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ORIGINAL

Class C, D & E Water Company Rate Review Form

Arizona Corporation Commission
DOCKETED

JUL 12 2011

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Arizona Corporation Commission

Utilities Division

Ernest G. Johnson, Esq., Director

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AZ CORP COMMISSION
DOCKET CONTROL

Company name: EDEN WATER COMPANY, INC.

Schedule 1

Docket No./Decision No.: _____

Period Ending: 2010

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

Acct. No.			
	OPERATING REVENUES		
461	Metered Water Revenue	69,101	
460	Unmetered Water Revenue	21	
474	Other Water Revenues		
	TOTAL OPERATING REVENUE		\$69,122
	OPERATING EXPENSES		
601-603	Salaries and Wages	11,490	
610	Purchased Water	43,935	
615	Purchased Power		
618	Chemicals		
620	Materials & Supplies; repairs and maintenance	8,810	
621	Office Supplies and Expense	4,451	
630-636	Outside Services		
635	Water Testing	1,290	
640	Rents		
650	Transportation Expenses	1,660	
655	Insurance Expense	2,294	
665	Regulatory Commission Expenses – per last rate case		
675	Miscellaneous Expenses	1,243	
403	Depreciation Expense	25,839	
408	Taxes Other Than Income; property tax	2,856	
409	Income Tax		
	TOTAL OPERATING EXPENSE		
	OPERATING INCOME/(LOSS)		\$ (34,746)
	OTHER INCOME/(DEDUCTIONS)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	3,764	
	TOTAL OTHER INCOME/(EXPENSE)		\$3,764
	NET INCOME/(LOSS)		\$ (38,510)

Company name: EDEN WATER COMPANY, INC.

Schedule 2

Docket No./Decision No.: _____

Period Ending: 2010

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

Acct. No.	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	1,522	
124	Utility Investments		
141	Customer Accounts Receivable	7,659	
146	Notes Receivable from Associated Companies*		
151	Plant Material and Supplies	17,106	
174	Miscellaneous Current and Accrued Assets; prepayments		
	TOTAL CURRENT AND ACCRUED ASSETS		\$26,287
	FIXED ASSETS		
101	Utility Plant in Service	577,021	
103	Property Held for Future Use		
105	Construction Work in Progress	20,736	
108	Less Accumulated Depreciation – Utility Plant	(416,122)	
121	Non-Utility Property		
122	Less Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS		\$181,635
	TOTAL ASSETS		\$207,922

* Indicates a Class A account included here for convenience

Company name: EDEN WATER COMPANY, INC.

Schedule 3

Docket No./Decision No.: _____

Period Ending: 2010

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

Line No.	ACCOUNT DESCRIPTION		
1	PLANT		
2	Plant in Service	577,021	
3	Less: Accumulated Depreciation	(371,240)	
4	NET PLANT		\$ 205,780
5			
6	ADDITIONS/DEDUCTIONS		
7	<i>Advances (-)</i>		
8	Plant Advances		
9	Service Line & Meter Advances		
10	TOTAL ADVANCES		\$
11			
12	<i>Contributions (-)</i>		
13	Gross Contributions		
14	Less: Amortization of Contributions		
15	TOTAL NET CONTRIBUTIONS		\$
16			
17	<i>Working Capital(+)</i>		
18	1/24 of Purchased Power Expense	1,831	
19	1/8 Operations & Maintenance expense	7,721	
20	Inventory		
21	Prepayments		
22	TOTAL WORKING CAPITAL		\$ 9,552
23			
24	TOTAL ADDITIONS & DEDUCTIONS		\$
25			
26	RATE BASE		\$ 215,332

Company name: EDEN WATER COMPANY, INC.

Schedule 2
(Continued)

Docket No./Decision No.: _____

Period Ending: 2010

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

Acct. No.	LIABILITIES and EQUITY	
	CURRENT LIABILITIES	
231	Accounts Payable	9,026
232	Notes Payable	
235	Customer Deposits	5,218
236	Accrued Taxes	2,066
237	Accrued Interest	
241	Miscellaneous Current and Accrued Liabilities	240
	TOTAL CURRENT LIABILITIES	\$ 16,550
	LONG-TERM DEBT (Over 12 Months)	
224	Long-Term Debt (indicate separately if any debt is payable to associated companies)	\$ 79,727
	DEFERRED CREDITS	
252	Advances for Construction	
255	Accumulated Deferred Investment Tax Credits	200,180
271	Contributions in Aid of Construction	58,758
272	Less: Amortization of Contributions	
281-283	Accumulated Deferred Income Tax	
	TOTAL DEFERRED CREDITS	\$ 258,938
	TOTAL LIABILITIES	\$ 355,215
	EQUITY	
201	Common Stock Issued	
204	Preferred Stock Issues	
211	Other Paid-In Capital	9,267
215	Retained Earnings	(156,558)
218	Proprietary Capital (for sole props. and partnerships)	
	TOTAL EQUITY	\$ (147,291)
	TOTAL LIABILITIES AND EQUITY	\$ 207,924

Company name: EDEN WATER COMPANY, INC.

Schedule 4

Docket No./Decision No.: _____

Period Ending: 2010

**WATER COMPANY RATE REVIEW
SUMMARY OF RESULTS**

Line No.		
1	PROFITABILITY RATIOS	
2	REGULATED PROFIT (Operating Income minus Interest Expense)	\$ 65,358
3	RETURN ON EQUITY (Regulated Profit/Equity)	% -32.88%
4	RATE OF RETURN (Operating Income/Rate Base)	% 32%
5	OPERATING MARGIN (Operating Income/Total Operating Revenue)	% -53%
6		
7	FINANCIAL INTEGRITY RATIOS	
8	DEBT SERVICE COVERAGE RATIO ((Operating Income + Depreciation Expense + Tax Expense)/[Interest Expense + Debt Principle Repayments])	-54%
9	TIMES INTEREST EARNED RATIO ((Operating Income + Tax Expense)/Interest Expense)	0%
10	EBITDA COVERAGE RATIO ((Operating Income + Depreciation Expense + Tax Expense)/[Interest Expense])	-189%

**WATER COMPANY RATE REVIEW
ADDITIONAL INFORMATION**

Test Year of last rate case	2009
Decision number of last rate case	72054
Rate base used in last rate case	\$233,096
Number of customers used in last rate case	128
Current number of customers	130