392.00	Transportation Equipment			(410)			(410)	49,777
48	393.00	Stores Equipment			46			46	439
49	394.00	Tools, Shop and Garage			(279)			(279)	11,689
50	395.00	Laboratory Equipment			47			47	986
51	396.00	Power Operated Equipment			92			92	8,098
52	397.00	Communication Equipment			(191)			2,748	14,791
53	398.00	Miscellaneous Equipment			229			229	1,836
54		**Subtotal General**	$ -	$ -	$ (8,358)	$ -	$ -	$ (14,766)	$ 170,276
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (8,358)	$ (291,562)	$ -	$ (447,150)	$ 2,900,342
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustm		Blank			
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3a

Line No.	Account No.	Description	Direct Accumulated Depreciation	Not Used Adjustment 1	Blank Unidentified Adjustment 2	Blank Mispost Adjustment 3	Blank Prev. Decision Adjustment 4	Post T.Y Adjustment 5
1		**Intangible**						
2	301.00	Organization	$ -					
3	302.00	Franchises	-					
4	303.00	Miscellaneous Intangibles	-					
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -
6								
7		**Source of Supply**						
8	310.00	Land and Land Rights	$ -	-				
9	311.00	Structures and Improvements	35,992	(2,133)				
10	312.00	Collecting and Impounding Res.	24,642					
11	313.00	Lakes, Rivers, Other Intakes	-					
12	314.00	Wells and Springs	123,129	(118,727)				
13		**Subtotal Source of Supply**	$ 183,763	$ (120,860)	$ -	$ -	$ -	$ -
14								
15		**Pumping**						
16	320.00	Land and Land Rights	$ -					
17	321.00	Structures and Improvements	-					
18	323.00	Other Power Production	15,336					
19	325.00	Electric Pumping Equipment	62,488	(583)				
20	326.00	Diesel Pumping Equipment	-					
21	328.10	Gas Engine Pumping Equipment	-					
22		**Subtotal Pumping**	$ 77,824	$ (583)	$ -	$ -	$ -	$ -
23								
24		**Water Treatment**						
25	330.00	Land and Land Rights	$ -					
26	331.00	Structures and Improvements	-					
27	332.00	Water Treatment Equipment	33,239					
28		**Subtotal Water Treatment**	$ 33,239	$ -	$ -	$ -	$ -	$ -
29								
30		**Transmission and Distribution**						
31	340.00	Land and Land Rights	$ -					
32	341.00	Structures and Improvements	-					
33	342.00	Distribution, Reservoirs, & ST	107,631					
34	343.00	Transmission and Distribution	305,734					
35	344.00	Fire Mains	-					
36	345.00	Services	47,995					
37	346.00	Meters	67,299					
38	348.00	Hydrants	-					
39	349.00	Other Transmission & Distribution	-					
40		**Subtotal Transmission and Distributio**	$ 528,659	$ -	$ -	$ -	$ -	$ -
41								
42		**General**						
43	389.00	Land and Land Rights	$ -					
44	390.00	Structures and Improvements	13,754					
45	391.00	Office Funiture and Equipment	1,063					
46	391.10	Computer Equipment	(8,324)					
47	392.00	Transportation Equipment	38,096					
48	393.00	Stores Equipment	260					
49	394.00	Tools, Shop and Garage	8,423					
50	395.00	Laboratory Equipment	685					
51	396.00	Power Operated Equipment	5,466					
52	397.00	Communication Equipment	1,880					
53	398.00	Miscellaneous Equipment	1,132					
54		**Subtotal General**	$ 62,436	$ -	$ -	$ -	$ -	$ -
55								
56								
57			-					
58			-					
59		TOTAL WATER PLANT	$ 885,921	$ (121,442)	$ -	$ -	$ -	$ -
60								
61				ADJ #			Reference	
62				1	Plant Not Used and Useful		Rebuttal Sched B-3, Page 8	
63				2	Unidentified Plant		Blank	
64				3	Mis-posted Plant		Blank	
65				4	Plant Removed by Prev. Decision		Blank	
66				5	Post Test Year Plant		ACC Staff	
67								

Arizona American - Havasu Water
Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 3b
Witness: Bourassa

Line No.	Account No.	Description	Blank AFUDC Adjustment 6	Acquisition Adj Adjustment 7	Common Plant Adjustment Adjustment 8	RCN Study Adjustment 9	Adjustment 10	Total Adjustments	Rebuttal Accumulated Depreciation
1		**Intangible**							
2	301.00	Organization				-		$ -	$ -
3	302.00	Franchises				-		-	-
4	303.00	Miscellaneous Intangibles				-		-	-
5		**Subtotal Intangible**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6									
7		**Source of Supply**							
8	310.00	Land and Land Rights				-		$ -	$ -
9	311.00	Structures and Improvements				(1,477)		(3,610)	32,382
10	312.00	Collecting and Impounding Res.				(1,660)		(1,660)	22,982
11	313.00	Lakes, Rivers, Other Intakes				-		-	-
12	314.00	Wells and Springs				3,252		(115,474)	7,655
13		**Subtotal Source of Supply**	$ -	$ -	$ -	$ 115	$ -	$ (120,744)	$ 63,019
14									
15		**Pumping**							
16	320.00	Land and Land Rights				-		$ -	$ -
17	321.00	Structures and Improvements				-		-	-
18	323.00	Other Power Production				925		925	16,261
19	325.00	Electric Pumping Equipment				4,665		4,082	66,570
20	326.00	Diesel Pumping Equipment				-		-	-
21	328.10	Gas Engine Pumping Equipment				-		-	-
22		**Subtotal Pumping**	$ -	$ -	$ -	$ 5,590	$ -	$ 5,007	$ 82,831
23									
24		**Water Treatment**							
25	330.00	Land and Land Rights				-		$ -	$ -
26	331.00	Structures and Improvements				-		-	-
27	332.00	Water Treatment Equipment				(1,075)		(1,075)	32,164
28		**Subtotal Water Treatment**	$ -	$ -	$ -	$ (1,075)	$ -	$ (1,075)	$ 32,164
29									
30		**Transmission and Distribution**							
31	340.00	Land and Land Rights				-		$ -	$ -
32	341.00	Structures and Improvements				-		-	-
33	342.00	Distribution, Reservoirs, & ST				(21,631)		(21,631)	86,000
34	343.00	Transmission and Distribution				(38,617)		(38,617)	267,117
35	344.00	Fire Mains				-		-	-
36	345.00	Services				(6,126)		(6,126)	41,869
37	346.00	Meters				(4,392)		(4,392)	62,907
38	348.00	Hydrants				-		-	-
39	349.00	Other Transmission & Distribution				-		-	-
40		**Subtotal Transmission and Distributio**	$ -	$ -	$ -	$ (70,765)	$ -	$ (70,765)	$ 457,894
41									
42		**General**							
43	389.00	Land and Land Rights			-			$ -	$ -
44	390.00	Structures and Improvements			(7,412)			(7,412)	6,342
45	391.00	Office Funiture and Equipment			(10)			(10)	1,053
46	391.10	Computer Equipment			279			279	(8,044)
47	392.00	Transportation Equipment			(234)			(234)	37,862
48	393.00	Stores Equipment			30			30	291
49	394.00	Tools, Shop and Garage			(261)			(261)	8,162
50	395.00	Laboratory Equipment			36			36	721
51	396.00	Power Operated Equipment			(50)			(50)	5,416
52	397.00	Communication Equipment			(32)			(32)	1,848
53	398.00	Miscellaneous Equipment			166			166	1,298
54		**Subtotal General**	$ -	$ -	$ (7,488)	$ -	$ -	$ (7,488)	$ 54,948
55									
56									
57								-	-
58								-	-
59		TOTAL WATER PLANT	$ -	$ -	$ (7,488)	$ (66,135)	$ -	$ (195,065)	$ 690,855
60									
61			ADJ #			Reference			
62			6	Remove Trended AFUDC Adjustm		Blank			
63			7	Acquisition Adjustment		Blank			
64			8	Common Plant Adjustments		Rebuttal B-3, Page 4			
65			9	Adjust to Rebuttal RCN Study		Rebuttal B-4			
66			10						
67									

Arizona American - Havasu Water
RCND Common Plant Allocation
at December 31, 2002

Exhibit
Rebuttal Schedule B-3
Page 4
Witness: Bourassa

Line No.	Account No.	Description	Allocation Factor	Direct Allocated Trended Amount	Rebuttal Allocated Trended Amount	Rebuttal Allocated Trended Adjustment	Direct Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Depreciation	Rebuttal Allocated Accumulated Adjustment
1									
2		**Mohave Common Plant**							
3	389.00	Land and Land Rights	0.07639	$ 67	$ 25	$ (42)	$ -	$ -	$ -
4	390.00	Structures and Improvements	0.07639	28,647	21,905	(6,742)	13,754	6,342	(7,412)
5	391.00	Office Funiture and Equipment	0.07639	12,005	11,871	(134)	967	956	(10)
6	391.10	Computer Equipment	0.07639	29,034	28,061	(973)	(8,545)	(8,266)	279
7	392.00	Transportation Equipment	0.07639	50,186	49,777	(410)	27,489	27,255	(234)
8	393.00	Stores Equipment	0.07639	394	439	46	260	291	30
9	394.00	Tools, Shop and Garage	0.07639	11,968	11,689	(279)	8,158	7,896	(261)
10	395.00	Laboratory Equipment	0.07639	940	986	47	685	721	36
11	396.00	Power Operated Equipment	0.07639	8,006	8,098	92	5,043	4,994	(50)
12	397.00	Communication Equipment	0.07639	9,443	9,251	(191)	1,495	1,463	(32)
13	398.00	Miscellaneous Equipment	0.07639	1,607	1,836	229	1,114	1,280	166
14									
15									
16									
17									
18									
19		TOTALCOMMON PLANT		$ 152,297	$ 143,939	$ (8,358)	$ 50,420	$ 42,932	$ (7,488)
20									
21									
22	SUPPORTING SCHEDULES								
23	Rebuttal B-3, Page 5								
24									
25									
26									
27									

Arizona American - Mohave
Original Cost and RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 5
Witness: Bourassa

Line No.	Account No.	Description	Trended Reproduction Cost New	Adjustment	Rebuttal Trended Reproduction Cost New	Trended Direct Accumulated Depreciation	Adjustment	Rebuttal Trended Accumulated Depreciation
1								
2	389.00	Land and Land Rights	$ 877	$ (547)	$ 330	$ -	$ -	$ -
3	390.00	Structures and Improvements	374,988	(88,249)	286,739	180,040	(97,025)	83,014
4	391.00	Office Funiture and Equipment	157,149	(1,754)	155,395	12,655	(136)	12,519
5	391.10	Computer Equipment	380,060	(12,735)	367,325	(111,855)	3,658	(108,197)
6	392.00	Transportation Equipment	656,940	(5,361)	651,579	359,836	(3,063)	356,773
7	393.00	Stores Equipment	5,152	596	5,748	3,410	394	3,804
8	394.00	Tools, Shop and Garage	156,665	(3,652)	153,013	106,783	(3,423)	103,361
9	395.00	Laboratory Equipment	12,298	611	12,909	8,966	466	9,432
10	396.00	Power Operated Equipment	104,798	1,203	106,000	66,017	(649)	65,368
11	397.00	Communication Equipment	123,604	(2,504)	121,100	19,564	(416)	19,148
12	398.00	Miscellaneous Equipment	21,035	2,992	24,027	14,583	2,171	16,753
13								
14								
15		TOTAL COMMON PLANT	$ 1,993,567	$ (109,401)	$ 1,884,166	$ 659,997	$ (98,022)	$ 561,975
16								
17								
18			SUPPORTING SCHEDULES					
19			Rebuttal Schedule B-3, Page 6a, 6b, 7a, 7b					
20								

Arizona American - Mohave Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6a
Witness: Bourassa

Line No.	Account No.	Description	Direct Trended Reproduction Cost New	Mohave Water Unidentified Adjustment 1	Mohave Water RCN Study Adjustment 2	Havasu Water RCN Study Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**							
2	389.00	Land and Land Rights	$ 877		(547)	-			
3	390.00	Structures and Improvements	374,988	(85,748)	(2,500)	(1)			
4	391.00	Office Funiture and Equipment	157,149		(1,553)	(201)			
5	391.10	Computer Equipment	380,060		(12,073)	(663)			
6	392.00	Transportation Equipment	656,940		(4,955)	(407)			
7	393.00	Stores Equipment	5,152		596	-			
8	394.00	Tools, Shop and Garage	156,665		(3,349)	(302)			
9	395.00	Laboratory Equipment	12,298		611	-			
10	396.00	Power Operated Equipment	104,798		(1,068)	2,270			
11	397.00	Communication Equipment	123,604		(2,220)	(285)			
12	398.00	Miscellaneous Equipment	21,035		3,004	(11)			
13		**Subtotal General**	$ 1,993,567	$ (85,748)	$ (24,054)	$ 401	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal B-2, Page 8
2	Adjust to Rebuttal RCN Study	Rebuttal B-4
3	Adjust to Rebuttal RCN Study	Rebuttal B-4
4		
5		

Arizona American - Mohave Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 6b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Original Cost
1		**General**								
2	389.00	Land and Land Rights							$ (547)	$ 330
3	390.00	Structures and Improvements							(88,249)	286,739
4	391.00	Office Funiture and Equipment							(1,754)	155,395
5	391.10	Computer Equipment							(12,735)	367,325
6	392.00	Transportation Equipment							(5,361)	651,579
7	393.00	Stores Equipment							596	5,748
8	394.00	Tools, Shop and Garage							(3,652)	153,013
9	395.00	Laboratory Equipment							611	12,909
10	396.00	Power Operated Equipment							1,203	106,000
11	397.00	Communication Equipment							(2,504)	121,100
12	398.00	Miscellaneous Equipment							2,992	24,027
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (109,401)	$ 1,884,166
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona American - Mohave Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7a
Witness: Bour

Line No.	Account No.	Description	Direct Accumulated Depreciation	Mohave Water Unidentified Adjustment 1	Mohave Water RCN Study Adjustment 2	Havasu Water RCN Study Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6
1		**General**		-					
2	389.00	Land and Land Rights	$ -	-	-	-			
3	390.00	Structures and Improvements	66,471	(85,748)	(11,277)	(0)			
4	391.00	Office Funiture and Equipment	10,648	-	(126)	(10)			
5	391.10	Computer Equipment	(96,821)	-	3,758	(100)			
6	392.00	Transportation Equipment	321,639	-	(2,986)	(76)			
7	393.00	Stores Equipment	2,139	-	394	-			
8	394.00	Tools, Shop and Garage	84,962	-	(3,277)	(146)			
9	395.00	Laboratory Equipment	5,856	-	466	-			
10	396.00	Power Operated Equipment	53,989	-	(1,077)	428			
11	397.00	Communication Equipment	15,676	-	(293)	(123)			
12	398.00	Miscellaneous Equipment	8,335	-	2,169	1			
13		**Subtotal General**	$ 472,893	$ (85,748)	$ (12,248)	$ (26)	$ -	$ -	$ -
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

ADJ #		Reference
1	Plant Not Used and Useful	Rebuttal Schedule B-2, Page 6
2	Adjust to Rebuttal RCN Study	
3	Adjust to Rebuttal RCN Study	
4		
5		

Arizona American - Mohave Common
RCND Common Plant Summary
at December 31, 2001

Exhibit
Rebuttal Schedule B-3
Page 7b
Witness: Bourassa

Line No.	Account No.	Description	Adjustment 7	Adjustment 8	Adjustment 9	Adjustment 10	Adjustment 11	Adjustment 12	Total Adjustments	Rebuttal Accumulated Depreciation
1		**General**								
2	389.00	Land and Land Rights							$ -	$ -
3	390.00	Structures and Improvements							(97,025)	(30,554)
4	391.00	Office Funiture and Equipment							(136)	10,512
5	391.10	Computer Equipment							3,658	(93,163)
6	392.00	Transportation Equipment							(3,063)	318,576
7	393.00	Stores Equipment							394	2,533
8	394.00	Tools, Shop and Garage							(3,423)	81,539
9	395.00	Laboratory Equipment							466	6,321
10	396.00	Power Operated Equipment							(649)	53,340
11	397.00	Communication Equipment							(416)	15,260
12	398.00	Miscellaneous Equipment							2,171	10,506
13		**Subtotal General**			$ -	$ -	$ -	$ -	$ (98,022)	$ 374,871
14										
15			ADJ #			Reference				
16			6							
17			7							
18			8							
19			9							
20			10							
21										
22										
23										

Arizona-American Havasu Water
B-3 Adjustments

Exhibit B-4
Page A1
Witness: Bourassa

Line No.	Account No.	Description	Direct Original Cost	B-2 Adjustments	Adjusted Original Cost	O.C. A/D	B-2 Adjustments	O.C. Adjusted A/D
1								
2		**Intangible**						
3	301.00	Organization	10,144	-	10,144	-	-	-
4	302.00	Franchises	-	-	-	-	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
6		**Subtotal Intangible**	10,144	-	10,144	-	-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	10,545	(5,746)	4,799	-	-	-
10	311.00	Structures and Improvements	25,577	(401)	25,176	8,782	(401)	8,381
11	312.00	Collecting and Impounding Res.	148,253	-	148,253	19,259	-	19,259
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	107,017	(70,928)	36,089	75,605	(70,928)	4,677
14		**Subtotal Source of Supply**	291,391	(77,075)	214,317	103,645	(71,329)	32,316
15								
16		**Pumping**	-	-				
17	320.00	Land and Land Rights	-	-	-	-	-	-
18	321.00	Structures and Improvements	-	-	-	-	-	-
19	323.00	Other Power Production	22,738	-	22,738	10,719	-	10,719
20	325.00	Electric Pumping Equipment	254,974	(244)	254,730	45,084	(244)	44,840
21	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	-	-	-	-	-	-
23		**Subtotal Pumping**	277,712	(244)	277,468	55,803	(244)	55,559
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	-	-	-	-	-	-
28	332.00	Water Treatment Equipment	25,315	-	25,315	24,643	-	24,643
29		**Subtotal Water Treatment**	25,315	-	25,315	24,643	-	24,643
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	-	-	-
33	341.00	Structures and Improvements	-	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	151,085	-	151,085	55,856	-	55,856
35	343.00	Transmission and Distribution	721,812	-	721,812	172,563	-	172,563
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	182,275	-	182,275	27,743	-	27,743
38	346.00	Meters	176,386	-	176,386	42,384	-	42,384
39	348.00	Hydrants	-	-	-	-	-	-
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	1,231,558	-	1,231,558	298,545	-	298,545
42								
43		**General**						
44	389.00	Land and Land Rights	-	-	-	-	-	-
45	390.00	Structures and Improvements	19	-	19	1	-	1
46	391.00	Office Funiture and Equipment	3,254	-	3,254	156	-	156
47	391.10	Computer Equipment	10,967	-	10,967	1,654	-	1,654
48	392.00	Transportation Equipment	84,886	-	84,886	15,908	-	15,908
49	393.00	Stores Equipment	-	-	-	-	-	-
50	394.00	Tools, Shop and Garage	11,841	-	11,841	5,717	-	5,717
51	395.00	Laboratory Equipment	-	-	-	-	-	-
52	396.00	Power Operated Equipment	33,093	-	33,093	6,238	-	6,238
53	397.00	Communication Equipment	9,217	-	9,217	3,988	-	3,988
54	398.00	Miscellaneous Equipment	580	-	580	(75)	-	(75)
55		**Subtotal General**	153,858	-	153,858	33,587	-	33,587
		TOTAL WATER PLANT	1,989,979	(77,319)	1,912,660	516,224	(71,573)	444,651

Arizona-American Havasu Water
B-3 Adjustments

Exhibit B-4
Page A2
Witness: Bourassa

Line No.	Account No.	Description	RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted RCN	Adjustment (B-3, page 2b, Adj. #9) RCN Direct to RCN Rebuttal	Adjusted RCN Rebuttal
1							
2		**Intangible**					
3	301.00	Organization	13,801	-	13,801	(3,657)	10,144
4	302.00	Franchises	-	-	-	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-
6		**Subtotal Intangible**	13,801	-	13,801	(3,657)	10,144
7							
8		**Source of Supply**					
9	310.00	Land and Land Rights	14,536	(7,867)	6,669	(1,870)	4,799
10	311.00	Structures and Improvements	103,785	(2,133)	101,652	(5,449)	96,203
11	312.00	Collecting and Impounding Res.	175,205	-	175,205	(12,779)	162,426
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-
13	314.00	Wells and Springs	172,365	(118,727)	53,638	(5,051)	48,587
14		**Subtotal Source of Supply**	465,891	(128,726)	337,164	(25,149)	312,015
15							
16		**Pumping**					
17	320.00	Land and Land Rights	-	-	-	-	-
18	321.00	Structures and Improvements	-	-	-	-	-
19	323.00	Other Power Production	31,299	-	31,299	1,962	33,261
20	325.00	Electric Pumping Equipment	326,665	(583)	326,082	25,236	351,318
21	326.00	Diesel Pumping Equipment	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	-	-	-	-	-
23		**Subtotal Pumping**	357,964	(583)	357,381	27,198	384,579
24							
25		**Water Treatment**					
26	330.00	Land and Land Rights	-	-	-	-	-
27	331.00	Structures and Improvements	-	-	-	-	-
28	332.00	Water Treatment Equipment	32,586	-	32,586	(1,105)	31,481
29		**Subtotal Water Treatment**	32,586	-	32,586	(1,105)	31,481
30							
31		**Transmission and Distribution**					
32	340.00	Land and Land Rights	-	-	-	-	-
33	341.00	Structures and Improvements	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	286,373	-	286,373	(58,509)	227,865
35	343.00	Transmission and Distribution	1,250,275	-	1,250,275	(161,530)	1,088,745
36	344.00	Fire Mains	10,288	-	10,288	(10,288)	-
37	345.00	Services	298,040	-	298,040	(40,247)	257,792
38	346.00	Meters	267,159	-	267,159	(18,276)	248,883
39	348.00	Hydrants	-	-	-	-	-
40	349.00	Other Transmission & Distribution	-	-	-	-	-
41		**Subtotal Trans & Dist**	2,112,135	-	2,112,135	(288,850)	1,823,285
42							
43		**General**				**(Common Plant, B-2, Page 6)**	
44	389.00	Land and Land Rights	-	-	-	-	-
45	390.00	Structures and Improvements	24	-	24	(1)	24
46	391.00	*Office Funiture and Equipment*	4,190	-	4,190	(201)	3,989
47	391.10	Computer Equipment	13,975	-	13,975	(663)	13,312
48	392.00	Transportation Equipment	86,991	-	86,991	(407)	86,584
49	393.00	Stores Equipment	-	-	-	-	-
50	394.00	Tools, Shop and Garage	15,906	-	15,906	(302)	15,604
51	395.00	Laboratory Equipment	-	-	-	-	-
52	396.00	Power Operated Equipment	48,395	-	48,395	2,270	50,665
53	397.00	Communication Equipment	10,869	-	10,869	(285)	10,585
54	398.00	Miscellaneous Equipment	714	-	714	(11)	702
55		**Subtotal General**	181,064	-	181,064	401	181,465
		TOTAL WATER PLANT	3,163,440	(129,309)	3,034,131	(291,162)	2,742,969

Line No.	Account No.	Description	A/D RCN Direct	B-3 (Excl PTY Plant) Adjustments	Adjusted A/D RCN Rebuttal	Ratio	A/D RCN Rebttual	(B-3, page 3b, Adj. #9) A/D Adjustment Adjusted RCN Direct to RCN Rebuttal
1								
2		**Intangible**						
3	301.00	Organization	-	-	-	1.0000	-	-
4	302.00	Franchises	-	-	-	-	-	-
5	303.00	Miscellaneous Intangibles	-	-	-	-	-	-
6		**Subtotal Intangible**	-	-	-		-	-
7								
8		**Source of Supply**						
9	310.00	Land and Land Rights	-	-	-	1.0000	-	-
10	311.00	Structures and Improvements	35,635	(2,133)	33,502	3.8213	32,026	(1,477)
11	312.00	Collecting and Impounding Res.	22,760	-	22,760	1.0956	21,100	(1,660)
12	313.00	Lakes, Rivers, Other Intakes	-	-	-	-	-	-
13	314.00	Wells and Springs	121,771	(118,727)	3,044	1.3463	6,296	3,252
14		**Subtotal Source of Supply**	180,166	(120,860)	59,306		59,422	115
15								
16		**Pumping**						
17	320.00	Land and Land Rights	-	-	-	-	-	-
18	321.00	Structures and Improvements	-	-	-	-	-	-
19	323.00	Other Power Production	14,754	-	14,754	1.4628	15,679	925
20	325.00	Electric Pumping Equipment	57,760	(583)	57,178	1.3792	61,843	4,665
21	326.00	Diesel Pumping Equipment	-	-	-	-	-	-
22	328.10	Gas Engine Pumping Equipment	-	-	-	-	-	-
23		**Subtotal Pumping**	72,515	(583)	71,932		77,522	5,590
24								
25		**Water Treatment**						
26	330.00	Land and Land Rights	-	-	-	-	-	-
27	331.00	Structures and Improvements	-	-	-	-	-	-
28	332.00	Water Treatment Equipment	31,721	-	31,721	1.2436	30,646	(1,075)
29		**Subtotal Water Treatment**	31,721	-	31,721		30,646	(1,075)
30								
31		**Transmission and Distribution**						
32	340.00	Land and Land Rights	-	-	-	-	-	-
33	341.00	Structures and Improvements	-	-	-	-	-	-
34	342.00	Distribution, Reservoirs, & ST	105,872	-	105,872	1.5082	84,241	(21,631)
35	343.00	Transmission and Distribution	298,901	-	298,901	1.5083	260,285	(38,617)
36	344.00	Fire Mains	-	-	-	-	-	-
37	345.00	Services	45,363	-	45,363	1.4143	39,237	(6,126)
38	346.00	Meters	64,196	-	64,196	1.4110	59,804	(4,392)
39	348.00	Hydrants	-	-	-	-	-	-
40	349.00	Other Transmission & Distribution	-	-	-	-	-	-
41		**Subtotal Trans & Dist**	514,332	-	514,332		443,567	(70,765)
42								
43		**General**						**(Common Plant, B-2, Page 7)**
44	389.00	Land and Land Rights	-	-	-	-	-	-
45	390.00	Structures and Improvements	1	-	1	1.2236	1	(0)
46	391.00	Office Funiture and Equipment	201	-	201	1.2259	191	(10)
47	391.10	Computer Equipment	2,108	-	2,108	1.2138	2,008	(100)
48	392.00	Transportation Equipment	16,303	-	16,303	1.0200	16,227	(76)
49	393.00	Stores Equipment	-	-	-	-	-	-
50	394.00	Tools, Shop and Garage	7,679	-	7,679	1.3177	7,533	(146)
51	395.00	Laboratory Equipment	-	-	-	-	-	-
52	396.00	Power Operated Equipment	9,122	-	9,122	1.5310	9,550	428
53	397.00	Communication Equipment	4,704	-	4,704	1.1484	4,580	(123)
54	398.00	Miscellaneous Equipment	(93)	-	(93)	1.2118	(91)	1
55		**Subtotal General**	40,025	-	40,025		39,999	(26)
		TOTAL WATER PLANT	838,758	(121,442)	717,316		651,155	(66,161)

10/09/2003

Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 1
Witness: Bourassa

Company Code: 4007 Business Area: 4509 Havasu Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W30100	ORGANIZATION	1991	10,144	180.2	136.2	1.3231	13,421	10,144
	W30100	Class Totals	10,144				13,421	10,144
W31000	LAND/LAND RIGHTS	1990	3,800	180.2	129.4	1.3926	5,291	3,800
W31000	LAND/LAND RIGHTS	1991	999	180.2	136.2	1.3231	1,322	999
	W31000	Class Totals	4,799				6,614	4,799
W31100	STRUCT AND IMPROV	1968	14,515	350.0	69.0	5.0725	73,627	73,627
W31100	STRUCT AND IMPROV	1975	5,817	350.0	136.0	2.5735	14,970	14,970
W31100	STRUCT AND IMPROV	1978	1,094	350.0	164.0	2.1341	2,334	2,334
W31100	STRUCT AND IMPROV	1980	1,350	350.0	207.0	1.6908	2,282	2,282
W31100	STRUCT AND IMPROV	1993	1,929	350.0	277.0	1.2635	2,437	2,437
W31100	STRUCT AND IMPROV	1995	392	350.0	298.0	1.1745	460	460
W31100	STRUCT AND IMPROV	1996	77	350.0	303.0	1.1551	89	89
	W31100	Class Totals	25,175				96,203	96,203
W31200	COL/IMPOUND RESER	1996	148,252	275.0	251.0	1.0956	162,425	162,425
	W31200	Class Totals	148,252				162,425	162,425
W31400	WELLS AND SPRINGS	1978	744	321.0	170.0	1.8882	1,404	1,404

10/09/2003

Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 2
Witness: Bourassa

Company Code: 4007 Business Area: 4509 Havasu Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W31400	WELLS AND SPRINGS	1980	10,074	321.0	206.0	1.5583	15,698	15,698
W31400	WELLS AND SPRINGS	1989	88	321.0	247.0	1.2996	115	115
W31400	WELLS AND SPRINGS	1991	511	321.0	244.0	1.3156	672	672
W31400	WELLS AND SPRINGS	1993	24,671	321.0	258.0	1.2442	30,696	30,696
	W31400	Class Totals	36,089				48,587	48,587
W32300	OTH PWR PROD EQUIP	1992	22,738	531.0	363.0	1.4628	33,261	33,261
	W32300	Class Totals	22,738				33,261	33,261
W32500	ELEC PUMP EQUIP	1983	920	531.0	271.0	1.9594	1,802	1,802
W32500	ELEC PUMP EQUIP	1987	1,234	531.0	299.0	1.7759	2,191	2,191
W32500	ELEC PUMP EQUIP	1989	10,821	531.0	309.0	1.7184	18,595	18,595
W32500	ELEC PUMP EQUIP	1989	1,725	531.0	336.0	1.5804	2,727	2,727
W32500	ELEC PUMP EQUIP	1990	7,361	531.0	340.0	1.5618	11,497	11,497
W32500	ELEC PUMP EQUIP	1990	56,738	531.0	349.0	1.5215	86,327	86,327
W32500	ELEC PUMP EQUIP	1991	128	531.0	357.0	1.4874	190	190
W32500	ELEC PUMP EQUIP	1991	30,985	531.0	350.0	1.5171	47,008	47,008
W32500	ELEC PUMP EQUIP	1992	46	531.0	363.0	1.4628	67	67
W32500	ELEC PUMP EQUIP	1993	56,451	531.0	369.0	1.4390	81,233	81,233
W32500	ELEC PUMP EQUIP	1993	1,127	531.0	378.0	1.4048	1,584	1,584
W32500	ELEC PUMP EQUIP	1994	416	531.0	420.0	1.2643	526	526
W32500	ELEC PUMP EQUIP	1995	881	531.0	437.0	1.2151	1,070	1,070
W32500	ELEC PUMP EQUIP	1996	46,164	531.0	454.0	1.1696	53,993	53,993
W32500	ELEC PUMP EQUIP	1996	2,663	531.0	446.0	1.1906	3,170	3,170

10/09/2003

Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 3
Witness: Bourassa

Company Code: 4007 Business Area: 4509 Havasu Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W32500	ELEC PUMP EQUIP	1997	1,270	531.0	454.0	1.1696	1,485	1,485
W32500	ELEC PUMP EQUIP	1998	21,635	531.0	485.0	1.0948	23,686	23,686
W32500	ELEC PUMP EQUIP	2001	6,399	531.0	531.0	1.0000	6,399	6,399
W32500	ELEC PUMP EQUIP	2001	7,760	531.0	531.0	1.0000	7,760	7,760
	W32500	Class Totals	254,729				351,318	351,318
W33200	WATER TREAT EQUIP	1991	13,332	403.0	313.0	1.2875	17,164	17,164
W33200	WATER TREAT EQUIP	1992	269	403.0	314.0	1.2834	345	345
W33200	WATER TREAT EQUIP	1994	4,549	403.0	332.0	1.2139	5,522	5,522
W33200	WATER TREAT EQUIP	1995	306	403.0	337.0	1.1958	366	366
W33200	WATER TREAT EQUIP	1996	6,858	403.0	342.0	1.1784	8,082	8,082
	W33200	Class Totals	25,315				31,480	31,480
W34200	DIST RESRV & STNDPIP	1970	16,392	275.0	75.0	3.6667	60,104	60,104
W34200	DIST RESRV & STNDPIP	1971	9,386	275.0	82.0	3.3537	31,477	31,477
W34200	DIST RESRV & STNDPIP	1976	2,254	275.0	171.0	1.6082	3,624	3,624
W34200	DIST RESRV & STNDPIP	1990	1,610	275.0	232.0	1.1853	1,908	1,908
W34200	DIST RESRV & STNDPIP	1991	38,820	275.0	259.0	1.0618	41,219	41,219
W34200	DIST RESRV & STNDPIP	1993	76,890	275.0	254.0	1.0827	83,248	83,248
W34200	DIST RESRV & STNDPIP	1995	483	275.0	251.0	1.0956	529	529
W34200	DIST RESRV & STNDPIP	1996	5,248	275.0	251.0	1.0956	5,750	5,750
	W34200	Class Totals	151,085				227,864	227,864

10/09/2003

Trended RCN
Handy-Whitman

Exhibit
Schedule B-4
Page 4
Witness: Bourassa

Company Code: 4007 Business Area: 4509 Havasu Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34300	TRANS/DISTR	1968	7,244	324.0	80.0	4.0500	29,338	29,338
W34300	TRANS/DISTR	1969	32,456	324.0	83.0	3.9036	126,695	126,695
W34300	TRANS/DISTR	1970	59,812	324.0	87.0	3.7241	222,745	222,745
W34300	TRANS/DISTR	1973	3,904	324.0	100.0	3.2400	12,648	12,648
W34300	TRANS/DISTR	1977	1,699	324.0	166.0	1.9518	3,316	3,316
W34300	TRANS/DISTR	1984	845	324.0	244.0	1.3279	1,122	1,122
W34300	TRANS/DISTR	1985	911	324.0	248.0	1.3065	1,190	1,190
W34300	TRANS/DISTR	1986	1,228	324.0	245.0	1.3224	1,623	1,623
W34300	TRANS/DISTR	1987	11,438	324.0	252.0	1.2857	14,705	14,705
W34300	TRANS/DISTR	1989	132	324.0	273.0	1.1868	156	156
W34300	TRANS/DISTR	1990	6,799	324.0	273.0	1.1868	8,069	8,069
W34300	TRANS/DISTR	1990	14,937	324.0	275.0	1.1782	17,598	17,598
W34300	TRANS/DISTR	1991	24,926	324.0	277.0	1.1697	29,156	29,156
W34300	TRANS/DISTR	1992	4,429	324.0	277.0	1.1697	5,180	5,180
W34300	TRANS/DISTR	1993	174,823	324.0	281.0	1.1530	201,571	201,571
W34300	TRANS/DISTR	1993	5,601	324.0	285.0	1.1368	6,367	6,367
W34300	TRANS/DISTR	1994	7,763	324.0	289.0	1.1211	8,703	8,703
W34300	TRANS/DISTR	1995	578	324.0	291.0	1.1134	643	643
W34300	TRANS/DISTR	1995	11,812	324.0	286.0	1.1329	13,382	13,382
W34300	TRANS/DISTR	1996	157,143	324.0	289.0	1.1211	176,173	176,173
W34300	TRANS/DISTR	1996	8,080	324.0	292.0	1.1096	8,965	8,965
W34300	TRANS/DISTR	1997	44,451	324.0	297.0	1.0909	48,491	48,491
W34300	TRANS/DISTR	1998	86,534	324.0	301.0	1.0764	93,146	93,146
W34300	TRANS/DISTR	1998	10,193	324.0	300.0	1.0800	11,008	11,008
W34300	TRANS/DISTR	1999	24,517	324.0	306.0	1.0588	25,959	25,959
W34300	TRANS/DISTR	2001	2,680	324.0	320.0	1.0125	2,714	2,714

Company Code: 4007 Business Area: 4509 Havasu Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34300	TRANS/DISTR	2001	9,045	324.0	324.0	1.0000	9,045	9,045
	W34300	Class Totals	713,986				1,079,721	1,079,721
W3430F	TRANS AND DIST MAIN	1993	7,825	324.0	281.0	1.1530	9,023	9,023
	W3430F	Class Totals	7,825				9,023	9,023
W34500	SERVICES	1968	2,785	288.0	68.0	4.2353	11,795	11,795
W34500	SERVICES	1969	5,010	288.0	72.0	4.0000	20,040	20,040
W34500	SERVICES	1970	11,103	288.0	83.0	3.4699	38,526	38,526
W34500	SERVICES	1973	729	288.0	100.0	2.8800	2,099	2,099
W34500	SERVICES	1977	317	288.0	142.0	2.0282	642	642
W34500	SERVICES	1984	158	288.0	211.0	1.3649	215	215
W34500	SERVICES	1985	170	288.0	211.0	1.3649	232	232
W34500	SERVICES	1986	229	288.0	222.0	1.2973	297	297
W34500	SERVICES	1987	2,136	288.0	227.0	1.2687	2,709	2,709
W34500	SERVICES	1989	1,495	288.0	224.0	1.2857	1,922	1,922
W34500	SERVICES	1990	3,664	288.0	226.0	1.2743	4,670	4,670
W34500	SERVICES	1991	23,343	288.0	235.0	1.2255	28,607	28,607
W34500	SERVICES	1992	4,453	288.0	241.0	1.1950	5,321	5,321
W34500	SERVICES	1992	900	288.0	251.0	1.1474	1,032	1,032
W34500	SERVICES	1993	26,527	288.0	251.0	1.1474	30,437	30,437
W34500	SERVICES	1993	6,675	288.0	249.0	1.1566	7,720	7,720
W34500	SERVICES	1994	4,969	288.0	265.0	1.0868	5,400	5,400
W34500	SERVICES	1994	5,820	288.0	250.0	1.1520	6,704	6,704

Company Code: 4007 Business Area: 4509 Havasu Water

			Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34500	SERVICES		1995	2,450	288.0	253.0	1.1383	2,789	2,789
W34500	SERVICES		1995	13,646	288.0	255.0	1.1294	15,412	15,412
W34500	SERVICES		1996	29,633	288.0	263.0	1.0951	32,452	32,452
W34500	SERVICES		1996	9,640	288.0	262.0	1.0992	10,596	10,596
W34500	SERVICES		1998	8,118	288.0	268.0	1.0746	8,724	8,724
W34500	SERVICES		1998	7,844	288.0	261.0	1.1034	8,655	8,655
W34500	SERVICES		1999	5,276	288.0	274.0	1.0511	5,546	5,546
W34500	SERVICES		2000	558	288.0	278.0	1.0360	579	579
W34500	SERVICES		2001	3,882	288.0	285.0	1.0105	3,923	3,923
W34500	SERVICES		2001	737	288.0	288.0	1.0000	737	737
		W34500	Class Totals	182,275				257,792	257,792
W34600	METERS		1968	4,583	350.0	73.0	4.7945	21,973	21,973
W34600	METERS		1969	3,159	350.0	78.0	4.4872	14,175	14,175
W34600	METERS		1971	3,643	350.0	89.0	3.9326	14,326	14,326
W34600	METERS		1974	14	350.0	118.0	2.9661	41	41
W34600	METERS		1976	1,278	350.0	137.0	2.5547	3,264	3,264
W34600	METERS		1978	5,152	350.0	162.0	2.1605	11,130	11,130
W34600	METERS		1979	4,218	350.0	174.0	2.0115	8,484	8,484
W34600	METERS		1980	82	350.0	190.0	1.8421	151	151
W34600	METERS		1981	109	350.0	202.0	1.7327	188	188
W34600	METERS		1984	390	350.0	241.0	1.4523	566	566
W34600	METERS		1985	1,079	350.0	239.0	1.4644	1,580	1,580
W34600	METERS		1989	845	350.0	261.0	1.3410	1,133	1,133
W34600	METERS		1990	448	350.0	264.0	1.3258	593	593

Company Code: 4007 Business Area: 4509 Havasu Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W34600	METERS	1991	13,128	350.0	274.0	1.2774	16,769	16,769
W34600	METERS	1992	11,963	350.0	278.0	1.2590	15,061	15,061
W34600	METERS	1993	17,837	350.0	292.0	1.1986	21,379	21,379
W34600	METERS	1994	16,254	350.0	304.0	1.1513	18,713	18,713
W34600	METERS	1995	2,011	350.0	303.0	1.1551	2,323	2,323
W34600	METERS	1995	15,285	350.0	303.0	1.1551	17,656	17,656
W34600	METERS	1996	3,342	350.0	316.0	1.1076	3,701	3,701
W34600	METERS	1996	15,194	350.0	318.0	1.1006	16,722	16,722
W34600	METERS	1997	6,160	350.0	318.0	1.1006	6,780	6,780
W34600	METERS	1998	12,897	350.0	325.0	1.0769	13,889	13,889
W34600	METERS	1998	6,493	350.0	322.0	1.0870	7,058	7,058
W34600	METERS	1999	3,271	350.0	329.0	1.0638	3,480	3,480
W34600	METERS	2000	1,195	350.0	336.0	1.0417	1,245	1,245
W34600	METERS	2001	24,401	350.0	348.0	1.0057	24,540	24,540
W34600	METERS	2001	1,950	350.0	350.0	1.0000	1,950	1,950
	W34600	Class Totals	176,386				248,883	248,883
W39000	MISC STRUCTURES	1994	19	350.0	286.0	1.2238	23	23
	W39000	Class Totals	19				23	23
W39100	OFFICE FURN/EQUIP	1993	2,061	180.2	145.5	1.2385	2,552	2,552
W39100	OFFICE FURN/EQUIP	1993	654	180.2	145.5	1.2385	810	810
W39100	OFFICE FURN/EQUIP	1994	101	180.2	148.7	1.2118	122	122
W39100	OFFICE FURN/EQUIP	1996	437	180.2	156.6	1.1507	503	503

	W39100	Class Totals	3,254				3,989	3,989
W39110	COMPUTER EQUIPMENT	1992	6,382	180.2	141.0	1.2780	8,157	8,157
W39110	COMPUTER EQUIPMENT	1993	1,403	180.2	145.5	1.2385	1,737	1,737
W39110	COMPUTER EQUIPMENT	1993	383	180.2	145.5	1.2385	475	475
W39110	COMPUTER EQUIPMENT	1995	207	180.2	152.2	1.1840	245	245
W39110	COMPUTER EQUIPMENT	2000	2,590	180.2	173.1	1.0410	2,697	2,697
	W39110	Class Totals	10,967				13,312	13,312
W39200	TRANSPORT EQUIP	1994	1,724	180.2	148.7	1.2118	2,089	2,089
W39200	TRANSPORT EQUIP	2000	32,492	180.2	173.1	1.0410	33,824	33,824
W39200	TRANSPORT EQUIP	2001	29,253	180.2	180.2	1.0000	29,253	29,253
W39200	TRANSPORT EQUIP	2001	21,416	180.2	180.2	1.0000	21,416	21,416
	W39200	Class Totals	84,886				86,583	86,583
W39400	TOOLS AND WORK EQUIP	1987	544	180.2	113.2	1.5919	865	865
W39400	TOOLS AND WORK EQUIP	1989	416	180.2	123.3	1.4615	608	608
W39400	TOOLS AND WORK EQUIP	1990	3,344	180.2	129.4	1.3926	4,656	4,656
W39400	TOOLS AND WORK EQUIP	1991	2,742	180.2	136.2	1.3231	3,627	3,627
W39400	TOOLS AND WORK EQUIP	1992	566	180.2	141.0	1.2780	723	723
W39400	TOOLS AND WORK EQUIP	1992	107	180.2	141.0	1.2780	137	137
W39400	TOOLS AND WORK EQUIP	1993	1,041	180.2	145.5	1.2385	1,289	1,289
W39400	TOOLS AND WORK EQUIP	1993	414	180.2	145.5	1.2385	512	512
W39400	TOOLS AND WORK EQUIP	1994	1,061	180.2	148.7	1.2118	1,285	1,285
W39400	TOOLS AND WORK EQUIP	1994	284	180.2	148.7	1.2118	344	344

Company Code: 4007 Business Area: 4509 Havasu Water

		Year Installed	Original Cost	Base	Index	Trend Factor	Trended Cost	Trended Cost (Land/Intangibles NOT Trended)
W39400	TOOLS AND WORK EQUIP	1995	1,047	180.2	152.2	1.1840	1,239	1,239
W39400	TOOLS AND WORK EQUIP	1996	198	180.2	156.6	1.1507	228	228
W39400	TOOLS AND WORK EQUIP	1998	76	180.2	163.6	1.1015	84	84
	W39400	Class Totals	11,841				15,603	15,603
W39600	PWR OPER EQUIP	1988	33,093	180.2	117.7	1.5310	50,665	50,665
	W39600	Class Totals	33,093				50,665	50,665
W39700	COMM EQUIP	1989	816	180.2	123.3	1.4615	1,192	1,192
W39700	COMM EQUIP	1992	1,227	180.2	141.0	1.2780	1,568	1,568
W39700	COMM EQUIP	1993	2,726	180.2	145.5	1.2385	3,377	3,377
W39700	COMM EQUIP	2001	4,447	180.2	180.2	1.0000	4,447	4,447
	W39700	Class Totals	9,216				10,584	10,584
W39800	MISC EQUIP	1994	579	180.2	148.7	1.2118	702	702
	W39800	Class Totals	579				702	702
Company Code: 4007	Business Area: 4509		1,912,660				2,748,061	2,742,969

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rebuttal Schedule C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Label	Adjustment	Rebuttal Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 430,392			$ 430,392	128,301	$ 558,693
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	10,532			10,532		10,532
5		$ 440,924		$ -	$ 440,924	$ 128,301	$ 569,225
6	**Operating Expenses**						
7	Salaries and Wages	$ 171,419	1/6	(32,905)	$ 138,514		$ 138,514
8	Purchased Water	806			806		806
9	Purchased Power	47,018			47,018		47,018
10	Chemicals	1,266			1,266		1,266
11	Repairs and Maintenance	75,805			75,805		75,805
12	Office Supplies and Expense	21,243	7	(3,182)	18,060		18,060
13	Outside Services	2,462			2,462		2,462
14	Service Company Charges	75,244	10	(2,515)	72,729		72,729
15	Water Testing	-			-		-
16	Rents	1,837			1,837		1,837
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	2,365	8	(280)	2,085		2,085
19	Insurance - Health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	2,910			2,910		2,910
21	Miscellaneous Expense	1,977	9	(19)	1,958		1,958
22	Depreciation Expense	46,650	3	(5,097)	41,554		41,554
23	Taxes Other Than Income	9,712	2	(804)	8,908		8,908
24	Property Taxes	28,682	4	(1,411)	27,271		27,271
25	Income Tax	(32,151)		17,581	(14,569)		34,953
26					-		-
27	**Total Operating Expenses**	$ 457,244		$ (28,631)	$ 428,614	$ -	$ 478,136
28	**Profit (Loss) Before Interest & Taxes**	$ (16,320)		$ 28,631	$ 12,310	$ 128,301	$ 91,089
29	**Other Income (Expense)**						
30	Interest Income				-		-
31	Other income	-			-		-
32	Interest Expense	(34,824)	5	(663)	(35,487)		(35,487)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (34,824)		$ (663)	$ (35,487)	$ -	$ (35,487)
36	**Net Profit (Loss)**	$ (51,144)		$ 27,968	$ (23,176)	$ 128,301	$ 55,602
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-2					Rebuttal A-1	
40							
41							

Arizona American
Summary of Rebuttal Adjustments
Test Year December 31, 2001

Exhibit
Rebuttal Schedule C-2
Witness: Bourassa
Page1

	Water/ Sewer Label	Description	Havasu Water
Revenues			
Revenues		None	
Other Revenues		None	
			$ -
Operating Expenses			
Salaries and Wages	1	Adjust to Actual 2002 Wages	$ (7,205)
	6	Adjust to Actual 2002 Additional (Corporate)	(25,700)
Purchased Water	11	Adjust to annualized 2001 qty	
Purchased Wastewater Treatment		None	
Purchased Power		None	
Fuel for Power Production			
Chemicals		None	
Materials ans Supplies		None	
Repairs and Maintenance		None	
Office Supplies and Expense	7	Adjust to Actual 2002 Additional (Corporate)	(3,182)
Outside Services			
Service Company Charges	10	Adjust to Actual 2002 Service Company Charges	(2,515)
Water Testing		None	
Rents		None	
Transportation Expenses			
Insurance - General Liability	8	Adjust to Actual 2002 Additional (Corporate)	(280)
Insurance - Health and Life		None	
Rate Case Expense		None	
Miscellaneous Expense	9	Adjust to Actual 2002 Additional (Corporate)	(19)
Depreciation Expense	3	Depreciation Expense	(5,097)
Taxes Other Than Income	2	Adjust to 2002 PR Tax based on Actual Wages	(804)
Property Taxes	4	Property Taxes	(1,411)
Income Tax			17,581
Tolleson Wastewater User Fees		None	
Total Operating Expenses			$ (28,631)
Operating Income			$ 28,631

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rebuttal Schedule C-2
Page 2
Witness: Bourassa

Line No.			
1	Projected Salaries & Wages and Related Expenses		
2			
3	Actual 2002 Wages and Salaries	**Amount**	
4	60 Salaries & Wages	$	110,136
5			
6	Direct Filing Proposed Wages and Salaries		
7	60 Salaries & Wages		117,341
8			
9	Increase (Decrease)	$	(7,205)
10			
11	Adjustment to Revenues and/or Expenses	$	(7,205)
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rebuttal Schedule C-2
Page 3
Witness: Bourassa

Line No.			
1	Projected Salaries & Wages and Related Expenses		
2			
3	PR Taxes Based on Actual 2002 Wages and Salaries	**Amount**	
4	## Taxes Other Than Income		8,908
5			
6	Direct Filing Proposed PR Taxes		
7	## Taxes Other Than Income		9,712
8			
9	Increase (Decrease)	$	(804)
10			
11	Adjustment to Revenues and/or Expenses	$	(804)
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 3

Exhibit
Rebuttal Schedule C-2
Page 4
Witness: Bourassa

Line No.		Account No.	Description	Rebuttak Original Cost	Rate	Depreciation Expense
1	Depreciation Expense					
2						
3		Account		Rebuttak		Depreciation
4		No.	Description	Original Cost	Rate	Expense
5			**Intangible**			
6		301.00	Organization	$ 10,144	0.00%	$ -
7		302.00	Franchises	-	0.00%	-
8		303.00	Miscellaneous Intangibles	-	0.00%	-
9			**Subtotal Intangible**	$ 10,144		$ -
10						
11			**Source of Supply**			
12		310.00	Land and Land Rights	$ 7,772	0.00%	$ -
13		311.00	Structures and Improvements	63,763	2.79%	1,779
14		312.00	Collecting and Impounding Res.	148,253	2.54%	3,766
15		313.00	Lakes, Rivers, Other Intakes	-	0.00%	-
16		314.00	Wells and Springs	36,089	2.54%	917
17			**Subtotal Source of Supply**	$ 255,876		$ 6,461
18						
19			**Pumping**			
20		320.00	Land and Land Rights	$ -	0.00%	$ -
21		321.00	Structures and Improvements	-	0.00%	-
22		323.00	Other Power Production	22,738	5.12%	1,164
23		325.00	Electric Pumping Equipment	254,730	3.71%	9,450
24		326.00	Diesel Pumping Equipment	-	0.00%	-
25		328.10	Gas Engine Pumping Equipment	-	0.00%	-
26			**Subtotal Pumping**	$ 277,468		$ 10,615
27						
28			**Water Treatment**			
29		330.00	Land and Land Rights	$ -	0.00%	$ -
30		331.00	Structures and Improvements	-	0.00%	-
31		332.00	Water Treatment Equipment	25,315	12.00%	3,038
32			**Subtotal Water Treatment**	$ 25,315		$ 3,038
33						
34			**Transmission and Distribution**			
35		340.00	Land and Land Rights	$ -	0.00%	$ -
36		341.00	Structures and Improvements	-	0.00%	-
37		342.00	Distribution, Reservoirs, & ST	225,871	2.33%	5,263
38		343.00	Transmission and Distribution	774,028	2.10%	16,255
39		344.00	Fire Mains	-	0.00%	-
40		345.00	Services	182,275	2.89%	5,268
41		346.00	Meters	176,386	3.52%	6,209
42		348.00	Hydrants	-	0.00%	-
43		349.00	Other Transmission & Distribution	-	0.00%	-
44			**Subtotal Transmission and Distribution**	$ 1,358,560		$ 32,994
45						
46			**General**			
47		389.00	Land and Land Rights	$ 25	0.00%	$ -
48		390.00	Structures and Improvements	7,740	2.03%	157
49		391.00	Office Funiture and Equipment	22,444	4.10%	920
50		391.10	Computer Equipment	33,449	4.10%	1,371
51		392.00	Transportation Equipment	45,234	25.00%	11,309
52		393.00	Stores Equipment	247	3.93%	10
53		394.00	Tools, Shop and Garage	10,104	7.55%	763
54		395.00	Laboratory Equipment	627	3.06%	19
55		396.00	Power Operated Equipment	6,144	9.23%	567
56		397.00	Communication Equipment	13,017	4.10%	534
57		398.00	Miscellaneous Equipment	934	6.19%	58
58			**Subtotal General**	$ 139,967		$ 15,708
59						
60						
61						
62						
63			TOTALS	$ 2,067,330	3.329%	$ 68,815
64						
65						
66	Amortization of Deferred Regulatory Assets			$ 24,785	3.3287%	825
67						
68	Less: Amotization of Contributions			$ 280,867	10.0000%	(28,087)
69	Rebuttal Depreciation Expense					$ 41,554
70						
71	Direct Filing Depreciation Expense					46,650
72						
73	Increase (decrease) in Depreciation Expense					(5,097)
74						
75	Adjustment to Revenues and/or Expenses					$ (5,097)
76						

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 4

Exhibit
Rebuttal Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Adjust Property Taxes to Reflect Proposed Revenues:		
2			
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$	440,924
4	Rebuttal Adjusted Revenues in year ended 12/31/01		440,924
5	Proposed Revenues		569,225
6	Average of three year's of revenue	$	483,691
7	Average of three year's of revenue, times 2		967,382
8	Add:		
9	Construction Work in Progess at 10%		
10	Deduct:		
11	Book Value of Transportation Equipment		45,234
12	Book Value of Transportation Equipment (proforma)		-
13	Total Book Value of Transportation Equipment	$	45,234
14			
15	Full Cash Value	$	922,148
16	Assessment Ratio		25%
17	Assessed Value		230,537
18	Property Tax Rate		11.83%
19			
20	Property Tax		27,271
21	Tax on Parcels		0
22			
23	Total Rebuttal Property Tax at Proposed Rates	$	27,271
24	Direct Filing Proposed Property Taxes		28,682
25	Increase (Decrease) in Property Taxes	$	(1,411)
26			
27			
28	Adjustment to Revenues and/or Expenses	$	(1,411)
29			
30			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 5

Exhibit
Rebuttal Schedule C-2
Page 6
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rebuttal Fair Value Rate Base	$1,216,964
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rebuttal Synchronized Interest Expense	35,487
6	Direct Filing Interest Expense	34,824
7	Increase in Interest Expense	$ 663
8		
9	Adjustment to Revenues and/or Expense	$ 663
10		
11		

Arizona American - Havasu Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rebuttal Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	*Actual 2002 Additional* Wages Expense (Corporate)	$	28,378
5			
6	Direct Filing Proposed Additonal Wages Expense (Corporate		54,078
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(25,700)
10			
11	Adjustment to Revenue and/or Expense	$	(25,700)
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 7

Exhibit
Rebuttal Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Office Expense (Corporate)	$	10,213
5			
6	Direct Filing Proposed Additonal Office Expense (Corporate)		13,395
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(3,182)
10			
11	Adjustment to Revenue and/or Expense	$	(3,182)
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 8

Exhibit
Rebuttal Schedule C-2
Page 9
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Insurance Expense (Corporate)	$	2,086
5			
6	Direct Filing Proposed Additonal Insurance Expense (Corpor		2,365
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(280)
10			
11	Adjustment to Revenue and/or Expense	$	(280)
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 9

Exhibit
Rebuttal Schedule C-2
Page 10
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Actual 2002 Additional Misc. Expense (Corporate)	$	1,024
5			
6	Direct Filing Proposed Additonal Misc. Expense (Corporate)		1,043
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(19)
10			
11	Adjustment to Revenue and/or Expense	$	(19)
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Total 2002 Charges	$ 4,981,460	
4	Allocation Factor (4 factor Formula)	0.0146	
5	Total Charges		$ 72,729
6			
7			
8	Direct Filing Proposed Charges	$ 5,153,711	
9	Allocation Factor (4 factor Formula)	0.0146	
10	Total Charges		75,244
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (2,515)
14			
15			
16			
17			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Summary of Cost of Capital

Exhibit
Rebuttal Schedule D-1
Page 1
Witness: Stephenson

Line No.	Item of Capital	End of Test Year Percent of Total	End of Test Year (e) Cost Rate	End of Test Year Weighted Cost	End of Projected Year Percent of Total	End of Projected Year (e) Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	60.00%	4.86%	2.92%	60.00%	4.86%	2.92%
2							
3	Stockholder's Equity (c)	40.00%	11.50%	4.60%	40.00%	11.50%	4.60%
4							
5	Totals	100.00%		7.52%	100.00%		7.52%
6							
7							
8	SUPPORTING SCHEDULES:				RECAP SCHEDULES:		
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							

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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WEST WATER AND WASTEWATER DISTRICTS.	**DOCKET NO. WS-01303A-02-0867**
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WATER AND WASTEWATER DISTRICTS.	**DOCKET NO. WS-01303A-02-0868**
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS MOHAVE WATER AND HAVASU WATER DISTRICTS.	**DOCKET NO. W-01303A-02-0869**

EXHIBIT
A-24
Admitted

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM WATER, AGUA FRIA WATER AND ANTHEM/AGUA FRIA WASTEWATER DISTRICTS.	**DOCKET NO. WS-01303A-02-0870**
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS TUBAC WATER DISTRICT.	**DOCKET NO. W-01303A-02-0908**

REJOINDER TESTIMONY OF

THOMAS J. BOURASSA

TABLE OF CONTENTS

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I. INTRODUCTION AND PURPOSE OF REJOINDER TESTIMONY.

Q. PLEASE STATE YOUR NAME AND ADDRESS?

A. Thomas J. Bourassa, 139 W. Wood Drive, Phoenix, Arizona 85029.

Q. ARE YOU THE SAME THOMAS BOURASSA WHO FILED DIRECT AND REBUTTAL TESTIMONY IN THIS MATTER?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR REJOINDER TESTIMONY?

A. I will provide rejoinder testimony on the general topics of rate base, revenues and expenses in response to the surrebuttal testimony of Staff and RUCO concerning the rate applications filed by Arizona-American. I am also testifying in support of Rejoinder Schedules A-1, B-1, B-2, B-3, C-1 and C-2.

Q. HOW WILL YOUR TESTIMONY BE ORGANIZED?

A. I will provide a summary of the issues I address and then describe the Company's rejoinder positions on these issues. If I do not respond to a specific proposal or adjustment proposed by Staff, RUCO or any other party, it does not mean that the Company accepts all of the particular proposals or adjustments recommended by these parties.

II. SUMMARY OF REJOINDER TESTIMONY.

Q. WHAT REVENUE INCREASE DOES ARIZONA-AMERICAN NOW SEEK FOR EACH OF THE TEN DISTRICTS IN THIS PROCEEDING?

A. Bourassa Rejoinder Exhibit 1, attached hereto, summarizes the Company's requested rate increases at the direct, rebuttal and rejoinder phases of this rate proceeding. This exhibit also reflects the recommended increases by Staff and RUCO.

Q. ARE THE REQUESTED RATE INCREASES LOWER AT THIS REJOINDER STAGE THAN AT EITHER THE DIRECT OR REBUTTAL STAGE?

A. Yes, to some extent.

The Company has accepted an additional adjustment to rate base proposed by Staff for the Mohave water district.

The Company has also made corrections to the overheads and Service Company expense levels. Both the Company and RUCO remain in agreement that it is appropriate to use actual 2002 expenses in place of Citizens' 2001 expenses and the Company agrees with RUCO regarding the corporate overhead expense level. However, there continues to be some disagreement between RUCO and Arizona-American concerning the proper expense level for Service Company charges. The difference is approximately $377,000.

With respect to salaries and wages, RUCO and the Company agree it is appropriate to use actual 2002 salaries and wages in place of Citizens' 2001 salary and wage amounts. However, while RUCO has corrected its salaries and wages amount, it continues to apply an estimated payroll capitalization rate. In contrast, the Company proposes use of the actual 2002 payroll capitalization rate. As a result, RUCO is capitalizing approximately $150,000 more payroll expense than the Company. The 2002 capitalization rate is the only representative year under the Arizona-American ownership, is known and measurable, and should be used instead of RUCO's estimate.

. . .

. . .

. . .

. . .

Q. WHAT IS THE FAIR VALUE RATE BASE THE COMPANY IS NOW PROPOSING?

A. Bourassa Rejoinder Exhibit 2, attached hereto, summarizes the Company's requested fair value rate base ("FVRB") by district at both the direct and rebuttal stages.

Q. WHY IS THE COMPANY'S REJOINDER FAIR VALUE RATE BASE LOWER THAN THE COMPANY'S FAIR VALUE RATE BASE WHEN IT FILED REBUTTAL?

A. The Company has agreed to a Staff adjustment to plant-in-service for the Mohave water district. As a result, the Company's FVRB is slightly lower.

Q. HOW DOES THE COMPANY'S REBUTTAL FAIR VALUE RATE BASE COMPARE TO STAFF AND RUCO?

A. Bourassa Rejoinder Exhibit 2 also summarizes the differences between the FVRBs proposed by the Company, Staff, and RUCO. Staff has accepted the Company's reproduction cost new study and proposes a FVRB on the weighting of 50 percent original cost rate base ("OCRB") and 50 percent reproduction cost rate base or ("RCRB").

RUCO has corrected some computational errors to plant in service but continues to propose that OCRB, excluding any acquisition adjustment, be used as the sole determinant of the FVRB for each district.

The Company continues to propose that reproduction cost new less depreciation ("RCND") be used as its FVRB because RCND provides a much better estimate of the current fair value of the Company's utility plant and property used to furnish service in each district. This issue will be discussed later in my testimony.

III. RATE BASE ISSUES.

Q. WHAT ADJUSTMENTS BY STAFF AND/OR RUCO HAVE BEEN ACCEPTED BY ARIZONA-AMERICAN?

A. The Company's rejoinder OCRB and adjustments are shown on Rejoinder Schedule B-2 for each district. The Company has accepted Staff's plant-in-service adjustment for post-test year plant in the Mohave water district. This adjustment is shown in Rejoinder Schedule B-2. There are no other adjustments.

Q. DID STAFF CORRECT THE COMMON PLANT ADJUSTMENTS FOR UNIDENTIFIED PLANT AND PLANT NOT IN SERVICE ACCORDING TO THE COMPANY'S ALLOCATION METHODOLOGY?

A. Yes and no. Staff only did so for the Staff's direct adjustment to computer plant in the Sun City water district, an adjustment of $592,003. Yet, the total of adjustments to common plant proposed by Staff were $623,738 for the Maricopa districts and $37,142 for the Mohave and Havasu water districts and Staff provided no explanation as to why the additional amounts were not corrected, despite agreeing with the Company's common plant allocation methodology. Surrebuttal of Darron W. Carlson ("Carlson Sb.") at 15.

Q. HAS THE COMPANY ACCEPTED THE REST OF STAFF'S PROPOSED ADJUSTMENTS TO ORIGINAL COST PLANT-IN-SERVICE?

A. Yes.

Q. WHAT ABOUT ACCUMULATED DEPRECIATION?

A. As explained in my rebuttal testimony, the Company adjusted accumulated depreciation for the full original cost value of plant that had been previously afforded rate base treatment and adjusted the accumulated depreciation balance at December 31, 2003 for plant not afforded previous rate base treatment. There were two reasons for these adjustments.

One, the unidentified and not-in-service plant for plant given previous rate base treatment should now be retired. This plant was considered used and useful in a prior rate proceeding and the Company contends that it should be properly treated as retired. The proposed treatment will provide for eventual full recovery of the investment.

Two, the unidentified and not-in-service plant not given previous rate base should be abandoned. This plant was never considered used and useful in a prior rate proceeding and the Company contends that it is properly treated as abandoned. The proposed treatment will not provide for eventual full recovery of the investment.

Q. HOW DOES THIS DIFFER FROM STAFF'S POSITION?

A. Staff classifies not used and useful plant as plant held for future use and unidentified plant as not justified for retirement. *See* Surrebuttal Testimony of Brian K. Bozzo ("Bozzo Sb.") at 7. For both categories of plant, Staff only adjusts accumulated depreciation for the balance at December 31, 2001 so that the Company will not recover the full investment on any of this plant. Staff argues that the not used and useful plant could eventually be plant back into service and recovery will be made at that time. *Id.*

In fact, Staff further contends that the Company's failure to previously retire these plant items demonstrates that retirement is not warranted. Bozzo Sb. at 8. This is ludicrous. First, Arizona-American only recently took ownership and clearly had not had enough information to access the "usefulness" of every plant item before it had to file these cases for the reasons discussed in David Stephenson's rejoinder. Second, it was Citizens' inaction that caused the plant to be recorded as plant-in-service, not Arizona-American's. Third, if the unidentified

plant cannot be identified, how can Arizona-American ever attempt to place the plant back in to service?

Q. WHAT IS THE NATURE OF THIS UNIDENTIFIED PLANT?

A. The Company believes that unidentified plant that was given rate base treatment in a prior case was considered by the Commission as "used and useful". It should therefore be treated as retired. Staff audited the Company's plant during prior rate proceedings. I do not know if the asset listing provided in earlier rate proceedings was more definitive on the asset descriptions, but the asset list provided to Staff in the instant case is the one received from Citizens' last asset system. I am aware of a system change between the last filing and the current filing and I believe some asset descriptions were lost in the conversion.

Q. WHAT IS THE DIFFERENCE IN ACCUMULATED DEPRECIATION BETWEEN STAFF AND THE COMPANY?

A. Staff's accumulated depreciation is approximately $438,000 higher. *See* Bourassa Rejoinder Exhibit 3, attached hereto, showing the differences by district.

Q. HAS RUCO CHANGED ITS POSITION REGARDING ITS CALCULATION OF ACCUMULATED DEPRECIATION BALANCES?

A. No, the Company and RUCO remain in disagreement. RUCO contends that half-year convention is typically used for ratemaking purposes and there are no extenuating circumstances to deviate from using half-year convention. Surrebuttal Testimony of MaryLee Diaz ("Diaz-Cortez Sb.") at 7. RUCO's witnesses did not address the inaccuracies resulting from Citizens' plant adjustments (not retirement adjustments). RUCO's accumulated depreciation also includes additional accumulated depreciation on post-test year plant using a half-year convention.

Q. DO YOU AGREE WITH RUCO'S USE OF THE HALF-YEAR CONVENTION IN THIS CASE?

A. No. If a utility employs the half-year convention on their systems, and most do, it makes sense to use a half-year convention in the ratemaking process. However, Arizona-American employs a half-month convention. There is no reason to be less accurate than the Company's system can allow us to be, especially when adopting RUCO's position arbitrarily lowers the revenue requirement. In fact, Staff agrees with the Company, subject to the differences resulting from the treatment of unidentified and not in service plant.

Q. DOES STAFF INCLUDE ADDITIONAL ACCUMULATED DEPRECIATION FROM POST TEST YEAR PLANT?

A. No, neither does the Company.

Q. WHAT IS RUCO'S RATIONALE FOR INCLUDING ACCUMULATED DEPRECIATION ON POST TEST YEAR PLANT?

A. RUCO asserts the inclusion of post-test year plant accumulated depreciation is required to provide a matching of the rate base elements. Direct Testimony of Marylee Diaz Cortez at 18. However, RUCO is being inconsistent because they include additional depreciation on post-test year plant, but fail to bring forward other rate base elements such as amortization on contributions-in-aid of construction.

Q. WHAT IS THE DIFFERENCE IN ACCUMULATED DEPRECIATION BETWEEN RUCO AND THE COMPANY?

A. RUCO's accumulated depreciation is approximately $1,253,000 higher. Bourassa Rejoinder Exhibit 3, attached hereto, shows the differences by district. Less than $100,000 of the difference is due to post-test year plant.

Q. MOVING ON TO THE RECONSTRUCTION COST RATE BASE OR RCRB, WOULD YOU PLEASE DISCUSS THE COMPANY'S PROPOSED

RCRB AND WHAT ADJUSTMENTS YOU HAVE ACCEPTED FROM STAFF AND/OR RUCO?

A. Yes. The Company's rejoinder RCRB and adjustments are shown on Rejoinder Schedule B-3 for each district. The Company has accepted Staff's plant-in-service adjustment for post-test year plant on the Mohave water district. This adjustment is shown in Rejoinder Schedule B-3. There are no other adjustments.

Q. HAS STAFF ACCEPTED THE COMPANY'S RCN VALUES PRESENTED IN YOUR REBUTTAL TESTIMONY?

A. Yes. *See* Surrebuttal Testimony of Marlin Scott, Jr. at 4.

Q. DID STAFF SUBMIT THEIR OWN RCND RATE BASES?

A. No. Staff, instead, used a short-cut method and arrived at its RCRB numbers by multiplying Staff's OCRB by the ratio of the Company's RCRB to the Company's OCRB (less the acquisition adjustment). *See* Carlson Sb. at 17.

Q. DO YOU HAVE ANY PROBLEMS WITH THIS APPROACH IN LIEU OF PREPARING RCRB SCHEDULES?

A. Yes. Although the Company accepted all of Staff's original cost plant adjustments, it did not accept all of the accumulated depreciation adjustments. The Company's trended accumulated depreciation was calculated by multiplying the ratio of original plant value to trended plant value on an account and vintage year basis. Because of this, Staff's trended accumulated depreciation, if performed using this methodology, would have been different than the result of simply multiplying Staff's accumulated depreciation by the ratio of the Company's RCRB to the Company's OCRB.

The method used by Staff produces an RCND rate base that approximates the actual RCRB where rate base schedules are prepared, but is not technically

correct for the reason listed above. However, for the purposes of this case, Staff's RCRB calculation methodology is acceptable to Arizona-American.

Q. DO YOU AGREE WITH STAFF'S RECOMMENDED FVRB BASED ON A 50 PERCENT OCRB AND 50 PERCENT RCRB WEIGHTING?

A. No. I agree that the Commission often determines FVRB by equally weighting OCRB and RCRB. However, in the instant case, there is additional evidence of value not normally present in a rate proceeding. This additional evidence is the purchase price paid for the Citizens' systems. The purchase price is higher than the Company's FVRB.

Q. HAS STAFF'S FVRB INCREASED FROM THEIR ORIGINAL RECOMMENDATION?

A. Yes. Staff's recommended FVRB increased by nearly $22 million in their surrebuttal presentation. *See* Carlson Sb. at 17.

Q. HAS STAFF'S REVENUE REQUIREMENT INCREASED AS A RESULT OF THE FVRB GOING UP BY NEARLY $22 MILLION?

A. No, it went down by an additional $130,075. Carlson Sb. at 18. To me, this is counter-intuitive. Although Staff lowered its recommended weighted cost of capital from 6.6 percent to 6.5 percent, this would not eliminate the increased revenue coming from a rate of return on the FVRB. Rather, as Mr. Stephenson also discusses in his rejoinder testimony, Staff's revenue requirement has gone down because it is recommending that the revenue requirement be determined by applying the rate of return to OCRB, rather than FVRB.

Q. DOESN'T THIS RENDER THE DETERMINATION OF FVRB MEANINGLESS?

A. Yes, this is exactly what Staff has done in this case. Given Staff's acceptance in surrebuttal of RCRB, however, the flaw in Staff's approach is transparent. Staff's

surrebuttal schedules reflect the revenue requirement calculated by applying the weighted cost of capital to OCRB. *See, e.g.,* Schedule DWC-1 at ln. 9[B] (Sun City West water district). The return on OCRB is shown to be 6.5%, Staff's weighted cost of capital. *Id.* at ln. 4[B].

However, Staff's rate of return on FVRB, the rate base the Company seeks a rate of return on, is only 5.7%. *Id.* at ln. 4[C]. What happened, I submit, is obvious. Staff determined the rate of return on FVRB <u>after</u> it fixed the revenue requirement based solely on OCRB by simply dividing the revenue requirement by the FVRB. This is why the revenue requirement is the same for RCND, OCRB and FVRB. *Id.* at ln. 9[B]. In other words, the determined value of FVRB, the point of this entire exercise, is meaningless and the rate of return on that FVRB is merely a fall out number utterly immaterial to Staff's recommended revenue requirement.

Q. WHAT WOULD BE THE DIFFERENCE IF STAFF WERE RECOMMENDING THAT ARIZONA-AMERICAN BE PROVIDED THE RECOMMENDED RATE OF RETURN ON FVRB?

A. Staff's schedules show the rates of return on OCRB being the same for all districts and the rates of return on FVRB being different between districts. Again, this is true because the rates of return on FVRB simply fall out of another equation involving a previously determined revenue requirement and a different rate base. In short, if the determination of the revenue were based on FVRB, then I would expect the FVRB rates of return to be the same for all districts. Staff's approach makes no sense if we are engaging in fair value ratemaking.

Q. WHY NOT?

A. There is a lot of cost of capital testimony from Staff witness Joel M. Reiker. He recommends a cost of equity for Arizona-American, not each district, which is then

weighted with the cost of debt to arrive at a weighted cost of capital recommendation for the Company, not for each district. Let's look at the situation in this way. The Staff recommended fair value rates of return range from a low of 4.2 percent to a high of 6.3 percent. In additional, the fair value equity returns range from a low of 3.97 percent to a high of 8.76 percent. *See* Rejoinder Testimony of David P. Stephenson at Stephenson Rejoinder Exhibit 1. Why would we be seeing a different cost of capital and different cost of equity on the FVRB for each district? The implication of Staff's recommendations is that it is better for the Company invest in districts with higher returns than in those with low returns. This is bad regulatory policy.

It is also a fiction. Staff has totally ignored its own determination of FVRB in determining each district's revenue requirement by failing to apply its own expert's recommended cost of capital to FVRB. As a result, in some cases, Staff recommends fair value equity returns as low as 3.97 percent. A 3.97 percent rate of return is neither just nor reasonable.

Q. DO YOU THINK THIS WHY UTILITIES TYPICALLY FILE OCRB AS THEIR FVRB?

A. Just looking at Staff's approach, I would say yes. Why would a company incur the additional expense of preparing an RCND study and RCRB as well as the additional expense of defending it when, under the approach recommended by Staff (and RUCO), it makes little or no difference to the outcome of a rate proceeding? As Dr. Zepp testified, this approach to fair value ratemaking is a sham, and it cannot be more apparent than it is in this case. *See* Rebuttal Testimony of Thomas M. Zepp at 29.

IV. INCOME STATEMENT.

Q. WOULD YOU PLEASE DISCUSS THE COMPANY'S PROPOSED ADJUSTMENTS TO REVENUES AND EXPENSES AND WHAT ADDITIONAL ADJUSTMENTS, IF ANY, YOU HAVE ACCEPTED FROM STAFF AND/OR RUCO?

A. Yes. Company Rejoinder Schedule C-1 shows the rejoinder adjusted test year revenues and expenses. Adjustments are shown on Rejoinder Schedule C-2.

Rejoinder adjustment number 1 adjusts property taxes based on the Company's rejoinder adjusted revenues and proposed revenues.

Interest synchronization with rate base is the basis for rejoinder adjustment number 2. Only two districts were adjusted, Mohave water and Sun City water. In the case of Mohave water, the Company accepted an additional Staff adjustment to plant in service. This lowered the Company's proposed rate base and lowered interest expense. In the case of Sun City water, there was a calculation error in the rebuttal filing which overstated interest expense. The adjustment to Sun City water district corrects the error.

Rejoinder adjustments numbers 3, 4, 5 and 6 correct corporate overhead expenses for salaries and wages, office supplies, insurance, and miscellaneous expense. There was a calculation error in the rebuttal filing. The Company is now in agreement with RUCO on the actual 2002 corporate overhead (i.e., non-Service Company) expenses.

Rejoinder adjustment number 7 corrects the Service Company expense level. There was a calculation error in the rebuttal filing. However, the Company and RUCO still do not agree on the amount. The difference between the parties is approximately $377,000. This amount can be tied to January and February billings, which were abnormally low because Arizona-American had not yet taken

over all operations and the Service Company was not fully implemented into the Company's operations. The January billings were $22,441 and the February billings were $215,344, while the March through December billings averaged $412,882, so the Company's proposed Service Company expense level normalizes this 10 month average for a full year.

Rejoinder adjustment 8 applies to the Mohave water district only and is the result of accepting Staff's additional adjustment to plant is service.

Q. DOES STAFF STILL PROPOSE THE USE ON CITIZENS' CORPORATE OVERHEAD EXPENSES AS OPPOSED TO ARIZONA-AMERICAN SERVICE COMPANY CHARGES AND OVERHEAD EXPENSES?

A. Yes, as Mr. Stephenson also discusses in detail in his rejoinder testimony.

Q. WHAT ADDITIONAL TESTIMONY DID STAFF OFFER ON THIS ISSUE?

A. None. In rebuttal, the Company provided additional support for the use of Arizona-American expenses by showing that the Citizens' test year expenses were artificially low and therefore, not representative of the expenses that would be incurred at the time rates set in this proceeding would be in effect. In its surrebuttal, Staff asserts that the Company provided no evidence justifying Arizona-American's rejection of the Citizens' 2001 corporate overhead expense levels and that "in the absence of contrary evidence, the test year is assumed to be representative on on-going operations." Surrebuttal Testimony of Alexander Ihbade Igwe ("Igwe Sb.") at 4.

Q. DO YOU AGREE WITH MR. IGWE'S TESTIMONY?

A. No. The fact is that Citizens' corporate overhead expenses for both 1999 and 2000 were <u>significantly</u> higher, not <u>slightly</u> higher than 2001. *See* Rebuttal Testimony of Thomas J. Bourassa at 24 and Exhibit 11. It is not unreasonable to conclude from

this that there is something amiss in the test year. Something Rob Kuta explained in his direct testimony, something the Company showed through data request responses, and something Ray Jones further describes in his rejoinder testimony—that Citizens' was winding down operations and reducing corporate overheads as it finalized the sale of its assets.

Most importantly, setting aside Staff's refusal to look at the evidence in the Citizens' side of the equation, there is a known and measurable change on the Arizona-American side of the transaction. The change in ownership from Citizens to Arizona-American is known and measurable and so are the American Water Works overhead and Service Company costs that began to be incurred in 2002, continued to be incurred in 2003 and will continue to be incurred during the period the rates approved in this proceeding will be in effect. RUCO and the Company recognize this and have made adjustments to the test year. Staff refuses to do so, clinging to test year expenses that have no relationship whatsoever to the period that the rates will be in effect in pursuit of lower revenue requirements.

Q. DOESN'T THE USE OF ARIZONA-AMERICAN SERVICE COMPANY CHARGES AND OVERHEAD EXPENSES CAUSE A MISMATCH WITH REVENUES?

A. No. Citizens' overhead expenses, no matter the level, will <u>not</u> be charged to the Company's operations on a going forward basis. It makes no sense to use Citizens' overhead expenses when setting rates on a going forward basis.

Q. HAS STAFF BEEN CONSISTENT IN APPLYING THE EXPENSE/REVENUE MATCHING PRINCIPLE?

A. No. For example, Staff has accepted the Company's proposal to use 2004 revenues from Del Webb payments in the Anthem water and Agua Fria/Anthem

wastewater districts. I do not see much difference between these PILAR revenues and the Service Company charges, except the impact on the revenue requirement.

Q. DOES STAFF CONTINUE TO REJECT THE COMPANY'S PROPOSAL TO USE 2002 ACTUAL SALARIES AND WAGES IN PLACE OF THE 2001 EXPENSES?

A. Yes, for the same reasons the Company's proposed overhead and Service Company expense levels were rejected. In its direct presentation, Staff asserted the Company's proposal was "not based on a known and measurable change." Direct Testimony of Alexander Ihbade Igwe at 15. Now that the Company has adjusted salaries and wages to 2002 actual expenses (i.e., known and measurable), Staff asserts the adjustment "creates a mismatch between test year revenues, expenses, and rate base." *See* Igwe Sb. at 7.

The same arguments in support of the use of Arizona-American corporate overhead expenses and Service Company charges apply here. First, the Company has shown that the test year salaries and wages were significantly less than the prior years, supporting use of these expenses when setting prospective rates. Second, there is a plausible reason for the reduction in overhead expenses – the winding down of Citizens' operations in anticipation of the pending sale. Third, there is a known and measurable change impacting the expense levels associated with on-going operations. Citizens' salaries and wages, no matter the level, will not be charged to operations on a going forward basis. It makes no sense to use Citizens' wages and salaries when setting rates on a going forward basis. Again, RUCO and the Company recognize this and have made adjustments to the test year.

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Q. DO THE COMPANY AND RUCO AGREE ON THE LEVEL OF SALARIES AND WAGES?

A. No. While RUCO corrected its actual salaries and wages amounts, RUCO continues to advocate a 27% capitalization rate. Diaz Cortez Sb. at 8. This results in salaries and wages expense approximately $150,000 lower than the Company's recommended level *See* Bourassa Rejoinder Exhibit 4, attached hereto.

Q. WHY DOES RUCO USE THIS 27 PERCENT CAPITALIZATION RATE?

A. I do not know how the 27 percent rate was derived. The weighted average capitalization rate during the test year was 22.85 percent with rates by district ranging from 4.75 percent to 50 percent. Logically, those districts experiencing growth have more substantial plant expenditures and experienced the highest capitalization rates. The actual capitalization during 2002 is the only representative year for the 10 districts under Arizona-American's ownership. The capitalization rates have not been shown to be unreasonable by any of the parties, are known and measurable, and are the best estimates at this time.

Q. CAN YOU ADDRESS RUCO'S CLAIM THAT THE COMPANY HAS FAILED TO PROPERLY COMPUTE PROPERTY TAXES?

A. Yes. RUCO insists that 1999, 2000, and 2001 be used in computing property taxes. They base their argument on the Arizona Department of Revenues ("ADOR") instructions for computing property taxes for water and sewer companies, which instructions state that the average of the previous three years be used in the computation. However, I disagree with RUCO. For ratemaking, where prospective rates are set, property taxes must be synchronized with prospective revenues to insure the Company recovers its property taxes on a going forward basis.

Q. IS THIS SYNCHRONIZATION OF PROPERTY TAX WITH REVENUES PROPER RATEMAKING?

A. Yes it is. If income taxes can be adjusted based on adjusted revenues and expenses for ratemaking purposes, then property taxes can also be adjusted. It is certainly proper ratemaking to include all known changes to expenses. Calculating property taxes based on data other than test year revenues at present and proposed rates is similar to using actual income tax expense in the test year. I would note, that the Company and Staff are in agreement on the computation of property taxes.

V. OTHER ISSUES – TOLLESON AGREEMENT.

Q. PLEASE EXPLAIN THE POSITIONS OF STAFF AND RUCO REGARDING THE COSTS BEING INCURRED UNDER THE COMPANY'S TOLLESON AGREEMENT.

A. Both RUCO and Staff continue to advocate denial of the Company's request for a surcharge for Rate Component 3 (contingencies) and Rate Component 4 (treatment plant improvements), as these rates were amended in the Third Amendment. They claim recovery of these costs should be made in future rate proceeding once the plant has been installed. Carlson Sb. at 10-11; Diaz Cortez Sb. at 14-15.

Q. WHAT REASONS ARE OFFERED BY STAFF AND RUCO FOR POSTPONING RECOVERY OF THE INCREASED COSTS OF THE TOLLESON AGREEMENT THROUGH RATES?

A. Staff argues that (1) its engineering staff must have the opportunity to inspect the plant once it is installed and, (2) it should have the opportunity to review the known and measurable expenses. Carlson Sb. at 10. In other words, Staff is treating these increased costs as if the Company owned the plant. RUCO appears

to take the same position, referring to the Tolleson costs as plant investment. *See* Diaz Cortez Sb. at 15.

Q. DOES THE COMPANY OWN OR OTHERWISE CONTROL THE TOLLESON PLANT?

A. No. As explained in Fredrick Schneider's rebuttal and rejoinder, the Tolleson agreement is like an O&M agreement. The Company has no control over the plant and its operations beyond the ability to verify the plant improvement costs.

Q. IF THE COMPANY IS PLACED IN THE POSITION OF OWNING THE PLANT, SHOULDN'T THE COMPANY BE AFFORDED RATE BASE TREATMENT AT SOME FUTURE RATE PROCEEDING?

A. Yes, and correspondingly, it should recover depreciation and earn a rate of return on the fair value of this "investment." Further, the Company should be allowed AFUDC until the plant is recognized as used and useful. I am not sure Staff has given proper consideration to the issues raised and the additional cost to the rate payers by putting the Company in the position of owning the plant.

Q. DOES THE COMPANY'S SURCHARGE PROPOSAL INCLUDE RATE BASE TREATMENT?

A. No. The surcharge treats the increased costs arising out of the Third Amendment as expenses and allows for the recovery of actual costs incurred.

Q. WHAT HAS THE COMMISSION DONE IN THE PAST?

A. Correctly recognized that the Company does not own the plant and the costs were correctly treated as operating expenses and included in rates. No rate base treatment was authorized.

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Q. UNDER THE COMPANY'S SURCHARGE PROPOSAL WON'T STAFF HAVE AN OPPORTUNITY TO VERIFY THE "KNOWN AND MEASURABLE" EXPENSES"?

A. Yes, as with all surcharge mechanisms, annual reporting to the Commission will provide Staff the opportunity for review. Because the collection period on Rate Component 4 is extended to the end of the contract (2025), it is unlikely the Company will overcollect via the surcharge.

Q. THE COMPANY HAS NOT PROPOSED AN EARNINGS COMPONENT IN THE RATE COMPONENT 4 SURCHARGE EVEN THOUGH IT IS PAYING THE COSTS UP-FRONT AND COLLECTING THE SURCHARGE OVER SEVERAL YEARS?

A. There is no rate of return component, however, there is a provision to cover the annual cost of carrying any associated debt. Debt will likely be incurred because Rate Component 4 has an estimated cost of approximately $10,000,000 (the Company's share of plant improvements to be made by Tolleson over the next 5 years). These costs will be paid up-front (by 2008) as Tolleson makes the improvements while the Company will collect the surcharge over the life of the contract (2025).

Rate Component 3 is for contingencies and will be collected as incurred. The only difference between the old the new Rate Component 3 is the funding amount and aggregate reserve. The old Rate Component 3 is currently being collected in rates.

Q. DO YOU HAVE ANY OTHER COMMENTS?

A. Yes. RUCO asserts that surcharges are for expenses that are volatile in nature and wildly fluctuate. *See* Diaz Cortez Sb. at 15. This is not true in all circumstances. Adjusters are also relevant for significant costs beyond the control of management.

For example, the Company currently has in place a surcharge adjuster for CAP costs in the Sun City, Sun City West and Paradise Valley water districts. These costs are not volatile and have not fluctuated wildly.

Q. DOES THAT CONCLUDE YOUR TESTIMONY?

A. Yes.

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BOURASSA REJOINDER
EXHIBIT 1

Arizona-American
Rate Increases By District

Exhibit: #1
Witness: Bourassa
Page 1

Line No.	District	Company Direct Filing Revenue Increase	Company Direct Filing % Increase	Company Rebuttal Filing Revenue Increase	Company Rebuttal Filing % Increase	Company Rejoinder Filing Revenue Increase	Company Rejoinder Filing % Increase
1							
2	Sun City Water	$ 5,366,367	86.65%	$ 4,364,140	70.47%	$ 4,453,775	71.92%
3							
4	Sun City Wastewater	636,236	12.50%	316,400	6.22%	260,879	5.13%
5							
6	Sun City West Water	1,479,624	43.77%	1,215,842	35.96%	1,156,931	34.22%
7							
8	Sun City West Wastewater	1,963,624	55.54%	1,608,856	45.50%	1,565,307	44.27%
9							
10	Tubac Water	216,034	84.89%	186,106	73.13%	181,931	71.49%
11							
12	Agua Fria Water	417,889	6.76%	119,289	1.93%	62,372	1.01%
13							
14	Anthem Water	299,082	7.46%	18,658	0.47%	(12,809)	-0.32%
15							
16	Anthem/Agua Fria Wastewater	438,989	23.52%	323,599	17.34%	311,419	16.68%
17							
18	Mohave Water	584,010	13.29%	196,561	4.47%	142,344	3.24%
19							
20	Havasu Water	196,984	44.68%	128,301	29.10%	123,933	28.11%
21							
22	Totals	$ 11,598,839		$ 8,477,752		$ 8,246,082	
23							
24							
25							
26							

Arizona-American
Rate Increases By District

Exhibit: #1
Witness: Bourassa
Page 2

Line No.	District	Staff				RUCO			
		Direct Filing		Surrebuttal Filing		Direct Filing		Surrebuttal Filing	
		Revenue Increase	% Increase	Revenue Increase	% Increase	Revenue Increase	% Increase	Revenue Increase	% Increase
1									
2	Sun City Water	$ 1,928,691	31.14%	$ 1,916,522	30.95%	$ 1,963,334	31.70%	$ 1,572,021	25.38%
3									
4	Sun City Wastewater	(807,038)	-15.86%	(844,589)	-16.60%	(894,775)	-17.58%	(856,821)	-16.48%
5									
6	Sun City West Water	388,828	11.50%	348,346	10.30%	479,708	14.19%	545,792	16.14%
7									
8	Sun City West Wastewater	1,128,063	31.91%	1,095,198	30.98%	1,027,392	29.06%	1,027,392	29.06%
9									
10	Tubac Water	88,417	34.74%	85,420	33.57%	40,812	16.04%	50,353	19.79%
11									
12	Agua Fria Water	(872,320)	-14.10%	(822,019)	-13.29%	(613,371)	-9.92%	(241,111)	-3.90%
13									
14	Anthem Water	(588,512)	-14.67%	(588,512)	-14.67%	(424,126)	-10.57%	(305,056)	-7.61%
15									
16	Anthem/Agua Fria Wastewater	(73,484)	-3.94%	(81,922)	-4.39%	74,649	4.00%	159,127	8.53%
17									
18	Mohave Water	(684,727)	-15.58%	(715,595)	-16.28%	(790,139)	-17.98%	(698,249)	-15.89%
19									
20	Havasu Water	(31,197)	-7.08%	(33,100)	-7.51%	2,467	0.56%	25,968	5.89%
21									
22	Totals	$ 476,721		$ 359,749		$ 865,951		$ 1,279,416	
23									
24									
25									
26									

BOURASSA REJOINDER
EXHIBIT 2

Arizona-American
Fair Value Rate Bases By District
Test Year Ended December 31, 2001

Exhibit: #2
Witness: Bourassa

Line No.	District	Company Direct	Company Rebuttal	Company Rejoinder	ACC Direct	ACC Staff Surrebuttal	RUCO Direct	RUCO Surrebuttal
1	Agua Fria	$ 19,019,624	$ 18,346,919	$ 18,346,919	$ 16,742,164	$ 17,474,464	$ 16,228,561	$ 16,228,561
2								
3	Anthem Water	9,837,108	9,627,995	9,627,995	9,288,446	9,449,190	8,766,964	8,766,964
4								
5	Anthem / Agua							
6	Fria Wastewater	2,853,742	2,789,661	2,789,661	2,746,928	2,761,046	1,904,897	1,904,897
7								
8	Havasu Water	1,369,042	1,216,964	1,216,964	822,117	982,391	766,406	794,180
9								
10	Mohave Water	15,212,896	13,422,542	13,350,302	9,649,461	11,396,966	7,531,475	8,120,368
11								
12	Sun City Water	48,703,466	44,279,756	44,279,756	21,433,625	32,904,707	22,304,176	22,353,535
13								
14	Sun City Wastewater	20,233,577	17,192,669	17,192,669	8,838,548	12,956,687	8,893,529	8,929,152
15								
16	Sun City West Water	16,407,508	15,432,917	15,432,917	12,063,516	13,643,018	11,386,817	11,384,070
17								
18	Sun City West Wastewater	13,455,978	12,221,084	12,221,084	9,004,156	10,569,243	10,470,538	10,541,392
19								
20	Tubac	1,903,647	1,732,373	1,732,373	1,130,583	1,431,070	1,172,012	1,173,409
21								
22	Totals	$ 148,996,589	$ 136,262,881	$ 136,190,641	$ 91,719,544	$ 113,568,782	$ 89,425,375	$ 90,196,528
23								
24								
25								
26								
27								
28								
29								

BOURASSA REJOINDER
EXHIBIT 3

Arizona-American
Company, Staff, RUCO Accumulated Depreciation

Exhibit #3
Witness: Bourassa

	Company	Staff	Difference	RUCO	Difference
Sun City Water	13,280,503	13,448,389	(167,886)	12,984,540	295,963
Sun City Wastewater	7,195,117	7,183,935	11,182	7,669,305	(474,188)
Sun City West Water	6,197,918	6,295,135	(97,217)	6,476,417	(278,499)
Sun City West Wastewater	14,145,184	14,149,249	(4,065)	11,800,953	2,344,231
Tubac Water	569,206	568,057	1,149	536,707	32,499
Agua Fria Water	4,969,080	5,020,828	(51,748)	5,281,600	(312,520)
Anthem Water	2,086,614	2,086,489	125	2,591,766	(505,152)
Anthem/Agua Fria Wastewater	787,791	788,107	(316)	1,631,249	(843,458)
Mohave Water	7,686,592	7,759,282	(72,690)	9,097,901	(1,411,309)
Havasu Water	481,120	537,411	(56,291)	581,440	(100,320)
Totals	57,399,124	57,836,882	(437,758)	58,651,878	(1,252,754)

BOURASSA REJOINDER
EXHIBIT 4

Salaries and Wages Comparison
Actual 2002 Wages Compared to RUCO
(Source: AZ_payroll_2002.xls provided to RUCO in DR3)

Exhibit 4
Prepared by Bourassa

		ACTUAL AZ-AM 2002 DATA				RUCO SURREBUTTAL SCHEDULES			
District	Bus. Unit	Gross Pay	Actual Capitalized Payroll	(A) Net Payroll	RUCO REF	Gross Pay	(27%) Capitalized Payroll	(B) Net Payroll	Difference (A) minus (B) Difference
Sun City Water	2362	857,817	88,030	769,786	RLM-10	861,122	232,503	628,619	141,167
Sun City Wastewater	2363	86,478	17,135	69,343	RLM-10	86,478	23,349	63,129	6,214
Sun City West Water	2364	377,136	44,228	332,908	RLM-10	377,644	101,964	275,680	57,228
Sun City West Wastewater	2365	434,280	20,625	413,655	RLM-10	434,380	117,283	317,097	96,558
Tubac Water	2389	76,139	11,648	64,491	RLM-10	76,355	20,616	55,739	8,752
Agua Fria Water	2361	860,380	430,190	430,190	MDC-10	875,892	236,491	639,401	(209,211)
Anthem Water	2381/2383	447,977	145,839	302,138	MDC-10	460,581	124,357	336,224	(34,086)
Anthem/Agua Fria Wastewater	2382/2384	301,131	101,821	199,310	MDC-10	301,354	81,366	219,988	(20,679)
Mohave Water	2371	651,146	74,301	576,845	TJC-10	651,146	175,809	475,337	101,508
Havasu Water	2373	144,703	34,567	110,136	TJC-10	144,850	39,110	105,741	4,395
Totals		4,237,187	968,385	3,268,803		4,269,802	1,152,847	3,116,955	151,847

BOURASSA

AGUA FRIA WATER

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.			
1	Fair Value Rate Base	$	18,346,919
2			
3	Adjusted Operating Income		1,340,208
4			
5	Current Rate of Return		7.30%
6			
7	Required Operating Income	$	1,378,954
8			
9	Required Rate of Return on Fair Value Rate Base		7.52%
10			
11	Operating Income Deficiency	$	38,746
12			
13	Gross Revenue Conversion Factor		1.6286
14			
15	Increase in Gross Revenue		
16	Requirement	$	63,103

	Customer Classification	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
20	5/8 Inch Residential	$ 3,127,076	$ 3,160,350	$ 33,274	1.06%
21	3/4 Inch Residential	36,220	36,628	407	1.13%
22	1 Inch Residential	399,199	403,825	4,625	1.16%
23	1.5 Inch Residential	78,797	79,800	1,003	1.27%
24	2 Inch Residential	328,284	332,473	4,189	1.28%
25	3 Inch Residential	563	569	6	1.05%
26	5/8 Inch Commercial	4,629	4,679	50	1.08%
27	3/4 Inch Commercial	4,437	4,491	54	1.21%
28	1 Inch Commercial	31,984	32,367	383	1.20%
29	1.5 Inch Commercial	91,467	92,624	1,156	1.26%
30	2 Inch Commercial	359,785	364,305	4,520	1.26%
31	3 Inch Commercial	359,249	363,719	4,470	1.24%
32	6 Inch Commercial	147,370	149,298	1,928	1.31%
33	2 Inch Public Interruptible	-	-	-	0%
34	3 Inch Public Interruptible	4,838	4,838	-	0.00%
35	6 Inch Public Interruptible	282,872	282,872	-	0.00%
36	8 Inch Public Interruptible	71,829	71,829	-	0.00%
37	10 Inch Public Interruptible	7,554	7,554	-	0.00%
38	4 Inch Prison	248,933	251,398	2,465	0.99%
39	4 Inch Private Fire	2,520	2,545	25	1.00%
40	6 Inch Private Fire	10,890	10,999	109	1.00%
41	8 Inch Private Fire	4,020	4,060	40	1.00%
42	Miscellaneous Revenues	339,961	339,961	-	0.00%
43	Subtotal Water Revenues	$ 5,942,478	$ 6,054,661	$ 112,183	1.89%

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Schedule A-1
Page 2
Witness: Bourassa

Line No.	Customer Classification	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
1	**Revenue Annualizations**				
2	5/8 Inch Residential	$ 202,538	$ 204,614	$ 2,075	1.02%
3	3/4 Inch Residential	1,584	1,602	17	1.10%
4	1 Inch Residential	10,260	10,377	117	1.14%
5	1.5 Inch Residential	5,170	5,236	66	1.27%
6	2 Inch Residential	44,120	44,679	559	1.27%
7	3 Inch Residential	(563)	(569)	(6)	1.05%
8	5/8 Inch Commercial	201	203	2	0.98%
9	3/4 Inch Commercial	(492)	(498)	(6)	1.19%
10	1 Inch Commercial	2,266	2,293	26	1.17%
11	1.5 Inch Commercial	14,983	15,172	188	1.26%
12	2 Inch Commercial	31,582	31,976	394	1.25%
13	3 Inch Commercial	(1,330)	(1,347)	(17)	1.30%
14	6 Inch Commercial	16,136	16,348	212	1.31%
15	6 Inch Public Interruptible	(81,903)	(81,903)	-	0.00%
16	10 Inch Public Interruptible	(7,554)	(7,554)	-	0.00%
17	4 Inch Private Fire	1,440	1,454	14	1.00%
18	6 Inch Private Fire	1,530	1,545	15	1.00%
19	8 Inch Private Fire	1,020	1,030	10	1.00%
20	Totals	240,990	244,657	3,667	1.52%
21	Total Revenues	$ 6,183,467	$ 6,245,839	$ 62,372	1.01%
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39	SUPPORTING SCHEDULES:				
40	Rejoinder B-1				
41	Rejoinder C-1				
42	Rebuttal D-1				
43	Rejoinder H-1				
44					

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 51,067,939	$ 56,030,950	$ 56,030,950
3	Less: Accumulated Depreciation	4,969,080	5,454,713	5,454,713
4				
5	Net Utility Plant in Service	$ 46,098,859	$ 50,576,237	$ 50,576,237
6				
7	Less:			
8	Advances in Aid of			
9	Construction	27,385,370	30,046,803	30,046,803
10	Contributions in Aid of			
11	Construction - Net of amortization	1,973,438	2,165,225	2,165,225
12	Customer Meter Deposits	17,289	17,289	17,289
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	13,203,438	-	-
21				
22	Total Rate Base	$ 29,926,200	$ 18,346,919	$ 18,346,919
23				
24				
25				
26	SUPPORTING SCHEDULES:			
27	Rejoinder B-2			
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 51,067,939			$ 51,067,939
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	4,969,080			4,969,080
8					
9	Net Utility Plant				
10	in Service	$ 46,098,859			$ 46,098,859
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	27,385,370			27,385,370
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,973,438			1,973,438
18	Purposes Only)				
19	Customer Meter Deposits	17,289			17,289
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	13,203,438			13,203,438
28					
29	Total	$ 29,926,200			$ 29,926,200
30					
31	SUPPORTING SCHEDULES:				
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 56,030,950			$ 56,030,950
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	5,454,713			5,454,713
8					
9	Net Utility Plant				
10	in Service	$ 50,576,237			$ 50,576,237
11					
12	**Less:**				
13	*Advances in Aid of*				
14	Construction (Ratemaking Purposes Only)	30,046,803			30,046,803
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	2,165,225			2,165,225
18	Purposes Only)				
19	Customer Meter Deposits	17,289			17,289
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 18,346,919			$ 18,346,919
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 5,846,076			$ 5,846,076	62,372	$ 5,908,448
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	339,961			339,961		339,961
5		$ 6,186,037		$ -	$ 6,186,037	$ 62,372	$ 6,248,409
6	**Operating Expenses**						
7	Salaries and Wages	$ 543,704	(3)	1,818	$ 545,522		$ 545,522
8	Purchased Water	382,700			382,700		382,700
9	Purchased Power	601,814			601,814		601,814
10	Chemicals	10,523			10,523		10,523
11	Repairs and Maintenance	198,956			198,956		198,956
12	Office Supplies and Expense	134,152	(4)	(21,708)	112,445		112,445
13	Outside Services	35,465			35,465		35,465
14	Service Company Charges	689,434	(7)	(32,909)	656,525		656,525
15	Water Testing	8,614			8,614		8,614
16	Rents	25,841			25,841		25,841
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	31,972	(5)	(5,279)	26,694		26,694
19	Insurance - Health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	43,906			43,906		43,906
21	Miscellaneous Expense	188,081	(6)	1,157	189,238		189,238
22	Depreciation Expense	1,157,575			1,157,575		1,157,575
23	Taxes Other Than Income	34,037			34,037		34,037
24	Property Taxes	310,758	(1)	(966)	309,791		309,791
25	Income Tax	483,841		22,343	506,184		530,259
26					-		-
27	**Total Operating Expenses**	$ 4,881,371		$ (35,543)	$ 4,845,829	$ -	$ 4,869,903
28	**Profit (Loss) Before Interest & Taxes**	$ 1,304,666		$ 35,543	$ 1,340,208	$ 62,372	$ 1,378,505
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(534,996)	(2)	-	(534,996)		(534,996)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (534,996)		$ -	$ (534,996)	$ -	$ (534,996)
36	**Net Profit (Loss)**	$ 769,669		$ 35,543	$ 805,212	$ 62,372	$ 843,509
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rejoinder C-2					Rejoinder A-1	
40							
41							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Agua Fria
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	1,818
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	*Materials ans Supplies*		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(21,708)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(32,909)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(5,279)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	1,157
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(966)
42	Income Tax			22,343
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (35,543)
45	Operating Income			$ 35,543
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	-
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ -
53	Net Income			$ 35,543
54				

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.			
1	Adjust Property Taxes to Reflect Proposed Revenues:		
2			
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$	6,186,037
4	Rejoinder Adjusted Revenues in year ended 12/31/01		6,186,037
5	Proposed Revenues		6,248,409
6	Average of three year's of revenue	$	6,206,828
7	Average of three year's of revenue, times 2		12,413,655
8	Add:		
9	Construction Work in Progess at 10%		
10	Deduct:		
11	Book Value of Transportation Equipment		251,004
12	Book Value of Transportation Equipment (proforma)		-
13	Total Book Value of Transportation Equipment	$	251,004
14			
15	Full Cash Value	$	12,162,651
16	Assessment Ratio		25%
17	Assessed Value		3,040,663
18	Property Tax Rate		10.188273%
19			
20	Property Tax		309,791
21	Tax on Parcels		0
22			
23	Total Rejoinder Property Tax at Proposed Rates	$	309,791
24	Rebuttal Filing Proposed Property Taxes		310,758
25	Increase (Decrease) in Property Taxes	$	(966)
26			
27			
28	Adjustment to Revenues and/or Expenses	$	(966)
29			
30			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$18,346,919
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	534,996
6	Rebuttal Filing Interest Expense	534,996
7	Increase in Interest Expense	$ -
8		
9	Adjustment to Revenues and/or Expense	$ -
10		
11		

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	115,332
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)		113,513
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	1,818
10			
11	Adjustment to Revenue and/or Expense	$	1,818
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	108,264
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		129,971
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(21,708)
10			
11	Adjustment to Revenue and/or Expense	$	(21,708)
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	26,166
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		31,445
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(5,279)
10			
11	Adjustment to Revenue and/or Expense	$	(5,279)
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	6,226
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		5,069
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	1,157
10			
11	Adjustment to Revenue and/or Expense	$	1,157
12			
13			
14			
15			

Arizona American - Agua Fria Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.1384	
5	Total Charges		$ 656,525
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.1384	
10	Total Charges		689,434
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (32,909)
14			
15			
16			
17			

ANTHEM/AGUA FRIA WASTEWATER

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 2,789,661
2		
3	Adjusted Operating Income	18,444
4		
5	Current Rate of Return	0.66%
6		
7	Required Operating Income	$ 209,671
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 191,227
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 311,438

	Customer Classification	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
20	Residential	$ 650,824	$ 888,618	$ 237,795	36.54%
21	Small Commercial 5/8 Inch Meter	1,501	2,050	549	36.55%
22	Small Commercial 3/4 Inch Meter	-	-	-	0.00%
23	Small Commercial 1 Inch Meter	-	-	-	0.00%
24	Large Commercial	29,477	40,227	10,750	36.47%
25	Revenues from Treatco excluding Annualization	11,231	11,231	-	0.00%
26	Miscellaneous Revenues	986,072	986,072	-	0.00%
27	Subtotal of Revenues	$ 1,679,105	$ 1,928,198	$ 249,093	14.83%
28					
29	**Revenue Annualization**				
30	Treatco Revenue Annualization	13,480	13,480	-	0.00%
31	Residential	167,515	228,715	61,200	36.53%
32	Small Commercial 5/8 Inch Meter	(841)	(1,148)	(307)	36.54%
33	Small Commercial 3/4 Inch Meter	-	-	-	0.00%
34	Small Commercial 1 Inch Meter	-	-	-	0.00%
35	Large Commercial	3,930	5,363	1,433	36.47%
36	Total Revenue Annualization	184,083	246,409	62,326	33.86%
37	Total Revenues with Revenue Annualization	1,863,188	2,174,607	311,419	16.71%

38

39 SUPPORTING SCHEDULES:
40 Rejoinder B-1
41 Rejoinder C-1
42 Rebuttal D-1
43 Rejoinder H-1

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 23,036,402	$ 23,671,364	$ 23,671,364
3	Less: Accumulated Depreciation	787,791	826,446	826,446
4				
5	Net Utility Plant in Service	$ 22,248,611	$ 22,844,918	$ 22,844,918
6				
7	Less:			
8	Advances in Aid of			
9	Construction	19,045,098	19,570,045	19,570,045
10	Contributions in Aid of			
11	Construction - Net of amortization	472,196	485,212	485,212
12	Customer Meter Deposits	-	-	-
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Deferred Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	6,087,822	-	-
21				
22	Total Rate Base	$ 8,819,139	$ 2,789,661	$ 2,789,661
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rejoinder B-2			Rejoinder A-1
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 23,036,402			$ 23,036,402
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	787,791			787,791
8					
9	Net Utility Plant				
10	in Service	$ 22,248,611			$ 22,248,611
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	19,045,098			19,045,098
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	472,196			472,196
18	Purposes Only)				
19	Customer Meter Deposits	-			-
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Deferred Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	6,087,822			6,087,822
28					
29	Total	$ 8,819,139			$ 8,819,139
30					
31					
32	SUPPORTING SCHEDULES				
33	Rebuttal B-2				
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 23,671,364			$ 23,671,364
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	826,446			826,446
8					
9	Net Utility Plant				
10	in Service	$ 22,844,918			$ 22,844,918
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	19,570,045			19,570,045
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	485,212			485,212
18	Purposes Only)				
19	Customer Meter Deposits	-			-
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Deferred Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 2,789,661			$ 2,789,661
30					
31					
32	SUPPORTING SCHEDULES				
33	Rebuttal B-3				
34					
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Flat Rate Revenues	$ 880,474			$ 880,474	311,419	$ 1,191,893
3	Measured Revenues	-			-		-
4	Other Wastewater Revenues	986,072			986,072	-	986,072
5		$ 1,866,546		$ -	$ 1,866,546	$ 311,419	$ 2,177,965
6	**Operating Expenses**						
7	Salaries and Wages	$ 256,067	(3)	909	$ 256,976		$ 256,976
8	Purchased Wasterwater Treatment	19,925			19,925		19,925
9	Purchased Power	5,714			5,714		5,714
10	Fuel for Power Production	-			-		-
11	Chemicals	-			-		-
12	Materials and Supplies	(1,053)			(1,053)		(1,053)
13	Repairs and Maintenance	-			-		-
14	Office Supplies and Expense	66,821	(4)	(175)	66,646		66,646
15	Outside Services	26,544			26,544		26,544
16	Service Company Charges	277,965	(7)	(13,268)	264,697		264,697
17	Water Testing	-			-		-
18	Rents	8,308			8,308		8,308
19	Transportation Expenses	-			-		-
20	Insurance - General Liability	(3,761)	(5)	(803)	(4,564)		(4,564)
21	Insurance - health and Life	-			-		-
22	Regulatory Commission Expense - Rate Case	12,319			12,319		12,319
23	Miscellaneous Expense	241,232	(6)	1,091	242,323		242,323
24	Depreciation Expense	864,771			864,771		864,771
25	Taxes Other Than Income	16,213			16,213		16,213
26	Property Taxes	109,052	(1)	(227)	108,825		108,825
27	Income Tax	(44,357)		4,814	(39,542)		80,662
28					-		-
29	**Total Operating Expenses**	$ 1,855,760		$ (7,658)	$ 1,848,102	$ -	$ 1,968,306
30	**Operating Income**	$ 10,786		$ 7,658	$ 18,444	$ 311,419	$ 209,659
31	**Other Income (Expense)**						
32	Interest Income	-			-		-
33	Other income	-			-		-
34	Interest Expense	(81,347)	(2)	-	(81,347)		(81,347)
35	Other Expense	-			-		-
36	Gain/Loss Sale of Fixed Assets	-			-		-
37	**Total Other Income (Expense)**	$ (81,347)		$ -	$ (81,347)	$ -	$ (81,347)
38	**Net Profit (Loss)**	$ (70,560)		$ 7,658	$ (62,902)	$ 311,419	$ 128,313
39							
40	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
41	Rebuttal C-1					Rejoinder A-1	
42	Rejoinder C-2						
43							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Agua Fria Anthem Sewer
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	909
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(175)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(13,268)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(803)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	1,091
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(227)
42	Income Tax			4,814
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (7,658)
45	Operating Income			$ 7,658
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	-
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ -
53	Net Income			$ 7,658
54				

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$ 1,866,546
4	Rejoinder Adjusted Revenues in year ended 12/31/01	1,866,546
5	Proposed Revenues	2,177,965
6	Average of three year's of revenue	$ 1,970,353
7	Average of three year's of revenue, times 2	3,940,705
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	49,104
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 49,104
14		
15	Full Cash Value	$ 3,891,601
16	Assessment Ratio	25%
17	Assessed Value	972,900
18	Property Tax Rate	11.185601%
19		
20	Property Tax	108,825
21	Tax on Parcels	
22		
23	Total Rejoinder Property Tax at Proposed Rates	$ 108,825
24	Rebuttal Filing Proposed Property Taxes	109,052
25	Increase (Decrease) in Property Taxes	$ (227)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (227)
29		
30		

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$2,789,661
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	81,347
6	Rebuttal Filing Interest Expense	81,347
7	Increase in Interest Expense	$ -
8		
9	Adjustment to Revenues and/or Expense	$ -
10		
11		

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	57,666
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)		56,757
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	909
10			
11	Adjustment to Revenue and/or Expense	$	909
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	23,372
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		23,547
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(175)
10			
11	Adjustment to Revenue and/or Expense	$	(175)
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	3,979
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		4,781
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(803)
10			
11	Adjustment to Revenue and/or Expense	$	(803)
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	5,142
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		4,050
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	1,091
10			
11	Adjustment to Revenue and/or Expense	$	1,091
12			
13			
14			
15			

Arizona American - Anthem/Agua Fria Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.0558	
5	Total Charges		$ 264,697
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.0558	
10	Total Charges		277,965
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (13,268)
14			
15			
16			
17			

ANTHEM WATER

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 9,627,995
2		
3	Adjusted Operating Income	731,486
4		
5	Current Rate of Return	7.60%
6		
7	Required Operating Income	$ 723,640
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ (7,846)
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ (12,779)
17		

18	Customer		Present	Proposed	Dollar	Percent
19	Classification		Rates	Rates	Increase	Increase
20	5/8 Inch	Residential	$ 3,606	$ 3,576	$ (30)	-0.84%
21	3/4 Inch	Residential	620,738	615,713	(5,025)	-0.81%
22	1 Inch	Residential	650,122	646,251	(3,871)	-0.60%
23	1.5 Inch	Residential	2,834	2,822	(13)	-0.44%
24	2 Inch	Residential	65,116	64,551	(565)	-0.87%
25	3 Inch	Residential	-	-	-	0.00%
26	4 Inch	Residential	-	-	-	0.00%
27	3/4 Inch	Commercial	2,064	2,049	(15)	-0.74%
28	1 Inch	Commercial	50,820	50,353	(467)	-0.92%
29	1.5 Inch	Commercial	19,528	19,347	(181)	-0.93%
30	2 Inch	Commercial	100,690	99,846	(844)	-0.84%
31	3 Inch	Commercial	63,160	62,640	(520)	-0.82%
32	2 Inch	Wholesale	-	-	-	0.00%
33	3 Inch	Wholesale	11,915	11,915	-	0.00%
34	6 Inch	Wholesale	56	56	-	0.00%
35	10 Inch	Wholesale	18,457	18,457	-	0.00%
36	4 Inch	Fire Protection	3,330	3,321	(9)	-0.28%
37	6 Inch	Fire Protection	19,845	19,698	(147)	-0.74%
38	Miscellaneous Revenues		1,950,387	1,950,387	-	0.00%
39	Citizens Water Resouces (Treatco)		226,872	226,872	-	0.00%
40	Subtotal Water Revenues		$ 3,809,540	$ 3,797,852	$ (11,688)	-0.31%
41						

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 2
Witness: Bourassa

Line No.						
1	**Revenue Annualization**					
2	Citizens Water Resouces (Treatco)		$ (18,289)	$ (18,289)	$ -	0.00%
3	3/4 Inch	Residential	67,152	66,618	(533)	-0.79%
4	1 Inch	Residential	98,822	98,254	(568)	-0.57%
5	2 Inch	Residential	(3,894)	(3,861)	32	-0.83%
6	3/4 Inch	Commercial	1,642	1,630	(12)	-0.75%
7	1 Inch	Commercial	2,646	2,631	(15)	-0.55%
8	1.5 Inch	Commercial	12,807	12,690	(116)	-0.91%
9	2 Inch	Commercial	13,560	13,446	(114)	-0.84%
10	3 Inch	Commercial	(24,131)	(23,929)	201	-0.83%
11	3 Inch	Wholesale	45,275	45,275	-	0.00%
12	6 Inch	Wholesale	5	5	-	0.00%
13	10 Inch	Wholesale	1,678	1,678	-	0.00%
14	6 Inch	Fire Protection	(405)	(402)	3	-0.74%
15	Total Revenues Annualziations		196,868	195,747	(1,121)	-0.57%
16	Total Water Revenues with		0	0	0	0
17	Revenue Annualizaiton		$ 4,006,408	$ 3,993,599	$ (12,809)	-0.32%
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	SUPPORTING SCHEDULES:					
36	Rejoinder B-1					
37	Rejoinder C-1					
38	Rebuttal D-1					
39	Rejoinder H-1					
40						
41						
42						

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Summary of Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 41,526,829	$ 43,175,131	$ 43,175,131
3	Less: Accumulated Depreciation	2,086,614	2,177,290	2,177,290
4				
5	Net Utility Plant in Service	$ 39,440,216	$ 40,997,842	$ 40,997,842
6				
7	Less:			
8	Advances in Aid of			
9	Construction	29,093,642	30,248,440	30,248,440
10	Contributions in Aid of			
11	Construction - Net of amortization	1,075,425	1,118,111	1,118,111
12	Customer Meter Deposits	3,296	3,296	3,296
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	10,960,967	-	-
21				
22	Total Rate Base	$ 20,228,820	$ 9,627,995	$ 9,627,995
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rejoinder B-2			Rejoinder A-1
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 41,526,829			$ 41,526,829
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	2,086,614			2,086,614
8					
9	Net Utility Plant				
10	*in Service*	$ 39,440,216			$ 39,440,216
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	29,093,642			29,093,642
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,075,425			1,075,425
18	Purposes Only)				
19	Customer Meter Deposits	3,296			3,296
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	10,960,967			10,960,967
28					
29	Total	$ 20,228,820			$ 20,228,820
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES:	
33	Rebuttal B-2			Rejoinder A-1	
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					

Arizona American - Anthem Water
Test Year Ending December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 43,175,131			$ 43,175,131
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	2,177,290			2,177,290
8					
9	Net Utility Plant				
10	in Service	$ 40,997,842			$ 40,997,842
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	30,248,440			30,248,440
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,118,111			1,118,111
18	Purposes Only)				
19	Customer Meter Deposits	3,296			3,296
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27					
28					
29	Total	$ 9,627,995			$ 9,627,995
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES:	
33	Rebuttal B-3			Rejoinder A-1	
34					
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 2,060,418			$ 2,060,418	(12,809)	$ 2,047,609
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	1,950,387			1,950,387	-	1,950,387
5		$ 4,010,805		$ -	$ 4,010,805	$ (12,809)	$ 3,997,996
6	**Operating Expenses**						
7	Salaries and Wages	$ 415,652	(3)	1,818	$ 417,470		$ 417,470
8	Purchased Water	172,055			172,055		172,055
9	Purchased Power	264,489			264,489		264,489
10	Chemicals	95,282			95,282		95,282
11	Repairs and Maintenance	130,909			130,909		130,909
12	Office Supplies and Expense	66,470	(4)	(9,778)	56,692		56,692
13	Outside Services	27,139			27,139		27,139
14	Service Company Charges	456,302	(7)	(21,781)	434,521		434,521
15	Water Testing	1,193			1,193		1,193
16	Rents	18,568			18,568		18,568
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	16,600	(5)	(2,770)	13,830		13,830
19	Insurance - Health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	26,471			26,471		26,471
21	Miscellaneous Expense	172,024	(6)	1,114	173,138		173,138
22	Depreciation Expense	917,978			917,978		917,978
23	Taxes Other Than Income	25,046			25,046		25,046
24	Property Taxes	221,776	(1)	(586)	221,191		221,191
25	Income Tax	271,002			283,347		278,403
26					-		-
27	**Total Operating Expenses**	$ 3,298,956		$ (31,982)	$ 3,279,318	$ -	$ 3,274,374
28	**Operating Income**	$ 711,849		$ 31,982	$ 731,486	$ (12,809)	$ 723,622
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(280,752)	(2)	-	(280,752)		(280,752)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (280,752)		$ -	$ (280,752)	$ -	$ (280,752)
36	**Net Profit (Loss)**	$ 431,097		$ 31,982	$ 450,734	$ (12,809)	$ 442,869
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-1					Rejoinder A-1	
40	Rejoinder C-2						
41							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Anthem Water
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	1,818
10				
11	Purchased Water		None	(21,708)
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(9,778)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(21,781)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(2,770)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	1,114
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(586)
42	Income Tax			
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (53,690)
45	Operating Income			$ 53,690
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	-
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ -
53	Net Income			$ 53,690
54				

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$ 4,010,805
4	Rejoinder Adjusted Revenues in year ended 12/31/01	4,010,805
5	Proposed Revenues	3,997,996
6	Average of three year's of revenue	$ 4,006,535
7	Average of three year's of revenue, times 2	8,013,071
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	90,271
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 90,271
14		
15	Full Cash Value	$ 7,922,800
16	Assessment Ratio	25%
17	Assessed Value	1,980,700
18	Property Tax Rate	11.167304%
19		
20	Property Tax	221,191
21	Tax on Parcels	0
22		
23	Total Rejoinder Property Tax at Proposed Rates	$ 221,191
24	Rebuttal Filing Proposed Property Taxes	221,776
25	Increase (Decrease) in Property Taxes	$ (586)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (586)
29		
30		

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$9,627,995
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	280,752
6	Rebuttal Filing Interest Expense	280,752
7	Increase in Interest Expense	$ -
8		
9	Adjustment to Revenues and/or Expense	$ -
10		
11		

Arizona American - Anthem Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	115,332
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)		113,513
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	1,818
10			
11	Adjustment to Revenue and/or Expense	$	1,818
12			
13			
14			
15			

Arizona American - Anthem Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	45,501
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		55,279
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(9,778)
10			
11	Adjustment to Revenue and/or Expense	$	(9,778)
12			
13			
14			
15			

Arizona American - Anthem Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	13,731
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		16,502
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(2,770)
10			
11	Adjustment to Revenue and/or Expense	$	(2,770)
12			
13			
14			
15			

Arizona American - Anthem Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	5,300
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		4,185
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	1,114
10			
11	Adjustment to Revenue and/or Expense	$	1,114
12			
13			
14			
15			

Arizona American - Anthem Water
Test Year Ending December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.0916	
5	Total Charges		$ 434,521
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.0916	
10	Total Charges		456,302
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (21,781)
14			
15			
16			
17			

HAVASU WATER COMPANY

Arizona American - Havasu Water Company
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 1,216,964
2		
3	Adjusted Operating Income	12,310
4		
5	Current Rate of Return	1.01%
6		
7	Required Operating Income	$ 91,467
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 79,157
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 128,917

	Customer Classification		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
20	5/8 Inch Residential		$ 249,903	$ 322,282	$ 72,379	28.96%
21	1 Inch Residential		3,296	4,248	952	28.88%
22	1.5 Inch Residential		0	0	0	0
23	2 Inch Residential		1,580	2,037	457	28.92%
24	3 Inch Residential		0	0	0	0
25	4 Inch Residential		3,730	4,807	1,078	28.90%
26	6 Inch Residential		0	0	0	0
27	5/8 Inch Commercial		15,714	20,262	4,549	28.95%
28	1 Inch Commercial		7,007	9,036	2,028	28.95%
29	2 Inch Commercial		3,958	5,104	1,146	28.96%
30	3 Inch Commercial		30,088	38,793	8,706	28.93%
31	4 Inch Commercial		3,820	4,926	1,106	28.95%
32	6 inch Commercial		0	0	0	0
33	Multi-Family 44	1"	7,203	9,291	2,087	28.98%
34	Multi-Family 56	2"	7,741	9,985	2,244	28.99%
35	Multi-Family 64	4"	10,065	12,982	2,917	28.98%
36	Multi-Family 65	2"	9,406	12,132	2,726	28.98%
37	Multi-Family 67	4"	11,990	15,464	3,474	28.97%
38	Multi-Family 89	1"	13,438	16,576	3,137	23.35%
39	Multi-Family 102	2"	12,850	16,576	3,726	29.00%
40	Multi-Family 129	4"	16,174	20,882	4,708	29.11%
41	Multi-Family 153	4"	18,998	24,507	5,509	29.00%
42	Miscellaneous Revenues		10,532	10,532	-	0.00%
43	Difference between Bill Count Revenues		-	-	-	0.00%
44	and General Ledger Revenues		6,311	8,141	1,830	29.00%
45	**Subtotal Revenues**		$ 443,802	$ 568,563	$ 124,760	28.11%

Arizona American - Havasu Water Company
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

RejoinderSchedule A-1
Page 2
Witness: Bourassa

Line No.		Present Revenues	Proposed Revenues	Dollar Change	Percent Change
1	**Revenue Annualization**				
2	0				
3	0				
4	5/8 Inch Residential	11,725	15,121	3,395	28.96%
5	1 Inch Residential	(3,296)	(4,248)	(952)	28.88%
6	2 Inch Residential	(1,428)	(1,840)	(413)	28.91%
7	4 Inch Residential	(4,464)	(5,755)	(1,291)	28.92%
8	5/8 Inch Commercial	783	1,009	226	28.94%
9	1 Inch Commercial	(541)	(698)	(157)	29.01%
10	2 Inch Commercial	$ (764)	$ (985)	$ (221)	29.00%
11	3 Inch Commercial	$ (4,894)	$ (6,309)	$ (1,415)	28.92%
12	Total Revenue Annualizations	(2,878)	(3,706)	(827)	28.74%
13	**Total Revenues**	440,924	564,857	123,933	28.11%
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44	SUPPORTING SCHEDULES:				
45	Rejoinder B-1				
46	Rejoinder C-1				
47	Rebuttal D-1				
48	Rejoinder H-1				
49					

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 2,067,330	$ 2,900,341	$ 2,900,341
3	Less: Accumulated Depreciation	481,120	690,855	690,855
4				
5	Net Utility Plant in Service	$ 1,586,210	$ 2,209,486	$ 2,209,486
6				
7	Less:			
8	Advances in Aid of			
9	Construction	418,704	587,417	587,417
10	Contributions in Aid of			
11	Construction - Net of amortization	280,867	394,040	394,040
12	Customer Meter Deposits	11,066	11,066	11,066
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	519,281	-	-
21				
22	Total Rate Base	$ 1,394,854	$ 1,216,964	$ 1,216,964
23				
24				
25				
26	SUPPORTING SCHEDULES:		RECAP SCHEDULES:	
27	Rebuttal B-2		Rejoinder A-1	
28	Rebuttal B-3			
29				
30				
31				

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 2,067,330			$ 2,067,330
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	481,120			481,120
8					
9	Net Utility Plant				
10	in Service	$ 1,586,210			$ 1,586,210
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Pur	418,704			418,704
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemakin	280,867			280,867
18	Purposes Only)				
19	Customer Meter Deposits	11,066			11,066
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	519,281			519,281
28					
29	Total	$ 1,394,854			$ 1,394,854
30					
31					
32	SUPPORTING SCHEDULES				RECAP SCHEDULES:
33	Rebuttal B-2				Rejoinder B-1
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					

Arizona American - Havasu Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 2,900,341			$ 2,900,341
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	690,855			690,855
8					
9	Net Utility Plant				
10	in Service	$ 2,209,486			$ 2,209,486
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	587,417			587,417
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	394,040			394,040
18	Purposes Only)				
19	Customer Meter Deposits	11,066			11,066
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 1,216,964			$ 1,216,964
30					
31					
32	SUPPORTING SCHEDULES				RECAP SCHEDULES:
33	Rebuttal B-3				Rejoinder B-1
34					
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted *with Rate* Increase
1	**Revenues**						
2	Metered Water Revenues	$ 430,392			$ 430,392	123,933	$ 554,325
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	10,532			10,532		10,532
5		$ 440,924		$ -	$ 440,924	$ 123,933	$ 564,857
6	**Operating Expenses**						
7	Salaries and Wages	$ 138,514	(3)	455	$ 138,969		$ 138,969
8	Purchased Water	806			806		806
9	Purchased Power	47,018			47,018		47,018
10	Chemicals	1,266			1,266		1,266
11	Repairs and Maintenance	75,805			75,805		75,805
12	Office Supplies and Expense	18,060	(4)	(793)	17,267		17,267
13	Outside Services	2,462			2,462		2,462
14	Service Company Charges	72,729	(7)	(3,472)	69,258		69,258
15	Water Testing	-			-		-
16	Rents	1,837			1,837		1,837
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	2,085	(5)	(350)	1,735		1,735
19	Insurance - Health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	2,910			2,910		2,910
21	Miscellaneous Expense	1,958	(6)	264	2,222		2,222
22	Depreciation Expense	41,554			41,554		41,554
23	Taxes Other Than Income	8,908			8,908		8,908
24	Property Taxes	27,271	(1)	(86)	27,185		27,185
25	Income Tax	(14,569)		1,537	(13,032)		34,805
26					-		-
27	**Total Operating Expenses**	$ 428,614		$ (2,445)	$ 426,168	$ -	$ 474,005
28	**Profit (Loss) Before Interest & Taxes**	$ 12,310		$ 2,445	$ 14,756	$ 123,933	$ 90,852
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(35,487)	(2)	-	(35,487)		(35,487)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (35,487)		$ -	$ (35,487)	$ -	$ (35,487)
36	**Net Profit (Loss)**	$ (23,176)		$ 2,445	$ (20,731)	$ 123,933	$ 55,365
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-1					Rejoinder A-1	
40	Rejoinder C-2						
41							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Havasu
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	455
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(793)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(3,472)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(350)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	264
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(86)
42	Income Tax			1,537
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (2,445)
45	Operating Income			$ 2,445
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	-
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ -
53	Net Income			$ 2,445
54				

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.			
1	Adjust Property Taxes to Reflect Proposed Revenues:		
2			
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$	440,924
4	Rejoinder Adjusted Revenues in year ended 12/31/01		440,924
5	Proposed Revenues		564,857
6	Average of three year's of revenue	$	482,235
7	Average of three year's of revenue, times 2		964,470
8	Add:		
9	Construction Work in Progess at 10%		
10	Deduct:		
11	Book Value of Transportation Equipment		45,234
12	Book Value of Transportation Equipment (proforma)		-
13	Total Book Value of Transportation Equipment	$	45,234
14			
15	Full Cash Value	$	919,236
16	Assessment Ratio		25%
17	Assessed Value		229,809
18	Property Tax Rate		11.83%
19			
20	Property Tax		27,185
21	Tax on Parcels		0
22			
23	Total Rejoinder Property Tax at Proposed Rates	$	27,185
24	Rebuttal Filing Proposed Property Taxes		27,271
25	Increase (Decrease) in Property Taxes	$	(86)
26			
27			
28	Adjustment to Revenues and/or Expenses	$	(86)
29			
30			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$1,216,964
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	35,487
6	Rebuttal Filing Interest Expense	35,487
7	Increase in Interest Expense	$ -
8		
9	Adjustment to Revenues and/or Expense	$ -
10		
11		

Arizona American - Havasu Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	28,833
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)		28,378
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	455
10			
11	Adjustment to Revenue and/or Expense	$	455
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	9,420
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		10,213
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(793)
10			
11	Adjustment to Revenue and/or Expense	$	(793)
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	1,736
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		2,086
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(350)
10			
11	Adjustment to Revenue and/or Expense	$	(350)
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	1,288
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		1,024
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	264
10			
11	Adjustment to Revenue and/or Expense	$	264
12			
13			
14			
15			

Arizona American - Havasu Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.0146	
5	Total Charges		$ 69,258
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.0146	
10	Total Charges		72,729
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (3,472)
14			
15			
16			
17			

MOHAVE WATER

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.					
1	Fair Value Rate Base			$	13,350,302
2					
3	Adjusted Operating Income				915,999
4					
5	Current Rate of Return				6.86%
6					
7	Required Operating Income			$	1,003,409
8					
9	Required Rate of Returnon Fair Value Rate base				7.52%
10					
11	Operating Income Deficiency			$	87,410
12					
13	Gross Revenue Conversion Factor				1.6286
14					
15	Increase in Gross Revenue				
16	Requirement			$	142,359
17					
18	Customer	Present	Proposed	Dollar	Percent
19	Classification	Rates	Rates	Increase	Increase
20	Residential 5/8 Inch	$ 2,648,370	$ 2,736,091	$ 87,721	3.31%
21	Residential 1 Inch	15,626	16,151	526	3.36%
22	Residential 1.5 Inch	-	-	-	0.00%
23	Residential 2 Inch	14,500	14,991	491	3.38%
24					
25	Residential Muti-family 5/8 Inch	94,231	97,330	3,099	3.29%
26	Residential Muti-family 1 Inch	44,888	46,366	1,478	3.29%
27	Residential Muti-family 1.5 Inch	16,223	16,752	529	3.26%
28	Residential Muti-family 2 Inch	248,296	256,444	8,148	3.28%
29	Residential Muti-family 4 Inch	17,645	18,226	580	3.29%
30	Residential Muti-family 6 Inch	162,922	168,254	5,332	3.27%
31					
32	Rio Water Residential 5/8 Inch	80,529	83,272	2,743	3.41%
33	Rio Water Residential 1 Inch	26	27	1	3.41%
34	Rio Water Residential 2 Inch	74	77	3	3.41%
35					
36	Commercial 5/8 Inch	125,418	129,600	4,182	3.33%
37	Commercial 1 Inch	90,568	93,617	3,049	3.37%
38	Commercial 1.5 Inch	28,828	29,799	971	3.37%
39	Commercial 2 Inch	355,657	367,686	12,028	3.38%
40	Commercial 3 Inch	51,990	53,740	1,750	3.37%

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 2
Witness: Bourassa

Line No.		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
1					
2	Commercial Multi-Unit 5/8 Inch	16,427	16,970	542	3.30%
3	Commercial Multi-Unit 1 Inch	3,014	3,113	99	3.27%
4	Commercial Multi-Unit 1.5 Inch	2,619	2,707	88	3.35%
5	Commercial Multi-Unit 2 Inch	9,383	9,695	312	3.32%
6					
7	Public Authority 58 Inch	4,450	4,596	146	3.29%
8	Public Authority 1 Inch	5,109	5,281	172	3.37%
9	Public Authority 1.5 Inch	3,877	4,007	130	3.36%
10	Public Authority 2 Inch	61,130	63,199	2,068	3.38%
11	Public Authority 3 Inch	15,446	15,967	521	3.38%
12	Public Authority 4 Inch	19,712	20,377	665	3.38%
13	Public Authority 6 Inch	33,295	34,419	1,124	3.37%
14		-	-	-	0.00%
15	Private Fire 2 Inch	264	273	9	3.33%
16	Private Fire 4 Inch	4,554	4,706	152	3.33%
17	Private Fire 6 Inch	1,539	1,590	51	3.33%
18	Private Fire 8 Inch	588	608	20	3.33%
19	Private Fire 10 Inch	180	186	6	3.33%
20	Private Fire Hydrant	14,489	14,963	474	3.27%
21	Miscellaneous Revenues	108,705	108,705	-	0.00%
22	Difference Between Bill Count Rev. & G/L Rev.	48,141	49,741	1,600	3.32%
23	Subtotal of Water Revenues	$ 4,348,715	$ 4,489,522	$ 140,807	3.24%
24	**Revenue Annualization**				
25	Residential 5/8 Inch	$ 49,762	$ 51,411	$ 1,649	3.31%
26	Residential 1 Inch	1,073	1,109	36	3.36%
27	Residential 1.5 Inch	-	-	-	0.00%
28	Residential 2 Inch	(1,244)	(1,286)	(42)	3.38%
29		0	0	0	0
30	Residential Muti-family 5/8 Inch	(1,693)	(1,749)	(57)	3.34%
31	Residential Muti-family 1 Inch	57	59	2	3.31%
32	Residential Muti-family 1.5 Inch	(277)	(286)	(9)	3.24%
33	Residential Muti-family 2 Inch	(13,893)	(14,345)	(452)	3.26%
34	Residential Muti-family 4 Inch	-	-	-	0.00%
35	Residential Muti-family 6 Inch	(10,652)	(10,994)	(343)	3.22%
36					0
37	Rio Water Residential 5/8 Inch	2,721	2,813	93	3.41%
38	Rio Water Residential 1 Inch	287	297	10	3.41%
39	Rio Water Residential 2 Inch	212	219	7	3.40%
40					0.03407
41	Commercial 5/8 Inch	2,096	2,166	70	3.33%
42	Commercial 1 Inch	3,184	3,291	107	3.37%
43	Commercial 1.5 Inch	-	-	-	0
44	Commercial 2 Inch	10,608	10,967	359	3.38%
45	Commercial 3 Inch	2,711	2,802	91	3.36%

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 3
Witness: Bourassa

Line No.		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
1					
2	Commercial Multi-Unit 5/8 Inch	3,966	4,098	133	3.35%
3	Commercial Multi-Unit 1 Inch	42	43	1	3.26%
4	Commercial Multi-Unit 1.5 Inch	0	0	0	0
5	Commercial Multi-Unit 2 Inch	(2,842)	(2,936)	(93)	3.28%
6		0	0	0	0
7	Public Authority 58 Inch	0	0	0	0
8	Public Authority 1 Inch	45	46	2	3.36%
9	Public Authority 1.5 Inch	0	0	0	0
10	Public Authority 2 Inch	(977)	(1,010)	(33)	3.38%
11	Public Authority 3 Inch	0	0	0	0
12	Public Authority 4 Inch	(18)	(19)	(1)	3.33%
13	Public Authority 6 Inch	0	0	0	0
14		0	0	0	0
15	Private Fire 2 Inch	132	136	4	3.33%
16	Private Fire 4 Inch	0	0	0	0
17	Private Fire 6 Inch	81	84	3	3.33%
18	Private Fire 8 Inch	132	136	4	3.33%
19	Private Fire 10 Inch	-	-	-	0.00%
20	Private Fire Hydrant	(95)	(98)	(3)	3.27%
21	Total Revenue Annualization	$ 45,417	$ 46,955	$ 1,538	3.39%
22	Revenues from Page 1	$ 4,348,715	$ 4,489,522	$ 140,807	3.24%
23	Totals	$ 4,394,133	$ 4,536,477	$ 142,344	3.24%
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44	SUPPORTING SCHEDULES:				
45	Rejoinder B-1				
46	Rejoinder C-1				
47	Rebuttal D-1				
48	Rejoinder H-1				
49					

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 23,738,422	$ 32,986,823	$ 32,986,823
3	Less: Accumulated Depreciation	7,686,592	10,797,746	10,797,746
4				
5	Net Utility Plant in Service	$ 16,051,830	$ 22,189,077	$ 22,189,077
6				
7	Less:			
8	Advances in Aid of			
9	Construction	3,462,178	4,807,341	4,807,341
10	Contributions in Aid of			
11	Construction - Net of amortization	2,825,809	3,923,722	3,923,722
12	Customer Meter Deposits	107,711	107,711	107,711
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	6,074,881	-	-
21				
22	Total Rate Base	$ 15,731,014	$ 13,350,302	$ 13,350,302
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rejoinder B-2			Rejoinder A-1
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 23,808,662	(1)	(70,240)	$ 23,738,422
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	7,686,592			7,686,592
8					
9	Net Utility Plant				
10	in Service	$ 16,122,070			$ 16,051,830
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	3,462,178			3,462,178
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	2,825,809			2,825,809
18	Purposes Only)				
19	Customer Meter Deposits	107,711			107,711
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	6,074,881			6,074,881
28					
29	Total	$ 15,801,254			$ 15,731,014
30					
31					
32	SUPPORTING SCHEDULES				RECAP SCHEDULES
33	Rebuttal B-2				Rejoinder B-1
34					
35					
36	(1) Staff Adjustment Post Test Year Plant				
37					
38					
39					
40					
41					
42					
43					
44					
45					

Arizona American - Mohave Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 33,059,063	(1)	(72,240)	$ 32,986,823
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	10,797,746			10,797,746
8					
9	Net Utility Plant				
10	in Service	$ 22,261,317			$ 22,189,077
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	4,807,341			4,807,341
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	3,923,722			3,923,722
18	Purposes Only)				
19	Customer Meter Deposits	107,711			107,711
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 13,422,542			$ 13,350,302
30					
31					
32	SUPPORTING SCHEDULES				RECAP SCHEDULES
33	Rebuttal B-3				Rejoinder B-1
34					
35					
36	(1) Staff Adjustment Post Test Year Plant				
37					
38					
39					
40					
41					
42					

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 4,285,427			$ 4,285,427	142,344	$ 4,427,771
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	108,705			108,705		108,705
5		$ 4,394,132		$ -	$ 4,394,132	$ 142,344	$ 4,536,476
6	**Operating Expenses**						
7	Salaries and Wages	$ 718,737	(3)	2,273	$ 721,010		$ 721,010
8	Purchased Water	5,040			5,040		5,040
9	Purchased Power	294,603			294,603		294,603
10	Chemicals	8,150			8,150		8,150
11	Repairs and Maintenance	301,313			301,313		301,313
12	Office Supplies and Expense	212,827	(4)	(18,228)	194,599		194,599
13	Outside Services	5,177			5,177		5,177
14	Service Company Charges	503,626	(7)	(24,040)	479,586		479,586
15	Water Testing	-			-		-
16	Rents	18,305			18,305		18,305
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	24,105	(5)	(3,965)	20,140		20,140
19	Insurance - health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	29,013			29,013		29,013
21	Miscellaneous Expense	83,630	(6)	178	83,808		83,808
22	Depreciation Expense	678,194	(8)	(1,980)	676,214		676,214
23	Taxes Other Than Income	46,544			46,544		46,544
24	Property Taxes	264,643	(1)	(1,115)	263,528		263,528
25	Income Tax	312,197		18,907	331,104		386,048
26					-		-
27	**Total Operating Expenses**	$ 3,506,103		$ (27,970)	$ 3,478,133	$ -	$ 3,533,077
28	**Profit (Loss) Before Interest & Taxes**	$ 888,029		$ 27,970	$ 915,999	$ 142,344	$ 1,003,400
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(391,401)	(2)	2,107	(389,295)		(389,295)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (391,401)		$ 2,107	$ (389,295)	$ -	$ (389,295)
36	**Net Profit (Loss)**	$ 496,628		$ 30,076	$ 526,704	$ 142,344	$ 614,105
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-1					Rejoinder A-1	
40	Rejoinder C-2						
41							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Mohave Water
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	2,273
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(18,228)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(24,040)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(3,965)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	178
37				
38	Depreciation Expense	8	Depreciation Expense	(1,980)
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(1,115)
42	Income Tax			18,907
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (27,970)
45	Operating Income			$ 27,970
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	2,107
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ (2,107)
53	Net Income			$ 25,863
54				

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$ 4,394,132
4	Rejoinder Adjusted Revenues in year ended 12/31/01	4,394,132
5	Proposed Revenues	4,536,476
6	Average of three year's of revenue	$ 4,441,580
7	Average of three year's of revenue, times 2	8,883,160
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	546,135
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 546,135
14		
15	Full Cash Value	$ 8,337,025
16	Assessment Ratio	25%
17	Assessed Value	2,084,256
18	Property Tax Rate	12.337393%
19		
20	Property Tax	257,143
21	Tax on Parcels	6,385
22		
23	Total Rejoinder Property Tax at Proposed Rates	$ 263,528
24	Rebuttal Filing Proposed Property Taxes	264,643
25	Increase (Decrease) in Property Taxes	$ (1,115)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (1,115)
29		
30		

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$13,350,302
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	389,295
6	Rebuttal Filing Interest Expense	391,401
7	Increase in Interest Expense	$ (2,107)
8		
9	Adjustment to Revenues and/or Expense	$ 2,107
10		
11		

Arizona American - Mohave Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Corrected Actual 2002 Addnl Salaries	$	144,165
5	& Wages Expense (Corporate)		
6	Rebuttal Filing Proposed Additonal Salaries		141,892
7	& Wages Expense (Corporate)		
8			
9	Increase (Decrease) in Addtional Expenses	$	2,273
10			
11	Adjustment to Revenue and/or Expense	$	2,273
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	92,327
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		110,555
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(18,228)
10			
11	Adjustment to Revenue and/or Expense	$	(18,228)
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	19,040
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		23,005
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(3,965)
10			
11	Adjustment to Revenue and/or Expense	$	(3,965)
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	1,840
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		1,662
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	178
10			
11	Adjustment to Revenue and/or Expense	$	178
12			
13			
14			
15			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.1011	
5	Total Charges		$ 479,586
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.1011	
10	Total Charges		503,626
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (24,040)
14			
15			
16			
17			

Arizona American - Mohave Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 8

Exhibit
Rejoinder Schedule C-2
Page 9
Witness: Bourassa

Line No.					
1	Depreciation Expense				
2					
3	Account		Rebuttak		Depreciation
4	No.	Description	Original Cost	Rate	Expense
5		**Intangible**			
6	301.00	Organization	$ 34,004	0.00%	$ -
7	302.00	Franchises	37,061	0.00%	-
8	303.00	Miscellaneous Intangibles	-	0.00%	-
9		**Subtotal Intangible**	$ 71,064		$ -
10					
11		**Source of Supply**			
12	310.00	Land and Land Rights	$ 209,047	0.00%	$ -
13	311.00	Structures and Improvements	700,707	2.83%	19,830
14	312.00	Collecting and Impounding Res.	663,944	2.54%	16,864
15	313.00	Lakes, Rivers, Other Intakes	-	0.00%	-
16	314.00	Wells and Springs	754,209	2.70%	20,364
17		**Subtotal Source of Supply**	$ 2,327,907		$ 57,058
18					
19		**Pumping**			
20	320.00	Land and Land Rights	$ 2,361	0.00%	$ -
21	321.00	Structures and Improvements	1,687	2.39%	40
22	323.00	Other Power Production	-	0.00%	-
23	325.00	Electric Pumping Equipment	1,854,623	5.12%	94,957
24	326.00	Diesel Pumping Equipment	-	0.00%	-
25	328.10	Gas Engine Pumping Equipment	-	0.00%	-
26		**Subtotal Pumping**	$ 1,858,671		$ 94,997
27					
28		**Water Treatment**			
29	330.00	Land and Land Rights	$ -	0.00%	$ -
30	331.00	Structures and Improvements	15,157	2.50%	379
31	332.00	Water Treatment Equipment	50,870	12.00%	6,104
32		**Subtotal Water Treatment**	$ 66,027		$ 6,483
33					
34		**Transmission and Distribution**			
35	340.00	Land and Land Rights	$ 9,609	0.00%	$ -
36	341.00	Structures and Improvements	4,583	1.81%	83
37	342.00	Distribution, Reservoirs, & ST	1,490,310	1.81%	26,975
38	343.00	Transmission and Distribution	11,661,493	2.61%	304,365
39	344.00	Fire Mains	-	0.00%	-
40	345.00	Services	2,863,818	5.41%	154,933
41	346.00	Meters	1,825,557	6.53%	119,209
42	348.00	Hydrants	-	0.00%	-
43	349.00	Other Transmission & Distribution	-	0.00%	-
44		**Subtotal Transmission and Distribution**	$ 17,855,370		$ 605,564
45					
46		**General**			
47	389.00	Land and Land Rights	$ 293	0.00%	$ -
48	390.00	Structures and Improvements	32,929	2.03%	668
49	391.00	Office Funiture and Equipment	301,147	4.10%	12,343
50	391.10	Computer Equipment	353,433	4.10%	14,485
51	392.00	Transportation Equipment	546,135	25.00%	136,534
52	393.00	Stores Equipment	2,865	3.93%	113
53	394.00	Tools, Shop and Garage	119,563	7.55%	9,029
54	395.00	Laboratory Equipment	7,277	3.06%	223
55	396.00	Power Operated Equipment	71,294	9.23%	6,581
56	397.00	Communication Equipment	113,611	4.10%	4,662
57	398.00	Miscellaneous Equipment	10,836	6.19%	671
58		**Subtotal General**	$ 1,559,383		$ 185,308
59					
60					
61					
62					
63		TOTALS	$ 23,738,422	3.999%	$ 949,410
64					
65					
66	Amortization of Deferred Regulatory Assets		$ 234,640	3.9995%	9,384
67					
68	Less: Amotization of Contributions		$ 2,825,809	10.0000%	(282,581)
69	Rejoinder Depreciation Expense				$ 676,214
70					
71	Rebuttal Filing Depreciation Expense				678,194
72					
73	Increase (decrease) in Depreciation Expense				(1,980)
74					
75	Adjustment to Revenues and/or Expenses				$ (1,980)
76					

SUN CITY WEST WASTEWATER

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.					
1	Fair Value Rate Base			$	12,221,084
2					
3	Adjusted Operating Income				(42,627)
4					
5	Current Rate of Return				-0.35%
6					
7	Required Operating Income			$	918,537
8					
9	Required Rate of Return on Fair Value Rate Base				7.52%
10					
11	Operating Income Deficiency			$	961,164
12					
13	Gross Revenue Conversion Factor				1.6286
14					
15	Increase in Gross Revenue				
16	Requirement			$	1,565,385
17					
18	Customer	Present	Proposed	Dollar	Percent
19	Classification	Rates	Rates	Increase	Increase
20	Residential Units (WSR)	$ 2,789,886	$ 4,026,781	$ 1,236,895	44.33%
21	Commercial Units (SSC)	$76,035	$109,756	$ 33,720	44.35%
22	Commercial Large User (WS6)	12,683	18,363	5,680	44.78%
23	Muti-family Residential Units (AC WSRE)	553,264	798,554	245,290	44.33%
24		-	-	-	0.00%
25		-	-	-	0.00%
26	Commercial additional toilets (WS1)	70,575	101,867	31,293	44.34%
27	Commercial per dishwasher (WS2)	11,241	16,225	4,984	44.34%
28	Commercial per wash machine (WS3)	3,247	4,686	1,439	44.31%
29	Commercial per wash rack (WS4)	2,497	3,605	1,108	44.35%
30	Miscellaneous Revenues	1,002	1,002	-	0.00%
31	Subtotal of Revenues	3,520,431	5,080,839	1,560,408	44.32%
32					
33					
34	Revenue Annualization				
35	Residential Units (WSR)	$ 3,134	$ 4,524	$ 1,390	44.33%
36	Commercial Units (SSC)	7,089	10,232	3,144	44.35%
37	Commercial Large User (WS6)	681	983	302	44.34%
38	Muti-family Residential Units (AC WSRE)	-	-	-	0.00%
39	Commercial additional toilets (WS1)	(424)	(612)	(188)	44.34%
40	Commercial per dishwasher (WS2)	-	-	-	0.00%
41	Commercial per wash machine (WS3)	566	817	251	44.31%
42	Commercial per wash rack (WS4)	-	-	-	0.00%
43	Total Revenue Annualization	$ 11,046	$ 15,944	$ 4,898	44.34%
44		0	0	0	0.00%
45	Total Revenues	$ 3,531,477	$ 5,096,784	$ 1,565,307	44.32%
46					
47	SUPPORTING SCHEDULES:				
48	Rejoinder B-1				
49	Rejoinder C-1				
50	Rebuttal D-1				
51	Rejoinder H-1				
52					
53					

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 39,022,368	$ 54,170,595	$ 54,170,595
3	Less: Accumulated Depreciation	14,145,184	19,791,126	19,791,126
4				
5	Net Utility Plant in Service	$ 24,877,183	$ 34,379,469	$ 34,379,469
6				
7	Less:			
8	Advances in Aid of			
9	Construction	14,502,979	20,132,941	20,132,941
10	Contributions in Aid of			
11	Construction - Net of amortization	1,458,672	2,024,919	2,024,919
12	Customer Meter Deposits	525	525	525
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Deferred Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	10,321,436	-	-
21				
22	Total Rate Base	$ 19,236,443	$ 12,221,084	$ 12,221,084
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rejoinder B-2			Rejoinder A-1
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 39,022,368			$ 39,022,368
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	14,145,184			14,145,184
8					
9	Net Utility Plant				
10	in Service	$ 24,877,183			$ 24,877,183
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	14,502,979			14,502,979
15	Contributions in Aid of				
16					
17	Construction - Net (Ratemaking	1,458,672			1,458,672
18	Purposes Only)				
19	Customer Meter Deposits	525			525
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Deferred Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	10,321,436			10,321,436
28					
29	Total	$ 19,236,443			$ 19,236,443
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES	
33	Rebuttal B-2			Rejoinder B-1	
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 54,170,595			$ 54,170,595
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	19,791,126			19,791,126
8					
9	Net Utility Plant				
10	in Service	$ 34,379,469			$ 34,379,469
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	20,132,941			20,132,941
15	Contributions in Aid of				
16	Construction - Net (Ratemaking	2,024,919			2,024,919
17	Purposes Only)				
18	Customer Meter Deposits	525			525
19	Deferred Income Taxes	-			-
20	Investment Tax Credits	-			-
21	**Plus:**				
22	Deferred Finance				
23	Charges	-			-
24	Deferred Tax Assets	-			-
25	Working capital	-			-
26	Citizens Acquisition Adjustment	-			-
27					
28	Total	$ 12,221,084			$ 12,221,084
29					
30					
31	SUPPORTING SCHEDULES			RECAP SCHEDULES	
32	Rebuttal B-2			Rejoinder B-1	
33					
34					
35					
36					
37					

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Flat Rate Revenues	$ 3,534,678			$ 3,534,678	1,565,307	$ 5,099,985
3		-			-		-
4	Other Wastewater Revenues	1,002			1,002		1,002
5		$ 3,535,680		$ -	$ 3,535,680	$ 1,565,307	$ 5,100,987
6	**Operating Expenses**						
7	Salaries and Wages	$ 498,790	(3)	1,364	$ 500,154		$ 500,154
8	Purchased Wastewater Treatment	-			-		-
9	Purchased Power	1,426			1,426		1,426
10	Fuel for Power Production	-			-		-
11	Chemicals	375,064			375,064		375,064
12	Materials ans Supplies	392,206			392,206		392,206
13	Repairs and Maintenance	-			-		-
14	Office Supplies and Expense	99,644	(4)	(16,800)	82,843		82,843
15	Outside Services	(14,005)			(14,005)		(14,005)
16	Service Company Charges	534,013	(7)	(25,491)	508,522		508,522
17	Water Testing	-			-		-
18	Rents	91,410			91,410		91,410
19	Transportation Expenses	-			-		-
20	Insurance - General Liability	21,883	(5)	(3,516)	18,367		18,367
21	Insurance - Health and Life	-			-		-
22	Regulatory Commission Expense - Rate Case	23,335			23,335		23,335
23	Miscellaneous Expense	243,425	(6)	27	243,451		243,451
24	Depreciation Expense	1,410,140			1,410,140		1,410,140
25	Taxes Other Than Income	33,094			33,094		33,094
26	Property Taxes	163,726	(1)	(605)	163,121		163,121
27	Income Tax	(268,199)		17,378	(250,822)		353,369
28					-		-
29	**Total Operating Expenses**	$ 3,605,951		$ (27,644)	$ 3,578,308	$ -	$ 4,182,498
30	**Operating Income**	$ (70,271)		$ 27,644	$ (42,627)	$ 1,565,307	$ 918,488
31	**Other Income (Expense)**						
32	Interest Income	-			-		-
33	Other income	-			-		-
34	Interest Expense	(356,367)	(2)	-	(356,367)		(356,367)
35	Other Expense	-			-		-
36	Gain/Loss Sale of Fixed Assets	-			-		-
37	**Total Other Income (Expense)**	$ (356,367)		$ -	$ (356,367)	$ -	$ (356,367)
38	**Net Profit (Loss)**	$ (426,638)		$ 27,644	$ (398,994)	$ 1,565,307	$ 562,122
39							
40	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
41	Rebuttal C-2					Rebuttal A-1	
42							
43							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Sun City West WW
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	1,364
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(16,800)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(25,491)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(3,516)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	27
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(605)
42	Income Tax			17,378
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (27,644)
45	Operating Income			$ 27,644
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	-
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ -
53	Net Income			$ 27,644
54				

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$ 3,535,680
4	Rejoinder Adjusted Revenues in year ended 12/31/01	3,535,680
5	Proposed Revenues	5,100,987
6	Average of three year's of revenue	$ 4,057,449
7	Average of three year's of revenue, times 2	8,114,898
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	287,389
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 287,389
14		
15	Full Cash Value	$ 7,827,510
16	Assessment Ratio	25%
17	Assessed Value	1,956,877
18	Property Tax Rate	8.335765%
19		
20	Property Tax	163,121
21	Tax on Parcels	0
22		
23	Total Rejoinder Property Tax at Proposed Rates	$ 163,121
24	Rebuttal Filing Proposed Property Taxes	163,726
25	Increase (Decrease) in Property Taxes	$ (605)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (605)
29		
30		

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$12,221,084
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	356,367
6	Rebuttal Filing Interest Expense	356,367
7	Increase in Interest Expense	$ -
8		
9	Adjustment to Revenues and/or Expense	$ -
10		
11		

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	86,499
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)		85,135
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	1,364
10			
11	Adjustment to Revenue and/or Expense	$	1,364
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	92,664
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		109,464
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(16,800)
10			
11	Adjustment to Revenue and/or Expense	$	(16,800)
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	17,430
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		20,946
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(3,516)
10			
11	Adjustment to Revenue and/or Expense	$	(3,516)
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	1,237
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		1,210
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	27
10			
11	Adjustment to Revenue and/or Expense	$	27
12			
13			
14			
15			

Arizona American - Sun City West Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.1072	
5	Total Charges		$ 508,522
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.1072	
10	Total Charges		534,013
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (25,491)
14			
15			
16			
17			

SUN CITY WEST WATER

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.			
1	Fair Value Rate Base	$	15,432,917
2			
3	Adjusted Operating Income		447,938
4			
5	Current Rate of Return		2.90%
6			
7	Required Operating Income	$	1,159,938
8			
9	Required Rate of Return on Fair Value Rate Base		7.52%
10			
11	Operating Income Deficiency	$	712,000
12			
13	Gross Revenue Conversion Factor		1.6286
14			
15	Increase in Gross Revenue		
16	Requirement	$	1,159,587

	Customer Classification		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
20	5/8 Inch	Residential	$ 2,075,364	$ 2,795,821	$ 720,458	34.71%
21	3/4 Inch	Residential	409	551	142	34.76%
22	1 Inch	Residential	40,107	54,071	13,964	34.82%
23	1.5 Inch	Residential	511,059	689,126	178,067	34.84%
24	2 Inch	Residential	162,940	219,749	56,808	34.86%
25	3 Inch	Residential	-	-	-	0.00%
26	4 Inch	Residential	117,032	157,787	40,754	34.82%
27	5/8 Inch	Commercial	9,572	12,904	3,332	34.81%
28	3/4 Inch	Commercial	-	-	-	0.00%
29	1 Inch	Commercial	34,155	46,046	11,892	34.82%
30	1.5 Inch	Commercial	74,345	100,252	25,907	34.85%
31	2 Inch	Commercial	208,910	281,722	72,812	34.85%
32	3 Inch	Commercial	51,125	68,947	17,822	34.86%
33	4 Inch	Commercial	11,618	15,666	4,047	34.84%
34	6 Inch	Commercial	4,923	6,640	1,717	34.88%
35	4 Inch	Fire Protection	4,140	5,589	1,449	35.00%
36	6 Inch	Fire Protection	11,745	15,856	4,111	35.00%
37	8 Inch	Fire Protection	5,040	6,804	1,764	35.00%
38	Miscellaneous Revenues		37,640	37,640	-	0.00%
39	Subtotal Water Revenues		$ 3,360,124	$ 4,515,170	$ 1,155,046	34.38%

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 2
Witness: Bourassa

Line No.	Customer Classification		Present Rates	Proposed Rates	Dollar Increase	Percent Increase
1	**Revenue Annualization**					
2	5/8 Inch	Residential	$ 3,500	$ 4,713	$ 1,213	34.65%
3	3/4 Inch	Residential	-	-	-	0.00%
4	1.5 Inch	Residential	278	375	97	34.84%
5	2 Inch	Residential	(901)	(1,215)	(314)	34.86%
6	3 Inch	Residential	-	-	-	0.00%
7	4 Inch	Residential	-	-	-	0.00%
8	5/8 Inch	Commercial	(246)	(332)	(86)	34.70%
9	3/4 Inch	Commercial	-	-	-	0.00%
10	1 Inch	Commercial	(440)	(593)	(153)	34.80%
11	1.5 Inch	Commercial	1,014	1,368	353	34.84%
12	2 Inch	Commercial	5,600	7,552	1,952	34.85%
13	3 Inch	Commercial	(4,055)	(5,469)	(1,414)	34.86%
14	4 Inch	Commercial	-	-	-	0
15	6 Inch	Commercial	-	-	-	0
16	4 Inch	Fire Protection	540	729	189	35.00%
17	6 Inch	Fire Protection	135	182	47	35.00%
18	8 Inch	Fire Protection	0	0.00	0	0.00%
19	Total Revenue Annualization		$ 5,424	$ 7,309	$ 1,885	34.74%
20	Total Revenues		$ 3,365,549	$ 4,522,479	$ 1,156,931	34.38%
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37	SUPPORTING SCHEDULES:					
38	Rejoinder B-1					
39	Rejoinder C-1					
40	Rebuttal D-1					
41	Rejoinder H-1					
42						

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Summary of Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 31,385,527	$ 41,995,079	$ 41,995,079
3	Less: Accumulated Depreciation	6,197,918	9,002,193	9,002,193
4				
5	Net Utility Plant in Service	$ 25,187,610	$ 32,992,886	$ 32,992,886
6				
7	Less:			
8	Advances in Aid of			
9	Construction	12,151,160	16,258,734	16,258,734
10	Contributions in Aid of			
11	Construction - Net of amortization	971,578	1,300,010	1,300,010
12	Customer Meter Deposits	1,225	1,225	1,225
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	8,101,902	-	-
21				
22	Total Rate Base	$ 20,165,548	$ 15,432,917	$ 15,432,917
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rejoinder B-2			Rejoinder A-1
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 31,385,527			$ 31,385,527
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	6,197,918			6,197,918
8					
9	Net Utility Plant				
10	in Service	$ 25,187,610			$ 25,187,610
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only	12,151,160			12,151,160
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	971,578			971,578
18	Purposes Only)				
19	Customer Meter Deposits	1,225			1,225
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	8,101,902			8,101,902
28					
29	Total	$ 20,165,548			$ 20,165,548
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES	
33	Rebuttal B-2			Rejoinder B-1	
34					
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 41,995,079			$ 41,995,079
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	9,002,193			9,002,193
8					
9	Net Utility Plant				
10	in Service	$ 32,992,886			$ 32,992,886
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	16,258,734			16,258,734
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,300,010			1,300,010
18	Purposes Only)				
19	Customer Meter Deposits	1,225			1,225
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 15,432,917			$ 15,432,917
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES	
33	Rebuttal B-3			Rejoinder B-1	
34					
35					
36					
37					
38					
39					
40					

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 3,343,134			$ 3,343,134	1,156,931	$ 4,500,065
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	37,640			37,640		37,640
5		$ 3,380,774		$ -	$ 3,380,774	$ 1,156,931	$ 4,537,705
6	**Operating Expenses**						
7	Salaries and Wages	$ 389,664	(3)	909	$ 390,574		$ 390,574
8	Purchased Water	-			-		-
9	Purchased Power	585,941			585,941		585,941
10	Chemicals	20,407			20,407		20,407
11	Repairs and Maintenance	170,058			170,058		170,058
12	Office Supplies and Expense	152,958	(4)	(21,207)	131,751		131,751
13	Outside Services	32,432			32,432		32,432
14	Service Company Fees	498,644	(7)	(23,802)	474,842		474,842
15	Water Testing	6,069			6,069		6,069
16	Rents	14,134			14,134		14,134
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	27,091	(5)	(4,440)	22,650		22,650
19	Insurance - health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	22,313			22,313		22,313
21	Miscellaneous Expense	148,918	(6)	65	148,983		148,983
22	Depreciation Expense	756,584			756,584		756,584
23	Taxes Other Than Income	26,433			26,433		26,433
24	Property Taxes	140,015	(1)	(9,039)	130,976		130,976
25	Income Tax	(23,511)		22,200	(1,311)		445,251
26					-		-
27	**Total Operating Expenses**	$ 2,968,151		$ (35,315)	$ 2,932,836	$ -	$ 3,379,398
28	**Operating Income**	$ 412,624		$ 35,315	$ 447,938	$ 1,156,931	$ 1,158,307
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(450,024)	(2)	-	(450,024)		(450,024)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (450,024)		$ -	$ (450,024)	$ -	$ (450,024)
36	**Net Profit (Loss)**	$ (37,400)		$ 35,315	$ (2,085)	$ 1,156,931	$ 708,283
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-1					Rejoinder A-1	
40	Rejoinder C-2						
41							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Sun City West Water
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	909
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(21,207)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(23,802)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(4,440)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	65
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(9,039)
42	Income Tax			22,200
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (35,315)
45	Operating Income			$ 35,315
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	-
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ -
53	Net Income			$ 35,315
54				

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$ 3,380,774
4	Rejoinder Adjusted Revenues in year ended 12/31/01	3,380,774
5	Proposed Revenues	4,537,705
6	Average of three year's of revenue	$ 3,766,418
7	Average of three year's of revenue, times 2	7,532,836
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	358,256
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 358,256
14		
15	Full Cash Value	$ 7,174,579
16	Assessment Ratio	25%
17	Assessed Value	1,793,645
18	Property Tax Rate	8.485354%
19		
20	Property Tax	152,197
21	Tax on Parcels	24,529
22		
23	Total Rejoinder Property Tax at Proposed Rates	$ 176,726
24	Rebuttal Filing Proposed Property Taxes	185,765
25	Increase (Decrease) in Property Taxes	$ (9,039)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (9,039)
29		
30		

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$15,432,917
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	450,024
6	Rebuttal Filing Interest Expense	450,024
7	Increase in Interest Expense	$ -
8		
9	Adjustment to Revenues and/or Expense	$ -
10		
11		

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	57,666
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)		56,757
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	909
10			
11	Adjustment to Revenue and/or Expense	$	909
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	104,573
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		125,780
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(21,207)
10			
11	Adjustment to Revenue and/or Expense	$	(21,207)
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	22,010
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		26,451
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(4,440)
10			
11	Adjustment to Revenue and/or Expense	$	(4,440)
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	1,462
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		1,397
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	65
10			
11	Adjustment to Revenue and/or Expense	$	65
12			
13			
14			
15			

Arizona American - Sun City West Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.				
1	Service Company Charges			
2				
3	Corrected 2002 Charges	$	4,743,675	
4	Allocation Factor (4 factor Formula)		0.1001	
5	Total Charges			$ 474,842
6				
7				
8	Rebuttal Filing Proposed Charges	$	4,981,460	
9	Allocation Factor (4 factor Formula)		0.1001	
10	Total Charges			498,644
11				
12				
13	Adjustment to Revenues and/or Expenses			$ (23,802)
14				
15				
16				
17				

SUN CITY WATER COMPANY

Arizona American - Sun City Water Company
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 44,279,756
2		
3	Adjusted Operating Income	581,339
4		
5	Current Rate of Return	1.31%
6		
7	Required Operating Income	$ 3,328,066
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 2,746,728
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 4,473,416
17		

18	Customer		Present	Proposed	Dollar	Percent
19	Classification		Rates	Rates	Increase	Increase
20	5/8 Inch	Residential	$ 2,662,562	$ 4,624,450	$ 1,961,888	73.68%
21	3/4 Inch	Residential	1,817	3,150	1,333	73.39%
22	1 Inch	Residential	66,498	115,187	48,689	73.22%
23	1.5 Inch	Residential	1,485,121	2,571,799	1,086,678	73.17%
24	2 Inch	Residential	632,378	1,095,144	462,765	73.18%
25	3 Inch	Residential	13,103	22,671	9,568	73.02%
26	6 Inch	Residential	6,383	11,065	4,681	73.33%
27	5/8 Inch	Commercial	25,941	45,004	19,064	73.49%
28	3/4 Inch	Commercial	3,226	5,594	2,368	73.40%
29	1 Inch	Commercial	48,884	84,743	35,860	73.36%
30	1.5 Inch	Commercial	150,893	261,448	110,556	73.27%
31	2 Inch	Commercial	280,522	485,631	205,108	73.12%
32	3 Inch	Commercial	71,578	123,900	52,322	73.10%
33	4 Inch	Commercial	71,802	124,152	52,351	72.91%
34	6 Inch	Commercial	203,846	352,413	148,567	72.88%
35	1 Inch	Irrigation	339	590	250	73.77%
36	1.5 Inch	Irrigation	98,009	170,347	72,338	73.81%
37	2 Inch	Irrigation	6,157	10,703	4,546	73.84%
38	3 Inch	Irrigation	1,142	1,984	842	73.76%
39	6 Inch	Irrigation	114,183	198,501	84,318	73.84%
40	3 Inch	Public Interruptible	3,193	5,555	2,362	74.00%
41	8 Inch	Public Interruptible	19	33	14	74.00%
42	3 Inch	Fire Protection	72	125	53	73.67%
43	4 Inch	Fire Protection	5,814	10,103	4,289	73.78%
44	6 Inch	Fire Protection	7,150	12,424	5,274	73.76%
45	8 Inch	Fire Protection	2,480	4,309	1,829	73.75%
46	Standby		2,646	4,596	1,950	73.71%
47	Miscellaneous Revenues		113,419	113,419	-	0.00%
48	Subtotal of Water Revenues		$ 6,079,178	$ 10,459,042	$ 4,379,864	72.05%

Arizona American - Sun City Water Company
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 2
Witness: Bourassa

Line No.						
1	Revenue Annualization					
2	5/8 Inch	Residential	$ 10,636	$ 18,492	$ 7,856	73.86%
3	1 Inch	Residential	404	700	296	73.25%
4	1.5 Inch	Residential	1,046	1,810	764	73.11%
5	2 Inch	Residential	5,905	10,226	4,322	73.19%
6	5/8 Inch	Commercial	421	732	311	73.88%
7	3/4 Inch	Commercial	(70)	(122)	(52)	73.80%
8	1 Inch	Commercial	(343)	(595)	(252)	73.43%
9	1.5 Inch	Commercial	863	1,496	633	73.35%
10	2 Inch	Commercial	5,008	8,668	3,661	73.11%
11	3 Inch	Commercial	(3,159)	(5,470)	(2,311)	73.16%
12	1.5 Inch	Irrigation	(4)	(6)	(3)	73.85%
13	2 Inch	Irrigation	(594)	(1,033)	(439)	73.83%
14	3 Inch	Irrigation	(97)	(169)	(72)	73.77%
15	6 Inch	Irrigation	83,116	144,493	61,377	73.84%
16	3 Inch	Public Interruptible	(3,193)	(5,555)	(2,362)	74.00%
17	4 Inch	Fire Protection	126	219	93	73.78%
18	6 Inch	Fire Protection	200	348	148	73.76%
19	8 Inch	Fire Protection	(80)	(139)	(59)	73.75%
20	Total Water Annualization		$ 100,185	$ 174,097	$ 73,911	73.77%
21	Total Water Revenues with Annualization		$ 6,179,363	$ 10,633,139	$ 4,453,775	72.07%
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	SUPPORTING SCHEDULES:					
46	Rejoinder B-1					
47	Rejoinder C-1					
48	Rebuttal D-1					
49	Rejoinder H-1					
50						

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Summary of Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 38,754,465	$ 81,489,402	$ 81,489,402
3	Less: Accumulated Depreciation	13,280,503	29,936,694	29,936,694
4				
5	Net Utility Plant in Service	$ 25,473,962	$ 51,552,708	$ 51,552,708
6				
7	Less:			
8	Advances in Aid of			
9	Construction	2,331,186	4,901,808	4,901,808
10	Contributions in Aid of			
11	Construction - Net of amortization	1,127,078	2,369,919	2,369,919
12	Customer Meter Deposits	1,225	1,225	1,225
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	9,671,646	-	-
21				
22	Total Rate Base	$ 31,686,119	$ 44,279,756	$ 44,279,756
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rejoinder B-2			Rejoinder A-1
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 38,754,465			$ 38,754,465
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	13,280,503			13,280,503
8					
9	Net Utility Plant				
10	in Service	$ 25,473,962			$ 25,473,962
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Onl	2,331,186			2,331,186
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,127,078			1,127,078
18	Purposes Only)				
19	Customer Meter Deposits	1,225			1,225
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	9,671,646			9,671,646
28					
29	Total	$ 31,686,119			$ 31,686,119
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES	
33	Rebuttal B-2			Rejoinder A-1	
34					
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Sun City Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 81,489,402			$ 81,489,402
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	29,936,694			29,936,694
8					
9	Net Utility Plant				
10	in Service	$ 51,552,708			$ 51,552,708
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Onl	4,901,808			4,901,808
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	2,369,919			2,369,919
18	Purposes Only)				
19	Customer Meter Deposits	1,225			1,225
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	-			-
28					
29	Total	$ 44,279,756			$ 44,279,756
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES	
33	Rebuttal B-3			Rejoinder A-1	
34					
35					
36					
37					
38					
39					
40					

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 6,079,671			$ 6,079,671	4,453,775	$ 10,533,447
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	113,419			113,419		113,419
5		$ 6,193,090		$ -	$ 6,193,090	$ 4,453,775	$ 10,646,866
6	**Operating Expenses**						
7	Salaries and Wages	$ 996,813	(3)	3,637	$ 1,000,450		$ 1,000,450
8	*Purchased Water*	-			-		-
9	Purchased Power	1,416,410			1,416,410		1,416,410
10	Chemicals	17,413			17,413		17,413
11	Repairs and Maintenance	540,349			540,349		540,349
12	Office Supplies and Expense	416,589	(4)	(60,115)	356,473		356,473
13	Outside Services	93,641			93,641		93,641
14	Service Company Charges	895,168	(7)	(42,730)	852,438		852,438
15	Water Testing	6,878			6,878		6,878
16	Rents	28,369			28,369		28,369
17	Transportation Expenses	22			22		22
18	Insurance - General Liability	79,587	(5)	(12,740)	66,847		66,847
19	Insurance - health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	40,874			40,874		40,874
21	Miscellaneous Expense	300,465	(6)	601	301,066		301,066
22	Depreciation Expense	1,007,693			1,007,693		1,007,693
23	Taxes Other Than Income	62,753			62,753		62,753
24	Property Taxes	186,779	(1)	79,539	266,318		266,318
25	Income Tax	(544,789)		98,547	(446,242)		1,272,865
26					-		-
27	**Total Operating Expenses**	$ 5,545,013		$ 66,739	$ 5,611,752	$ -	$ 7,330,859
28	**Operating Income**	$ 648,077		$ (66,739)	$ 581,339	$ 4,453,775	$ 3,316,007
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(1,514,700)	(2)	223,502	(1,291,198)		(1,291,198)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (1,514,700)		$ 223,502	$ (1,291,198)	$ -	$ (1,291,198)
36	**Net Profit (Loss)**	$ (866,622)		$ 156,763	$ (709,859)	$ 4,453,775	$ 2,024,809
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-1					Rejoinder A-1	
40	Rejoinder C-2						
41							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Sun City Water
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	3,637
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(60,115)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(42,730)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(12,740)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	601
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	79,539
42	Income Tax			98,547
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ 66,739
45	Operating Income			$ (66,739)
46	***Other Income/Expense***			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	223,502
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ (223,502)
53	Net Income			$ (290,241)
54				

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$ 6,193,090
4	Rejoinder Adjusted Revenues in year ended 12/31/01	6,193,090
5	Proposed Revenues	10,646,866
6	Average of three year's of revenue	$ 7,677,682
7	Average of three year's of revenue, times 2	15,355,364
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	579,346
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 579,346
14		
15	Full Cash Value	$ 14,776,018
16	Assessment Ratio	25%
17	Assessed Value	3,694,005
18	Property Tax Rate	7.205292%
19		
20	Property Tax	266,164
21	Tax on Parcels	154
22		
23	Total Rejoinder Property Tax at Proposed Rates	$ 266,318
24	Rebuttal Filing Proposed Property Taxes	186,779
25	Increase (Decrease) in Property Taxes	$ 79,539
26		
27		
28	Adjustment to Revenues and/or Expenses	$ 79,539
29		
30		

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$44,279,756
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	1,291,198
6	Rebuttal Filing Interest Expense	1,514,700
7	Increase in Interest Expense	$ (223,502)
8		
9	Adjustment to Revenues and/or Expense	$ (223,502)
10		
11		

Arizona American - Sun City Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	230,664
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)		227,027
7			
8			
9	Increase (Decrease) in Addtional Expense	$	3,637
10			
11	Adjustment to Revenue and/or Expense	$	3,637
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	214,090
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		274,205
7			
8			
9	Increase (Decrease) in Addtional Expense	$	(60,115)
10			
11	Adjustment to Revenue and/or Expense	$	(60,115)
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	63,152
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		75,891
7			
8			
9	Increase (Decrease) in Addtional Expense	$	(12,740)
10			
11	Adjustment to Revenue and/or Expense	$	(12,740)
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	4,389
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		3,788
7			
8			
9	Increase (Decrease) in Addtional Expense	$	601
10			
11	Adjustment to Revenue and/or Expense	$	601
12			
13			
14			
15			

Arizona American - Sun City Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 10

Exhibit
Rejoinder Schedule C-2
Page 11
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.1797	
5	Total Charges		$ 852,438
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.1797	
10	Total Charges		895,168
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (42,730)
14			
15			
16			
17			

SUN CITY WASTEWATER

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
RejoinderSchedule A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 17,192,669
2		
3	Adjusted Operating Income	1,130,307
4		
5	Current Rate of Return	6.57%
6		
7	Required Operating Income	$ 1,292,201
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 161,894
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 263,666
17		

18	Customer	Present	Proposed	Dollar	Percent
19	Classification	Rates	Rates	Increase	Increase
20	Residential Units (SSR)	$ 2,920,525	$ 3,070,295	$ 149,771	5.13%
21	Commercial/Residential Units (SSR)	116	122	6	5.13%
22	Commercial (SSC)	104,865	110,292	5,426	5.17%
23	Commercial Large User (SS6)	64,965	68,114	3,149	4.85%
24	Multi-family Residential Units (AC SSR)	1,793,100	1,885,054	91,954	5.13%
25	Commercial additional toilets (SS1)	133,438	140,498	7,060	5.29%
26	Commercial per dishwasher (SS2)	26,568	27,947	1,379	5.19%
27	Commercial per wash machine (SS3)	5,457	5,743	286	5.24%
28	Commercial per wash rack (SS4)	2,736	2,879	143	5.21%
29	Miscellaneous Revenues	2,859	2,859	-	0.00%
30	Subtotal of Revenues	$ 5,054,629	$ 5,313,802	$ 259,173	5.13%
31					
32	Revenue Annualization				
33	Residential Units (SSR)	$ 12,754	$ 13,408	$ 654	5.13%
34	Commercial/Residential Units (SSR)	(116)	(122)	(6)	5.13%
35	Commercial (SSC)	1,809	1,902	94	5.17%
36	Commercial Large User (SS6)	-	-	-	0.00%
37	Multi-family Residential Units (AC SSR)	17,709	18,617	908	5.13%
38	Commercial additional toilets (SS1)	329	346	17	5.29%
39	Commercial per dishwasher (SS2)	669	704	35	5.19%
40	Commercial per wash machine (SS3)	49	52	3	5.24%
41	Commercial per wash rack (SS4)	29	30	2	5.21%
42	Total Revenue Annualization	$ 33,233	$ 34,939	$ 1,706	5.13%
43		0	0	0	0
44	Total of Revenues	$ 5,087,862	$ 5,348,741	$ 260,879	5.13%
45					
46	SUPPORTING SCHEDULES:				
47	Rejoinder B-1				
48	Rejoinder C-1				
49	Rebuttal D-1				
50	Rejoinder H-1				
51					

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 19,900,934	$ 43,537,027	$ 43,537,027
3	Less: Accumulated Depreciation	7,195,117	17,008,200	17,008,200
4				
5	Net Utility Plant in Service	$ 12,705,816	$ 26,528,827	$ 26,528,827
6				
7	Less:			
8	Advances in Aid of			
9	Construction	3,309,005	7,239,070	7,239,070
10	Contributions in Aid of			
11	Construction - Net of amortization	1,187,139	2,597,089	2,597,089
12	Customer Meter Deposits	-	-	-
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Tolleson Trickling			
17	Filter	500,000	500,000	500,000
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	5,224,179	-	-
21				
22	Total Rate Base	$ 13,933,851	$ 17,192,669	$ 17,192,669
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rejoinder B-2			Rejoinder A-1
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 19,900,934			$ 19,900,934
3					
4					
5	**Less:**				
6	Accumulated				
7	Depreciation	7,195,117			7,195,117
8					
9	Net Utility Plant				
10	in Service	$ 12,705,816			$ 12,705,816
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	3,309,005			3,309,005
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	1,187,139			1,187,139
18	Purposes Only)				
19	Customer Meter Deposits	-			-
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Tolleson Trickling				
24	Filter	500,000			500,000
25	Deferred Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	5,224,179			5,224,179
28					
29	Total	$ 13,933,851			$ 13,933,851
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES	
33	Rebuttal B-2			Rejoinder B-1	
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 43,537,027			$ 43,537,027
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	17,008,200			17,008,200
8					
9	Net Utility Plant				
10	in Service	$ 26,528,827			$ 26,528,827
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	7,239,070			7,239,070
15	Contributions in Aid of				
16	Construction - Net (Ratemaking	2,597,089			2,597,089
17	Purposes Only)				
18	Customer Meter Deposits	-			-
19	Deferred Income Taxes	-			-
20	Investment Tax Credits	-			-
21	**Plus:**				
22	Tolleson Trickling				
23	Filter	500,000			500,000
24	Deferred Assets	-			-
25	Working capital	-			-
26	Citizens Acquisition Adjustment	-			-
27					
28	Total	$ 17,192,669			$ 17,192,669
29					
30					
31	SUPPORTING SCHEDULES			RECAP SCHEDULES	
32	Rebuttal B-3			Rejoinder B-1	
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Flat Rate Revenues	$ 5,085,481			$ 5,085,481	260,879	$ 5,346,360
3	Measured Revenues	-			-		-
4	Other Wastewater Revenues	2,859			2,859		2,859
5		$ 5,088,340		$ -	$ 5,088,340	$ 260,879	$ 5,349,219
6	**Operating Expenses**						
7	Salaries and Wages	$ 107,181	(3)	606	$ 107,787		$ 107,787
8	Purchased Wastewater Treatment	992,447			992,447		992,447
9	Purchased Power	1,510			1,510		1,510
10	Fuel for Power Production	-			-		-
11	Chemicals	-			-		-
12	Materials and Supplies	105,696			105,696		105,696
13	Repairs and Maintenance	-			-		-
14	Office Supplies and Expense	147,138	(4)	(23,681)	123,456		123,456
15	Outside Services	3,123			3,123		3,123
16	Service Company Charges	505,120	(7)	(24,111)	481,009		481,009
17	Water Testing	-					-
18	Rents	21,265			21,265		21,265
19	Transportation Expenses	-			-		-
20	Insurance - General Liability	30,906	(5)	(4,946)	25,960		25,960
21	Insurance - Health and Life	-			-		-
22	Regulatory Commission Expense - Rate Case	33,583			33,583		33,583
23	Miscellaneous Expense	145,545	(6)	22	145,567		145,567
24	Depreciation Expense	507,843			507,843		507,843
25	Taxes Other Than Income	5,949			5,949		5,949
26	Property Taxes	190,062	(1)	(705)	189,357		189,357
27	Income Tax	375,005		20,386	395,392		496,088
28	Tolleson Wastewater User Fees	818,091			818,091		818,091
29	**Total Operating Expenses**	$ 3,990,462		$ (32,430)	$ 3,958,033	$ -	$ 4,058,729
30	**Operating Income**	$ 1,097,877		$ 32,430	$ 1,130,307	$ 260,879	$ 1,290,490
31	**Other Income (Expense)**						
32	Interest Income	-			-		-
33	Other income	-			-		-
34	Interest Expense	(501,338)	(2)	-	(501,338)		(501,338)
35	Other Expense	-			-		-
36	Gain/Loss Sale of Fixed Assets	-			-		-
37	**Total Other Income (Expense)**	$ (501,338)		$ -	$ (501,338)	$ -	$ (501,338)
38	**Net Profit (Loss)**	$ 596,539		$ 32,430	$ 628,969	$ 260,879	$ 789,151
39							
40	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
41	Rebuttal C-1					Rejoinder A-1	
42	Rejoinder C-2						

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Sun City Sewer
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	606
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(23,681)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(24,111)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(4,946)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	22
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(705)
42	Income Tax			20,386
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (32,430)
45	Operating Income			$ 32,430
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	-
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ -
53	Net Income			$ 32,430
54				

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.		
1	Adjust Property Taxes to Reflect Proposed Revenues:	
2		
3	Rebuttal Adjusted Revenues in year ended 12/31/01	$ 5,088,340
4	Rebuttal Adjusted Revenues in year ended 12/31/01	5,088,340
5	Proposed Revenues	5,349,219
6	Average of three year's of revenue	$ 5,175,299
7	Average of three year's of revenue, times 2	10,350,599
8	Add:	
9	Construction Work in Progess at 10%	
10	Deduct:	
11	Book Value of Transportation Equipment	408,123
12	Book Value of Transportation Equipment (proforma)	-
13	Total Book Value of Transportation Equipment	$ 408,123
14		
15	Full Cash Value	$ 9,942,476
16	Assessment Ratio	25%
17	Assessed Value	2,485,619
18	Property Tax Rate	7.618094%
19		
20	Property Tax	189,357
21	Tax on Parcels	0
22		
23	Total Rebuttal Property Tax at Proposed Rates	$ 189,357
24	Direct Filing Proposed Property Taxes	190,062
25	Increase (Decrease) in Property Taxes	$ (705)
26		
27		
28	Adjustment to Revenues and/or Expenses	$ (705)
29		
30		

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$17,192,669
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	501,338
6	Rebuttal Filing Interest Expense	501,338
7	Increase in Interest Expense	$ -
8		
9	Adjustment to Revenues and/or Expense	$ -
10		
11		

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	38,444
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)	$	37,838
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	606
10			
11	Adjustment to Revenue and/or Expense	$	606
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	131,056
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		154,737
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(23,681)
10			
11	Adjustment to Revenue and/or Expense	$	(23,681)
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	24,520
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		29,467
7			
8			
9	Increase (Decrease) in Addtional Expenses	$	(4,946)
10			
11	Adjustment to Revenue and/or Expense	$	(4,946)
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3			
4	Corrected Actual 2002 Additional Misc.	$	1,685
5	Expense (Corporate)		
6	Rebuttal Filing Proposed Additonal		1,663
7	Misc. Expense (Corporate)		
8			
9	Increase (Decrease) in Addtional Expenses	$	22
10			
11	Adjustment to Revenue and/or Expense	$	22
12			
13			
14			
15			

Arizona American - Sun City Wastewater
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.1014	
5	Total Charges		$ 481,009
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.1014	
10	Total Charges		505,120
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (24,111)
14			
15			
16			
17			

TUBAC WATER

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rebuttal Schedule A-1
Page
Witness: Bourassa

Line No.		
1	Fair Value Rate base	$ 1,732,373
2		
3	Adjusted Operating Income	18,486
4		
5	Current Rate of Return	1.07%
6		
7	Required Operating Income	$ 130,205
8		
9	Required Rate of Return on Fair Value Rate Base	7.52%
10		
11	Operating Income Deficiency	$ 111,719
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 181,950
17		

18	Customer		Present	Proposed	Dollar	Percent
19	Classification		Rates	Rates	Increase	Increase
20	5/8 Inch	Residential	$ 192,378	$ 331,745	$ 139,366	72.44%
21	1 Inch	Residential	11,339	19,554	8,215	72.44%
22	1.5 Inch	Residential	1,501	2,589	1,088	72.49%
23	2 Inch	Residential	1,671	2,882	1,211	72.48%
24	3 Inch	Residential	1,255	2,164	909	72.45%
25			-	-	-	0.00%
26	5/8 Inch	Commercial	20,444	35,253	14,809	72.44%
27	1 Inch	Commercial	6,953	11,991	5,038	72.46%
28	1.5 Inch	Commercial	2,753	4,748	1,995	72.48%
29	2 Inch	Commercial	9,544	16,465	6,922	72.52%
30	3 Inch	Commercial	807	1,392	585	72.47%
31	Miscellaneous Revenues		2,691	2,691	-	0.00%
32			0	0	0	0
33	Subtotal of Water Revenues		$ 251,336	$ 431,475	$ 180,138	71.67%
34						
35						
36	Revenue Annualization					
37	5/8 Inch	Residential	$ 738	$ 1,271	$ 534	72.40%
38	1 Inch	Residential	370	638	268	72.40%
39	5/8 Inch	Commercial	350	603	253	72.38%
40	1 Inch	Commercial	218	375	158	72.44%
41	3 Inch	Commercial	801	1,382	581	72.46%
42	Total Revenue Annualization		2,476	4,269	1,793	72.42%
43	Total Water Revenues with		-	-	-	0.00%
44	Revenue Annualization		$ 253,812	$ 435,744	$ 181,931	71.68%
45						
46	SUPPORTING SCHEDULES:					
47	Rejoinder B-1					
48	Rejoinder C-1					
49	Rebuttal D-1					
50	Rejoinder H-1					
51						
52						

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Summary of Fair Value Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate base (RCND Only)
1				
2	Gross Utility Plant in Service	$ 2,009,845	$ 3,101,018	$ 3,101,018
3	Less: Accumulated Depreciation	569,206	883,956	883,956
4				
5	Net Utility Plant in Service	$ 1,440,638	$ 2,217,062	$ 2,217,062
6				
7	Less:			
8	Advances in Aid of			
9	Construction	170,081	262,421	262,421
10	Contributions in Aid of			
11	Construction - Net of amortization	143,675	221,678	221,678
12	Customer Meter Deposits	590	590	590
13	Deferred Income Taxes & Credits	-	-	-
14	Investment tax Credits	-	-	-
15	Plus:			
16	Unamortized Finance			
17	Charges	-	-	-
18	Deferred Tax Assets	-	-	-
19	Allowance for Working Capital	-	-	-
20	Citizens Acquisition Adjustment	527,102	-	-
21				
22	Total Rate Base	$ 1,653,394	$ 1,732,373	$ 1,732,373
23				
24				
25				
26	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
27	Rejoinder B-2			Rejoinder A-1
28	Rejoinder B-3			
29				
30				
31				

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 2,009,845			$ 2,009,845
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	569,206			569,206
8					
9	Net Utility Plant				
10	in Service	$ 1,440,638			$ 1,440,638
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	$ 170,081			$ 170,081
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	143,675			143,675
18	Purposes Only)				
19	Customer Meter Deposits	590			590
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27	Citizens Acquisition Adjustment	527,102			527,102
28					
29	Total	$ 1,653,394			$ 1,653,394
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES	
33	Rebuttal B-2			Rejoinder B-1	
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					

Arizona American - Tubac Water
Test Year Ended December 31, 2001
RCND Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-3
Page 1
Witness: Bourassa

Line No.		Rebuttal Adjusted at end of Test Year	Label	Amount	Rejoinder Adjusted at end of Test Year
1	Gross Utility				
2	Plant in Service	$ 3,101,018			$ 3,101,018
3					
4	**Less:**				
5					
6	Accumulated				
7	Depreciation	883,956			883,956
8					
9	Net Utility Plant				
10	in Service	$ 2,217,062			$ 2,217,062
11					
12	**Less:**				
13	Advances in Aid of				
14	Construction (Ratemaking Purposes Only)	$ 262,421			$ 262,421
15					
16	Contributions in Aid of				
17	Construction - Net (Ratemaking	221,678			221,678
18	Purposes Only)				
19	Customer Meter Deposits	590			590
20	Deferred Income Taxes	-			-
21	Investment Tax Credits	-			-
22	**Plus:**				
23	Unamortized Finance				
24	Charges	-			-
25	Deferred Tax Assets	-			-
26	Working capital	-			-
27					
28	Total	$ 1,732,373			$ 1,732,373
29					
30					
31					
32	SUPPORTING SCHEDULES			RECAP SCHEDULES	
33	Rebuttal B-3			Rejoinder B-1	
34					
35					
36					
37					
38					
39					
40					
41					
42					

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Rebuttal Test Year Adjusted Results	Label	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	**Revenues**						
2	Metered Water Revenues	$ 251,795			$ 251,795	181,931	$ 433,726
3	Unmetered Water Revenues	-			-		-
4	Other Water Revenues	2,691			2,691		2,691
5		$ 254,486		$ -	$ 254,486	$ 181,931	$ 436,417
6	**Operating Expenses**						
7	Salaries and Wages	$ 73,951	(3)	152	$ 74,102		$ 74,102
8	Purchased Water	-			-		-
9	Purchased Power	20,767			20,767		20,767
10	Chemicals	16			16		16
11	Repairs and Maintenance	18,029			18,029		18,029
12	Office Supplies and Expense	17,842	(4)	(2,265)	15,578		15,578
13	Outside Services	10,516			10,516		10,516
14	Service Company Charges	37,361	(7)	(1,783)	35,578		35,578
15	Water Testing	1,420			1,420		1,420
16	Rents	3,454			3,454		3,454
17	Transportation Expenses	-			-		-
18	Insurance - General Liability	2,985	(5)	(498)	2,487		2,487
19	Insurance - health and Life	-			-		-
20	Regulatory Commission Expense - Rate Case	1,680			1,680		1,680
21	Miscellaneous Expense	7,023	(6)	54	7,077		7,077
22	Depreciation Expense	37,365			37,365		37,365
23	Taxes Other Than Income	5,095			5,095		5,095
24	Property Taxes	23,075	(1)	(103)	22,972		22,972
25	Income Tax	(21,851)		1,715	(20,135)		50,088
26					-		-
27	**Total Operating Expenses**	$ 238,729		$ (2,729)	$ 236,000	$ -	$ 306,224
28	**Operating Income**	$ 15,757		$ 2,729	$ 18,486	$ 181,931	$ 130,194
29	**Other Income (Expense)**						
30	Interest Income	-			-		-
31	Other income	-			-		-
32	Interest Expense	(50,516)	(2)	-	(50,516)		(50,516)
33	Other Expense	-			-		-
34	Gain/Loss Sale of Fixed Assets	-			-		-
35	**Total Other Income (Expense)**	$ (50,516)		$ -	$ (50,516)	$ -	$ (50,516)
36	**Net Profit (Loss)**	$ (34,759)		$ 2,729	$ (32,030)	$ 181,931	$ 79,678
37							
38	SUPPORTING SCHEDULES:					RECAP SCHEDULES:	
39	Rebuttal C-1					Rejoinder A-1	
40	Rejoinder C-2						
41							

Arizona American
Summary of Rejoinder Adjustments
Test Year December 31, 2001

Exhibit
Rejoinder Schedule C-2
Witness: Bourassa
Page1

Line No.		Water/ Sewer Label	Description	Tubac Water
1				
2	**Revenues**			
3	Revenues		None	
4				
5	Other Revenues		None	
6				$ -
7	**Operating Expenses**			
8	Salaries and Wages			
9		3	Correction adjustment to Actual 2002 Additional (Corporate)	152
10				
11	Purchased Water		None	
12				
13	Purchased Wastewater Treatment		None	
14				
15	Purchased Power		None	
16				
17	Fuel for Power Production			
18	Chemicals		None	
19				
20	Materials ans Supplies		None	
21	Repairs and Maintenance		None	
22	Office Supplies and Expense	4	Correction adjustment to Actual 2002 Additional (Corporate)	(2,265)
23				
24	Outside Services			
25	Service Company Charges	7	Correction adjustment to Actual 2002 Service Company Charges	(1,783)
26				
27	Water Testing		None	
28	Rents		None	
29				
30	Transportation Expenses		None	
31	Insurance - General Liability	5	Correction adjustment to Actual 2002 Additional (Corporate)	(498)
32				
33	Insurance - Health and Life		None	
34	Rate Case Expense		None	
35				
36	Miscellaneous Expense	6	Correction adjustment to Actual 2002 Additional (Corporate)	54
37				
38	Depreciation Expense	8	Depreciation Expense	-
39	Taxes Other Than Income		None	-
40				
41	Property Taxes	1	Property Taxes	(103)
42	Income Tax			1,715
43	Tolleson Wastewater User Fees		None	
44	Total Operating Expenses			$ (2,729)
45	Operating Income			$ 2,729
46	**Other Income/Expense**			
47	Interest Income			
48	Other income			
49	Interest Expense	2	Interest Expense Synch.	-
50	Other Expense			
51	Gain/Loss Sale of Fixed Assets			
52				$ -
53	Net Income			$ 2,729
54				

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Line No.			
1	Adjust Property Taxes to Reflect Proposed Revenues:		
2			
3	Rejoinder Adjusted Revenues in year ended 12/31/01	$	254,486
4	Rejoinder Adjusted Revenues in year ended 12/31/01		254,486
5	Proposed Revenues		436,417
6	Average of three year's of revenue	$	315,130
7	Average of three year's of revenue, times 2		630,260
8	Add:		
9	Construction Work in Progess at 10%		
10	Deduct:		
11	Book Value of Transportation Equipment		9,535
12	Book Value of Transportation Equipment (proforma)		0
13	Total Book Value of Transportation Equipment	$	9,535
14			
15	Full Cash Value	$	620,724
16	Assessment Ratio		25%
17	Assessed Value		155,181
18	Property Tax Rate		14.796183%
19			
20	Property Tax		22,961
21	Tax on Parcels		12
22			
23	Total Rejoinder Property Tax at Proposed Rates	$	22,972
24	Rebuttal Filing Proposed Property Taxes		23,075
25	Increase (Decrease) in Property Taxes	$	(103)
26			
27			
28	Adjustment to Revenues and/or Expenses	$	(103)
29			
30			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.		
1	Interest Synchronization with Rate Base	
2		
3	Rejoinder Fair Value Rate Base	$1,732,373
4	Weigted Cost of Debt from Schedule D-1	2.92%
5	Rejoinder Synchronized Interest Expense	50,516
6	Rebuttal Filing Interest Expense	50,516
7	Increase in Interest Expense	$ -
8		
9	Adjustment to Revenues and/or Expense	$ -
10		
11		

Arizona American - Tubac Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl Salaries		
4	& Wages Expense (Corporate)	$	9,611
5	Rebuttal Filing Proposed Additonal Salaries		
6	& Wages Expense (Corporate)		9,459
7			
8			
9	Increase (Decrease) in Addtional Expense	$	152
10			
11	Adjustment to Revenue and/or Expense	$	152
12			
13			
14			
15			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Office Expense (Corporate)	$	7,060
5	Rebuttal Filing Proposed Addnl		
6	Office Expense (Corporate)		9,325
7			
8			
9	Increase (Decrease) in Addtional Expense	$	(2,265)
10			
11	Adjustment to Revenue and/or Expense	$	(2,265)
12			
13			
14			
15			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 5

Exhibit
Rejoinder Schedule C-2
Page 6
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Addnl		
4	Insurance Expense (Corporate)	$	2,471
5	Rebuttal Filing Proposed Addnl		
6	Insurance Expense (Corporate)		2,969
7			
8			
9	Increase (Decrease) in Addtional Expense	$	(498)
10			
11	Adjustment to Revenue and/or Expense	$	(498)
12			
13			
14			
15			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 6

Exhibit
Rejoinder Schedule C-2
Page 7
Witness: Bourassa

Line No.			
1	Projected Additional Expenses		
2			
3	Corrected Actual 2002 Additional Misc.		
4	Expense (Corporate)	$	275
5	Rebuttal Filing Proposed Additonal		
6	Misc. Expense (Corporate)		221
7			
8			
9	Increase (Decrease) in Addtional Expense	$	54
10			
11	Adjustment to Revenue and/or Expense	$	54
12			
13			
14			
15			

Arizona American - Tubac Water
Test Year Ended December 31, 2001
Adjustments to Revenues and Expenses
Adjustment Number 7

Exhibit
Rejoinder Schedule C-2
Page 8
Witness: Bourassa

Line No.			
1	Service Company Charges		
2			
3	Corrected 2002 Charges	$ 4,743,675	
4	Allocation Factor (4 factor Formula)	0.0075	
5	Total Charges		$ 35,578
6			
7			
8	Rebuttal Filing Proposed Charges	$ 4,981,460	
9	Allocation Factor (4 factor Formula)	0.0075	
10	Total Charges		37,361
11			
12			
13	Adjustment to Revenues and/or Expenses		$ (1,783)
14			
15			
16			
17			