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ARIZONA CORPORATION COMMISSION  
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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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11 SANDRA D. KENNEDY  
12 BOB STUMP  
13 BRENDA BURNS

Arizona Corporation Commission

DOCKETED

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DOCKETED BY

14 IN THE MATTER OF THE APPLICATION OF  
15 INDIADA WATER COMPANY, INC., FOR  
16 APPROVAL OF A PERMANENT INCREASE  
17 IN ITS WATER RATES.

DOCKET NO. W-02031A-10-0168

18 IN THE MATTER OF THE APPLICATION OF  
19 ANTELOPE RUN WATER COMPANY FOR  
20 APPROVAL OF A PERMANENT INCREASE  
21 IN ITS WATER RATES.

DOCKET NO. W-02327A-10-0169

22 IN THE MATTER OF THE APPLICATION OF  
23 BOB B. WATKINS DBA EAST SLOPE  
24 WATER COMPANY FOR APPROVAL OF  
25 ITS PERMANENT INCREASE IN ITS  
26 WATER RATES.

DOCKET NO. W-01906A-10-0170

27 IN THE MATTER OF THE APPLICATION OF  
28 BOB B. WATKINS DBA EAST SLOPE  
29 WATER COMPANY, INDIADA WATER  
30 COMPANY, INC., AND ANTELOPE RUN  
31 WATER COMPANY FOR APPROVAL OF A  
32 TRANSFER OF ASSETS AND  
33 CERTIFICATES OF CONVENIENCE AND

DOCKET NO. W-01906A-10-0171  
DOCKET NO. W-02031A-10-0171  
DOCKET NO. W-02327A-10-0171

1 NECESSITY.

2 IN THE MATTER OF THE APPLICATION OF  
3 BOB B. WATKINS DBA EAST SLOPE  
4 WATER COMPANY FOR AUTHORITY TO  
INCUR LONG-TERM DEBT.

DOCKET NO. W-01906A-10-0183

5 IN THE MATTER OF THE APPLICATION OF  
6 INDIADA WATER COMPANY, INC. FOR  
7 AUTHORITY TO INCUR LONG-TERM  
DEBT.

DOCKET NO. W-02031A-10-0184

8 IN THE MATTER OF THE APPLICATION OF  
9 ANTELOPE RUN WATER COMPANY FOR  
10 AUTHORITY TO INCUR LONG-TERM  
DEBT.

DOCKET NO. W-02327A-10-0185

**REBUTTAL TESTIMONY OF  
SONN ROWELL**

11  
12  
13 **Q. Please state your name and current employment position:**

14 **A.** My name is Sonn S. Rowell, and I am a Certified Public Accountant and  
15  
16 managing member of Desert Mountain Analytical Services, PLLC.

17 **Q. Describe your educational and professional background:**

18 **A.** I have a Bachelor of Science Degree in Accounting from Arizona State University,  
19  
20 as well as my CPA certification from the Arizona State Board of Accountancy. I have  
21 worked for many years in the practice of public accounting, and have held part-time  
22 teaching positions at Mesa Community College. After employment with the Utilities  
23 Division of the Arizona Corporation Commission for four years, I started DMAS and  
24  
25 now specialize in regulatory accounting and consulting

26 **Q. By whom are you employed and in what capacity?**

27 **A.** I have been retained by the East Slope Water Company, Antelope Run Water  
28  
Company and Indiada Water Company (collectively "Companies" or "ESARIN")

1 management, Southwestern Utility Management, Inc. ("SUM"), to perform a financial  
2 analysis of their books and records in order to prepare rate applications for submittal to  
3 the Arizona Corporation Commission ("Commission") to comply with Commission  
4 orders.  
5

6 **Q. What is the purpose of your testimony?**

7  
8 **A.** The purpose of my testimony is to present my analysis and recommendations  
9 concerning the development of the Companies' gross revenue requirement, taking into  
10 account adjusted rate base, adjusted operating income, working capital requirements, the  
11 current rate of return for the historic twelve month period, required operating income, the  
12 proposed rate of return, respond to Commission Staff positions, and other related tasks. I  
13 will also sponsor certain exhibits in support of the rate application as well as the Rebuttal  
14 Schedules attached to this testimony, which I hereby incorporate as part of my testimony.  
15  
16 *See Attachments.*

17  
18 **Q. In his testimony Staff witness Jeffrey M. Michlik indicates that the**  
19 **Companies "discarded" their rate base rate of return revenue requirements in favor**  
20 **of operating margins. Please comment on your development of a revenue**  
21 **requirement for the ESARIN companies.**

22  
23 **A.** Staff's statements that the Companies discarded their rate base rate of return  
24 revenue requirements in favor of operating margins is somewhat misleading. I calculated  
25 revenue requirements based on a 12% rate of return on rate base for each of the  
26 Companies and for the consolidated entity. However, the rates generated by that rate of  
27 return were insufficient to cover the debt service and fees of the proposed WIFA loan.  
28

1 Therefore it was *necessary* to develop rates based on an operating margin large enough to  
2 cover the costs of the WIFA loan.

3  
4 **Q. Are the Companies continuing to recommend rates based on the operating**  
5 **margins discussed in your Direct Testimony?**

6 **A.** No. Staff's testimony indicates that the costs of the WIFA loan should be  
7 recovered through a separate surcharge. We agree with Staff that a surcharge is an  
8 appropriate way to recover the cost of the WIFA loan. Rates based on a rate of return on  
9 rate base generate sufficient revenue for the company if a separate revenue source (i.e., a  
10 surcharge) is established to cover the costs of the WIFA loan. Therefore the Companies  
11 are now recommending rates based on a return on the rate bases of the utilities and the  
12 establishment of a surcharge(s) to cover the costs of the WIFA loan.

13  
14  
15 **Q. Staff is recommending a 10% rate of return on equity. Please comment.**

16  
17 **A.** The Companies do not have the resources to perform a full rate of return analysis  
18 but I will offer brief comments. I selected ROEs for each utility and the consolidated  
19 entity that produce operating margins close to 10%. A 10% ROE will produce operating  
20 margins much lower than 10% for each utility and the consolidated entity. A utility with  
21 an operating margin well below 10% cannot be considered to be financially healthy.

22  
23 **Q. Do you agree with Staff's proposed methodology for developing the surcharge**  
24 **to cover the costs of the WIFA loan as described on Staff Schedule JMM-19?**

25  
26 **A.** In addition to interest WIFA imposes substantial fees on recipients of its loans.  
27 WIFA also requires the establishment of a debt service reserve. As long as Staff's  
28 methodology includes a provision to recover WIFA's fees through the surcharge and

1 accounts for the cash flow impact of the debt service reserve, the methodology laid out on  
2 JMM-19 is acceptable to the Companies.  
3

4 **INDIADA WATER COMPANY**

5 **Q. Please explain the changes on Indiada's Schedule B-2 (Original Cost Rate**  
6 **Base – Pro Forma Adjustments) relative to the original filing.**

7  
8 **A.** Indiada now has a management agreement with SUM, so certain office equipment  
9 and a truck are removed from rate base. This change is consistent with Staff's  
10 adjustments shown on Staff schedule JMM-5.

11  
12 **Q. Do you agree with Staff's rate base of \$27,227 for Indiada?**

13 **A.** No. Indiada and Staff agree on the plant and accumulated depreciation amounts.  
14 However, Indiada proposes a rate base of \$28,541 for the stand alone Indiada entity. The  
15 \$1,314 difference is due to Staff's reduction of rate base by \$680 due to security deposits  
16 (not used for plant) and \$634 for working capital.  
17

18 **Q. What changes are there to Indiada's Schedule C-1 (Adjusted Income**  
19 **Statement) from the original filing?**

20  
21 **A.** Due to our agreement with Staff on plant amounts the depreciation expense had to  
22 be revised (and now matches Staff's recommended depreciation expense.) Interest  
23 expense from the proposed WIFA loan was also removed from the income statement to  
24 conform with Staff's recommendation to use a surcharge to cover the costs of that loan.  
25 Also, the amount of property tax has been revised since the original filing.  
26

27 **Q. Please discuss the revision to property tax expense.**  
28

1 A. In the original filing, Indiada's actual test year property tax was used. Staff  
2 typically recommends a formula method be used for property taxes rather than the actual  
3 amount. A composite property tax rate needs to be calculated in order to use Staff's  
4 recommended formula method.  
5

6 In response to Staff Data Request JMM 2-44 we calculated a composite tax rate,  
7 which is not accurate. To our knowledge Staff, the Commission, Arizona Department of  
8 Revenue ("ADOR") or any other authorities have not endorsed any particular method for  
9 developing composite property tax rates. Furthermore, the information contained on  
10 property tax bills is not straightforward. Since the original composite rate we provided  
11 generated a lower property tax bill under proposed revenue than during the test year, it  
12 was apparent that there was a problem.  
13  
14

15 After realizing that there was a problem with the composite property tax rate we  
16 engaged in extensive discussions with ADOR personnel and determined the appropriate  
17 composite rate. The property tax rate on the Rebuttal Schedule C-1 is based on the  
18 corrected composite rate.  
19  
20

21 **Q. Are there income statement issues for Indiada where the Company disagrees**  
22 **with Staff?**

23 A. Yes. The company disagrees with Staff's \$4,704 reduction to outside services,  
24 and continues to recommend \$14,101 for Indiada. When SUM took over management of  
25 Indiada the Company was having financial difficulties. Recognizing this fact, SUM  
26 provided its services at a substantial discount when it began managing the system. The  
27 discount is reflected in the test year. Once the rate case is completed, SUM will charge  
28

1 Indiada its normal rates. Not allowing recovery of SUM's normal rates going forward  
2 would discourage SUM and other management companies from providing discounts to  
3 (and generally working to help) water companies with financial difficulties going  
4 forward.  
5

6 **Q. Are the pro forma adjustments to SUM's fees known and measurable?**

7  
8 **A.** Yes. Since SUM will be charging Indiada the same fees as its other customers, the  
9 fees are known and measurable.

10 **Q. The Company also disagrees with Staff's recommendation to disallow rate**  
11 **case expense. Please explain?**

12  
13 **A.** Staff's argument for disallowing expenses associated with the emergency rate case  
14 is not compelling. The fact that these expenses are not ongoing does not mean that they  
15 were not actually incurred by the Company. Typically, actual and necessary expenses  
16 that are not ongoing are amortized or recovered through a surcharge not simply  
17 disallowed without reason. Further, the rates established as a result of the emergency rate  
18 case did not include any revenue for emergency rate case expense, and knowing that the  
19 emergency rates were found necessary by the Commission, it seems appropriate that the  
20 emergency rate case expenses should be recovered.  
21  
22

23 **Q. Please discuss the proposed surcharge to recover the cost of the WIFA loan as**  
24 **it pertains to Indiada.**

25  
26 **A.** If Indiada were to remain as a stand-alone entity the surcharge imposed on its 5/8"  
27 meter customers would have to be \$28.76. This is double the \$14.29 surcharge that will  
28 be necessary if Indiada is consolidated with its sister companies, Antelope Run and East

1 Slope. Indiada is so small that we do not believe it could ever be viable without  
2 consolidation.

3  
4 **ANTELOPE RUN**

5 **Q. Please explain the changes on Antelope Run's Schedule B-2 (Original Cost**  
6 **Rate Base – Pro Forma Adjustments) relative to the original filing.**

7  
8 **A.** AIAC has been adjusted as a result of the information provided in the Company's  
9 response to Staff data request JMM 2-29. AIAC and CIAC amortization have also been  
10 adjusted as a result of the response to JMM 2-28.

11  
12 **Q. Does the Company agree with Staff's rate base of \$54,975 for Antelope Run?**

13 **A.** No. Antelope Run and Staff agree on the plant and accumulated depreciation  
14 amounts. However, the company proposes rate base of \$94,475 for Antelope Run, a  
15 difference of \$39,500 from Staff's recommendation. This is due to Staff's proposed  
16 reduction to rate base by \$5,139 due to security deposits (which are not used for plant),  
17 and \$1,655 due to working capital. The formula for determining working capital uses  
18 operating expenses as an input. Since Staff disallowed operating expenses from outside  
19 services this reduces the working capital allowance. Also, we believe that the refundable  
20 nature of security deposits makes it impossible to use them for long term plant  
21 investments and thus removing them from rate base is inappropriate. For a larger  
22 company 4 digit tweaks to the rate base like this may be insignificant but to a company of  
23 Antelope Run's size it makes developing a rate base large enough to set rates with next to  
24 impossible.  
25  
26  
27  
28

1 The balance of the rate base difference is a \$41,660 decrease to AIAC and a  
2 \$8,954 net increase to CIAC. The revised AIAC and CIAC balances were provided to  
3 Staff in response to Staff data requests JMM 2-28 and 2-29 but Staff did not include these  
4 revisions in its rate base recommendation.  
5

6 **Q. What changes are there to Antelope Run's Schedule C-1 (Adjusted Income**  
7 **Statement) from the original filing?**  
8

9 **A.** Interest expense from the proposed WIFA loan was also removed from the income  
10 statement to conform with Staff's recommendation to use a surcharge to cover the costs  
11 of that loan. Also, the amount of property tax has been revised since the original filing.  
12 The rationale for the revision to property taxes is identical to that discussed above under  
13 Indiada.  
14

15 **Q. Are there income statement issues for Antelope Run where the Company**  
16 **disagrees with Staff?**  
17

18 **A.** Yes, the Company differs with Staff on outside services, emergency rate case  
19 expense and property taxes. The company disagrees with Staff's \$12,770 reduction to  
20 outside services, and continues to recommend \$33,478 for Antelope Run. As with  
21 Indiada, the test year outside services expense was based on a discounted rate that SUM  
22 agreed to due to Antelope Run's financial situation. SUM always intended to charge its  
23 normal rates once Antelope Run got back on its feet. SUM's normal rates are known and  
24 measurable.  
25

26  
27 Also, Staff's disallowance of known and measurable emergency rate case  
28 expenses is inappropriate. The fact that these expenses are not ongoing does not mean

1 that they were not actually incurred by the Company. Typically, actual and necessary  
2 expenses that are not ongoing are amortized or recovered through a surcharge not simply  
3 disallowed without reason.  
4

5 **Q. Please discuss the proposed surcharge to recover the cost of the WIFA loan as**  
6 **it pertains to Antelope Run.**

7  
8 **A.** If Antelope Run were to remain as a stand-alone entity the surcharge imposed on  
9 its 5/8" meter customers would have to be \$22.33. This is substantially more than the  
10 \$14.29 surcharge that will be necessary if Antelope Run is consolidated with its sister  
11 companies Indiada and East Slope.  
12

### 13 **EAST SLOPE**

14 **Q. Please explain the changes to East Slope's Schedule B-2 (Original Cost Rate**  
15 **Base) from the original filing.**

16  
17 **A.** The Company has adopted Staff's adjustments to Office Furniture (\$11,330) and  
18 transportation equipment (\$27,891) totaling \$39,221.  
19

20 **Q. Staff also recommends an adjustment of \$3,123 to Electric pumping**  
21 **equipment. Did you accept this Staff adjustment?**

22 **A.** No. East Slope is providing 2 invoices from D&M Well Service that support  
23 \$3,310, and an invoice from Jim's Electric for \$75. The invoice from Dana Kepner for  
24 \$262 should not have been included in plant.  
25

26 **Q. What is the difference between the adjustments above for \$39,221 and the**  
27 **amount on B-2 of \$39,551, or \$330?**  
28

1 A. Upon closer examination of the pumping equipment account in response to Staff's  
2 disallowance, the \$75 invoice from Jim's Electric was reviewed and determined to be  
3 more appropriately classified as Repairs and Maintenance Expense. In addition, 2 other  
4 Jim's Electric invoices under \$150 were also determined to be Repairs and Maintenance  
5 Expense instead of plant, one for \$130 and one for \$125.  
6

7  
8 **Q. What about the \$262 invoice from Dana Kepner?**

9 A. \$146 of this amount was included in Repairs and Maintenance Expense in the  
10 original filing. The balance of the invoice, or \$116 was initially misclassified, but has  
11 now been added to Repairs and Maintenance Expense.  
12

13 **Q. Are there changes to the AIAC and CIAC balances for East Slope?**

14 A. Yes. AIAC had been adjusted as a result of the information provided in the  
15 company response to JMM 2-29. AIAC and CIAC amortization have been adjusted as a  
16 result of information provided in response to JMM 2-28.  
17

18 **Q. Do you agree with Staff's rate base of \$114,716 for East Slope?**

19 A. No. The company proposes rate base of \$150,009, or a difference of \$35,293.  
20 This is due to Staff's proposed reduction to rate base of \$21,904 due to security deposits  
21 (not used for plant), and \$5,007 for working capital. In addition, Staff recommends an  
22 additional \$2,723 reduction to net plant that the Company does not agree with. The basis  
23 for the Company's disagreement with Staff on these issues is discussed above under  
24 Antelope Run.  
25

26  
27 The remaining \$5,659 difference is made up of the AIAC adjustment of \$5,919,  
28 the adjustment to net CIAC of (\$353), and working capital of \$92.

1 **Q. What changes are there to Schedule C-1 (Adjusted Income Statement) from**  
2 **the original East Slope filing?**

3  
4 **A.** Adjustment B to purchased power was incorrectly given a negative sign in the  
5 initial filing but has been adjusted to reflect an increase on Schedule C-2i.

6 Adjustment C was increased by \$330 to include reclassifications from pumping  
7 equipment, as discussed above, and includes the \$116 that was omitted in the original  
8 filing. Details on Rebuttal Schedule C-2h.

9  
10 Depreciation expense has been adjusted to match recommended plant in service  
11 after removal of the office equipment and truck and the pumping equipment  
12 reclassifications.

13  
14 **Q. Does East Slope have the same issue with property taxes as its sister**  
15 **companies?**

16  
17 **A.** Yes. The property tax expense has been revised. As discussed above, the  
18 property tax composite rate provided to Staff in response to data request JMM 2-44 was  
19 incorrect. The property tax expense on the rebuttal C-1 is based on a revised composite  
20 rate developed after extensive discussions with ADOR staff. Please see the discussion of  
21 property tax above under Indiada for more information on this subject.

22  
23 **Q. What other changes are there to the Income Statement for East Slope?**

24  
25 **A.** Income taxes at current and proposed rates have changed due to changes to  
26 expenses and the interest expense related to the WIFA loan was removed as this is  
27 proposed to be recovered by a surcharge.  
28

1 **Q. What about Staff's adjustments to the income statement as reflected on**  
2 **Schedule JMM-8?**

3  
4 **A.** The company disagrees with Staff's \$37,846 reduction to outside services, and  
5 continues to recommend \$122,149 for East Slope. As discussed above under Indiada and  
6 Antelope Run, when SUM began managing these companies a discounted rate was  
7 agreed to because of their distressed financial state. Now that the companies are moving  
8 towards financial viability we believe it is appropriate for SUM to begin charging its  
9 normal rates which are known and measurable.  
10

11  
12 As with Indiada and Antelope Run, Staff is recommending to disallow the known  
13 and measurable rate case expense associated with the emergency rate case. The fact that  
14 these expenses are not ongoing does not mean that they were not actually incurred by the  
15 Company. Typically, actual and necessary expenses that are not ongoing are amortized  
16 or recovered through a surcharge not simply disallowed without reason.  
17

18 **Q. Please discuss the \$4,862 decrease to purchased power recommended by**  
19 **Staff.**

20  
21 **A.** Although the invoices for this amount were inadvertently omitted in the initial  
22 response to Staff's data request JMM 2-36 (due to the sheer volume of data that needed to  
23 be supplied) the company has provided support and explanation for this amount on  
24 Rebuttal Schedule C-2i. The \$4,862 is actually reflected on the February 2009 bills  
25 (which were provided in response to JMM 2-36) as the amount paid in the prior month  
26 (January.) So, had Staff paid careful attention to what was provided this adjustment  
27 could have been avoided. While it is important that companies be able to support their  
28

1 expenses with invoices, it is also important for auditors to make full use of the  
2 information that is provided to them.

3  
4 **Q. Is there another instance where Staff neglected to use the information**  
5 **provided to them in response to their data requests?**

6 **A.** Yes. As discussed above AIAC and CIAC balances were adjusted as a result of  
7 Staff data requests JMM 2-28 and 29 but Staff did not adjust the AIAC and CIAC  
8 balances in their schedules.

9  
10 **THE PROPOSED CONSOLIDATED ENTITY**

11  
12 **Q. Please explain the changes on Schedule B-2 (Original Cost Rate Base Pro**  
13 **Forma Adjustments) for the Consolidated Companies, East Slope, Antelope Run**  
14 **and Indiada (“ESARIN”) from the original filing.**

15 **A.** All of the changes were explained in the above discussions of the separate  
16 companies, and are detailed on Rebuttal Schedule B-2.

17  
18 **Q. Do you agree with Staff’s consolidated rate base of \$196,918?**

19 **A.** No. The company proposes rate base of \$271,564, or a difference of \$74,646.  
20 This is due to the reduction of rate base by \$27,723 due to security deposits (not used for  
21 plant), and \$7,297 due to working capital. In addition, Staff recommends a \$2,723  
22 reduction to net plant associated with invoices discussed above.

23  
24 **Q. What makes up the remaining \$36,903 difference?**

25 **A.** The AIAC adjustment of \$47,579, the adjustment to net CIAC of (\$9,307), and  
26 working capital of (\$1,369).  
27  
28

1 **Q. Why has working capital decreased by \$1,369 for ESARIN when Indiada's**  
2 **and Antelope Run's working capital were unchanged, and East Slope's increased by**  
3 **\$92?**  
4

5 **A.** In the initial filing the sum of the working capital allowances for the three separate  
6 entities was used to develop the working capital allowance for ESARIN. So the adjusted  
7 operating expenses for ESARIN was not reflected in the allowance for working capital.  
8  
9 The revised working capital allowance is lower because it reflects the reduction to  
10 outside services for management fees at the consolidated level versus at the individual  
11 level. SUM's per customer management fees get progressively lower as customer count  
12 increases so the consolidated expense includes a savings of \$11,691 as calculated on  
13 Rebuttal Schedule C-2b.  
14

15 **Q. What changes are there to Schedule C-1 (Adjusted Test Year Income**  
16 **Statement) from the original filing for ESARIN?**  
17

18 **A.** Adjustment D to purchased power was corrected for a negative sign. Initially it  
19 was a decrease to purchased power, but has been adjusted to reflect an increase on  
20 Schedule C-2g.  
21

22 Adjustment E was increased by \$330 to include reclassifications from pumping  
23 equipment as discussed earlier, and includes the \$116 that was omitted in the original  
24 filing. Rebuttal Schedule C-2h for details.  
25

26 Depreciation expense has been adjusted to match recommended plant in service  
27 after removal of the office equipment, truck, and pumping equipment.  
28

1 Consolidated income taxes at current and proposed rates have changed due to  
2 changes to expense amounts.

3  
4 Interest expense related to the WIFA loan was removed as this is proposed to be  
5 recovered by a surcharge.

6 **Q. Has the property tax amount for ESARIN changed?**

7  
8 **A.** Yes. As discussed above under the individual companies, after extensive  
9 discussions with ADOR Staff the property tax composite rate has been revised and new  
10 property tax amounts have been calculated.

11 **Q. Please discuss Staff's adjustments to the income statement as reflected on**  
12 **Schedule JMM-8.**

13  
14 **A.** The company disagrees with Staff's \$43,630 reduction to outside services, and  
15 continues to recommend \$158,038 for the consolidated entity. As discussed above, SUM  
16 provided management services to all three utilities at a discounted rate due to their  
17 financial difficulties. Going forward SUM plans to charge its normal rates that are  
18 known and measurable. Not allowing recovery of SUM's normal rates because it chose  
19 to offer a temporary discount to utilities that were struggling will send the signal that  
20 management companies should not go out of their way to help struggling utilities.  
21

22  
23 **Q. Are there any direct cost savings that can be pointed out as a result of these**  
24 **companies consolidating?**

25  
26 **A.** Yes. SUM's per customer management fees are progressively lowered as customer  
27 count increases, and the consolidated expense includes a savings of \$11,691 as calculated  
28 on Rebuttal Schedule C-2b.

1 **Q. Did Staff also recommend disallowing rate case expense for the emergency**  
2 **rate case?**

3  
4 **A.** Yes. Staff recommends that the Company not be able to recover the actual known  
5 and measurable rate case expense because it is not ongoing. Typically, expenses that are  
6 not ongoing are amortized or recovered through a surcharge not disallowed.

7  
8 **Q. What about the \$4,862 decrease to purchased power recommended by Staff?**

9 **A.** Although the invoices for this amount were inadvertently omitted in the initial  
10 response to Staff's data request JMM 2-36 (due to the sheer volume of data that needed to  
11 be supplied) the company has provided support and explanation for this amount on  
12 Rebuttal Schedule C-2i. The \$4,862 is actually reflected on the February 2009 bills  
13 (which were provided in response to JMM 2-36) as the amount paid in the prior month  
14 (January.) So, had Staff paid careful attention to what was provided this adjustment  
15 could have been avoided. While it is important that companies be able to support their  
16 expenses with invoices, it is also important for auditors to make full use of the  
17 information that is provided to them.  
18  
19  
20

21 **Q. Please discuss the impact new rates and consolidation will have on ESARIN's**  
22 **customers.**

23 **A.** The table below shows the impact consolidation will have on an average  
24 residential customer using 9,155 gallons per month under ESARIN's proposed rates:  
25

26 ////

27 ////  
28

	Proposed Bill			Percent Increase	
	Current Bill	Stand Alone	Consolidated	Stand Alone	Consolidated
<b>Indiada</b>	\$43.54	\$51.37	\$27.51	17.98%	-36.82%
<b>AR</b>	20.66	26.24	27.51	27.01%	33.16%
<b>ES</b>	21.24	28.84	27.51	35.78%	29.52%

As can be seen from the above table, consolidation will serve to keep Indiada's bills affordable while having only slight impacts on Antelope Run's and East Slope's bills.

On the whole, adoption of the Company's proposed consolidated rates (and approval of a surcharge for the necessary WIFA loan) will allow the company to substantially improve its financial situation while keeping the bills for average residential customers affordable.

**Q. Does this conclude your rebuttal testimony?**

**A. Yes.**

**ANTELOPE RUN  
WATER COMPANY**

**Antelope Run Water Company**  
Docket No. W-02327A-10-0169  
Test Year Ended December 31, 2009

**Rebuttal Schedule A-1**  
**Title: Computation of Increase in Gross Revenue Requirements**

Explanation:  
Schedule showing computation of increase in gross revenue requirements and spread of revenue increase by customer classification.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Special Reqmt	<input type="checkbox"/>

	<u>Original Cost</u>	<u>RCND</u>
<b><u>Rate of Return on Rate Base Method:</u></b>		
1. Adjusted Rate Base	\$ 94,475 (a)	(a)
2. Adjusted Operating Income/(Loss)	\$ (34,337) (b)	(b)
3. Current Rate of Return	-36.34%	
4. Required Rate of Return	12.00%	
5. Required Operating Income	\$ 11,337	
6. Operating Income Deficiency (5 - 2)	\$ 45,674	
7. Gross Revenue Conversion Factor	<u>1.0163 (c)</u>	(c)
<b>8. Increase in Gross Revenue Requirements (6 x 7)</b>	<b><u>\$ 46,419</u></b>	

<b><u>Operating Margin Method:</u></b>		
9. Proposed Revenue	\$ 95,764	
10. Proposed Operating Margin	<u>11.84%</u>	
11. Required Operating Income (9 x 10)	\$ 11,337	
12. Operating Income Deficiency (11 - 2)	\$ 45,674	
13. Gross Revenue Conversion Factor	<u>1.0163</u>	
<b>14. Increase in Gross Revenue Requirements (12 x 13)</b>	<b><u>\$ 46,419 (c)</u></b>	(c)

Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
Residential	\$ 48,448	\$ 94,229	\$ 45,781	94.50%	(d)
Commercial	462	1,101	639	138.31%	
Industrial	-	-	-	0.00%	
Other	347	347	-	0.00%	
<b>Total</b>	<b><u>\$ 49,257</u></b>	<b><u>\$ 95,676</u></b>	<b><u>\$ 46,419</u></b>	<b><u>94.24%</u></b>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (c) C-3

(b) C-1 (d) H-1

**Antelope Run Water Company**  
Docket No. W-02327A-10-0169  
Test Year Ended December 31, 2009

**Rebuttal Schedule A-2**  
**Title: Summary Results of Operations**

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specd Reqmt	<input type="checkbox"/>

Explanation:  
Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 53,008	\$ 48,480	\$ 52,569	\$ 49,257	\$ 49,257	\$ 95,676
2. Revenue Deductions & Operating Expenses	(49,645)	(65,450)	(68,043)	(83,594)	(83,594)	(84,340)
3. Operating Income	\$ 3,363	\$ (16,970)	\$ (15,474)	\$ (34,337)	\$ (34,337)	\$ 11,337
4. Other Income and Deductions	(450)	9	-	-	-	-
5. Interest Expense	-	-	-	-	-	-
6. Net Income	\$ 2,913	\$ (16,961)	\$ (15,474)	\$ (34,337)	\$ (34,337)	\$ 11,337

7. Earned Per Average Common Share\*  
8. Dividends Per Common Share\*  
9. Payout Ratio\*

No Shares Issued						
10. Return on Average Invested Capital	7.03%	-45.85%	-48.92%	-108.54%	-108.54%	35.84%
11. Return on Year End Capital	7.03%	-52.15%	Double Negative			36.88%
12. Return on Average Common Equity	7.03%	-45.85%	-48.92%	-108.54%	-108.54%	35.84%
13. Return on Year End Common Equity	7.03%	-52.15%	DbI Neg	Double Negative		36.88%
14. Times Bond Interest Earned - Before Inc Tax	No interest expense		Double Negative			
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes						

Supporting Schedules:  
(a) E-2  
(b) C-1  
(c) F-1

\*Optional for projected year

**Antelope Run Water Company**  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

**Rebuttal Schedule A-4**  
**Title: Construction Expenditures and**  
**Gross Utility Plant in Service**

Explanation:  
 Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1. Prior Year 1 - 2007	\$ 16,169	\$ 16,169	\$ 159,683
2. Prior Year 2 - 2008	31,641	31,641	191,324
3. Test Year - 2009	6,501	3,647	194,971
4. Projected Year 1	562,397	565,251	760,222
5. Projected *			
6. Projected *			

\* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) F-3
- (b) E-5

Antelope Run Water Company  
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 Test Year Ended December 31, 2009

**Rebuttal Schedule B-1**  
**Title: Summary of Original Cost**  
**and RCND**

Explanation:  
 Schedule showing elements of adjusted original cost  
 and RCND rate bases.

Required for: All Utilities  
 Class A  
 Class B  
 Class C  
 Class D  
 Specl Reqmt

X

	<u>Original Cost</u> <u>Rate Base*</u>	<u>RCND</u> <u>Rate Base*</u>
1. Gross Utility Plant in Service	\$ 194,971	
2. Less: Accumulated Depreciation	<u>(93,631)</u>	
3. Net Utility Plant in Service	\$ 101,340 (a)	(b)
<b>Less:</b>		
4. Advances in Aid of Construction	\$ (4,775) (c)	(c)
5. Contributions in Aid of Construction	(40,171) (c)	(c)
<b>Add:</b>		
6. Amortization of CIAC	\$ 31,217	
7. Allowance for Working Capital	<u>6,864</u> (d)	(d)
<b>8. Total Rate Base</b>	<u><u>\$ 94,475</u></u> (e)	(e)

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) B-2 (d) B-5
- (b) B-3
- (c) E-1

Recap Schedules:

- (e) A-1

Antelope Run Water Company  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

Rebuttal Schedule B-2  
 Title: Original Cost Rate Base  
 Proforma Adjustments

Explanation:  
 Schedule showing pro forma adjustments to gross plant  
 in service and accumulated depreciation for the original  
 cost rate base.

Required for: All Utilities   
 Class A   
 Class B   
 Class C   
 Class D   
 Specl Reqmt

	Actual at End Of Test Year (a)	Pro forma Adjustment	Ref	Adjusted at End Of Test Year (b)
1. Gross Utility Plant in Service	\$ 194,971			\$ 194,971
2. Less: Accumulated Depreciation	(93,631)			(93,631)
3. Net Utility Plant in Service	\$ 101,340	\$ -		\$ 101,340
<b>Less:</b>				
4. Advances in Aid of Construction	\$ (46,435)	\$ 41,660	1	\$ (4,775)
5. Contributions in Aid of Construction	-	(40,171)	2	(40,171)
<b>Add:</b>				
6. Amortization of CIAC	\$ -	\$ 31,217	3	\$ 31,217
7. Allowance for Working Capital	6,864	-		6,864
<b>8. Total Rate Base</b>	<b>\$ 61,769</b>	<b>\$ 32,706</b>		<b>\$ 94,475</b>

All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.

**Explanations:**

- 1 Adjust Advances in Aid of Construction based on Company response to JMM 2-29.
- 2 Adjust Contributions in Aid of Construction based on Company response to JMM 2-28.
- 3 Adjust Amortization of Contributions in Aid of Construction based on Company response to JMM 2-28.

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
 (a) E-1

Recap Schedules:  
 (b) B-1

**Antelope Run Water Company**  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

**Rebuttal Schedule B-5**  
**Title: Computation of Working Capital**

Explanation:  
 Schedule showing computation of working capital allowance.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	<u>Amount</u>
1. Cash working capital	
1/24th Purchased Power	\$ 737
1/24th Purchased Water	-
1/8th Operation & Maintenance Expense	6,127
2. Materials and Supplies Inventories	- (a)
3. Prepayments	- (a)
4. Total Working Capital Allowance	<u>\$ 6,864 (b)</u>

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:  
 (a) E-1

Recap Schedules:  
 (b) B-1

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Explanation:  
Schedule showing statement of income for the test year,  
including pro forma adjustments.

Description	Actual for Test		Proforma		Test Year		Proposed	Adjusted Test
	Year Ended (a)	Ref	Adjustments	Ref	Results After	Pro Forma		
	31-Dec-09		(b)		Adjustments		Increase	Rate Increase
<b>Operating Revenues:</b>								
461 Metered Water Revenue	\$ 50,347	A	\$ (1,437)		\$ 48,910	L	\$ 46,419	\$ 95,329
461.1 Surcharge Revenue	1,875	B	(1,875)		-			-
474 Other Water Revenue	347				347			347
<b>Total Operating Revenue</b>	<b>\$ 52,569</b>		<b>\$ (3,312)</b>		<b>\$ 49,257</b>		<b>\$ 46,419</b>	<b>\$ 95,676</b>
<b>Operating Expenses:</b>								
601 Salaries & Wages	\$ -				\$ -			\$ -
610 Purchased Water	-				-			-
615 Purchased Power	17,695				17,695			17,695
618 Chemicals	166				166			166
620 Repairs & Maintenance	3,358				3,358			3,358
621 Office Supplies and Expense	2,435	C	(42)		2,393			2,393
630 Outside Services	22,748	D	10,730		33,478			33,478
635 Water Testing	1,899				1,899			1,899
641 Rental Expense	-				-			-
650 Transportation Expense	5,909	E	(664)		5,245			5,245
657 Insurance - General Liability	25	F	(25)		-			-
659 Insurance - Health and Life	-				-			-
666 Rate Case Expense	1,404	G	1,064		2,468			2,468
675 Miscellaneous Expense	5				5			5
403 Depreciation & Amortization	9,803	H	4,640		14,443			14,443
408 Taxes Other Than Income	33	I	(33)		-			-
408.11 Property Taxes	2,563	J	(120)		2,443	M	746	3,189
409 Income Taxes	-				-			-
<b>Total Operating Expenses</b>	<b>\$ 68,043</b>		<b>\$ 15,551</b>		<b>\$ 83,594</b>		<b>\$ 746</b>	<b>\$ 84,340</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (15,474)</b>		<b>\$ (18,863)</b>		<b>\$ (34,337)</b>	(c)	<b>\$ 45,673</b>	<b>\$ 11,337</b>
<b>Other Income/(Expense):</b>								
419 Interest Income	\$ -				\$ -			\$ -
421 Non-Utility Income	-				-			-
426 Miscellaneous Non-Utility Expenses	-				-			-
427 Interest Expense	-	K	-		-			-
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (15,474)</b>		<b>\$ (18,863)</b>		<b>\$ (34,337)</b>		<b>\$ 45,673</b>	<b>\$ 11,337</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-2  
(b) C-2

Recap Schedules:  
(c) A-1

**Antelope Run Water Company**  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

**Rebuttal Schedule C-2**  
**Title: Income Statement Proforma**  
**Adjustments**

X						
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Required for: All Utilities  
 Class A  
 Class B  
 Class C  
 Class D  
 Specl Reqmt

Explanation:  
 Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	J	K	L	M	Total (a)
<b>Revenues:</b>														
Metered Water Revenue	\$ (1,437)											\$ 46,419		\$ 44,982
Surcharge Revenue		\$ (1,875)												(1,875)
<b>Expenses:</b>														
Office Supplies and Expense			\$ (42)											\$ (42)
Outside Services				\$ 10,730										10,730
Transportation Expenses					\$ (664)									(664)
Insurance - General Liability						\$ (25)								(25)
Rate Case Expense							\$ 1,064							1,064
Depreciation & Amortization								\$ 4,640						4,640
Taxes Other Than Income									\$ (33)					(33)
Property Tax													\$ 746	626
Other Income/(Expense):														-
Interest Expense														-

**Adjustment Descriptions:**

- A - Remove intercompany water sales during the test year to Indiana by a 2-inch meter.
- B - Remove surcharge revenue from the test year as it is temporary, and will not be included in proposed rates.
- C - Adjust office supplies and expense per calculation on Schedule C-2a.
- D - Adjust outside services expense per calculation on Schedule C-2b.
- E - Adjust transportation expense per calculation on Schedule C-2c.
- F - Remove workers compensation insurance expense that will non-recur as a result of management contract.
- G - Increase rate case expense to recover \$1,404 incurred for the emergency rate case, and estimated costs of \$6,000 for this rate case, amortized over 3 years, (\$7,404/3).
- H - Increase depreciation expense based upon proposed depreciation rates per schedule C-2d.
- I - Remove payroll tax expense that will not recur due to management contract.
- J - Adjust test year property tax expense per calculation on Schedule C-2e.
- K - Removed.
- L - Increase proposed revenue per calculation on Schedule A-1.
- M - Increase property taxes at proposed rates per calculation on Scheule C-2e.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:  
 C-2a through C-2e

Recap Schedules:  
 (a) C-1

Antelope Run Water Company  
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Test Year Ended December 31, 2009

Rebuttal Schedule C-2a  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OFFICE SUPPLIES AND EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 billing forms	\$ (6)
December 2008 billing forms	(6)
December 2009 billing forms	6
November 2008 postage	(45)
December 2008 postage	(45)
December 2009 postage	54
<b>Total Adjustment C</b>	<b>\$ (42)</b>

Antelope Run Water Company  
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Test Year Ended December 31, 2009

Rebuttal Schedule C-2b  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OUTSIDE SERVICES EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
December 2008 accounting	\$ (130)
December 2009 accounting	130
Remove test year management fees expense per general ledger	(18,528)
Proforma management fees expense	29,258
<b>Total Adjustment D</b>	<b>\$ 10,730</b>

Antelope Run Water Company  
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Rebuttal Schedule C-2c  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED TRANSPORTATION EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 mileage	\$ (109)
December 2008 mileage	(338)
December 2009 mileage	383
Non-recurring vehicle lease expenses	(600)
<b>Total Adjustment E</b>	<b>\$ (664)</b>

Antelope Run Water Company  
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Rebuttal Schedule C-2d  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED DEPRECIATION EXPENSE CALCULATION**

Account Number	Description	Plant @ End of Test Year 31-Dec-09	Proposed Depreciation Rate	Proposed Depreciation Expense
302	Franchises	\$ -	0.00%	\$ -
303	Land & Land Rights	5,159	0.00%	-
304	Structures & Improvements	619	3.33%	21
307	Wells & Springs	17,939	3.33%	597
311	Pumping Equipment	94,263	12.50%	11,783
320	Water Treatment Equipment	-	-	-
320.1	Water Treatment Plants	-	3.33%	-
320.2	Solution Chemical Feeders	-	20.00%	-
330	Distribution Reservoirs & Standpipes	3,475	2.22%	77
330.1	Storage Tanks	425	2.22%	9
330.2	Pressure Tanks.	3,413	5.00%	171
331	Transmission & Distribution Mains	63,498	2.00%	1,270
333	Services	-	3.33%	-
334	Meters & Meter Installations	6,180	8.33%	515
335	Hydrants	-	2.00%	-
339	Other Plant and Misc Equipment	-	6.67%	-
340	Office Furniture & Equipment	-	6.67%	-
340.1	Computers and Software	-	20.00%	-
341	Transportation Equipment	-	20.00%	-
343	Tools, Shop, and Garage Equipment	-	5.00%	-
345	Power Operated Equipment	-	5.00%	-
348	Other Tangible Plant	-	0.00%	-
<b>Proposed Totals</b>		<b>\$ 194,971</b>		<b>\$ 14,443</b>
Test Year Depreciation Expense				9,803
<b>Total Adjustment H</b>				<b>\$ 4,640</b>

**DETAIL OF PROPOSED PROPERTY TAX EXPENSE CALCULATION**

	<u>Test Year as Adjusted</u>	<u>Company at Proposed Rates</u>
Adjusted 2009 Test Year Revenue	\$ 49,257	\$ 49,257
Weight Factor	2	2
Subtotal	<u>\$ 98,514</u>	<u>\$ 98,514</u>
Company Recommended Revenue	49,257	95,676
Subtotal	<u>\$ 147,771</u>	<u>\$ 194,190</u>
Number of Years	3	3
Three Year Revenue Average	<u>\$ 49,257</u>	<u>\$ 64,730</u>
AZ Department of Revenue Multiplier	2	2
Revenue Base Value	<u>\$ 98,514</u>	<u>\$ 129,460</u>
Plus 10% of CWIP	2,854	2,854
Less: Net Book Value of Licensed Vehicles	<u>-</u>	<u>-</u>
<b>Full Cash Value</b>	<b>\$ 101,368</b>	<b>\$ 132,314</b>
Assessment Ratio	<u>20.50%</u>	<u>20.50%</u>
<b>Assessment Value</b>	<b>\$ 20,780</b>	<b>\$ 27,124</b>
<b>Revised Composite Property Tax Rate *</b>	<u>11.7583%</u>	<u>11.7583%</u>
Adjusted Test Year Property Tax Expense	\$ 2,443	
Actual Test Year Property Tax Expense	<u>2,563</u>	
<b>Total Adjustment J</b>	<b>\$ (120)</b>	
Projected Property Tax Expense	\$ 3,189	
Adjusted Test Year Property Tax Expense	<u>2,443</u>	
<b>Total Adjustment M</b>	<b>\$ 746</b>	
<i>* Property tax composite rate calculation:</i>		
Assessed Value per 2009 Property Tax Notice	\$ 21,340	
Property Tax due per 2009 Notice	<u>2,509</u>	
Revised Composite Property Tax Rate	<u>11.7583%</u>	
<i>For Gross Revenue Conversion Factor:</i>		
Change in Property Tax Expense	\$ 746	
Change in Revenue Requirement	<u>46,419</u>	
Change in Property Tax per Dollar Increase in Revenue	<u>1.6070%</u>	

Antelope Run Water Company  
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 Test Year Ended December 31, 2009

**Rebuttal Schedule C-3**  
**Title: Computation of Gross Revenue**  
**Conversion Factor**

Explanation:  
 Schedule showing incremental taxes on gross revenues and  
 the development of a gross revenue conversion factor.

Required for: All Utilities  
 Class A  
 Class B  
 Class C  
 Class D  
 Specl Reqmt

X

<u>Description</u>	<u>Calculation</u>
Revenue	1.0000
Combined Federal And State Tax Rate	-
Property Tax Rate	0.0161
Subtotal	0.9839
<b>Gross Revenue Conversion Factor = 1/Operating Income %</b>	<b>1.0163</b>

*CALCULATION OF COMBINED FEDERAL AND STATE TAX RATE:*

Operating Income Before Taxes (Arizona Taxable Income)	100.0000%
Arizona State Income Tax Rate	0.0000%
Federal Taxable Income	100.0000%
Federal Income Tax Rate	0.0000%
Effective Federal Income Tax Rate	0.0000%
Combined Federal And State Income Tax Rates	0.0000%

**Antelope Run Water Company**  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

**Rebuttal Schedule D-1**  
**Title: Summary Cost of Capital**

Explanation:  
 Schedule showing elements of capital structure  
 and the related cost.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)					\$ 562,397	94.82%	5.00%	4.74%
Short-Term Debt (a)					-			
Common Equity (c)	\$ 30,744	100.00%	-36.34%	-36.34%	30,744	5.18%	12.00%	0.62%
<b>Total</b>	<u>\$ 30,744</u>	<u>100.00%</u>		<u>-36.34%</u>	<u>\$ 593,141</u>	<u>100.00%</u>		<u>5.36%</u>

Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

Recap Schedules:

- (e) A-3

Explanation:  
Schedule showing comparative balance sheets at the end of the  
test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

	Test Year At 31-Dec-09	Prior Year 31-Dec-08	Prior Year 31-Dec-07
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 194,971	\$ 191,324	\$ 159,683
103 Property Held for Future Use			
105 Construction Work in Process	2,854		
108 Accumulated Depreciation	(93,631)	(84,232)	(75,714)
Total Property Plant & Equipment	\$ 104,194	\$ 107,092	\$ 83,969
Current Assts:			
131 Cash	\$ 939	\$ 3,683	\$ 634
135 Temporary Cash Investments			
141 Customer Accounts Receivable	4,169	92	92
146 Notes/Receivables from Associated Companies			
151 Plant Material and Supplies			
162 Prepayments			
174 Miscellaneous Current and Accrued Assets	10		
Total Current Assets	\$ 5,118	\$ 3,775	\$ 726
<b>TOTAL ASSETS</b>	<b>\$ 109,312</b>	<b>\$ 110,867</b>	<b>\$ 84,695</b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201 Common Stock Issued	\$ -	\$ -	\$ -
211 Paid in Capital in Excess of Par Value			
215 Retained Earnings			
218 Proprietary Capital	30,744	32,524	41,459
Total Capital	\$ 30,744	\$ 32,524	\$ 41,459
Current Liabilities:			
231 Accounts Payable	\$ 29,054	\$ 38,442	\$ 4,558
232 Notes Payable (Current Portion)			
234 Notes/Accounts Payable to Associated Companies	35,114	15,114	14,114
235 Customer Deposits	364	5,740	
236 Accrued Taxes	307	416	576
241 Miscellaneous Current and Accrued Liabilities			
Total Current Liabilities	\$ 64,839	\$ 59,712	\$ 19,248
224 Long-Term Debt (Over 12 Months)	\$ -	\$ -	\$ -
Deferred Credits:			
252 Advances In Aid Of Construction	\$ 4,775	\$ 5,660	\$ 10,691
271 Contributions In Aid Of Construction	40,171	40,171	36,480
272 Less: Amortization of Contributions	(31,217)	(27,200)	(23,183)
281 Accumulated Deferred Income Tax			
Total Deferred Credits	\$ 13,729	\$ 18,631	\$ 23,988
Total Liabilities	\$ 78,568	\$ 78,343	\$ 43,236
<b>TOTAL LIABILITIES and CAPITAL</b>	<b>\$ 109,312</b>	<b>\$ 110,867</b>	<b>\$ 84,695</b>
Supporting Schedules: (a) E-5	Recap Schedules: (b) A-3		

**Antelope Run Water Company**  
Docket No. W-02327A-10-0169  
Test Year Ended December 31, 2009

**Rebuttal Schedule E-2**  
**Title: Comparative Income**  
**Statements**

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Explanation:  
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Revenues: (a)			
461 Metered Water Revenue	\$ 50,347	\$ 48,329	\$ 52,528
461.1 Surcharge Revenue	1,875	-	-
474 Other Water Revenue	347	151	480
Total Revenues	\$ 52,569	\$ 48,480	\$ 53,008
Operating Expenses (a)			
601 Salaries & Wages	\$ -	\$ 5,400	\$ 7,200
610 Purchased Water	-	-	-
615 Purchased Power	17,695	15,296	16,104
618 Chemicals	166	-	-
620 Repairs and Maintenance	3,358	12,747	4,606
621 Office Supplies and Expense	2,435	12,332	1,210
630 Outside Services	22,748	2,847	1,401
635 Water Testing	1,899	1,485	630
641 Rents	-	900	1,200
650 Transportation Expense	5,909	1,572	1,500
657 Insurance - General liability	25	-	-
659 Insurance - Health and Life	-	-	-
666 Regulatory Commission Expense - Rate Case	1,404	-	-
675 Miscellaneous Expense	5	374	132
403 Depreciation Expense	9,803	10,873	11,573
408 Taxes Other Than Income	33	457	1,031
408.11 Property Taxes	2,563	1,167	3,058
409 Income Tax	-	-	-
Total Operating Expenses	\$ 68,043	\$ 65,450	\$ 49,645
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (15,474)</b>	<b>\$ (16,970)</b>	<b>\$ 3,363</b>
Other Income/(Expense)			
419 Interest and Dividend Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	9	-
426 Miscellaneous Non-Utility Expense	-	-	(450)
427 Interest Expense	-	-	-
Total Other Income/(Expense)	\$ -	\$ 9	\$ (450)
<b>NET INCOME/(LOSS)</b>	<b>\$ (15,474)</b>	<b>\$ (16,961)</b>	<b>\$ 2,913</b>

Supporting Schedules:  
(a) E-6

Recap Schedules:  
A-2

**Antelope Run Water Company**  
Docket No. W-02327A-10-0169  
Test Year Ended December 31, 2009

**Rebuttal Schedule E-5**  
**Title: Detail of Utility Plant**

Explanation:  
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specl Reqmt	<input type="checkbox"/>

<b>Account Number</b>	<b>Description</b>	<b>End of Prior Year at 31-Dec-08</b>	<b>Net Additions</b>	<b>End of Test Year at 31-Dec-09</b>
302	Franchises	\$ -		\$ -
303	Land & Land Rights	5,159		5,159
304	Structures & Improvements	619		619
307	Wells & Springs	17,939		17,939
311	Pumping Equipment	91,796	2,467	94,263
320	Water Treatment Equipment	-		-
320.1	Water Treatment Plants	-		-
320.2	Solution Chemical Feeders	-		-
330	Distribution Reservoirs & Standpipes	3,475		3,475
330.1	Storage Tanks	425		425
330.2	Pressure Tanks.	3,413		3,413
331	Transmission & Distribution Mains	63,498		63,498
333	Services	-		-
334	Meters & Meter Installations	5,000	1,180	6,180
335	Hydrants	-		-
339	Other Plant and Misc Equipment	-		-
340	Office Furniture & Equipment	-		-
340.1	Computers and Software	-		-
341	Transportation Equipment	-		-
343	Tools, Shop, and Garage Equipment	-		-
345	Power Operated Equipment	-		-
348	Other Tangible Plant	-		-
	<b>Total Plant In Service</b>	<b>\$ 191,324</b>	<b>\$ 3,647</b>	<b>\$ 194,971</b>
108	Accumulated Depreciation	(84,232)	(9,399)	(93,631)
	<b>Net Plant In Service</b>	<b>\$ 107,092</b>	<b>\$ (5,752)</b>	<b>\$ 101,340</b>
103	Property Held for Future Use	\$ -		\$ -
105	Construction Work in Process	-	2,854	2,854
	<b>Total Net Plant</b>	<b>\$ 107,092</b>	<b>\$ (2,898)</b>	<b>\$ 104,194</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

Antelope Run Water Company  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

**Rebuttal Schedule E-7**  
**Title: Operating Statistics**

Explanation:  
 Schedule showing key operating statistics in comparative format,  
 for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

<b>Water Statistics:</b>	<b>Test Year Ended 31-Dec-09</b>	<b>Prior Year Ended 31-Dec-08</b>	<b>Prior Year Ended 31-Dec-07</b>
<b>Gallons Sold - By Class of Service:</b>			
Residential	25,165,060	25,712,190	24,102,020
Commercial	315,940	394,810	319,240
<b>Average Number of Customers - By Class of Service:</b>			
Residential	166	165	162
Commercial	1	1	1
Average Annual Gallons Per Residential Customer	151,597	155,831	148,778
Average Annual Revenue Per Residential Customer	\$ 356.56	\$ 360.79	\$ 353.74
Pumping Cost Per 1,000 Gallons	\$ 0.6944	\$ 0.5859	\$ 0.6594

Antelope Run Water Company  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

**Rebuttal Schedule E-8**  
**Title: Taxes Charged to**  
**Operations**

Explanation:  
 Schedule showing all significant taxes charged to operations for  
 the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specil Reqmt	<input type="checkbox"/>

Description	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Federal Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	-	457	608
<b>Total Federal Taxes</b>	<b>\$ -</b>	<b>\$ 457</b>	<b>\$ 608</b>
State Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	33	-	423
<b>Total State Taxes</b>	<b>\$ 33</b>	<b>\$ -</b>	<b>\$ 423</b>
Local Taxes:			
Property	\$ 2,563	\$ 1,167	\$ 3,058
<b>Total Taxes</b>	<b>\$ 2,596</b>	<b>\$ 1,624</b>	<b>\$ 4,089</b>

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company  
Docket No. W-02327A-10-0169  
Test Year Ended December 31, 2009

Rebuttal Schedule E-9  
Title: Notes to Financial  
Statements

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specf Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of the unconsolidated entity are kept as accrual based, and also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**For years up to and including the test year 2009, the depreciation rate as authorized in Decision 56062 was 5% for all plant asset categories. Proposed depreciation rates are depicted on Schedule C-2d, and were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**Income taxes are not a factor in the unconsolidated company since the entity is a Sole Proprietorship, and this Commission does not allow recovery of income taxes in customer rates for flow-through entities.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule showing an income statement for the projected year,  
compared with actual test year results, at present and proposed  
rates.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

	Actual Test Year Ended (a) 31-Dec-09	Projected Year	
		At Present Rates Year Ended (b) 31-Dec-10	At Proposed Rates Year Ended (b) 31-Dec-10
<b>Operating Revenues:</b>			
461 Metered Water Revenue	\$ 50,347	\$ 48,910	\$ 95,329
461.1 Surcharge Revenue	1,875	-	-
474 Other Water Revenue	347	347	347
<b>Total Operating Revenue</b>	<b>\$ 52,569</b>	<b>\$ 49,257</b>	<b>\$ 95,676</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ -	\$ -	\$ -
610 Purchased Water	-	-	-
615 Purchased Power	17,695	17,695	17,695
618 Chemicals	166	166	166
620 Repairs & Maintenance	3,358	3,358	3,358
621 Office Supplies and Expense	2,435	2,393	2,393
630 Outside Services	22,748	33,478	33,478
635 Water Testing	1,899	1,899	1,899
641 Rental Expense	-	-	-
650 Transportation Expense	5,909	5,245	5,245
657 Insurance - General Liability	25	-	-
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	1,404	2,468	2,468
675 Miscellaneous Expense	5	5	5
403 Depreciation & Amortization	9,803	14,443	14,443
408 Property Taxes	2,563	2,443	3,189
408.1 Taxes Other Than Income	33	-	-
409 Income Taxes	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 68,043</b>	<b>\$ 83,594</b>	<b>\$ 84,340</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (15,474)</b>	<b>\$ (34,337)</b>	<b>\$ 11,337</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	-	-	-
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (15,474)</b>	<b>\$ (34,337)</b>	<b>\$ 11,337</b>

Earnings per share of average  
Common Stock Outstanding  
% Return on Common Equity

No stock issued

Double Negative

36.87%

Supporting Schedules:  
(a) E-2

Recap Schedules:  
(b) A-2

Antelope Run Water Company  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

**Rebuttal Schedule F-3**  
**Title: Projected Construction**  
**Requirements**

Explanation:  
 Schedule showing projected annual construction requirements,  
 by property classification, for 1 to 3 years subsequent to the  
 test year compared with the test year.

Required for: All Utilities  
 Class A  
 Class B  
 Class C  
 Class D  
 Specl Reqmt

X

<b>Property Classification</b>	<b>Actual Test Year Ended 12/31/2009</b>	<b>End of Projected Year 1</b>
Production Plant	\$ 2,467	\$ 251,529
Transmission Plant	-	310,868
Other Plant	1,180	-
<b>Total Plant</b>	<b>\$ 3,647</b>	<b>\$ 562,397</b>

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:  
 (a) F-2 & A-4

Antelope Run Water Company  
Docket No. W-02327A-10-0169  
Test Year Ended December 31, 2009

Rebuttal Schedule F-4  
Title: Assumptions Used in  
Developing Projection

Explanation:  
Documentation of important assumptions used in preparing  
forecasts and projections

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Speci Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

**The company has experienced no growth in the past few years.**

2 Growth in consumption and customer demand

**The company does not anticipate an increase in customer consumption and demand due to the proposed tiered rate structure.**

3 Changes in expenses

**The company believes the test year 2009, with the limited proforma adjustments included in this application, accurately depict expense levels for the unconsolidated utility going forward.**

4 Construction requirements including production reserves and changes in plant capacity

**The Company is seeking a loan from WIFA for the three commonly owned entities totaling \$3 million to replace lines, add storage, and upgrade pumps and electrical at well and booster sites.**

5 Capital structure changes

**If the proposed consolidation of Antelope Run Water with the two related entities is approved, the new utility's structure would be a C-Corp.**

6 Financing costs, interest rates

**The company proposes to borrow funds from WIFA, and it will be required to pay WIFA's normal fees, reserves, and the prevailing interest rate at the time the loan is closed. Antelope Run's share of the interest expense is included on the unconsolidated income statement for comparative purposes.**

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company  
Docket No. W-02327A-10-0169  
Test Year Ended December 31, 2009

**Rebuttal Schedule: H-1**  
**Title: Summary of Revenues by Customer**  
**Classification - Present and Proposed Rates**

Explanation: Schedule comparing revenues by customer classification for the Test Year, at present and proposed rates.

Required for: All Utilities   
Class A   
Class B   
Class C   
Class D   
Spec'l Reqmt

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
Residential				
5/8 x 3/4 inch	\$ 45,222	\$ 86,678	41,456	91.67%
1 inch	\$ 3,226	\$ 7,550	4,325	134.07%
Commercial				
5/8 x 3/4 inch	\$ 462	\$ 1,101	639	138.31%
<b>Total Metered Water Revenues</b>	<b>\$ 48,910</b>	<b>\$ 95,329</b>	<b>\$ 46,419</b>	<b>94.91%</b>
Other Revenues	\$ 347	\$ 347	-	0.00%
<b>Total Revenues</b>	<b>\$ 49,257</b>	<b>\$ 95,676</b>	<b>\$ 46,419</b>	<b>94.24%</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) H-2

Recap Schedules:  
(b) A-1

Explanation:  
 Schedule comparing present rate schedules with proposed  
 rate schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

(Note: Rates apply to both residential and commercial usage)

Description	Present Rate	Proposed Rate	% change
<b>MONTHLY USAGE CHARGE</b>			
5/8" x 3/4" Meter	\$ 11.50	\$ 16.12	40.17%
3/4" Meter	\$ 17.25	\$ 24.18	40.17%
1" Meter	\$ 28.75	\$ 40.30	40.17%
1-1/2" Meter	\$ 57.50	\$ 80.60	40.17%
2" Meter	\$ 92.00	\$ 128.96	40.17%
3" Meter	\$ 172.50	\$ 257.92	49.52%
4" Meter	\$ 287.50	\$ 403.00	40.17%
6" Meter	\$ 575.00	\$ 806.00	40.17%
<b>Gallons Included in Monthly Usage Charge</b>	-	-	0%

EMERGENCY INTERIM SURCHARGE EFFECTIVE: OCTOBER 30, 2009  
 DECISION NO. 71323  
 DOCKET NO. W-02327A-09-0284  
 \$5.58 PER CUSTOMER PER MONTH

**Commodity Charges Per 1,000 Gallons:**

	Present Rate	Proposed Rate	% change
<b>5/8 x 3/4 - inch meter</b>			
Tier one: 0 - 3,000 Gallons	\$ 1.00	\$ 1.070	7.00%
Tier two: 3,001 to 10,000 Gallons	\$ 1.00	\$ 1.926	92.60%
Tier three: All Gallons Over 10,000	\$ 1.00	\$ 3.467	246.68%
<b>3/4 - inch meter</b>			
Tier one: 0 - 3,000 Gallons	\$ 1.00	\$ 1.070	7.00%
Tier two: 3,001 to 10,000 Gallons	\$ 1.00	\$ 1.926	92.60%
Tier three: All Gallons Over 10,000	\$ 1.00	\$ 3.467	246.68%
<b>One - inch meter</b>			
Tier one: 0 - 15,000 Gallons	\$ 1.00	\$ 1.926	92.60%
Tier two: All Gallons Over 15,000	\$ 1.00	\$ 3.467	246.68%
<b>One and one half - inch meter</b>			
Tier one: 0 - 35,000 Gallons	\$ 1.00	\$ 1.926	92.60%
Tier two: All Gallons Over 35,000	\$ 1.00	\$ 3.467	246.68%
<b>Two - inch meter</b>			
Tier one: 0 - 60,000 Gallons	\$ 1.00	\$ 1.926	92.60%
Tier two: All Gallons Over 60,000	\$ 1.00	\$ 3.467	246.68%
<b>Three - inch meter</b>			
Tier one: 0 - 120,000 Gallons	\$ 1.00	\$ 1.926	92.60%
Tier two: All Gallons Over 120,000	\$ 1.00	\$ 3.467	246.68%

Four - inch meter	Present Rate	Proposed Rate	% change
Tier one: 0 -200,000 Gallons	\$ 1.00	\$ 1.926	93%
Tier two: All Gallons Over 200,000	\$ 1.00	\$ 3.467	247%

Six - inch meter	Present Rate	Proposed Rate	% change
Tier one: 0 - 400,000 Gallons	\$ 1.00	\$ 1.926	93%
Tier two: All Gallons Over 400,000	\$ 1.00	\$ 3.467	247%

Description	Present Rate	Proposed Rate	% change
<b>SERVICE CHARGES</b>			
Establishment	\$ 20.00	\$ 35.00	75.00%
Establishment (After Hours)	30.00	NA	NA
Reconnection (Delinquent)	10.00	\$ 35.00	250.00%
Reconnection (After Hours)	NA	NA	NA
Meter Test (If Correct)	20.00	\$ 25.00	NA
Meter Reread (If Correct)	10.00	\$ 20.00	100.00%
NSF Check Charge	\$15.00	\$ 25.00	66.67%
Deposit	*	*	
Deposit Interest (Per Annum)	6%	*	
Deferred Payment (Per Month)	NA	**	
Late Charge (Per Month)	NA	**	
Re-establishment (Within 12 Months)	***	***	
After hours Service Charge	NA	\$ 35.00	

**MONTHLY SERVICE CHARGE FOR FIRE SPRINKLER:** N/A \*\*\*\*

**SERVICE LINE AND METER INSTALLATION CHARGES**  
 Refundable Pursuant to AAC R14-2-405

Description	Present Rate	Proposed Rates			% change
		Service Line	Meter Charge	Total Charge	
5/8" x 3/4" Meter	\$ 175.00	\$ 430.00	\$ 130.00	\$ 560.00	220%
3/4" Meter	220.00	430.00	230.00	660.00	200%
1" Meter	250.00	480.00	290.00	770.00	208%
1-1/2" Meter	275.00	535.00	500.00	1,035.00	276%
2" Meter - Turbine	500.00	815.00	1,020.00	1,835.00	100%
2" Meter - Compound	500.00	815.00	1,865.00	2,680.00	436%
3" Meter - Turbine	700.00	1,030.00	1,645.00	2,675.00	100%
3" Meter - Compound	700.00	1,150.00	2,545.00	3,695.00	428%
4" Meter - Turbine	1,300.00	1,460.00	2,620.00	4,080.00	100%
4" Meter - Compound	1,300.00	1,640.00	3,595.00	5,235.00	303%
6" Meter - Turbine	2,800.00	2,180.00	4,975.00	7,155.00	100%
6" Meter - Compound	2,800.00	2,300.00	6,870.00	9,170.00	228%

- \* Per Commission Rule AAC R-14-2-403(B).
- \*\* 1.50% of unpaid monthly balance.
- \*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).
- \*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

5/8" x 3/4" meter  
(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 11.50	\$ 17.08	\$ 16.12	40%	-6%
1,000	12.50	18.08	17.19	38%	-5%
2,000	13.50	19.08	18.26	35%	-4%
3,000	14.50	20.08	19.33	33%	-4%
4,000	15.50	21.08	21.26	37%	1%
5,000	16.50	22.08	23.18	40%	5%
6,000	17.50	23.08	25.11	43%	9%
7,000	18.50	24.08	27.03	46%	12%
8,000	19.50	25.08	28.96	49%	15%
9,000	20.50	26.08	30.89	51%	18%
10,000	21.50	27.08	32.81	53%	21%
13,000	24.50	30.08	43.21	76%	44%
15,000	26.50	32.08	50.15	89%	56%
20,000	31.50	37.08	67.48	114%	82%
25,000	36.50	42.08	84.81	132%	102%
50,000	61.50	67.08	171.48	179%	156%
75,000	86.50	92.08	258.15	198%	180%
100,000	111.50	117.08	344.82	209%	195%
125,000	136.50	142.08	431.49	216%	204%
150,000	161.50	167.08	518.16	221%	210%
175,000	186.50	192.08	604.83	224%	215%
200,000	211.50	217.08	691.50	227%	219%

Supporting Schedules:

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

1 inch meter  
*(Note: Rates apply to both residential and commercial usage)*

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 28.75	\$ 34.33	\$ 40.30	40%	17%
1,000	29.75	35.33	42.23	42%	20%
2,000	30.75	36.33	44.15	44%	22%
3,000	31.75	37.33	46.08	45%	23%
4,000	32.75	38.33	48.00	47%	25%
5,000	33.75	39.33	49.93	48%	27%
6,000	34.75	40.33	51.86	49%	29%
7,000	35.75	41.33	53.78	50%	30%
8,000	36.75	42.33	55.71	52%	32%
9,000	37.75	43.33	59.17	57%	37%
10,000	38.75	44.33	62.64	62%	41%
15,000	43.75	49.33	79.98	83%	62%
20,000	48.75	54.33	97.31	100%	79%
25,000	53.75	59.33	114.64	113%	93%
40,000	68.75	74.33	166.65	142%	124%
50,000	78.75	84.33	201.31	156%	139%
75,000	103.75	109.33	287.98	178%	163%
100,000	128.75	134.33	374.65	191%	179%
125,000	153.75	159.33	461.32	200%	190%
150,000	178.75	184.33	547.99	207%	197%
175,000	203.75	209.33	634.66	211%	203%
200,000	228.75	234.33	721.33	215%	208%

Supporting Schedules:

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

2 inch meter  
 (Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 92.00	\$ 97.58	\$ 128.96	40%	32%
1,000	93.00	98.58	130.89	41%	33%
2,000	94.00	99.58	132.81	41%	33%
3,000	95.00	100.58	134.74	42%	34%
4,000	96.00	101.58	136.66	42%	35%
5,000	97.00	102.58	138.59	43%	35%
6,000	98.00	103.58	140.52	43%	36%
7,000	99.00	104.58	142.44	44%	36%
8,000	100.00	105.58	144.37	44%	37%
9,000	101.00	106.58	145.91	44%	37%
10,000	102.00	107.58	149.38	46%	39%
15,000	107.00	112.58	166.71	56%	48%
20,000	112.00	117.58	184.04	64%	57%
25,000	117.00	122.58	201.38	72%	64%
50,000	142.00	147.58	288.05	103%	95%
75,000	167.00	172.58	374.72	124%	117%
100,000	192.00	197.58	461.39	140%	134%
125,000	217.00	222.58	548.06	153%	146%
150,000	242.00	247.58	634.73	162%	156%
175,000	267.00	272.58	721.40	170%	165%
200,000	292.00	297.58	808.07	177%	172%

Supporting Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

5/8 x 3/4 inch meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	20	-	20	1.03%	-	0.00%
1 to 1,000	56	28,000	76	3.91%	28,000	0.12%
1,001 to 2,000	119	178,500	195	10.03%	206,500	0.90%
2,001 to 3,000	139	347,500	334	17.17%	554,000	2.41%
3,001 to 4,000	186	651,000	520	26.74%	1,205,000	5.23%
4,001 to 5,000	195	877,500	715	36.76%	2,082,500	9.04%
5,001 to 6,000	151	830,500	866	44.52%	2,913,000	12.65%
6,001 to 7,000	120	780,000	986	50.69%	3,693,000	16.04%
7,001 to 8,000	89	667,500	1,075	55.27%	4,360,500	18.94%
8,001 to 9,000	86	731,000	1,161	59.69%	5,091,500	22.11%
9,001 to 10,000	61	579,500	1,222	62.83%	5,671,000	24.63%
10,001 to 12,000	122	1,342,000	1,344	69.10%	7,013,000	30.46%
12,001 to 14,000	92	1,196,000	1,436	73.83%	8,209,000	35.65%
14,001 to 16,000	75	1,125,000	1,511	77.69%	9,334,000	40.54%
16,001 to 18,000	66	1,122,000	1,577	81.08%	10,456,000	45.41%
18,001 to 20,000	49	931,000	1,626	83.60%	11,387,000	49.45%
20,001 to 25,000	106	2,385,000	1,732	89.05%	13,772,000	59.81%
25,001 to 30,000	67	1,842,500	1,799	92.49%	15,614,500	67.81%
30,001 to 35,000	44	1,430,000	1,843	94.76%	17,044,500	74.02%
35,001 to 40,000	32	1,200,000	1,875	96.40%	18,244,500	79.23%
40,001 to 50,000	26	1,170,000	1,901	97.74%	19,414,500	84.31%
50,001 to 60,000	14	770,000	1,915	98.46%	20,184,500	87.66%
60,001 to 70,000	11	715,000	1,926	99.02%	20,899,500	90.76%
70,001 to 80,000	7	525,000	1,933	99.38%	21,424,500	93.04%
80,001 to 90,000	3	255,000	1,936	99.54%	21,679,500	94.15%
90,001 to 99,999	1	95,000	1,937	99.59%	21,774,500	94.56%
106,900	1	106,900	1,938	99.64%	21,881,400	95.03%
124,600	1	124,600	1,939	99.69%	22,006,000	95.57%
124,790	1	124,790	1,940	99.74%	22,130,790	96.11%
149,390	1	149,390	1,941	99.79%	22,280,180	96.76%
177,740	1	177,740	1,942	99.85%	22,457,920	97.53%
180,720	1	180,720	1,943	99.90%	22,638,640	98.31%
192,510	1	192,510	1,944	99.95%	22,831,150	99.15%
195,840	1	195,840	1,945	100.00%	23,026,990	100.00%
	1,945	23,026,990				

Average Number of Customers 162  
Average Consumption 11,839  
Median Consumption 6,900

Supporting Schedules:

Recap Schedules:

Explanation:  
 Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

5/8 x 3/4 inch meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	-	-	-	0.00%	-	0.00%
2,001 to 3,000	-	-	-	0.00%	-	0.00%
3,001 to 4,000	-	-	-	0.00%	-	0.00%
4,001 to 5,000	-	-	-	0.00%	-	0.00%
5,001 to 6,000	-	-	-	0.00%	-	0.00%
6,001 to 7,000	-	-	-	0.00%	-	0.00%
7,001 to 8,000	-	-	-	0.00%	-	0.00%
8,001 to 9,000	-	-	-	0.00%	-	0.00%
9,001 to 10,000	-	-	-	0.00%	-	0.00%
10,001 to 12,000	-	-	-	0.00%	-	0.00%
12,001 to 14,000	-	-	-	0.00%	-	0.00%
14,001 to 16,000	2	30,000	2	16.67%	30,000	9.26%
16,001 to 18,000	2	34,000	4	33.33%	64,000	19.75%
18,001 to 20,000	-	-	4	33.33%	64,000	19.75%
20,001 to 25,000	3	67,500	7	58.33%	131,500	40.59%
25,001 to 30,000	2	55,000	9	75.00%	186,500	57.56%
30,001 to 35,000	-	-	9	75.00%	186,500	57.56%
35,001 to 40,000	1	37,500	10	83.33%	224,000	69.14%
40,001 to 50,000	1	45,000	11	91.67%	269,000	83.02%
50,001 to 60,000	1	55,000	12	100.00%	324,000	100.00%
60,001 to 70,000	-	-	12	100.00%	324,000	100.00%
70,001 to 80,000	-	-	12	100.00%	324,000	100.00%
80,001 to 90,000	-	-	12	100.00%	324,000	100.00%
90,001 to 99,999	-	-	12	100.00%	324,000	100.00%
>= 100,000	-	-	12	100.00%	324,000	100.00%
	12	324,000				

Average Number of Customers 1  
 Average Consumption 27,000  
 Median Consumption 22,390

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Specl Reqmt

X

**1 inch meter - Residential**

Note: All customers on 1 inch meters are residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	1	500	1	2.08%	500	0.03%
1,001 to 2,000	-	-	1	2.08%	500	0.03%
2,001 to 3,000	1	2,500	2	4.17%	3,000	0.16%
3,001 to 4,000	4	14,000	6	12.50%	17,000	0.92%
4,001 to 5,000	5	22,500	11	22.92%	39,500	2.14%
5,001 to 6,000	1	5,500	12	25.00%	45,000	2.44%
6,001 to 7,000	2	13,000	14	29.17%	58,000	3.14%
7,001 to 8,000	4	30,000	18	37.50%	88,000	4.77%
8,001 to 9,000	-	-	18	37.50%	88,000	4.77%
9,001 to 10,000	-	-	18	37.50%	88,000	4.77%
10,001 to 12,000	-	-	18	37.50%	88,000	4.77%
12,001 to 14,000	-	-	18	37.50%	88,000	4.77%
14,001 to 16,000	3	45,000	21	43.75%	133,000	7.21%
16,001 to 18,000	3	51,000	24	50.00%	184,000	9.97%
18,001 to 20,000	1	19,000	25	52.08%	203,000	11.00%
20,001 to 25,000	1	22,500	26	54.17%	225,500	12.22%
25,001 to 30,000	2	55,000	28	58.33%	280,500	15.20%
30,001 to 35,000	2	65,000	30	62.50%	345,500	18.72%
35,001 to 40,000	-	-	30	62.50%	345,500	18.72%
40,001 to 50,000	1	45,000	31	64.58%	390,500	21.16%
50,001 to 60,000	1	55,000	32	66.67%	445,500	24.14%
60,001 to 70,000	5	325,000	37	77.08%	770,500	41.75%
70,001 to 80,000	3	225,000	40	83.33%	995,500	53.94%
80,001 to 90,000	1	85,000	41	85.42%	1,080,500	58.54%
90,001 to 99,999	2	190,000	43	89.58%	1,270,500	68.84%
101,150	1	101,150	44	91.67%	1,371,650	74.32%
103,110	1	103,110	45	93.75%	1,474,760	79.90%
108,130	1	108,130	46	95.83%	1,582,890	85.76%
119,030	1	119,030	47	97.92%	1,701,920	92.21%
143,750	1	143,750	48	100.00%	1,845,670	100.00%
	48	1,845,670				

Average Number of Customers 4.00  
Average Consumption 38,451  
Median Consumption 18,535

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specil Reqmt	

**2 inch meter - Residential**

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	-	-	-	0.00%	-	0.00%
2,001 to 3,000	-	-	-	0.00%	-	0.00%
3,001 to 4,000	-	-	-	0.00%	-	0.00%
4,001 to 5,000	-	-	-	0.00%	-	0.00%
5,001 to 6,000	-	-	-	0.00%	-	0.00%
6,001 to 7,000	-	-	-	0.00%	-	0.00%
7,001 to 8,000	-	-	-	0.00%	-	0.00%
8,001 to 9,000	-	-	-	0.00%	-	0.00%
9,001 to 10,000	1	9,500	1	8.33%	9,500	2.81%
10,001 to 12,000	2	22,000	3	25.00%	31,500	9.30%
12,001 to 14,000	3	39,000	6	50.00%	70,500	20.82%
14,001 to 16,000	1	15,000	7	58.33%	85,500	25.25%
16,001 to 18,000	-	-	7	58.33%	85,500	25.25%
18,001 to 20,000	1	19,000	8	66.67%	104,500	30.86%
20,001 to 25,000	-	-	8	66.67%	104,500	30.86%
25,001 to 30,000	1	27,500	9	75.00%	132,000	38.98%
30,001 to 35,000	-	-	9	75.00%	132,000	38.98%
35,001 to 40,000	1	37,500	10	83.33%	169,500	50.06%
40,001 to 50,000	1	45,000	11	91.67%	214,500	63.35%
50,001 to 60,000	-	-	11	91.67%	214,500	63.35%
60,001 to 70,000	-	-	11	91.67%	214,500	63.35%
70,001 to 80,000	-	-	11	91.67%	214,500	63.35%
80,001 to 90,000	-	-	11	91.67%	214,500	63.35%
90,001 to 99,999	-	-	11	91.67%	214,500	63.35%
<u>124,100</u>	1	<u>124,100</u>	12	100.00%	338,600	100.00%
	12	338,600				

Average Number of Customers	1.00
Average Consumption	28,217
Median Consumption	13,950

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company  
 Docket No. W-02327A-10-0169  
 Test Year Ended December 31, 2009

Rebuttal Schedule: H-5  
 Title: Bill Count  
 Page 5 of 5

Explanation:  
 Schedule(s) showing billing activity by block for each rate  
 schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

**Emergency Surcharge**

Amount of Surcharge \$5.58 per customer per month  
 Surcharge Approved in Decision 71323, October 30, 2009

	# of Bills Nov and Dec 2009	Surcharge	Surcahrge Revenue
Residential	334	\$5.58	\$1,864
Commercial	2	\$5.58	\$11
<b>Total</b>			<b>\$1,875</b>

**EAST SLOPE  
WATER COMPANY**

Explanation:  
Schedule showing computation of increase in  
gross revenue requirements and spread of revenue  
increase by customer classification.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Special Reqmt	<input type="checkbox"/>

	<u>Original Cost</u>	<u>RCND</u>
<b><u>Rate of Return on Rate Base Method:</u></b>		
1. Adjusted Rate Base	\$ 150,009 (a)	(a)
2. Adjusted Operating Income	\$ (42,879) (b)	(b)
3. Current Rate of Return	-28.58%	
4. Required Rate of Return	20.00%	
5. Required Operating Income	\$ 30,002	
6. Operating Income Deficiency (5 - 2)	\$ 72,881	
7. Gross Revenue Conversion Factor	<u>1.306 (c)</u>	(c)
<b>8. Increase in Gross Revenue Requirements (6 x 7)</b>	<b><u>\$ 95,167</u></b>	

<b><u>Operating Margin Method:</u></b>		
9. Proposed Revenue	\$ 301,853	
10. Required Operating Margin	<u>9.94%</u>	
11. Required Operating Income (9 x 10)	\$ 30,002	
12. Operating Income Deficiency (11 - 2)	\$ 72,881	
13. Gross Revenue Conversion Factor	<u>1.306 (c)</u>	(c)
<b>14. Increase in Gross Revenue Requirements (12 x 13)</b>	<b><u>\$ 95,167</u></b>	

Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
Residential	\$ 187,629	\$ 273,404	\$ 85,776	45.72%	(d)
Commercial	15,807	25,199	9,392	59.42%	
Industrial	-	-	-	0.00%	
Other	3,250	3,250	-	0.00%	
<b>Total</b>	<b><u>\$ 206,686</u></b>	<b><u>\$ 301,853</u></b>	<b><u>\$ 95,167</u></b>	<b><u>46.04%</u></b>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (c) C-3

(b) C-1 (d) H-1

East Slope Water Company  
Docket No. W-01906A-10-0170  
Test Year Ended December 31, 2009

Rebuttal Schedule A-2  
Title: Summary Results of Operations

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specl Reqmt	<input type="checkbox"/>

Explanation:  
Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 207,882	\$ 190,700	\$ 218,459	\$ 206,686	\$ 206,686	\$ 301,853
2. Revenue Deductions & Operating Expenses	(221,093)	(192,183)	(228,478)	(249,565)	(249,565)	(271,850)
3. Operating Income	\$ (13,211)	\$ (1,483)	\$ (10,019)	\$ (42,879)	\$ (42,879)	\$ 30,002
4. Other Income and Deductions	-	5,849	-	-	-	-
5. Interest Expense	(13,484)	(10,042)	(1,544)	(1,544)	(1,544)	(1,544)
<b>6. Net Income</b>	<b>\$ (26,695)</b>	<b>\$ (5,676)</b>	<b>\$ (11,563)</b>	<b>\$ (44,423)</b>	<b>\$ (44,423)</b>	<b>\$ 28,459</b>
7. Earned Per Average Common Share*	\$ (5.34)	\$ (1.14)	\$ (2.31)	\$ (8.88)		
8. Dividends Per Common Share*	-	-	-	-		
9. Payout Ratio*	0.00%	0.00%	0.00%	0.00%		
10. Return on Average Invested Capital	-21.14%	-5.39%	-13.23%	-50.84%	-50.84%	32.57%
11. Return on Year End Capital	-21.14%	-6.72%	-12.81%	-49.21%	-49.21%	31.52%
12. Return on Average Common Equity	Double Negative					-36.21%
13. Return on Year End Common Equity						-43.69%
14. Times Bond Interest Earned - Before Inc Tax	-104.75%	-14.77%	-161.79%	-3607.32%	-3607.32%	2458.00%
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes	-97.98%	-14.77%	-648.90%	-2777.16%	-2777.16%	1943.71%

Supporting Schedules:

- (a) E-2
- (b) C-1
- (c) F-1

\*Optional for projected year

**East Slope Water Company**  
 Docket No. W-01906A-10-0170  
 Test Year Ended December 31, 2009

**Rebuttal Schedule A-4**  
**Title: Construction Expenditures and**  
**Gross Utility Plant in Service**

Explanation:  
 Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specl Reqmt	<input type="checkbox"/>

Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1. Prior Year 1 - 2007	\$ 30,008	\$ 30,008	\$ 463,102
2. Prior Year 2 - 2008	4,316	(34,905)	428,197
3. Test Year - 2009	27,062	27,062	455,259
4. Projected Year 1	2,197,953	2,197,953	2,653,212
5. Projected *			
6. Projected *			

\* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
 (a) F-3  
 (b) E-5

**East Slope Water Company**  
 Docket No. W-01906A-10-0170  
 Test Year Ended December 31, 2009

**Rebuttal Schedule B-1**  
**Title: Summary of Original Cost**  
**and RCND**

Explanation:  
 Schedule showing elements of adjusted original cost  
 and RCND rate bases.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	<u>Original Cost</u> <u>Rate Base*</u>	<u>RCND</u> <u>Rate Base*</u>
1. Gross Utility Plant in Service	\$ 455,259	
2. Less: Accumulated Depreciation	<u>(314,810)</u>	
3. Net Utility Plant in Service	\$ 140,449 (a)	(b)
<b>Less:</b>		
4. Advances in Aid of Construction	\$ (14,464) (c)	(c)
5. Contributions in Aid of Construction	(201,862) (c)	(c)
<b>Add:</b>		
6. Amortization of CIAC	\$ 201,509	
7. Allowance for Working Capital	<u>24,376 (d)</u>	(d)
<b>7. Total Rate Base</b>	<u><u>\$ 150,009 (e)</u></u>	(e)

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) B-2 (d) B-5

(b) B-3

(c) E-1

Recap Schedules:

(e) A-1

Explanation:  
Schedule showing pro forma adjustments to gross plant  
in service and accumulated depreciation for the original  
cost rate base.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

	Actual at End Of Test Year (a)	Pro forma Adjustment	Ref	Adjusted at End Of Test Year (b)
1 Gross Utility Plant in Service	\$ 494,810	\$ (39,551)	1	\$ 455,259
2 Less: Accumulated Depreciation	(330,223)	15,413	2	(314,810)
3 Net Utility Plant in Service	\$ 164,587	\$ (24,138)		\$ 140,449
<b>Less:</b>				
4 Advances in Aid of Construction	\$ (20,383)	\$ 5,919	3	\$ (14,464)
5 Contributions in Aid of Construction	-	(201,862)	4	(201,862)
<b>Add:</b>				
6 Amortization of CIAC	\$ -	\$ 201,509	5	\$ 201,509
7 Allowance for Working Capital	24,284	92	6	24,376
8 <b>Total Rate Base</b>	<b>\$ 168,488</b>	<b>\$ (18,479)</b>		<b>\$ 150,009</b>

**Ref**

1 Remove Office Furniture from Plant in Service	\$ (11,330)
Remove Transportation Equipment from Plant in Service	(27,891)
Reclassify Jim's Electric invoice dated 1/6/09 to R&M	(130)
Reclassify Jim's Electric invoice dated 7/31/09 to R&M	(75)
Reclassify Jim's Electric invoice dated 11/18/09 to R&M	(125)
<b>Total Company Adjustment to Plant in Service</b>	<b>\$ (39,551)</b>

Staff decreased Electric Pumping Equipment by \$3,123, reconciled as follows:

D&M Well Service dated 5/19/09	\$ 2,822	Supporting invoice provided, amount remains in Account 311
D&M Well Service dated 7/9/09	488	Supporting invoice provided, amount remains in Account 311
Jim's Electric dated 7/31/09	75	Supporting invoice provided, amount reclassified to R&M per above
Dana Kepner dated 12/7/09 *	(262)	
<b>Total Staff Adjustment</b>	<b>\$ 3,123</b>	

\* This invoice from Dana Kepner was not included in plant in service on the original application. Of this amount, \$146 was included in R&M expense on the original application, and the \$116 balance was not included in plant balance or in R&M expense. As a result of this change, the full amount of the Dana Kepner invoice is included in adjusted test year R&M expense. It should be noted that the plant in service account was never overstated.

- 2 Adjust accumulated depreciation based on adjustments to Plant in Service.
- 3 Adjust Advances in Aid of Construction based on Company response to JMM 2-29.
- 4 Adjust Contributions in Aid of Construction based on Company response to JMM 2-28.
- 5 Adjust Amortization of Contributions in Aid of Construction based on Company response to JMM 2-28.
- 6 Adjust working capital allowance based on changes to operating expenses on Rebuttal Schedule C-1.

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1

**East Slope Water Company**  
 Docket No. W-01906A-10-0170  
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**Rebuttal Schedule B-5**  
**Title: Computation of Working Capital**

Explanation:  
 Schedule showing computation of working capital allowance.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specl Reqmt	<input type="checkbox"/>

	<u>Amount</u>
1. Cash working capital	
1/24th Purchased Power	\$ 2,218
1/24th Purchased Water	-
1/8th Operation & Maintenance Expense	22,158
2. Materials and Supplies Inventories	- (a)
3. Prepayments	- (a)
	<hr/>
<b>4. Total Working Capital Allowance</b>	<b><u>\$ 24,376</u> (b)</b>

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:  
 (a) E-1

Recap Schedules:  
 (b) B-1

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Explanation:  
Schedule showing statement of income for the test year,  
including pro forma adjustments.

Description	Actual for Test		Ref	Proforma		Test Year		Proposed	Adjusted Test
	Year Ended (a)	31-Dec-09		Adjustments	(b)	Results After	Ref		
								Increase	Rate Increase
<b>Operating Revenues:</b>									
461 Metered Water Revenue	\$	203,436			\$	203,436	M	\$ 95,167	\$ 298,603
461.1 Surcharge Revenue		11,773	A	\$ (11,773)		-			-
474 Other Water Revenue		3,250				3,250			3,250
<b>Total Operating Revenue</b>	<b>\$</b>	<b>218,459</b>		<b>\$ (11,773)</b>	<b>\$</b>	<b>206,686</b>		<b>\$ 95,167</b>	<b>\$ 301,853</b>
<b>Operating Expenses:</b>									
601 Salaries & Wages	\$	-			\$	-			\$ -
610 Purchased Water		-				-			-
615 Purchased Power		52,801	B	433		53,234			53,234
618 Chemicals		460				460			460
620 Repairs & Maintenance		11,875	C	466		12,341			12,341
621 Office Supplies and Expense		8,431	D	(185)		8,246			8,246
630 Outside Services		95,049	E	27,100		122,149			122,149
635 Water Testing		3,980				3,980			3,980
641 Rental Expense		-				-			-
650 Transportation Expense		11,822	F	1,181		13,003			13,003
657 Insurance - General Liability		6,491				6,491			6,491
659 Insurance - Health and Life		-				-			-
666 Rate Case Expense		1,775	G	8,817		10,592			10,592
675 Miscellaneous Expense		-				-			-
403 Depreciation & Amortization		12,474	H	9,380		21,854			21,854
408 Taxes Other Than Income		(202)	I	202		-			-
408.11 Property Taxes		16,001	J	(5,968)		10,033	O	1,529	11,562
409 Income Taxes		7,521	K	(20,339)		(12,818)	N	20,756	7,938
<b>Total Operating Expenses</b>	<b>\$</b>	<b>228,478</b>		<b>\$ 21,087</b>	<b>\$</b>	<b>249,565</b>		<b>\$ 22,285</b>	<b>\$ 271,850</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$</b>	<b>(10,019)</b>		<b>\$ (32,860)</b>	<b>\$</b>	<b>(42,879)</b>	(c)	<b>\$ 72,881</b>	<b>\$ 30,002</b>
<b>Other Income/(Expense):</b>									
419 Interest Income	\$	-			\$	-			\$ -
421 Non-Utility Income		-				-			-
426 Miscellaneous Non-Utility Expenses		-				-			-
427 Interest Expense		(1,544)	L	-		(1,544)			(1,544)
<b>Total Other Income/(Expense)</b>	<b>\$</b>	<b>(1,544)</b>		<b>\$ -</b>	<b>\$</b>	<b>(1,544)</b>		<b>\$ -</b>	<b>\$ (1,544)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$</b>	<b>(11,563)</b>		<b>\$ (32,860)</b>	<b>\$</b>	<b>(44,423)</b>		<b>\$ 72,881</b>	<b>\$ 28,459</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-2  
(b) C-2

Recap Schedules:  
(c) A-1

**East Slope Water Company**  
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 Test Year Ended December 31, 2009

**Rebuttal Schedule C-2**  
**Title: Income Statement Proforma**  
**Adjustments**

X					
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Required for: All Utilities  
 Class A  
 Class B  
 Class C  
 Class D  
 Specl Reqmt

Explanation:  
 Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	Total (a)
Revenues:																
Metered Water Revenue													\$ 95,167			\$ 95,167
Surcharge Revenue	\$ (11,773)															(11,773)
Expenses:																
Purchased Power		\$ 433														\$ 433
Repairs and Maintenance			\$ 466													466
Office Supplies and Expense				\$ (185)												(185)
Outside Services					\$ 27,100											27,100
Transportation Expenses						\$ 1,181										1,181
Rate Case Expense							\$ 8,817									8,817
Depreciation & Amortization								\$ 9,380								9,380
Taxes Other Than Income									\$ 202							202
Property Taxes										\$ (5,968)					\$ 1,529	(4,439)
Income Taxes											\$ (20,339)					417
Other Income/(Expense):																
Interest Expense												\$ -				\$ -

Adjustment Descriptions:

- A - Remove surcharge revenue from the test year as it is temporary, and will not be included in proposed rates.
- B - Adjust purchased power expense per calculation on Schedule C-2i. Schedule also includes support to counter Staff's disallowance amount of \$4,862.
- C - Adjust repairs and maintenance expense per calculation on Schedule C-2h
- D - Adjust office supplies and expense per calculation on Schedule C-2a.
- E - Adjust outside services expense per calculation on Schedule C-2b.
- F - Adjust transportation expense per calculation on Schedule C-2c.
- G - Increase rate case expense to recover \$1,775 incurred for the emergency rate case, and estimated costs of \$30,000 for this rate case, amortized over 3 years, (\$31,775/3).
- H - Increase depreciation expense based upon proposed depreciation rates per schedule C-2d.
- I - Remove negative payroll tax expense that will not recur due to management contract.
- J - Adjust test year property tax expense per Schedule C-2g.
- K - Adjust test year income tax expense per Schedule C-2e.
- L - Removed.
- M - Increase metered water revenue per calculation on Schedule A-1.
- N - Increase income taxes for proposed rates per calculation on Schedule C-2f.
- O - Increase property taxes for proposed rates per calculation on Schedule C-2g.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:  
 C-2a through C-2i

Recap Schedules:  
 (a) C-1

East Slope Water Company  
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Rebuttal Schedule C-2a  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OFFICE SUPPLIES AND EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 billing forms	\$ (27)
December 2008 billing forms	(27)
December 2009 billing forms	26
November 2008 postage	(211)
December 2008 postage	(213)
December 2009 postage	267
<b>Total Adjustment D</b>	<b>\$ (185)</b>

East Slope Water Company  
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Rebuttal Schedule C-2b  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OUTSIDE SERVICES EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
Other November 2008 services	\$ (472)
December 2008 accounting	(195)
December 2009 accounting	195
Remove recorded Test Year management fees expense	(87,926)
Proforma management fees expense	115,498
<b>Total Adjustment E</b>	<b>\$ 27,100</b>

East Slope Water Company  
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Rebuttal Schedule C-2c  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED TRANSPORTATION EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 mileage	\$ (367)
December 2008 mileage	(1,031)
December 2009 mileage	817
Non-recurring vehicle lease expenses	(200)
Non-recurring vehicle insurance refund	1,962
<b>Total Adjustment F</b>	<b>\$ 1,181</b>

**DETAIL OF PROPOSED DEPRECIATION EXPENSE CALCULATION**

Account Number	Description	Plant @ End of Test Year 31-Dec-09	Proposed Depreciation Rate	Ref	Proposed Depreciation Expense	
301	Intangibles	\$ 2,180	0.00%		\$ -	
303	Land & Land Rights	75	0.00%		-	
304	Structures & Improvements	9,003	3.33%		300	
307	Wells & Springs	44,427	3.33%	1	318	
311	Pumping Equipment	148,169	12.50%		18,521	
320	Water Treatment Equipment	-			-	
320.1	Water Treatment Plants	-	3.33%		-	
320.2	Solution Chemical Feeders	-	20.00%		-	
330	Distribution Reservoirs & Standpipes	-	2.22%		-	
330.1	Storage Tanks	20,799	2.22%		462	
330.2	Pressure Tanks.	5,474	5.00%		274	
331	Transmission & Distribution Mains	209,649	2.00%	2	1,701	
333	Services	-	3.33%		-	
334	Meters & Meter Installations	11,498	8.33%	3	278	
335	Hydrants	-	2.00%		-	
339	Other Plant and Misc Equipment	-	6.67%		-	
340	Office Furniture & Equipment	-	6.67%		-	
340.1	Computers and Software	-	20.00%		-	
341	Transportation Equipment	3,985	20.00%	4	-	
343	Tools, Shop, and Garage Equipment	-	5.00%		-	
345	Power Operated Equipment	-	5.00%		-	
348	Other Tangible Plant	-	0.00%		-	
<b>Totals</b>		<b>\$ 455,259</b>			<b>\$ 21,854</b>	
					Test Year Depreciation Expense	12,474
					<b>Total Adjustment H</b>	<b>\$ 9,380</b>

- 1 \$34,863 of the total amount in account 307 - Wells & Springs, is fully depreciated.
- 2 \$124,578 of the total amount in account 331 - Transmission & Distribution Mains, is fully depreciated.
- 3 \$8,166 of the total amount in account 334 - Meters & Meter Installations, is fully depreciated.
- 4 The total amount in account 341 - Transportation Equipment, is fully depreciated.

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Rebuttal Schedule C-2e  
Title: Income Statement Proforma  
Adjustments

**CALCULATION OF OPERATING INCOME ADJUSTMENT G  
TO TEST YEAR INCOME TAX EXPENSE**

***STATE INCOME TAX CALCULATION:***

Operating Income/(Loss) Before Taxes	\$	(55,697)	
Less:			
Estimated Interest Expense			
Arizona Taxable Income	\$	<u>(55,697)</u>	
Arizona Income Tax Rate		<u>6.9680%</u>	
Arizona Income Tax Expense	\$		(3,881)

***FEDERAL INCOME TAX CALCULATION:***

Operating Income/(Loss) Before Taxes	\$	(55,697)	
Less:			
Arizona Income Tax	\$	(3,881)	
Estimated Interest Expense		-	
Federal Taxable Income	\$	<u>(59,578)</u>	
Federal Income Tax Rate		<u>15.0000%</u>	
Federal Income Tax Expense	\$		(8,937)
Adjusted Test Year Income Tax Expense	\$		<u>(12,818)</u>
Test Year Income Tax Expense			<u>7,521</u>
Total Adjustment K to Income Taxes	\$		<u><u>(20,339)</u></u>

East Slope Water Company  
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Rebuttal Schedule C-2f  
Title: Income Statement Proforma  
Adjustments

**CALCULATION OF OPERATING INCOME ADJUSTMENT K  
TO PROPOSED INCOME TAX EXPENSE**

Revenue	\$ 301,853		
Operating Expenses Excluding Income Tax	263,912		
Estimated Interest Expense	-		
Arizona Taxable Income		\$ 37,940	
Arizona Income Tax Rate		6.9680%	
Arizona Income Tax Expense			\$ 2,644
Federal Taxable Income		\$ 35,297	
Federal Tax on 1st Income Range (\$1 - \$50,000) @ 15%		\$ 5,295	
Federal Tax on 2nd Income Range (\$50,001 - \$75,000) @ 25%		-	
Federal Tax on 3rd Income Range (\$75,001 - \$100,000) @ 34%		-	
Federal Tax on 4th Income Range (\$100,001 - \$335,000) @ 39%		-	
Federal Tax on 5th Income Range (\$335,001 - \$10M) @ 34%		-	
Total Federal Income Tax Expense			5,295
Combined Federal and State Income Tax Expense		\$	7,938
Adjusted Test Year Income Tax Expense			(12,818)
<b>Adjustment N to Proposed Income Tax Expense</b>		<b>\$</b>	<b>20,756</b>

Required Operating Income	\$ 30,002		
Adjusted Test Year Operating Income/(Loss)	(42,879)		
Proposed Increase In Operating Income		\$	72,881
Income Taxes On Proposed Revenue	\$ 7,938		
Income Taxes On Test Year Revenue	(12,818)		
Proposed Revenue Increase For Income Taxes		\$	20,756
Property Taxes On Proposed Revenue	\$ 11,562		
Property Taxes On Test Year Revenue	10,033		
Proposed Revenue Increase For Property Taxes		\$	1,529
<b>Total Proposed Increase In Revenue</b>		<b>\$</b>	<b>95,167</b>

**DETAIL OF PROPOSED PROPERTY TAX EXPENSE CALCULATION**

	<u>Test Year as Adjusted</u>	<u>Company at Proposed Rates</u>
Adjusted 2009 Test Year Revenue	\$ 206,686	\$ 206,686
Weight Factor	2	2
Subtotal	\$ 413,372	\$ 413,372
Company Recommended Revenue	206,686	301,853
Subtotal	\$ 620,058	\$ 715,225
Number of Years	3	3
Three Year Revenue Average	\$ 206,686	\$ 238,408
AZ Department of Revenue Multiplier	2	2
Revenue Base Value	\$ 413,372	\$ 476,816
Plus 10% of CWIP	2,854	2,854
Less: Net Book Value of Licensed Vehicles	-	-
<b>Full Cash Value</b>	<b>\$ 416,226</b>	<b>\$ 479,670</b>
Assessment Ratio	20.50%	20.50%
<b>Assessment Value</b>	<b>\$ 85,326</b>	<b>\$ 98,332</b>
<b>Revised Composite Property Tax Rate *</b>	<b>11.7583%</b>	<b>11.7583%</b>
Adjusted Test Year Property Tax Expense	\$ 10,033	
Actual Test Year Property Tax Expense	16,001	
<b>Total Adjustment J</b>	<b>\$ (5,968)</b>	
Projected Property Tax Expense	\$ 11,562	
Adjusted Test Year Property Tax Expense	10,033	
<b>Total Adjustment O</b>	<b>\$ 1,529</b>	
 <i>* Property tax composite rate calculation:</i>		
Assessed Value per 2009 Property Tax Notice	\$ 87,999	
Property Tax due per 2009 Notice	10,331	
Revised Composite Property Tax Rate	11.7405%	
Rounding adjustment	0.0178%	
Composite Rate of Indiada and Antelope Run	11.7583%	
 <i>For Gross Revenue Conversion Factor:</i>		
Change in Property Tax Expense	\$ 1,529	
Change in Revenue Requirement	95,166	
Change in Property Tax per Dollar Increase in Revenue	1.6070%	

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Rebuttal Schedule C-2h  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED REPAIRS AND MAINTENANCE EXPENSE ADJUSTMENT**

<u>Description</u>	<u>Amount</u>
Reclassify amount from Pumping Equipment	\$ 125
Reclassify amount from Pumping Equipment	130
Reclassify amount from Pumping Equipment	75
Reclassify amount from Meters <sup>1</sup>	116
Exclude expense prior to test year	(70)
Include test year expense for December 2009	90
<b>Total Adjustment C</b>	<b>\$ 466</b>

<sup>1</sup> This amount was excluded from Meters (334) on the original application, but was not included in Repairs and Maintenance.

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Rebuttal Schedule C-2i  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED PURCHASED POWER EXPENSE ADJUSTMENT**

Description	Amount
Remove expenses prior to Test Year	\$ (4,298)
Remove credit adjustment for prior year	4,731
<b>Total Adjustment B</b>	<b>\$ 433</b>

*Please note: Adjustment B was reflected as a negative amount on the original application.*

**Invoices related to Staff's Adjustment #1 as reflected on Schedule JMM-9:**

SSVEC Account 6506500	\$ 213	
SSVEC Account 6956000	12	
SSVEC Account 6955900	12	
SSVEC Account 4154900	27	
SSVEC Account 4155200	2,388	
SSVEC Account 4159600	27	
SSVEC Account 4204600	893	
Total January SSVEC invoices provided	\$ 3,573	
Remove amount paid for February 2009	(740)	
Add invoice amount for February 2009	2,029	Account 4155200
<b>Staff's disallowance amount</b>	<b>\$ 4,862</b>	

The Company is providing \$3,573 of January 2009 invoices from Sulphur Springs Valley Electric Cooperative to support Staff's disallowed amount for purchased power. The remaining difference of \$1,289 is the amount that was overpaid on the January 2009 bill for account 4155200, resulting in a credit that was applied in February 2009.

East Slope Water Company  
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 Test Year Ended December 31, 2009

Rebuttal Schedule C-3  
 Title: Computation of Gross Revenue  
 Conversion Factor

Explanation:  
 Schedule showing incremental taxes on gross revenues and  
 the development of a gross revenue conversion factor.

Required for: All Utilities  
 Class A  
 Class B  
 Class C  
 Class D  
 Specl Reqmt

X

Description	Calculation
Revenue	1.000
Combined Federal And State Tax Rate	(0.218)
Property Tax Rate	(0.016)
Operating Income	0.766
<b>Gross Revenue Conversion Factor = 1/Operating Income %</b>	<b>1.306</b>

*CALCULATION OF COMBINED FEDERAL AND STATE TAX RATE:*

Operating Income Before Taxes (Arizona Taxable Income)	100.0000%
Arizona State Income Tax Rate	6.9680%
Federal Taxable Income	93.0320%
Federal Income Tax Rate	15.0000%
Effective Federal Income Tax Rate	13.9548%
Combined Federal And State Income Tax Rates	21.97%

**East Slope Water Company**  
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**Rebuttal Schedule D-1**  
**Title: Summary Cost of Capital**

Explanation:  
Schedule showing elements of capital structure  
and the related cost.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)					\$ 2,197,952	96.05%	5.00%	4.80%
Short-Term Debt (a)								
Wells Fargo Credit Line	\$ 104,877	116.17%	10.75%	12.49%	104,877	4.58%	10.75%	0.49%
N. Watkins note	50,545	55.99%	10.00%	5.60%	50,545	2.21%	10.00%	0.22%
Common Equity (c)	(65,140)	-72.15%	-28.58%	20.62%	(65,140)	-2.85%	20.00%	-0.57%
<b>Totals</b>	<b>\$ 90,282</b>	<b>100.00%</b>		<b>38.71%</b>	<b>\$ 2,288,234</b>	<b>100.00%</b>		<b>4.95%</b>

Supporting Schedules:  
(a) D-2  
(b) D-3  
(c) D-4  
(d) E-1

Recap Schedules:  
(e) A-3

**East Slope Water Company**  
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**Rebuttal Schedule E-1**  
**Title: Comparative Balance**  
**Sheet**

Explanation:  
Schedule showing comparative balance sheets at the end of the  
test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specel Reqmt	<input type="checkbox"/>

	Test Year At 31-Dec-09	Prior Year 31-Dec-08	Prior Year 31-Dec-07
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 455,259	\$ 428,197	\$ 463,102
103 Property Held for Future Use			
105 Construction Work in Process			
108 Accumulated Depreciation	(314,810)	(301,416)	(300,289)
Total Property Plant & Equipment	<u>\$ 140,449</u>	<u>\$ 126,781</u>	<u>\$ 162,813</u>
Current Assts:			
131 Cash	\$ 8,801	\$ 11,470	\$ 1,795
135 Temporary Cash Investments			
141 Customer Accounts Receivable	6,987		
146 Notes/Receivables from Associated Companies	13,114	13,114	13,114
151 Plant Material and Supplies			
162 Prepayments			
174 Miscellaneous Current and Accrued Assets			
Total Current Assets	<u>\$ 28,902</u>	<u>\$ 24,584</u>	<u>\$ 14,909</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 169,351</u></b>	<b><u>\$ 151,365</u></b>	<b><u>\$ 177,722</u></b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201 Common Stock Issued	\$ 5,000	\$ 5,000	\$ 5,000
211 Paid in Capital in Excess of Par Value	8,768	8,768	8,768
215 Retained Earnings	(78,908)	(105,829)	(45,164)
218 Proprietary Capital	-	-	-
Total Capital	<u>\$ (65,140)</u>	<u>\$ (92,061)</u>	<u>\$ (31,396)</u>
Current Liabilities:			
231 Accounts Payable	\$ 56,616	\$ 41,775	\$ 21,544
232 Notes Payable (Current Portion)			20,200
234 Notes/Accounts Payable to Associated Companies	-	-	-
235 Customer Deposits	7,440	23,821	4,680
236 Accrued Taxes	196	239	3,276
241 Miscellaneous Current and Accrued Liabilities	155,422	158,895	136,000
Total Current Liabilities	<u>\$ 219,674</u>	<u>\$ 224,730</u>	<u>\$ 185,700</u>
224 Long-Term Debt (Over 12 Months)			
Deferred Credits:			
252 Advances In Aid Of Construction	\$ 14,464	\$ 17,637	\$ 21,653
271 Contributions In Aid Of Construction	201,862	201,862	201,862
272 Less: Amortization of Contributions	(201,509)	(200,803)	(200,097)
281 Accumulated Deferred Income Tax			
Total Deferred Credits	<u>\$ 14,817</u>	<u>\$ 18,696</u>	<u>\$ 23,418</u>
Total Liabilities	<u>\$ 234,491</u>	<u>\$ 243,426</u>	<u>\$ 209,118</u>
<b>TOTAL LIABILITIES and CAPITAL</b>	<b><u>\$ 169,351</u></b>	<b><u>\$ 151,365</u></b>	<b><u>\$ 177,722</u></b>
Supporting Schedules:			
(a) E-5	Recap Schedules:		
	(b) A-3		

**East Slope Water Company**  
Docket No. W-01906A-10-0170  
Test Year Ended December 31, 2009

**Rebuttal Schedule E-2**  
**Title: Comparative Income**  
**Statements**

Explanation:  
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec Reqmt	<input type="checkbox"/>

	<b>Test Year Ended 31-Dec-09</b>	<b>Prior Year Ended 31-Dec-08</b>	<b>Prior Year Ended 31-Dec-07</b>
Revenues: (a)			
461 Metered Water Revenue	\$ 203,436	\$ 188,569	\$ 204,236
461.1 Surcharge Revenue	11,773	-	-
474 Other Water Revenue	3,250	2,131	3,646
Total Revenues	<u>\$ 218,459</u>	<u>\$ 190,700</u>	<u>\$ 207,882</u>
Operating Expenses (a)			
601 Salaries & Wages	\$ -	\$ 56,250	\$ 83,800
610 Purchased Water	-	-	-
615 Purchased Power	52,801	51,995	55,973
618 Chemicals	460	-	-
620 Repairs and Maintenance	11,875	6,253	5,351
621 Office Supplies and Expense	8,431	12,363	7,823
630 Outside Services	95,049	16,938	-
635 Water Testing	3,980	2,369	1,005
641 Rents	-	1,800	2,400
650 Transportation Expense	11,822	12,259	11,260
657 Insurance - General liability	6,491	3,685	5,298
659 Insurance - Health and Life	-	-	-
666 Regulatory Commission Expense - Rate Case	1,775	-	-
675 Miscellaneous Expense	-	182	10,492
403 Depreciation Expense	12,474	14,664	15,953
408 Taxes Other Than Income	(202)	6,651	10,180
408.11 Property Taxes	16,001	6,774	12,471
409 Income Tax	7,521	-	(913)
Total Operating Expenses	<u>\$ 228,478</u>	<u>\$ 192,183</u>	<u>\$ 221,093</u>
<b>OPERATING INCOME/(LOSS)</b>	<u><b>\$ (10,019)</b></u>	<u><b>\$ (1,483)</b></u>	<u><b>\$ (13,211)</b></u>
Other Income/(Expense)			
419 Interest and Dividend Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	5,849	-
426 Miscellaneous Non-Utility Expense	-	-	-
427 Interest Expense	(1,544)	(10,042)	(13,484)
Total Other Income/(Expense)	<u>\$ (1,544)</u>	<u>\$ (4,193)</u>	<u>\$ (13,484)</u>
<b>NET INCOME/(LOSS)</b>	<u><b>\$ (11,563)</b></u>	<u><b>\$ (5,676)</b></u>	<u><b>\$ (26,695)</b></u>

Supporting Schedules:  
(a) E-6

Recap Schedules:  
A-2

**East Slope Water Company**  
Docket No. W-01906A-10-0170  
Test Year Ended December 31, 2009

**Rebuttal Schedule E-5**  
**Title: Detail of Utility Plant**

Explanation:  
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

<b>Account Number</b>	<b>Description</b>	<b>End of Prior Year at 31-Dec-08</b>	<b>Net Additions</b>	<b>End of Test Year at 31-Dec-09</b>
301	Intangibles	\$ 2,180		\$ 2,180
303	Land & Land Rights	75		75
304	Structures & Improvements	9,003		9,003
307	Wells & Springs	44,427		44,427
311	Pumping Equipment	125,355	22,814	148,169
320	Water Treatment Equipment			-
320.1	Water Treatment Plants			-
320.2	Solution Chemical Feeders			-
330	Distribution Reservoirs & Standpipes			-
330.1	Storage Tanks	20,799		20,799
330.2	Pressure Tanks.	5,474		5,474
331	Transmission & Distribution Mains	205,401	4,248	209,649
333	Services			-
334	Meters & Meter Installations	11,498		11,498
335	Hydrants			-
339	Other Plant and Misc Equipment			-
340	Office Furniture & Equipment	-		-
340.1	Computers and Software			-
341	Transportation Equipment	3,985		3,985
343	Tools, Shop, and Garage Equipment			-
345	Power Operated Equipment			-
348	Other Tangible Plant			-
<b>Total Plant In Service</b>		<b>\$ 428,197</b>	<b>\$ 27,062</b>	<b>\$ 455,259</b>
108	Accumulated Depreciation	(301,416)	(13,394)	(314,810)
Net Plant In Service		\$ 126,781	\$ 13,668	\$ 140,449
103	Property Held for Future Use	\$ -		\$ -
105	Construction Work in Process	-		-
<b>Total Net Plant</b>		<b>\$ 126,781</b>	<b>\$ 13,668</b>	<b>\$ 140,449</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

**East Slope Water Company**  
 Docket No. W-01906A-10-0170  
 Test Year Ended December 31, 2009

**Rebuttal Schedule E-7**  
**Title: Operating Statistics**

Explanation:  
 Schedule showing key operating statistics in comparative format,  
 for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

<b>Water Statistics:</b>	<b>Test Year Ended 31-Dec-09</b>	<b>Prior Year Ended 31-Dec-08</b>	<b>Prior Year Ended 31-Dec-07</b>
Gallons Sold - By Class of Service:			
Residential	76,326,708	70,694,604	91,526,085
Commercial	5,514,292	5,107,396	6,612,385
Average Number of Customers - By Class of Service:			
Residential	736	768	735
Commercial	51	53	51
Average Annual Gallons Per Residential Customer	103,705	92,075	124,514
Average Annual Revenue Per Residential Customer	\$ 244.30	\$ 224.41	\$ 279.88
Pumping Cost Per 1,000 Gallons	\$ 0.6452	\$ 0.6859	\$ 0.5703

East Slope Water Company  
Docket No. W-01906A-10-0170  
Test Year Ended December 31, 2009

Rebuttal Schedule E-8  
Title: Taxes Charged to  
Operations

Explanation: Required for: All Utilities   
Schedule showing all significant taxes charged to operations for Class A   
the test year and the 2 fiscal years ended prior to the test year. Class B   
Class C   
Class D   
Spec'l Reqmt

Description	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Federal Taxes:			
Income	\$ 7,521	\$ -	\$ (931)
Payroll	(202)	4,753	7,081
<b>Total Federal Taxes</b>	<b>\$ 7,319</b>	<b>\$ 4,753</b>	<b>\$ 6,150</b>
State Taxes:			
Income			
Payroll	-	1,898	3,099
<b>Total State Taxes</b>	<b>\$ -</b>	<b>\$ 1,898</b>	<b>\$ 3,099</b>
Local Taxes:			
Property	\$ 16,001	\$ 6,774	\$ 12,471
<b>Total Taxes</b>	<b>\$ 23,320</b>	<b>\$ 13,425</b>	<b>\$ 21,720</b>

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Docket No. W-01906A-10-0170  
Test Year Ended December 31, 2009

Rebuttal Schedule E-9  
Title: Notes to Financial  
Statements

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of the unconsolidated entity are kept as accrual based, and also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**For years up to and including the test year 2009, the depreciation rate as authorized in Decision 57076 was 5% for all plant asset categories. Proposed depreciation rates are depicted on Schedule C-2d, and were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**Depreciation is the same for ratemaking purposes and income tax purposes.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Docket No. W-01906A-10-0170  
Test Year Ended December 31, 2009

**Rebuttal Schedule F-1**  
**Title: Projected Income Statements -**  
**Present and Proposed Rates**

Explanation:  
Schedule showing an income statement for the projected year,  
compared with actual test year results, at present and proposed  
rates.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

	Actual Test Year Ended (a) 31-Dec-09	Projected Year	
		At Present Rates Year Ended (b) 31-Dec-10	At Proposed Rates Year Ended (b) 31-Dec-10
<b>Operating Revenues:</b>			
461 Metered Water Revenue	\$ 203,436	\$ 203,436	\$ 298,603
461.1 Surcharge Revenue	11,773	-	-
474 Other Water Revenue	3,250	3,250	3,250
<b>Total Operating Revenue</b>	<b>\$ 218,459</b>	<b>\$ 206,686</b>	<b>\$ 301,853</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ -	\$ -	\$ -
610 Purchased Water	-	-	-
615 Purchased Power	52,801	53,234	53,234
618 Chemicals	460	460	460
620 Repairs & Maintenance	11,875	12,341	12,341
621 Office Supplies and Expense	8,431	8,246	8,246
630 Outside Services	95,049	122,149	122,149
635 Water Testing	3,980	3,980	3,980
641 Rental Expense	-	-	-
650 Transportation Expense	11,822	13,003	13,003
657 Insurance - General Liability	6,491	6,491	6,491
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	1,775	10,592	10,592
675 Miscellaneous Expense	-	-	-
403 Depreciation & Amortization	12,474	21,854	21,854
408 Property Taxes	16,001	10,033	11,562
408.1 Taxes Other Than Income	(202)	-	-
409 Income Taxes	7,521	(12,818)	7,938
<b>Total Operating Expenses</b>	<b>\$ 228,478</b>	<b>\$ 249,565</b>	<b>\$ 271,850</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (10,019)</b>	<b>\$ (42,879)</b>	<b>\$ 30,002</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	(1,544)	(1,544)	(1,544)
<b>Total Other Income/(Expense)</b>	<b>\$ (1,544)</b>	<b>\$ (1,544)</b>	<b>\$ (1,544)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (11,563)</b>	<b>\$ (44,423)</b>	<b>\$ 28,459</b>
Earnings per share of average Common Stock Outstanding	\$ (2.31)	\$ (8.88)	\$ 5.69
% Return on Common Equity		Negative Equity	

Supporting Schedules:  
(a) E-2

Recap Schedules:  
(b) A-2

East Slope Water Company  
 Docket No. W-01906A-10-0170  
 Test Year Ended December 31, 2009

**Rebuttal Schedule F-3**  
**Title: Projected Construction**  
**Requirements**

Explanation: Schedule showing projected annual construction requirements, by property classification, for 1 to 3 years subsequent to the test year compared with the test year.

Required for: All Utilities   
 Class A   
 Class B   
 Class C   
 Class D   
 Specl Reqmt

<b>Property Classification</b>	<b>Actual Test Year Ended 12/31/2009</b>	<b>End of Projected Year 1</b>
Production Plant	\$ 22,814	\$ -
Transmission Plant	4,248	2,197,953
Other Plant	-	-
<b>Total Plant</b>	<b>\$ 27,062</b>	<b>\$ 2,197,953</b>

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:

(a) F-2 & A-4

East Slope Water Company  
Docket No. W-01906A-10-0170  
Test Year Ended December 31, 2009

Rebuttal Schedule F-4  
Title: Assumptions Used in  
Developing Projection

Explanation:  
Documentation of important assumptions used in preparing  
forecasts and projections

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

**The company has experienced no growth in the past few years.**

2 Growth in consumption and customer demand

**The company does not anticipate an increase in customer consumption and demand due to the proposed tiered rate structure.**

3 Changes in expenses

**The company believes the test year 2009, with the limited proforma adjustments included in this application, accurately depict expense levels for the unconsolidated utility going forward.**

4 Construction requirements including production reserves and changes in plant capacity

**The Company is seeking a loan from WIFA for the three commonly owned entities totaling \$3 million to replace lines, add storage, and upgrade pumps and electrical at well and booster sites.**

5 Capital structure changes

**If the proposed consolidation of East Slope Water Company with the two related entities is approved, the new utility's structure would be a C-Corp.**

6 Financing costs, interest rates

**The company proposes to borrow funds from WIFA, and it will be required to pay WIFA's normal fees, reserves, and the prevailing interest rate at the time the loan is closed. East Slope's share of the interest expense is included on the unconsolidated income statement for comparative purposes.**

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Docket No. W-01906A-10-0170  
Test Year Ended December 31, 2009

**Rebuttal Schedule: H-1**  
**Title: Summary of Revenues by Customer Classification - Present and Proposed Rates**

Explanation:  
Schedule comparing revenues by customer classification for the Test Year, at present and proposed rates.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)		
	Present Rates	Proposed Rates	Amount	%	
<b>Residential</b>					
5/8 x 3/4 inch	\$ 180,219	\$ 259,811	\$ 79,592	44.16%	
1 inch	2,993	5,388	2,395	80.01%	
1.5 inch	4,417	8,206	3,789	85.77%	
<b>Total Residential</b>	<b>\$ 187,629</b>	<b>\$ 273,404</b>	<b>\$ 85,776</b>	<b>45.72%</b>	
<b>Commercial</b>					
5/8 x 3/4 inch	\$ 9,534	\$ 14,157	\$ 4,623	48.49%	
1 inch	1,844	3,299	1,455	78.94%	
1.5 inch	1,855	3,351	1,496	80.63%	
2 inch	2,574	4,391	1,818	70.62%	
<b>Total Commercial</b>	<b>15,807</b>	<b>25,199</b>	<b>9,392</b>	<b>59.42%</b>	
<b>Total Metered Water Revenues</b>	<b>\$ 203,436</b>	<b>\$ 298,603</b>	<b>\$ 95,168</b>	<b>46.78%</b>	
Other Revenues	3,250	3,250	-	0.00%	
<b>Total Revenues</b>	<b>\$ 206,686</b>	<b>\$ 301,853</b>	<b>\$ 95,167</b>	<b>46.04%</b>	

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) H-2

Recap Schedules:  
(b) A-1

Explanation:  
Schedule comparing present rate schedules with proposed  
rate schedule.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Description	Present Rate	Proposed Rate	% change
<b>MONTHLY USAGE CHARGE</b>			
5/8" x 3/4" Meter	\$ 9.00	\$ 11.97	33.00%
3/4" Meter	9.00	17.96	99.50%
1" Meter	15.00	29.93	99.50%
1-1/2" Meter	25.00	59.85	139.40%
2" Meter	50.00	95.76	91.52%
3" Meter	NA	191.52	NA
4" Meter	NA	299.25	NA
6" Meter	NA	598.50	NA
Gallons Included in Usage Charge	2,000	-	-100.00%

**EMERGENCY INTERIM SURCHARGE EFFECTIVE: OCTOBER 30, 2009**  
**DECISION NO. 71322 DOCKET NO. W-01906A-09-0283**  
**\$7.60 PER CUSTOMER PER MONTH**

**Commodity Charges Per 1,000 Gallons:**

5/8 x 3/4 - inch meter	Current Rate	Proposed Rate	% Change
Tier one: 0 - 2,000 Gallons	\$ -	\$ 1.00	NA
Tier one: 2001- 3,000 Gallons	1.71	1.00	-41.52%
Tier two: 3,001 to 10,000 Gallons	1.71	1.80	5.26%
Tier three: All Gallons Over 10,000	1.71	3.24	89.47%

**3/4 - inch meter**

Tier one: 0 - 2,000 Gallons	\$ -	\$ 1.00	NA
Tier one: 2001- 3,000 Gallons	1.71	1.00	-41.52%
Tier two: 3,001 to 10,000 Gallons	1.71	1.80	5.26%
Tier three: All Gallons Over 10,000	1.71	3.24	89.47%

**One - inch meter**

Tier one: 0 - 2,000 Gallons	\$ -	\$ 1.80	NA
Tier one: 2001 -15,000 Gallons	1.71	1.80	5.26%
Tier two: All Gallons Over 15,000	1.71	3.24	89.47%

**One and one half - inch meter**

Tier one: 0 - 2,000 Gallons	\$ -	\$ 1.80	NA
Tier one: 2001 - 30,000 Gallons	1.71	1.80	5.26%
Tier two: All Gallons Over 30,000	1.71	3.24	89.47%

**Two - inch meter**

Tier one: 0 - 2,000 Gallons	\$ -	\$ 1.80	NA
Tier one: 2001 - 50,000 Gallons	1.71	1.80	5.26%
Tier two: All Gallons Over 50,000	1.71	3.24	89.47%

**Three - inch meter**

Tier one: 0 - 2,000 Gallons	NA	\$ 1.80	NA
Tier one: 2001 - 100,000 Gallons	NA	1.80	NA
Tier two: All Gallons Over 100,000	NA	3.24	NA

<u>Four - inch meter</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>% Change</u>
Tier one: 0 - 2,000 Gallons	NA	\$ 1.80	NA
Tier one: 2001 - 170,000 Gallons	NA	1.80	NA
Tier two: All Gallons Over 170,000	NA	3.24	NA

<u>Six - inch meter</u>			
Tier one: 0 - 2,000 Gallons	NA	\$ 1.80	NA
Tier one: 2001 - 350,000 Gallons	NA	1.80	NA
Tier two: All Gallons Over 350,000	NA	3.24	NA

<u>Description</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>% change</u>
<b>SERVICE CHARGES</b>			
Establishment	\$ 15.00	\$ 35.00	133.33%
Establishment (After Hours)	20.00	NA	NA
Reconnection (Delinquent)	15.00	35.00	133.33%
Reconnection (After Hours)	NA	NA	NA
Meter Test (If Correct)	20.00	25.00	NA
Meter Reread (If Correct)	10.00	20.00	100.00%
NSF Check Charge	15.00	25.00	66.67%
Deposit	*	*	
Deposit Interest (Per Annum)	*	*	
Deferred Payment (Per Month)	15% per anum	**	
Late Charge (Per Month)	blank	**	
Re-establishment (Within 12 Month:	***	***	

**MONTHLY SERVICE CHARGE  
 FOR FIRE SPRINKLER:** NA \*\*\*\*

**SERVICE LINE AND METER INSTALLATION CHARGES**  
 Refundable Pursuant to AAC R14-2-405

<u>Description</u>	<u>Present Rate</u>	<u>Proposed Rates</u>			<u>% change</u>
		<u>Service Line</u>	<u>Meter Charge</u>	<u>Total Charge</u>	
5/8" x 3/4" Meter	\$ 275.00	\$ 430.00	\$ 130.00	\$ 560.00	103.64%
3/4" Meter	300.00	430.00	230.00	660.00	120.00%
1" Meter	325.00	480.00	290.00	770.00	136.92%
1-1/2" Meter	475.00	535.00	500.00	1,035.00	117.89%
2" Meter - Turbine	650.00	815.00	1,020.00	1,835.00	100.00%
2" Meter - Compound		815.00	1,865.00	2,680.00	
3" Meter - Turbine		1,030.00	1,645.00	2,675.00	100.00%
3" Meter - Compound		1,150.00	2,545.00	3,695.00	
4" Meter - Turbine		1,460.00	2,620.00	4,080.00	100.00%
4" Meter - Compound		1,640.00	3,595.00	5,235.00	
6" Meter - Turbine		2,180.00	4,975.00	7,155.00	100.00%
6" Meter - Compound		2,300.00	6,870.00	9,170.00	

\* Per Commission Rule AAC R-14-2-403(B).

\*\* 1.50% of unpaid monthly balance.

\*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).

\*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

5/8" x 3/4" meter

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 9.00	\$ 16.60	\$ 11.97	33.00%	-27.89%
1,000	9.00	16.60	12.97	44.11%	-21.87%
2,000	9.00	16.60	13.97	55.22%	-15.84%
3,000	10.71	18.31	14.97	39.78%	-18.24%
4,000	12.42	20.02	16.77	35.02%	-16.23%
5,000	14.13	21.73	18.57	31.42%	-14.54%
6,000	15.84	23.44	20.37	28.60%	-13.10%
7,000	17.55	25.15	22.17	26.32%	-11.85%
8,000	19.26	26.86	23.97	24.45%	-10.76%
9,000	20.97	28.57	25.77	22.89%	-9.80%
10,000	22.68	30.28	27.57	21.56%	-8.95%
13,000	27.81	35.41	37.29	34.09%	5.31%
15,000	31.23	38.83	43.77	40.15%	12.72%
20,000	39.78	47.38	59.97	50.75%	26.57%
25,000	48.33	55.93	76.17	57.60%	36.19%
50,000	91.08	98.68	157.17	72.56%	59.27%
75,000	133.83	141.43	238.17	77.96%	68.40%
100,000	176.58	184.18	319.17	80.75%	73.29%
125,000	219.33	226.93	400.17	82.45%	76.34%
150,000	262.08	269.68	481.17	83.60%	78.42%
175,000	304.83	312.43	562.17	84.42%	79.93%
200,000	347.58	355.18	643.17	85.04%	81.08%

Explanation: Required for: All Utilities   
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates. Class A   
Class B   
Class C   
Class D   
(Note: Rates apply to both residential and commercial usage) Specl Reqmt

**1 inch meter**

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 15.00	\$ 22.60	\$ 29.93	99.50%	32.41%
1,000	15.00	22.60	31.73	111.50%	40.38%
2,000	15.00	22.60	33.53	123.50%	48.34%
3,000	16.71	24.31	35.33	111.40%	45.31%
4,000	18.42	26.02	37.13	101.55%	42.68%
5,000	20.13	27.73	38.93	93.37%	40.37%
6,000	21.84	29.44	42.17	93.06%	43.22%
7,000	23.55	31.15	45.41	92.80%	45.76%
8,000	25.26	32.86	48.65	92.58%	48.04%
9,000	26.97	34.57	51.89	92.38%	50.09%
10,000	28.68	36.28	55.13	92.21%	51.94%
15,000	37.23	44.83	71.33	91.58%	59.10%
20,000	45.78	53.38	87.53	91.19%	63.97%
25,000	54.33	61.93	103.73	90.92%	67.49%
40,000	79.98	87.58	152.33	90.45%	73.93%
50,000	97.08	104.68	184.73	90.28%	76.47%
75,000	139.83	147.43	265.73	90.03%	80.24%
100,000	182.58	190.18	346.73	89.90%	82.31%
125,000	225.33	232.93	427.73	89.82%	83.63%
150,000	268.08	275.68	508.73	89.77%	84.53%
175,000	310.83	318.43	589.73	89.73%	85.20%
200,000	353.58	361.18	670.73	89.70%	85.70%

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

Required for: All Utilities

Class A

Class B

Class C

Class D

Specl Reqmt

X

(Note: Rates apply to both residential and commercial usage)

**1.5 inch meter**

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase W/O Surcharge
-	\$ 25.00	\$ 32.60	\$ 59.85	139.40%	83.59%
1,000	25.00	32.60	61.65	146.60%	89.11%
2,000	25.00	32.60	63.45	153.80%	94.63%
3,000	26.71	34.31	65.25	144.29%	90.18%
4,000	28.42	36.02	67.05	135.93%	86.15%
5,000	30.13	37.73	68.85	128.51%	82.48%
6,000	31.84	39.44	70.65	121.89%	79.13%
7,000	33.55	41.15	72.45	115.95%	76.06%
8,000	35.26	42.86	74.25	110.58%	73.24%
9,000	36.97	44.57	76.05	105.71%	70.63%
10,000	38.68	46.28	77.85	101.27%	68.22%
15,000	47.23	54.83	86.85	83.89%	58.40%
20,000	55.78	63.38	95.85	71.84%	51.23%
25,000	64.33	71.93	112.05	74.18%	55.78%
50,000	107.08	114.68	193.05	80.29%	68.34%
75,000	149.83	157.43	274.05	82.91%	74.08%
100,000	192.58	200.18	355.05	84.36%	77.37%
125,000	235.33	242.93	436.05	85.29%	79.50%
150,000	278.08	285.68	517.05	85.94%	80.99%
175,000	320.83	328.43	598.05	86.41%	82.09%
200,000	363.58	371.18	679.05	86.77%	82.94%

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

(Note: Rates apply to both residential and commercial usage)

**2 inch meter**

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 50.00	\$ 57.60	\$ 95.76	91.52%	66.25%
1,000	50.00	57.60	97.56	95.12%	69.38%
2,000	50.00	57.60	99.36	98.72%	72.50%
3,000	51.71	59.31	101.16	95.63%	70.56%
4,000	53.42	61.02	102.96	92.74%	68.73%
5,000	55.13	62.73	104.76	90.02%	67.00%
6,000	56.84	64.44	106.56	87.47%	65.36%
7,000	58.55	66.15	108.36	85.07%	63.81%
8,000	60.26	67.86	110.16	82.81%	62.33%
9,000	61.97	69.57	111.96	80.67%	60.93%
10,000	63.68	71.28	113.76	78.64%	59.60%
15,000	72.23	79.83	122.76	69.96%	53.78%
20,000	80.78	88.38	131.76	63.11%	49.08%
25,000	89.33	96.93	147.96	65.63%	52.65%
50,000	132.08	139.68	228.96	73.35%	63.92%
75,000	174.83	182.43	309.96	77.29%	69.91%
100,000	217.58	225.18	390.96	79.69%	73.62%
125,000	260.33	267.93	471.96	81.29%	76.15%
150,000	303.08	310.68	552.96	82.45%	77.98%
175,000	345.83	353.43	633.96	83.32%	79.37%
200,000	388.58	396.18	714.96	83.99%	80.46%

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

5/8 x 3/4 inch meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	216	-	216	2.49%	-	0.00%
1 to 1,000	443	221,500	659	7.59%	221,500	0.28%
1,001 to 2,000	677	1,015,500	1,336	15.38%	1,237,000	1.56%
2,001 to 3,000	863	2,157,500	2,199	25.31%	3,394,500	4.28%
3,001 to 4,000	940	3,290,000	3,139	36.13%	6,684,500	8.42%
4,001 to 5,000	932	4,194,000	4,071	46.86%	10,878,500	13.71%
5,001 to 6,000	771	4,240,500	4,842	55.74%	15,119,000	19.05%
6,001 to 7,000	575	3,737,500	5,417	62.36%	18,856,500	23.76%
7,001 to 8,000	449	3,367,500	5,866	67.53%	22,224,000	28.00%
8,001 to 9,000	386	3,281,000	6,252	71.97%	25,505,000	32.13%
9,001 to 10,000	302	2,869,000	6,554	75.45%	28,374,000	35.75%
10,001 to 12,000	432	4,752,000	6,986	80.42%	33,126,000	41.73%
12,001 to 14,000	335	4,355,000	7,321	84.28%	37,481,000	47.22%
14,001 to 16,000	250	8,042,001	7,571	87.15%	45,523,001	57.35%
16,001 to 18,000	186	3,162,000	7,757	89.29%	48,685,001	61.34%
18,001 to 20,000	148	2,812,000	7,905	91.00%	51,497,001	64.88%
20,001 to 25,000	256	5,760,000	8,161	93.94%	57,257,001	72.14%
25,001 to 30,000	162	4,455,000	8,323	95.81%	61,712,001	77.75%
30,001 to 35,000	101	3,282,500	8,424	96.97%	64,994,501	81.88%
35,001 to 40,000	54	2,025,000	8,478	97.59%	67,019,501	84.43%
40,001 to 50,000	91	4,095,000	8,569	98.64%	71,114,501	89.59%
50,001 to 60,000	49	2,695,000	8,618	99.21%	73,809,501	92.99%
60,001 to 70,000	21	1,365,000	8,639	99.45%	75,174,501	94.71%
70,001 to 80,000	15	1,125,000	8,654	99.62%	76,299,501	96.13%
80,001 to 90,000	6	510,000	8,660	99.69%	76,809,501	96.77%
90,001 to 99,999	8	760,000	8,668	99.78%	77,569,501	97.73%
102,180	1	95,000	8,669	99.79%	77,664,501	97.85%
102,280	1	95,000	8,670	99.80%	77,759,501	97.97%
108,540	1	95,000	8,671	99.82%	77,854,501	98.09%
108,570	1	95,000	8,672	99.83%	77,949,501	98.20%
114,980	1	95,000	8,673	99.84%	78,044,501	98.32%
119,360	1	95,000	8,674	99.85%	78,139,501	98.44%
120,560	1	95,000	8,675	99.86%	78,234,501	98.56%
125,130	1	95,000	8,676	99.87%	78,329,501	98.68%
125,670	1	95,000	8,677	99.88%	78,424,501	98.80%
127,000	1	95,000	8,678	99.90%	78,519,501	98.92%
129,330	1	95,000	8,679	99.91%	78,614,501	99.04%
132,310	1	95,000	8,680	99.92%	78,709,501	99.16%
138,190	1	95,000	8,681	99.93%	78,804,501	99.28%
144,140	1	95,000	8,682	99.94%	78,899,501	99.40%
146,590	1	95,000	8,683	99.95%	78,994,501	99.52%
151,900	1	95,000	8,684	99.97%	79,089,501	99.64%
154,150	1	95,000	8,685	99.98%	79,184,501	99.76%
197,030	1	95,000	8,686	99.99%	79,279,501	99.88%
217,240	1	95,000	8,687	100.00%	79,374,501	100.00%
	8,687	79,374,501				

Average Number of Customers 724  
Average Consumption 9,137  
Median Consumption 5,330

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4 inch meter - Commercial

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	38	-	38	8.12%	-	0.00%
1 to 1,000	106	53,000	144	30.77%	53,000	1.39%
1,001 to 2,000	70	105,000	214	45.73%	158,000	4.13%
2,001 to 3,000	32	80,000	246	52.56%	238,000	6.22%
3,001 to 4,000	17	59,500	263	56.20%	297,500	7.78%
4,001 to 5,000	18	81,000	281	60.04%	378,500	9.89%
5,001 to 6,000	17	93,500	298	63.68%	472,000	12.34%
6,001 to 7,000	11	71,500	309	66.03%	543,500	14.21%
7,001 to 8,000	22	165,000	331	70.73%	708,500	18.52%
8,001 to 9,000	11	93,500	342	73.08%	802,000	20.96%
9,001 to 10,000	9	85,500	351	75.00%	887,500	23.20%
10,001 to 12,000	23	253,000	374	79.91%	1,140,500	29.81%
12,001 to 14,000	17	221,000	391	83.55%	1,361,500	35.59%
14,001 to 16,000	13	312,501	404	86.32%	1,674,001	43.76%
16,001 to 18,000	8	136,000	412	88.03%	1,810,001	47.31%
18,001 to 20,000	7	133,000	419	89.53%	1,943,001	50.79%
20,001 to 25,000	19	427,500	438	93.59%	2,370,501	61.97%
25,001 to 30,000	9	247,500	447	95.51%	2,618,001	68.44%
30,001 to 35,000	3	97,500	450	96.15%	2,715,501	70.98%
35,001 to 40,000	4	150,000	454	97.01%	2,865,501	74.91%
40,001 to 50,000	3	135,000	457	97.65%	3,000,501	78.43%
50,001 to 60,000	2	110,000	459	98.08%	3,110,501	81.31%
60,001 to 70,000	4	260,000	463	98.93%	3,370,501	88.11%
70,001 to 80,000	1	75,000	464	99.15%	3,445,501	90.07%
80,001 to 90,000	-	-	464	99.15%	3,445,501	90.07%
90,001 to 99,999	3	285,000	467	99.79%	3,730,501	97.52%
165,110	1	95,000	468	100.00%	3,825,501	100.00%
	468	3,825,501				

Average Number of Customers	39
Average Consumption	8,174
Median Consumption	2,625

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

1 inch meter Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	13	-	13	13.27%	-	0.00%
1 to 1,000	1	500	14	14.29%	500	0.05%
1,001 to 2,000	5	7,500	19	19.39%	8,000	0.74%
2,001 to 3,000	9	22,500	28	28.57%	30,500	2.81%
3,001 to 4,000	5	17,500	33	33.67%	48,000	4.43%
4,001 to 5,000	15	67,500	48	48.98%	115,500	10.65%
5,001 to 6,000	5	27,500	53	54.08%	143,000	13.19%
6,001 to 7,000	5	32,500	58	59.18%	175,500	16.19%
7,001 to 8,000	1	7,500	59	60.20%	183,000	16.88%
8,001 to 9,000	5	42,500	64	65.31%	225,500	20.80%
9,001 to 10,000	2	19,000	66	67.35%	244,500	22.55%
10,001 to 12,000	5	55,000	71	72.45%	299,500	27.63%
12,001 to 14,000	5	65,000	76	77.55%	364,500	33.62%
14,001 to 16,000	3	72,501	79	80.61%	437,001	40.31%
16,001 to 18,000	2	34,000	81	82.65%	471,001	43.45%
18,001 to 20,000	1	19,000	82	83.67%	490,001	45.20%
20,001 to 25,000	8	180,000	90	91.84%	670,001	61.80%
25,001 to 30,000	2	55,000	92	93.88%	725,001	66.88%
30,001 to 35,000	1	32,500	93	94.90%	757,501	69.87%
35,001 to 40,000	-	-	93	94.90%	757,501	69.87%
40,001 to 50,000	3	135,000	96	97.96%	892,501	82.33%
50,001 to 60,000	-	-	96	97.96%	892,501	82.33%
60,001 to 70,000	1	65,000	97	98.98%	957,501	88.32%
70,001 to 80,000	-	-	97	98.98%	957,501	88.32%
80,001 to 90,000	-	-	97	98.98%	957,501	88.32%
90,001 to 99,999	-	-	97	98.98%	957,501	88.32%
126,590	1	126,590	98	100.00%	1,084,091	100.00%
	98	1,084,091				

Average Number of Customers 8.17  
Average Consumption 11,062  
Median Consumption 5,140

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter Commercial

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specil Reqmt	

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	13	-	13	18.06%	-	0.00%
1 to 1,000	-	-	13	18.06%	-	0.00%
1,001 to 2,000	-	-	13	18.06%	-	0.00%
2,001 to 3,000	4	10,000	17	23.61%	10,000	1.63%
3,001 to 4,000	5	17,500	22	30.56%	27,500	4.48%
4,001 to 5,000	7	31,500	29	40.28%	59,000	9.61%
5,001 to 6,000	5	27,500	34	47.22%	86,500	14.09%
6,001 to 7,000	9	58,500	43	59.72%	145,000	23.62%
7,001 to 8,000	4	30,000	47	65.28%	175,000	28.50%
8,001 to 9,000	3	25,500	50	69.44%	200,500	32.65%
9,001 to 10,000	2	19,000	52	72.22%	219,500	35.75%
10,001 to 12,000	7	77,000	59	81.94%	296,500	48.29%
12,001 to 14,000	3	39,000	62	86.11%	335,500	54.64%
14,001 to 16,000	3	94,501	65	90.28%	430,001	70.03%
16,001 to 18,000	2	34,000	67	93.06%	464,001	75.57%
18,001 to 20,000	-	-	67	93.06%	464,001	75.57%
20,001 to 25,000	3	67,500	70	97.22%	531,501	86.56%
25,001 to 30,000	-	-	70	97.22%	531,501	86.56%
30,001 to 35,000	-	-	70	97.22%	531,501	86.56%
35,001 to 40,000	1	37,500	71	98.61%	569,001	92.67%
40,001 to 50,000	1	45,000	72	100.00%	614,001	100.00%
50,001 to 60,000	-	-	72	100.00%	614,001	100.00%
60,001 to 70,000	-	-	72	100.00%	614,001	100.00%
70,001 to 80,000	-	-	72	100.00%	614,001	100.00%
80,001 to 90,000	-	-	72	100.00%	614,001	100.00%
90,001 to 99,999	-	-	72	100.00%	614,001	100.00%
>=100,000	-	-	72	100.00%	614,001	100.00%
	72	614,001				

Average Number of Customers 6.00  
Average Consumption 8,528  
Median Consumption 6,235

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

1.5 inch meter Residential

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specil Reqmt	

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	8	-	8	16.33%	-	0.00%
1 to 1,000	3	1,500	11	22.45%	1,500	0.10%
1,001 to 2,000	1	1,500	12	24.49%	3,000	0.20%
2,001 to 3,000	-	-	12	24.49%	3,000	0.20%
3,001 to 4,000	1	3,500	13	26.53%	6,500	0.44%
4,001 to 5,000	1	4,500	14	28.57%	11,000	0.74%
5,001 to 6,000	7	38,500	21	42.86%	49,500	3.33%
6,001 to 7,000	1	6,500	22	44.90%	56,000	3.77%
7,001 to 8,000	2	15,000	24	48.98%	71,000	4.78%
8,001 to 9,000	2	17,000	26	53.06%	88,000	5.93%
9,001 to 10,000	-	-	26	53.06%	88,000	5.93%
10,001 to 12,000	-	-	26	53.06%	88,000	5.93%
12,001 to 14,000	2	26,000	28	57.14%	114,000	7.68%
14,001 to 16,000	1	3,501	29	59.18%	117,501	7.91%
16,001 to 18,000	-	-	29	59.18%	117,501	7.91%
18,001 to 20,000	-	-	29	59.18%	117,501	7.91%
20,001 to 25,000	2	45,000	31	63.27%	162,501	10.94%
25,001 to 30,000	1	27,500	32	65.31%	190,001	12.79%
30,001 to 35,000	2	65,000	34	69.39%	255,001	17.17%
35,001 to 40,000	2	75,000	36	73.47%	330,001	22.22%
40,001 to 50,000	1	45,000	37	75.51%	375,001	25.25%
50,001 to 60,000	-	-	37	75.51%	375,001	25.25%
60,001 to 70,000	-	-	37	75.51%	375,001	25.25%
70,001 to 80,000	1	75,000	38	77.55%	450,001	30.30%
80,001 to 90,000	1	85,000	39	79.59%	535,001	36.03%
90,001 to 99,999	1	95,000	40	81.63%	630,001	42.42%
191,730	1	95,000	41	83.67%	725,001	48.82%
116,710	1	95,000	42	85.71%	820,001	55.22%
119,190	1	95,000	43	87.76%	915,001	61.62%
130,080	1	95,000	44	89.80%	1,010,001	68.01%
139,890	1	95,000	45	91.84%	1,105,001	74.41%
140,710	1	95,000	46	93.88%	1,200,001	80.81%
151,200	1	95,000	47	95.92%	1,295,001	87.21%
151,620	1	95,000	48	97.96%	1,390,001	93.60%
161,220	1	95,000	49	100.00%	1,485,001	100.00%
	49	1,485,001				

Average Number of Customers	4.08
Average Consumption	30,306
Median Consumption	8,500

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

1.5 inch meter Commercial

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specd Reqmt	

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	4	-	4	12.12%	-	0.00%
1 to 1,000	8	4,000	12	36.36%	4,000	0.60%
1,001 to 2,000	-	-	12	36.36%	4,000	0.60%
2,001 to 3,000	1	2,500	13	39.39%	6,500	0.98%
3,001 to 4,000	1	3,500	14	42.42%	10,000	1.51%
4,001 to 5,000	1	4,500	15	45.45%	14,500	2.19%
5,001 to 6,000	-	-	15	45.45%	14,500	2.19%
6,001 to 7,000	-	-	15	45.45%	14,500	2.19%
7,001 to 8,000	-	-	15	45.45%	14,500	2.19%
8,001 to 9,000	-	-	15	45.45%	14,500	2.19%
9,001 to 10,000	-	-	15	45.45%	14,500	2.19%
10,001 to 12,000	1	11,000	16	48.48%	25,500	3.85%
12,001 to 14,000	1	13,000	17	51.52%	38,500	5.81%
14,001 to 16,000	-	14,501	17	51.52%	53,001	7.99%
16,001 to 18,000	-	-	17	51.52%	53,001	7.99%
18,001 to 20,000	-	-	17	51.52%	53,001	7.99%
20,001 to 25,000	1	22,500	18	54.55%	75,501	11.39%
25,001 to 30,000	3	82,500	21	63.64%	158,001	23.83%
30,001 to 35,000	5	162,500	26	78.79%	320,501	48.34%
35,001 to 40,000	3	112,500	29	87.88%	433,001	65.31%
40,001 to 50,000	2	90,000	31	93.94%	523,001	78.88%
50,001 to 60,000	-	-	31	93.94%	523,001	78.88%
60,001 to 70,000	1	65,000	32	96.97%	588,001	88.69%
70,001 to 80,000	1	75,000	33	100.00%	663,001	100.00%
80,001 to 90,000	-	-	33	100.00%	663,001	100.00%
90,001 to 99,999	-	-	33	100.00%	663,001	100.00%
>100,000	-	-	33	100.00%	663,001	100.00%
	33	663,001				

Average Number of Customers 2.75  
Average Consumption 20,091  
Median Consumption 13,800

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

2 inch meter

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	-	-	-	0.00%	-	0.00%
2,001 to 3,000	-	-	-	0.00%	-	0.00%
3,001 to 4,000	-	-	-	0.00%	-	0.00%
4,001 to 5,000	4	18,000	4	11.11%	18,000	3.39%
5,001 to 6,000	3	16,500	7	19.44%	34,500	6.49%
6,001 to 7,000	3	19,500	10	27.78%	54,000	10.16%
7,001 to 8,000	3	22,500	13	36.11%	76,500	14.39%
8,001 to 9,000	2	17,000	15	41.67%	93,500	17.59%
9,001 to 10,000	2	19,000	17	47.22%	112,500	21.17%
10,001 to 12,000	2	22,000	19	52.78%	134,500	25.31%
12,001 to 14,000	3	39,000	22	61.11%	173,500	32.64%
14,001 to 16,000	1	22,001	23	63.89%	195,501	36.78%
16,001 to 18,000	1	17,000	24	66.67%	212,501	39.98%
18,001 to 20,000	1	19,000	25	69.44%	231,501	43.56%
20,001 to 25,000	4	90,000	29	80.56%	321,501	60.49%
25,001 to 30,000	6	165,000	35	97.22%	486,501	91.53%
30,001 to 35,000	-	-	35	97.22%	486,501	91.53%
35,001 to 40,000	-	-	35	97.22%	486,501	91.53%
40,001 to 50,000	1	45,000	36	100.00%	531,501	100.00%
50,001 to 60,000	-	-	36	100.00%	531,501	100.00%
60,001 to 70,000	-	-	36	100.00%	531,501	100.00%
70,001 to 80,000	-	-	36	100.00%	531,501	100.00%
80,001 to 90,000	-	-	36	100.00%	531,501	100.00%
90,001 to 100,000	-	-	36	100.00%	531,501	100.00%
>100,000	-	-	36	100.00%	531,501	100.00%
	36	531,501				

Average Number of Customers 3.00  
Average Consumption 14,764  
Median Consumption 10,750

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
 Docket No. W-01906A-10-0170  
 Test Year Ended December 31, 2009

Rebuttal Schedule: H-5  
 Title: Bill Count  
 Page 8 of 8

Explanation:  
 Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

**Emergency Surcharge**

Amount of Surcharge: \$7.60 per customer per month  
 Surcharge Approved in Decision 71322, October 30, 2009

	Nov and Dec 2009 Bills	Surcharge	Surcahrge Revenue
<b>Residential</b>			
5-8 inch	1416	\$ 7.60	\$ 10,761.60
1.5 inch	16	7.60	121.60
1 inch	8	7.60	60.80
2 inch	0	7.60	-
<b>Residential Total</b>			<b>\$ 10,944.00</b>
<b>Commercial</b>			
5-8 inch	83	\$ 7.60	\$ 630.80
1.5 inch	12	\$ 7.60	\$ 91.20
1 inch	8	\$ 7.60	\$ 60.80
2 inch	6	\$ 7.60	\$ 45.60
<b>Commercial Total</b>			<b>\$ 828.40</b>
<b>Total East Slope Surcharge Revenues</b>			<b>\$ 11,772.40</b>

**INDIADA WATER  
COMPANY**

Indiada Water Company, Inc.  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

**Rebuttal Schedule A-1**  
**Title: Computation of Increase in Gross Revenue Requirements**

Explanation:  
Schedule showing computation of increase in gross revenue requirements and spread of revenue increase by customer classification.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Special Reqmt	<input type="checkbox"/>

	<u>Original Cost</u>	<u>RCND</u>
<b><u>Rate of Return on Rate Base Method:</u></b>		
1. Adjusted Rate Base	\$ 28,541 (a)	(a)
2. Adjusted Operating Income	\$ (2,111) (b)	(b)
3. Current Rate of Return	-7.39%	
4. Required Rate of Return	16.63%	
5. Required Operating Income	\$ 4,747	
6. Operating Income Deficiency (5 - 2)	\$ 6,858	
7. Gross Revenue Conversion Factor	<u>1.0163 (c)</u>	(c)
<b>8. Increase in Gross Revenue Requirements (6 x 7)</b>	<b><u>\$ 6,970</u></b>	

<b><u>Operating Margin Method:</u></b>		
9. Proposed Revenue	\$ 35,110	
10. Required Operating Margin	<u>13.52%</u>	
11. Required Operating Income (9 x 10)	\$ 4,747	
12. Operating Income Deficiency (11 - 2)	\$ 6,858	
13. Gross Revenue Conversion Factor	<u>1.0163 (c)</u>	(c)
<b>14. Increase in Gross Revenue Requirements (12 x 13)</b>	<b><u>\$ 6,970</u></b>	

Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
Residential	\$ 28,013	\$ 34,983	\$ 6,970	24.88%	(d)
Commercial	-	-	-	-	
Industrial	-	-	-	-	
Other	<u>127</u>	<u>127</u>	-	0.00%	
<b>Total</b>	<b><u>\$ 28,140</u></b>	<b><u>\$ 35,110</u></b>	<b><u>\$ 6,970</u></b>	<b><u>24.77%</u></b>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (c) C-3

(b) C-1 (d) H-1

**Indiada Water Company, Inc.**  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

**Rebuttal Schedule A-2**  
**Title: Summary Results of Operations**

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Explanation:  
Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 27,440	\$ 25,085	\$ 29,009	\$ 28,140	\$ 28,140	\$ 35,110
2. Revenue Deductions & Operating Expenses	(29,597)	(31,084)	(28,702)	(30,251)	(30,251)	(30,363)
3. Operating Income	\$ (2,157)	\$ (5,999)	\$ 307	\$ (2,111)	\$ (2,111)	\$ 4,747
4. Other Income and Deductions	3,750	4,515	-	-	-	-
5. Interest Expense	(1,045)	(700)	-	-	-	-
6. Net Income	\$ 548	\$ (2,184)	\$ 307	\$ (2,111)	\$ (2,111)	\$ 4,747
7. Earned Per Average Common Share*	\$ 1.33	\$ (5.29)	\$ 0.74	\$ (5.11)		
8. Dividends Per Common Share*	-	-	-	-		
9. Payout Ratio*	0.00%	0.00%	0.00%	0.00%		
10. Return on Average Invested Capital	5.07%	-10.05%	1.02%	-7.01%	-7.01%	15.77%
11. Return on Year End Capital	5.07%	-6.69%	1.11%	-7.65%	-7.65%	17.21%
12. Return on Average Common Equity	5.07%	-10.05%	1.02%	-7.01%	-7.01%	15.77%
13. Return on Year End Common Equity	5.07%	-6.69%	1.11%	-7.65%	-7.65%	17.21%
14. Times Bond Interest Earned - Before Inc Tax	-152.44%	212.00%			Not Meaningful	
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes	47.56%	412.00%			Not Meaningful	

Supporting Schedules:

- (a) E-2
- (b) C-1
- (c) F-1

\*Optional for projected year

**Indiada Water Company, Inc.**  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

**Rebuttal Schedule A-4**  
**Title: Construction Expenditures and**  
**Gross Utility Plant in Service**

Explanation:  
 Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1. Prior Year 1 - 2007	\$ 2,323	\$ 2,323	\$ 67,086
2. Prior Year 2 - 2008	7,476	25,521	92,607
3. Test Year - 2009	3,364	(18,470)	74,137
4. Projected Year 1	239,651	239,651	313,788
5. Projected *			
6. Projected *			

\* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
 (a) F-3  
 (b) E-5

**Indiada Water Company, Inc.**  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

**Rebuttal Schedule B-1**  
**Title: Summary of Original Cost**  
**and RCND**

Explanation:  
 Schedule showing elements of adjusted original cost  
 and RCND rate bases.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

	<u>Original Cost</u> Rate Base*		<u>RCND</u> Rate Base*
1. Gross Utility Plant in Service	\$ 74,137		
2. Less: Accumulated Depreciation	(48,679)		
3. Net Utility Plant in Service	\$ 25,458	(a)	(b)
<b>Less:</b>			
4. Advances in Aid of Construction	\$ -	(c)	(c)
5. Contributions in Aid of Construction	-	(c)	(c)
<b>Add:</b>			
6. Amortization of CIAC	\$ -		
7. Allowance for Working Capital	3,083	(d)	(d)
<b>8. Total Rate Base</b>	<u>\$ 28,541</u>	(e)	(e)

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
 (a) B-2 (d) B-5  
 (b) B-3  
 (c) E-1

Recap Schedules:  
 (e) A-1

**Indiada Water Company, Inc.**  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

**Rebuttal Schedule B-2**  
**Title: Original Cost Rate Base**  
**Proforma Adjustments**

Explanation:  
 Schedule showing pro forma adjustments to gross plant  
 in service and accumulated depreciation for the original  
 cost rate base.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

	<u>Actual at End</u> <u>Of Test Year (a)</u>	<u>Pro forma</u> <u>Adjustment</u>	<u>Ref</u>	<u>Adjusted at End</u> <u>Of Test Year (b)</u>
1. Gross Utility Plant in Service	\$ 95,971	\$ (21,834)	1	\$ 74,137
2. Less: Accumulated Depreciation	(53,371)	4,692	2	(48,679)
3. Net Utility Plant in Service	\$ 42,600	\$ (17,142)		\$ 25,458
<b>Less:</b>				
4. Advances in Aid of Construction	\$ -			\$ -
5. Contributions in Aid of Construction	-			-
<b>Add:</b>				
6. Amortization of CIAC	\$ -			\$ -
7. Allowance for Working Capital	3,083			3,083
<b>8. Total Rate Base</b>	<b>\$ 45,683</b>	<b>\$ (17,142)</b>		<b>\$ 28,541</b>

*All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.*

**Explanations:**

- 1 Remove office equipment and truck from utility plant in service per Staff Schedule JMM-5.
- 2 Remove accumulated depreciation related to above plant decreases per Staff Schedule JMM-5.

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
 (a) E-1

Recap Schedules:  
 (b) B-1

**Indiada Water Company, Inc.**  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

**Rebuttal Schedule B-5**  
**Title: Computation of Working Capital**

Explanation:  
 Schedule showing computation of working capital allowance.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specl Reqmt	<input type="checkbox"/>

	<u>Amount</u>	
1. Cash working capital		
1/24th Purchased Power	\$ 76	
1/24th Purchased Water	-	
1/8th Operation & Maintenance Expense	3,008	
2. Materials and Supplies Inventories	-	(a)
3. Prepayments	-	(a)
	<u>          </u>	
4. Total Working Capital Allowance	<u>\$ 3,083</u>	(b)

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:  
 (a) E-1

Recap Schedules:  
 (b) B-1

Indiada Water Company, Inc.  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

Rebuttal Schedule C-1  
Title: Adjusted Test Year Income  
Statement

Required for: All Utilities

X

Explanation:

Schedule showing statement of income for the test year, including pro forma adjustments.

Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

Description	Actual for Test Year Ended (a)		Ref	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments		Ref	Proposed Rate Increase	Adjusted Test Year With Rate Increase
	31-Dec-09								
<b>Operating Revenues:</b>									
461 Metered Water Revenue	\$	28,013			\$	28,013	L	\$ 6,970	\$ 34,983
461.1 Surcharge Revenue		869	A	(869)		-			-
474 Other Water Revenue		127				127			127
<b>Total Operating Revenue</b>	\$	29,009		\$ (869)	\$	28,140		\$ 6,970	\$ 35,110
<b>Operating Expenses:</b>									
601 Salaries & Wages	\$	-			\$	-			\$ -
610 Purchased Water		1,700	B	(1,700)		-			-
615 Purchased Power		1,818				1,818			1,818
618 Chemicals		166				166			166
620 Repairs & Maintenance		910				910			910
621 Office Supplies and Expense		1,336	C	48		1,384			1,384
630 Outside Services		9,937	D	4,164		14,101			14,101
635 Water Testing		2,129				2,129			2,129
641 Rental Expense		-				-			-
650 Transportation Expense		3,688	E	(131)		3,557			3,557
657 Insurance - General Liability		49	F	(49)		-			-
659 Insurance - Health and Life		-				-			-
666 Rate Case Expense		1,439	G	374		1,813			1,813
675 Miscellaneous Expense		-				-			-
403 Depreciation & Amortization		5,076	H	(2,060)		3,016			3,016
408 Taxes Other Than Income		(958)	I	958		-			-
408.11 Property Taxes		1,412	J	(55)		1,357	M	112	1,469
409 Income Taxes		-				-			-
<b>Total Operating Expenses</b>	\$	28,702		\$ 1,549	\$	30,251		\$ 112	\$ 30,363
<b>OPERATING INCOME/(LOSS)</b>	\$	307		\$ (2,418)	\$	(2,111)	(c)	\$ 6,858	\$ 4,747
<b>Other Income/(Expense):</b>									
419 Interest Income	\$	-			\$	-			\$ -
421 Non-Utility Income		-				-			-
426 Miscellaneous Non-Utility Expenses		-				-			-
427 Interest Expense		-	K			-			-
<b>Total Other Income/(Expense)</b>	\$	-		\$ -	\$	-		\$ -	\$ -
<b>NET INCOME/(LOSS)</b>	\$	307		\$ (2,418)	\$	(2,111)		\$ 6,858	\$ 4,747

Note: For combination utilities, above information should be presented in total and by department. Actual Test Year amounts are transferred from Schedule C-1a.

Supporting Schedules:  
(a) E-2  
(b) C-2

Recap Schedules:  
(c) A-1

Indiada Water Company, Inc.  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

Rebuttal Schedule C-2  
 Title: Income Statement Proforma  
 Adjustments

All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec Reqmt	

Explanation:  
 Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	J	K	L	M	Total (a) Adjustments
Revenues:														
Metered Water Revenue												\$ 6,970		\$ 6,970
Surcharge Revenue	\$ (869)													(869)
Expenses:														
Purchased Water		\$ (1,700)												\$ (1,700)
Office Supplies and Expense			\$ 48											48
Outside Services				\$ 4,164										4,164
Transportation Expense					\$ (131)									(131)
Insurance - General Liability						\$ (49)								(49)
Rate Case Expense							\$ 374							374
Depreciation & Amortization								\$ (2,060)						(2,060)
Taxes Other Than Income									\$ 958					958
Property Taxes										\$ (55)			\$ 112	57
Other Income/(Expense):											\$ -			\$ -
Interest Expense														

Adjustment Descriptions:

- A - Remove surcharge revenue from the test year as it is temporary, and will not be included in proposed rates.
- B - Remove intercompany purchased water from Antelope Run.
- C - Adjust office supplies and expense per calculation on Schedule C-2a.
- D - Adjust outside services expense per calculation on Schedule C-2b.
- E - Adjust transportation expense per calculation on Schedule C-2c.
- F - Remove workers compensation insurance expense that will non-recur as a result of management contract.
- G - Increase rate case expense to recover \$1,439 incurred for the emergency rate case, and estimated costs of \$4,000 for this rate case, amortized over 3 years, (\$5,439/3).
- H - Decrease depreciation expense based upon proposed depreciation rates per schedule C-2d.
- I - Remove negative payroll tax expense that will not recur due to management contract.
- J - Adjust test year property tax expense per calculation on Schedule C-2e.
- K - Removed.
- L - Increase proposed revenue per calculation on Schedule A-1.
- M - Increase property taxes at proposed rates per calculation on Schedule C-2e.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:  
 C-2a through C-2e

Recap Schedules:  
 (a) C-1

Indiada Water Company, Inc.  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

Rebuttal Schedule C-2a  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OFFICE SUPPLIES AND EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 billing forms	\$ (2)
December 2008 billing forms	(2)
November 2009 billing forms	2
December 2009 billing forms	2
November 2008 postage	(15)
December 2008 postage	(15)
November 2009 postage	59
December 2009 postage	19
<b>Total Adjustment C</b>	<b>\$ 48</b>

Indiada Water Company, Inc.  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

Rebuttal Schedule C-2b  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OUTSIDE SERVICES EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
December 2008 accounting	(130)
November 2009 accounting	130
December 2009 accounting	130
Remove test year management fees expense per general ledger	(5,602)
Proforma management fees expense	\$ 9,636
<b>Total Adjustment D</b>	<b>\$ 4,164</b>

Indiada Water Company, Inc.  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

Rebuttal Schedule C-2c  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED TRANSPORTATION EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 mileage	\$ (82)
December 2008 mileage	(230)
November 2009 mileage	178
December 2009 mileage	203
Non-recurring vehicle lease expenses	(200)
<b>Total Adjustment E</b>	<b>\$ <u>(131)</u></b>

**DETAIL OF PROPOSED DEPRECIATION EXPENSE CALCULATION**

Account Number	Description	Plant @ End of Test Year 31-Dec-09	Proposed Depreciation Rate	Ref	Proposed Depreciation Expense
302	Franchises	\$ -	0.00%		\$ -
303	Land & Land Rights	750	0.00%		-
304	Structures & Improvements	-	3.33%		-
307	Wells & Springs	7,786	3.33%	1	-
311	Pumping Equipment	16,453	12.50%		2,057
320	Water Treatment Equipment				-
320.1	Water Treatment Plants	1,076	3.33%		36
320.2	Solution Chemical Feeders	-	20.00%		-
330	Distribution Reservoirs & Standpipes	1,503	2.22%		33
330.1	Storage Tanks	10,865	2.22%		241
330.2	Pressure Tanks	5,054	5.00%		253
331	Transmission & Distribution Mains	26,736	2.00%	2	159
333	Services	474	3.33%	3	-
334	Meters & Meter Installations	3,440	8.33%	4	237
335	Hydrants	-	2.00%		-
339	Other Plant and Misc Equipment	-	6.67%		-
340	Office Furniture & Equipment	-	6.67%		-
340.1	Computers and Software	-	20.00%		-
341	Transportation Equipment	-	20.00%		-
343	Tools, Shop, and Garage Equipment	-	5.00%		-
345	Power Operated Equipment	-	5.00%		-
348	Other Tangible Plant	-	0.00%		-
<b>Proposed Totals</b>		<b>\$ 74,137</b>			<b>\$ 3,016</b>
Test Year Depreciation Expense					5,076
<b>Total Adjustment H</b>					<b>\$ (2,060)</b>

- 1 Amount in Account 307 - Wells & Springs, is fully depreciated.
- 2 \$18,780 of total in Account 331 - Transmission & Distribution Mains, is fully depreciated.
- 3 Amount in Account 333 - Services, is fully depreciated.
- 4 \$593 of total in Account 334 - Meters & Meter Installations, is fully depreciated.

Indiada Water Company, Inc.  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

Rebuttal Schedule C-2e  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED PROPERTY TAX EXPENSE CALCULATION**

	Test Year as Adjusted	Company at Proposed Rates
Adjusted 2009 Test Year Revenue	\$ 28,140	\$ 28,140
Weight Factor	2	2
Subtotal	\$ 56,280	\$ 56,280
Company Recommended Revenue	28,140	35,110
Subtotal	\$ 84,420	\$ 91,390
Number of Years	3	3
Three Year Revenue Average	\$ 28,140	\$ 30,463
AZ Department of Revenue Multiplier	2	2
Revenue Base Value	\$ 56,280	\$ 60,926
Plus 10% of CWIP	-	-
Less: Net Book Value of Licensed Vehicles	-	-
<b>Full Cash Value</b>	<b>\$ 56,280</b>	<b>\$ 60,926</b>
Assessment Ratio	20.50%	20.50%
<b>Assessment Value</b>	<b>\$ 11,537</b>	<b>\$ 12,490</b>
<b>Revised Composite Property Tax Rate *</b>	<b>11.7583%</b>	<b>11.7583%</b>
Adjusted Test Year Property Tax Expense	\$ 1,357	
Actual Test Year Property Tax Expense	1,412	
<b>Total Adjustment J</b>	<b>\$ (55)</b>	
Projected Property Tax Expense		\$ 1,469
Adjusted Test Year Property Tax Expense		1,357
<b>Total Adjustment M</b>		<b>\$ 112</b>
 * Property tax composite rate calculated as follows:		
Assessed Value per 2009 Property Tax Notice	\$ 12,100	
Property Tax due per 2009 Notice	1,423	
Revised Composite Property Tax Rate	<u>11.7583%</u>	
 <i>For Gross Revenue Conversion Factor:</i>		
Change in Property Tax Expense	\$ 112	
Change in Revenue Requirement	6,970	
Change in Property Tax per Dollar Increase in Revenue	<u>1.6070%</u>	

**Indiada Water Company, Inc.**  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

**Rebuttal Schedule C-3**  
**Title: Computation of Gross Revenue**  
**Conversion Factor**

Explanation:  
 Schedule showing incremental taxes on gross revenues and  
 the development of a gross revenue conversion factor.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Description	Calculation
Revenue	1.0000
Combined Federal And State Tax Rate	-
Property Tax Rate	0.0161
Subtotal	0.9839
<b>Gross Revenue Conversion Factor = 1/Operating Income %</b>	<b>1.0163</b>

*CALCULATION OF COMBINED FEDERAL AND STATE TAX RATE:*

Operating Income Before Taxes (Arizona Taxable Income)	100.0000%
Arizona State Income Tax Rate	0.0000%
Federal Taxable Income	100.0000%
Federal Income Tax Rate	0.0000%
Effective Federal Income Tax Rate	0.0000%
Combined Federal And State Income Tax Rates	0.0000%

**Indiada Water Company, Inc.**  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

**Rebuttal Schedule D-1**  
**Title: Summary Cost of Capital**

Explanation:  
 Schedule showing elements of capital structure  
 and the related cost.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)	\$ -				\$ 239,651	89.68%	5.00%	4.48%
Short-Term Debt (a)	-				-			
Common Equity (c)	27,584	100.00%	16.63%	16.63%	27,584	10.32%	16.63%	1.72%
<b>Totals</b>	<b>\$ 27,584</b>	<b>100.00%</b>		<b>16.63%</b>	<b>\$ 267,235</b>	<b>100.00%</b>		<b>6.20%</b>

Supporting Schedules:  
 (a) D-2  
 (b) D-3  
 (c) D-4  
 (d) E-1

Recap Schedules:  
 (c) A-3

**Indiada Water Company, Inc.**  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

**Rebuttal Schedule E-1**  
**Title: Comparative Balance**  
**Sheet**

Explanation:  
Schedule showing comparative balance sheets at the end of the  
test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specl Reqmt	<input type="checkbox"/>

	Test Year At 31-Dec-09	Prior Year 31-Dec-08	Prior Year 31-Dec-07
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 74,137	\$ 92,607	\$ 67,086
103 Property Held for Future Use	-	-	-
105 Construction Work in Process	-	-	-
108 Accumulated Depreciation	(48,679)	(50,075)	(47,502)
Total Property Plant & Equipment	\$ 25,458	\$ 42,532	\$ 19,584
Current Assts:			
131 Cash	\$ 701	\$ 4,718	\$ 3,017
135 Temporary Cash Investments			
141 Customer Accounts Receivable	106		-
146 Notes/Receivables from Associated Companies	2,000	2,000	1,000
151 Plant Material and Supplies			
162 Prepayments			
174 Miscellaneous Current and Accrued Assets	3,010	3,000	3,000
Total Current Assets	\$ 5,817	\$ 9,718	\$ 7,017
<b>TOTAL ASSETS</b>	<b>\$ 31,275</b>	<b>\$ 52,250</b>	<b>\$ 26,601</b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201.1 Common Stock Issued	\$ 41,300	\$ 41,300	\$ 41,300
201.2 Treasury Stock	(11,300)	(11,300)	(11,300)
211 Paid in Capital in Excess of Par Value	(12,320)	(22,643)	(22,643)
215 Retained Earnings	9,904	25,277	3,462
218 Proprietary Capital			
Total Capital	\$ 27,584	\$ 32,634	\$ 10,819
Current Liabilities:			
231 Accounts Payable	\$ 3,533	\$ 7,898	\$ 292
232 Notes Payable (Current Portion)			
234 Notes/Accounts Payable to Associated Companies			
235 Customer Deposits	680	630	500
236 Accrued Taxes	(522)	565	667
241 Miscellaneous Current and Accrued Liabilities			
Total Current Liabilities	\$ 3,691	\$ 9,093	\$ 1,459
224 Long-Term Debt (Over 12 Months)	\$ -	\$ 10,523	\$ 14,323
Deferred Credits:			
252 Advances In Aid Of Construction	\$ -	\$ -	\$ -
271 Contributions In Aid Of Construction	-	-	-
272 Less: Amortization of Contributions			
281 Accumulated Deferred Income Tax			
Total Deferred Credits	\$ -	\$ -	\$ -
Total Liabilities	\$ 3,691	\$ 19,616	\$ 15,782
<b>TOTAL LIABILITIES and CAPITAL</b>	<b>\$ 31,275</b>	<b>\$ 52,250</b>	<b>\$ 26,601</b>
Supporting Schedules:			
(a) E-5			
Recap Schedules:			
(b) A-3			

**Indiada Water Company, Inc.**  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

**Rebuttal Schedule E-2**  
**Title: Comparative Income**  
**Statements**

**Explanation:**  
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	<b>Test Year Ended 31-Dec-09</b>	<b>Prior Year Ended 31-Dec-08</b>	<b>Prior Year Ended 31-Dec-07</b>
<b>Revenues: (a)</b>			
461 Metered Water Revenue	\$ 28,013	\$ 24,885	\$ 27,380
461.1 Surcharge Revenue	869	-	-
474 Other Water Revenue	127	200	60
<b>Total Revenues</b>	<b>\$ 29,009</b>	<b>\$ 25,085</b>	<b>\$ 27,440</b>
<b>Operating Expenses (a)</b>			
601 Salaries & Wages	\$ -	\$ 6,750	\$ 9,000
610 Purchased Water	1,700	2,150	4,009
615 Purchased Power	1,818	1,631	986
618 Chemicals	166	-	-
620 Repairs and Maintenance	910	3,983	3,714
621 Office Supplies and Expense	1,336	4,244	746
630 Outside Services	9,937	2,672	1,756
635 Water Testing	2,129	1,163	600
641 Rents	-	900	1,200
650 Transportation Expense	3,688	982	-
657 Insurance - General liability	49	-	-
659 Insurance - Health and Life	-	-	-
666 Regulatory Commission Expense - Rate Case	1,439	-	-
675 Miscellaneous Expense	-	-	361
403 Depreciation Expense	5,076	4,892	3,556
408 Taxes Other Than Income	(958)	1,026	1,905
408.11 Property Taxes	1,412	691	1,764
409 Income Tax	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 28,702</b>	<b>\$ 31,084</b>	<b>\$ 29,597</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 307</b>	<b>\$ (5,999)</b>	<b>\$ (2,157)</b>
<b>Other Income/(Expense)</b>			
419 Interest and Dividend Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	4,515	4,000
426 Miscellaneous Non-Utility Expense	-	-	(250)
427 Interest Expense	-	(700)	(1,045)
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>	<b>\$ 3,815</b>	<b>\$ 2,705</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ 307</b>	<b>\$ (2,184)</b>	<b>\$ 548</b>

Supporting Schedules:  
(a) E-6

Recap Schedules:  
A-2

**Indiada Water Company, Inc.**  
Docket No. W-02031A-10-0168  
Test Year Ended December 31, 2009

**Rebuttal Schedule E-5**  
**Title: Detail of Utility Plant**

Explanation:  
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Account Number	Description	End of Prior Year at 31-Dec-08	Net Additions	End of Test Year at 31-Dec-09
302	Franchises	\$ -		\$ -
303	Land & Land Rights	750		750
304	Structures & Improvements	-		-
307	Wells & Springs	7,786		7,786
311	Pumping Equipment	14,289	2,164	16,453
320	Water Treatment Equipment	-		-
320.1	Water Treatment Plants	1,076		1,076
320.2	Solution Chemical Feeders	-		-
330	Distribution Reservoirs & Standpipes	1,503		1,503
330.1	Storage Tanks	10,865		10,865
330.2	Pressure Tanks	5,054		5,054
331	Transmission & Distribution Mains	25,536	1,200	26,736
333	Services	474		474
334	Meters & Meter Installations	3,440		3,440
335	Hydrants	-		-
339	Other Plant and Misc Equipment	-		-
340	Office Furniture & Equipment	3,789	(3,789)	-
340.1	Computers and Software	-		-
341	Transportation Equipment	18,045	(18,045)	-
343	Tools, Shop, and Garage Equipment	-		-
345	Power Operated Equipment	-		-
348	Other Tangible Plant	-		-
	<b>Total Plant In Service</b>	<b>\$ 92,607</b>	<b>\$ (18,470)</b>	<b>\$ 74,137</b>
108	Accumulated Depreciation	(50,075)	1,396	(48,679)
	<b>Net Plant In Service</b>	<b>\$ 42,532</b>	<b>\$ (17,074)</b>	<b>\$ 25,458</b>
103	Property Held for Future Use	\$ -		\$ -
105	Construction Work in Process	-		-
	<b>Total Net Plant</b>	<b>\$ 42,532</b>	<b>\$ (17,074)</b>	<b>\$ 25,458</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

**Indiada Water Company, Inc.**  
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Test Year Ended December 31, 2009

**Rebuttal Schedule E-7**  
**Title: Operating Statistics**

Explanation:  
Schedule showing key operating statistics in comparative format,  
for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specl Reqmt	<input type="checkbox"/>

<b>Water Statistics:</b>	<b>Test Year Ended 31-Dec-09</b>	<b>Prior Year Ended 31-Dec-08</b>	<b>Prior Year Ended 31-Dec-07</b>
Gallons Sold - By Class of Service:			
Residential	5,850,000	5,267,000	2,586,600
Commercial	-	-	-
Average Number of Customers - By Class of Service:			
Residential	55	56	54
Commercial	-	-	-
Average Annual Gallons Per Residential Customer	106,364	94,054	47,900
Average Annual Revenue Per Residential Customer	\$ 261.46	\$ 245.09	\$ 183.71
Pumping Cost Per 1,000 Gallons	\$ 0.3108	\$ 0.3097	\$ 0.3812

Indiada Water Company, Inc.  
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**Rebuttal Schedule E-8**  
**Title: Taxes Charged to**  
**Operations**

Explanation:  
 Schedule showing all significant taxes charged to operations for  
 the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities   
 Class A   
 Class B   
 Class C   
 Class D   
 Specl Reqmt

<b>Description</b>	<b>Test Year Ended 31-Dec-09</b>	<b>Prior Year Ended 31-Dec-08</b>	<b>Prior Year Ended 31-Dec-07</b>
<b>Federal Taxes:</b>			
Income	\$ -	\$ -	\$ -
Payroll	(958)	570	761
<b>Total Federal Taxes</b>	<b>\$ (958)</b>	<b>\$ 570</b>	<b>\$ 761</b>
<b>State Taxes:</b>			
Income	\$ -	\$ -	\$ -
Payroll	-	456	1,145
<b>Total State Taxes</b>	<b>\$ -</b>	<b>\$ 456</b>	<b>\$ 1,145</b>
<b>Local Taxes:</b>			
Property	\$ 1,412	\$ 691	\$ 1,764
<b>Total Taxes</b>	<b>\$ 454</b>	<b>\$ 1,717</b>	<b>\$ 3,669</b>

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

Indiada Water Company, Inc.  
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Test Year Ended December 31, 2009

Rebuttal Schedule E-9  
Title: Notes to Financial  
Statements

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specf Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of the combined entity are kept as accrual based, and also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**For years up to and including the test year 2009, the depreciation rate as authorized in Decision 54500 was 5% for all plant asset categories. Proposed depreciation rates are depicted on Schedule C-2d, and were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**Income taxes are not a factor in the unconsolidated company since the entity is an S-Corp, and this Commission does not allow recovery of income taxes in customer rates for flow-through entities.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:

**Indiada Water Company, Inc.**  
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**Rebuttal Schedule F-1**  
**Title: Projected Income Statements -**  
**Present and Proposed Rates**

Explanation:  
Schedule showing an income statement for the projected year,  
compared with actual test year results, at present and proposed  
rates.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	Actual Test Year Ended (a) 31-Dec-09	Projected Year	
		At Present Rates Year Ended (b) 31-Dec-10	At Proposed Rates Year Ended (b) 31-Dec-10
<b>Operating Revenues:</b>			
461 Metered Water Revenue	\$ 28,013	\$ 28,013	\$ 34,983
461.1 Surcharge Revenue	869	-	-
474 Other Water Revenue	127	127	127
<b>Total Operating Revenue</b>	<b>\$ 29,009</b>	<b>\$ 28,140</b>	<b>\$ 35,110</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ -	\$ -	\$ -
610 Purchased Water	1,700	-	-
615 Purchased Power	1,818	1,818	1,818
618 Chemicals	166	166	166
620 Repairs & Maintenance	910	910	910
621 Office Supplies and Expense	1,336	1,384	1,384
630 Outside Services	9,937	14,101	14,101
635 Water Testing	2,129	2,129	2,129
641 Rental Expense	-	-	-
650 Transportation Expense	3,688	3,557	3,557
657 Insurance - General Liability	49	-	-
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	1,439	1,813	1,813
675 Miscellaneous Expense	-	-	-
403 Depreciation & Amortization	5,076	3,016	3,016
408 Property Taxes	1,412	1,357	1,469
408.1 Taxes Other Than Income	(958)	-	-
409 Income Taxes	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 28,702</b>	<b>\$ 30,251</b>	<b>\$ 30,363</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 307</b>	<b>\$ (2,111)</b>	<b>\$ 4,747</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	-	-	-
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ 307</b>	<b>\$ (2,111)</b>	<b>\$ 4,747</b>
Earnings per share of average Common Stock Outstanding	\$ 0.74	\$ (5.11)	\$ 11.49
% Return on Common Equity	0.003%	-0.019%	0.042%

Supporting Schedules:  
(a) E-2

Recap Schedules:  
(b) A-2

**Indiada Water Company, Inc.**  
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 Test Year Ended December 31, 2009

**Rebuttal Schedule F-3**  
**Title: Projected Construction**  
**Requirements**

Explanation:  
 Schedule showing projected annual construction requirements,  
 by property classification, for 1 to 3 years subsequent to the  
 test year compared with the test year.

Required for: All Utilities   
 Class A   
 Class B   
 Class C   
 Class D   
 Specl Reqmt

<b>Property Classification</b>	<b>Actual Test Year Ended 12/31/2009</b>	<b>End of Projected Year 1</b>
Production Plant	\$ 2,164	\$ -
Transmission Plant	1,200	239,651
Other Plant	-	-
<b>Total Plant</b>	<b>\$ 3,364</b>	<b>\$ 239,651</b>

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:

(a) F-2 & A-4

Indiada Water Company, Inc.  
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**Rebuttal Schedule F-4**  
**Title: Assumptions Used in**  
**Developing Projection**

Explanation:  
 Documentation of important assumptions used in preparing forecasts and projections

Required for: All Utilities  
 Class A  
 Class B  
 Class C  
 Class D  
 Specl Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

- 1 Customer growth:  
**The company has experienced no growth in the past few years.**
  
- 2 Growth in consumption and customer demand:  
**The company does not anticipate an increase in customer consumption and demand due to the proposed tiered rate structure.**
  
- 3 Changes in expenses:  
**The company believes the test year 2009, with the limited proforma adjustments included in this application, accurately depict expense levels for the unconsolidated entity going forward.**
  
- 4 Construction requirements including production reserves and changes in plant capacity:  
**The Company is seeking a loan from WIFA for the three commonly owned entities totaling \$3 million to replace lines, add storage, and upgrade pumps and electrical at well and booster sites.**
  
- 5 Capital structure changes:  
**If the proposed consolidation of Indiada Water with the two related entities is approved, the new utility's structure would be a C-Corp.**
  
- 6 Financing costs, interest rates  
**The company proposes to borrow funds from WIFA, and it will be required to pay WIFA's normal fees, reserves, and the prevailing interest rate at the time the loan is closed. Indiada's share of the interest is included on the unconsolidated income statement for comparative purposes.**

Supporting Schedules:

Recap Schedules:

**Indiada Water Company**  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

**Rebuttal Schedule: H-1**  
**Title: Summary of Revenues by Customer**  
**Classification - Present and Proposed Rates**

Explanation:  
 Schedule comparing revenues by customer classification for  
 the Test Year, at present and proposed rates.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specl Reqmt	<input type="checkbox"/>

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
All customers are residential				
5/8 x 3/4 inch	\$ 27,842	\$ 34,586	6,744	24.22%
1 inch	171	397	226	132.06%
<b>Total Water Revenues</b>	<b>\$ 28,013</b>	<b>\$ 34,983</b>	<b>\$ 6,970</b>	<b>24.88%</b>
Other Revenues	127	127	-	0.00%
<b>Total Revenues</b>	<b>\$ 28,140</b>	<b>\$ 35,110</b>	<b>\$ 6,970</b>	<b>24.77%</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
 (a) H-2

Recap Schedules:  
 (b) A-1

Explanation:  
Schedule comparing present rate schedules with proposed  
rate schedule.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specl Reqmt	<input type="checkbox"/>

Description	Present Rate	Proposed Rate	% change
<b>MONTHLY USAGE CHARGE</b>	<b>(includes first 1000 gallons)</b>	<b>(includes first 0 gallons)</b>	
5/8" x 3/4" Meter	\$ 15.00	\$ 22.45	49.67%
3/4" Meter	\$ 15.00	\$ 33.68	124.50%
1" Meter	\$ 15.00	\$ 56.13	274.17%
1-1/2" Meter	\$ 15.00	\$ 112.25	648.33%
2" Meter	\$ 15.00	\$ 179.60	1097.33%
3" Meter	\$ 15.00	\$ 359.20	2294.67%
4" Meter	\$ 15.00	\$ 561.25	3641.67%
6" Meter	\$ 15.00	\$ 1,122.50	7383.33%
Gallons Included in Usage Charge	1,000	-	-100.00%

EMERGENCY INTERIM SURCHARGE EFFECTIVE: OCTOBER 30, 2009  
DECISION NO. 71321  
DOCKET NO. W-2031A-09-0285  
\$7.83 PER CUSTOMER PER MONTH

**COMMODITY CHARGE (EXCESS OF MINIMUM)**  
3.50 Per 1,000 Gallons

**Commodity Charges Per 1,000 Gallons:**

5/8 x 3/4 - inch meter	Present Rate	Proposed Rate	% change
Tier one: 0 - 1,000 Gallons	\$ -	\$1.65	NA
Tier one: 1,001 -3,000 Gallons	\$ 3.50	\$1.65	-52.86%
Tier two:3,001 to 10,000 Gallons	\$ 3.50	\$2.97	-15.14%
Tier three: All Gallons Over 10,000	\$ 3.50	\$5.35	52.91%

**3/4 - inch meter**

Tier one: 0 - 1,000 Gallons	\$ -	\$1.65	NA
Tier one: 1001 - 3,000 Gallons	\$ 3.50	\$1.65	-52.86%
Tier two: 3,001 to 10,000 Gallons	\$ 3.50	\$2.97	-15.14%
Tier three: All Gallons Over 10,000	\$ 3.50	\$5.35	52.91%

**One - inch meter**

Tier one: 0 - 1,000 Gallons	\$ -	\$2.97	NA
Tier one: 1001 - 15,000 Gallons	\$ 3.50	\$2.97	-15.14%
Tier two: All Gallons Over 15,000	\$ 3.50	\$5.35	52.91%

**One and one half - inch meter**

Tier one: 0 - 1,000 Gallons	\$ -	\$2.97	NA
Tier one: 1001 -35,000 Gallons	\$ 3.50	\$2.97	-15.14%
Tier two: All Gallons Over 35,000	\$ 3.50	\$5.35	52.91%

**Two - inch meter**

Tier one: 0 - 1,000 Gallons	\$ -	\$2.97	NA
Tier one: 1001 - 60,000 Gallons	\$ 3.50	\$2.97	-15.14%
Tier two: All Gallons Over 60,000	\$ 3.50	\$5.35	52.91%

**Three - inch meter**

Tier one: 0 - 1,000 Gallons	\$ -	\$2.97	NA
Tier one: 1001 - 130,000 Gallons	\$ 3.50	\$2.97	-15.14%
Tier two: All Gallons Over 130,000	\$ 3.50	\$5.35	52.91%

Four - inch meter	Present Rate	Proposed Rate	% change
Tier one: 0 - 1,000 Gallons	\$ -	\$2.97	NA
Tier one: 1001 - 200,000 Gallons	\$ 3.50	\$2.97	-15.14%
Tier two: All Gallons Over 200,000	\$ 3.50	\$5.35	52.91%
<b>Six - inch meter</b>			
Tier one: 0 - 1,000 Gallons	\$ -	\$2.97	NA
Tier one: 1001 - 400,000 Gallons	\$ 3.50	\$2.97	-15.14%
Tier two: All Gallons Over 400,000	\$ 3.50	\$5.35	52.91%

Description	Present Rate	Proposed Rate	% change
<b>SERVICE CHARGES</b>			
Establishment	\$ 20.00	\$ 35.00	75.00%
Establishment (After Hours)	50.00	NA	NA
Reconnection (Delinquent)	10.00	\$ 35.00	250.00%
Reconnection (After Hours)	40.00	NA	NA
Meter Test (If Correct)	20.00	Cost	
Meter Reread (If Correct)	10.00	\$ 5.00	-50.00%
NSF Check Charge	10.00	\$ 35.00	250.00%
Deposit	NA	*	
Deposit Interest (Per Annum)	NA	*	
Deferred Payment (Per Month)	NA	**	
Late Charge (Per Month)	NA	**	
Re-establishment (Within 12 Months)	\$ 50.00	***	
After Hours Service Charge	NA	\$ 35.00	

MONTHLY SERVICE CHARGE  
FOR FIRE SPRINKLER: N/A \*\*\*\*

**SERVICE LINE AND METER INSTALLATION CHARGES**  
Refundable Pursuant to AAC R14-2-405

Description	Present Rate	Proposed Rates			% change
		Service Line	Meter Charge	Total Charge	
5/8" x 3/4" Meter	\$ 100.00	\$ 430.00	\$ 130.00	\$ 560.00	460%
3/4" Meter	120.00	430.00	230.00	660.00	450%
1" Meter	200.00	480.00	290.00	770.00	285%
1-1/2" Meter	300.00	535.00	500.00	1,035.00	245%
2" Meter - Turbine	500.00	815.00	1,020.00	1,835.00	267%
2" Meter - Compound		815.00	1,865.00	2,680.00	
3" Meter - Turbine		1,030.00	1,645.00	2,675.00	
3" Meter - Compound		1,150.00	2,545.00	3,695.00	
4" Meter - Turbine		1,460.00	2,620.00	4,080.00	
4" Meter - Compound		1,640.00	3,595.00	5,235.00	
6" Meter - Turbine		2,180.00	4,975.00	7,155.00	
6" Meter - Compound		2,300.00	6,870.00	9,170.00	

- \* Per Commission Rule AAC R-14-2-403(B).
- \*\* 1.50% of unpaid monthly balance.
- \*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).
- \*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

5/8" x 3/4" meter

(Note: Rates apply to both residential and commercial usage)

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 15.00	\$ 22.83	\$ 22.45	49.67%	-1.66%
1,000	15.00	22.83	24.10	60.67%	5.56%
2,000	18.50	26.33	25.75	39.19%	-2.20%
3,000	22.00	29.83	27.40	24.55%	-8.15%
4,000	25.50	33.33	30.37	19.10%	-8.88%
5,000	29.00	36.83	33.34	14.97%	-9.48%
6,000	32.50	40.33	36.31	11.72%	-9.97%
7,000	36.00	43.83	39.28	9.11%	-10.38%
8,000	39.50	47.33	42.25	6.96%	-10.73%
9,000	43.00	50.83	45.22	5.16%	-11.04%
10,000	46.50	54.33	48.19	3.63%	-11.30%
15,000	64.00	71.83	74.95	17.11%	4.34%
20,000	81.50	89.33	101.71	24.80%	13.86%
25,000	99.00	106.83	128.47	29.77%	20.26%
50,000	186.50	194.33	262.27	40.63%	34.96%
75,000	274.00	281.83	396.07	44.55%	40.54%
100,000	361.50	369.33	529.87	46.58%	43.47%
125,000	449.00	456.83	663.67	47.81%	45.28%
150,000	536.50	544.33	797.47	48.64%	46.50%
175,000	624.00	631.83	931.27	49.24%	47.39%
200,000	711.50	719.33	1,065.07	49.69%	48.06%

Supporting Schedules:

Indiada Water Company  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

Rebuttal Schedule: H-4  
 Title: Typical Bill  
 Analysis  
 Page 2 of 2

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

1 inch meter  
 (Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 15.00	\$ 22.83	\$ 56.13	274.17%	146%
1,000	15.00	22.83	59.10	293.97%	159%
2,000	18.50	26.33	62.07	235.49%	136%
3,000	22.00	29.83	65.04	195.61%	118%
4,000	25.50	33.33	68.01	166.69%	104%
5,000	29.00	36.83	70.98	144.74%	93%
6,000	32.50	40.33	73.95	127.52%	83%
7,000	36.00	43.83	79.30	120.27%	81%
8,000	39.50	47.33	84.65	114.30%	79%
9,000	43.00	50.83	90.00	109.30%	77%
10,000	46.50	54.33	95.35	105.06%	76%
15,000	64.00	71.83	122.11	90.80%	70%
20,000	81.50	89.33	148.87	82.67%	67%
25,000	99.00	106.83	175.63	77.41%	64%
40,000	151.50	159.33	255.91	68.92%	61%
50,000	186.50	194.33	309.43	65.92%	59%
75,000	274.00	281.83	443.23	61.76%	57%
100,000	361.50	369.33	577.03	59.62%	56%
125,000	449.00	456.83	710.83	58.31%	56%
150,000	536.50	544.33	844.63	57.43%	55%
175,000	624.00	631.83	978.43	56.80%	55%
200,000	711.50	719.33	1,112.23	56.32%	55%

Supporting Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

5/8 x 3/4 inch meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	26	-	26	3.93%	-	0.00%
1 to 1,000	26	13,000	52	7.87%	13,000	0.23%
1,001 to 2,000	71	106,500	123	18.61%	119,500	2.07%
2,001 to 3,000	67	167,500	190	28.74%	287,000	4.97%
3,001 to 4,000	79	276,500	269	40.70%	563,500	9.76%
4,001 to 5,000	47	211,500	316	47.81%	775,000	13.43%
5,001 to 6,000	52	286,000	368	55.67%	1,061,000	18.39%
6,001 to 7,000	33	214,500	401	60.67%	1,275,500	22.10%
7,001 to 8,000	35	262,500	436	65.96%	1,538,000	26.65%
8,001 to 9,000	26	221,000	462	69.89%	1,759,000	30.48%
9,001 to 10,000	30	285,000	492	74.43%	2,044,000	35.42%
10,001 to 12,000	35	385,000	527	79.73%	2,429,000	42.09%
12,001 to 14,000	18	234,000	545	82.45%	2,663,000	46.14%
14,001 to 16,000	18	270,000	563	85.17%	2,933,000	50.82%
16,001 to 18,000	16	272,000	579	87.59%	3,205,000	55.54%
18,001 to 20,000	9	171,000	588	88.96%	3,376,000	58.50%
20,001 to 25,000	27	607,500	615	93.04%	3,983,500	69.03%
25,001 to 30,000	16	440,000	631	95.46%	4,423,500	76.65%
30,001 to 35,000	10	325,000	641	96.97%	4,748,500	82.28%
35,001 to 40,000	9	337,500	650	98.34%	5,086,000	88.13%
40,001 to 50,000	3	135,000	653	98.79%	5,221,000	90.47%
50,001 to 60,000	1	55,000	654	98.94%	5,276,000	91.42%
60,001 to 70,000	3	195,000	657	99.39%	5,471,000	94.80%
70,001 to 80,000	4	300,000	661	100.00%	5,771,000	100.00%
80,001 to 90,000	-	-	661	100.00%	5,771,000	100.00%
90,001 to 100,000	-	-	661	100.00%	5,771,000	100.00%
>100,000	-	-	661	100.00%	5,771,000	100.00%
	661	5,771,000				

Average Number of Customers 55  
Average Consumption 8,731  
Median Consumption 5,260

Explanation:  
 Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities   
 Class A   
 Class B   
 Class C   
 Class D   
 Specl Reqmt

X

1 inch meter - Residential

Note: There are no commercial customers on 1 inch meters.

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	1	1,500	1	20.00%	1,500	4.62%
2,001 to 3,000	2	5,000	3	60.00%	6,500	20.00%
3,001 to 4,000	1	3,500	4	80.00%	10,000	30.77%
4,001 to 5,000	-	-	4	80.00%	10,000	30.77%
5,001 to 6,000	-	-	4	80.00%	10,000	30.77%
6,001 to 7,000	-	-	4	80.00%	10,000	30.77%
7,001 to 8,000	-	-	4	80.00%	10,000	30.77%
8,001 to 9,000	-	-	4	80.00%	10,000	30.77%
9,001 to 10,000	-	-	4	80.00%	10,000	30.77%
10,001 to 12,000	-	-	4	80.00%	10,000	30.77%
12,001 to 14,000	-	-	4	80.00%	10,000	30.77%
14,001 to 16,000	-	-	4	80.00%	10,000	30.77%
16,001 to 18,000	-	-	4	80.00%	10,000	30.77%
18,001 to 20,000	-	-	4	80.00%	10,000	30.77%
20,001 to 25,000	1	22,500	5	100.00%	32,500	100.00%
25,001 to 30,000	-	-	5	100.00%	32,500	100.00%
30,001 to 35,000	-	-	5	100.00%	32,500	100.00%
35,001 to 40,000	-	-	5	100.00%	32,500	100.00%
40,001 to 50,000	-	-	5	100.00%	32,500	100.00%
50,001 to 60,000	-	-	5	100.00%	32,500	100.00%
60,001 to 70,000	-	-	5	100.00%	32,500	100.00%
70,001 to 80,000	-	-	5	100.00%	32,500	100.00%
80,001 to 90,000	-	-	5	100.00%	32,500	100.00%
90,001 to 100,000	-	-	5	100.00%	32,500	100.00%
>100,000	-	-	5	100.00%	32,500	100.00%
	5	32,500				

Average Number of Customers 0.42  
 Average Consumption 6,500  
 Median Consumption 2,635

**Indiada Water Company**  
 Docket No. W-02031A-10-0168  
 Test Year Ended December 31, 2009

**Rebuttal Schedule: H-5**  
**Title: Bill Count**  
**Page 3 of 3**

Explanation:  
 Schedule(s) showing billing activity by block for each rate  
 schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

Amount of Surcharge \$ 7.83 per customer per month  
 Surcharge Approved in Decision 71321, October 30, 2009

	# of Bills Nov and Dec 2009	Surcharge	Surcahrge Revenue
Residential	111	\$ 7.83	\$ 869.13
Commercial	-	\$ 7.83	-
<b>Indiada Total Surcharge Revenue</b>		\$	<b>869.13</b>

**ANTELOPE RUN  
EAST SLOPE  
INDIADA  
WATER COMPANIES**

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule A-1  
Title: Computation of Increase in Gross  
Revenue Requirements**

Explanation:  
Schedule showing computation of increase in gross revenue requirements and spread of revenue increase by customer classification.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Special Reqmt	

	<u>Original Cost</u>	<u>RCND</u>
<b><u>Rate of Return on Rate Base Method:</u></b>		
1. Adjusted Rate Base	\$ 271,564 (a)	(a)
2. Adjusted Operating Income	\$ (61,213) (b)	(b)
3. Current Rate of Return	-22.54%	
4. Required Rate of Return	16.00%	
5. Required Operating Income	\$ 43,450	
6. Operating Income Deficiency (5 - 2)	\$ 104,664	
7. Gross Revenue Conversion Factor	<u>1.3251 (c)</u>	(c)
<b>8. Increase in Gross Revenue Requirements (6 x 7)</b>	<b><u>\$ 138,686</u></b>	

<b><u>Operating Margin Method:</u></b>		
9. Proposed Revenue	\$ 422,769	
10. Required Operating Margin	<u>10.28%</u>	
11. Required Operating Income (9 x 10)	\$ 43,450	
12. Operating Income Deficiency (11 - 2)	\$ 104,664	
13. Gross Revenue Conversion Factor	<u>1.3251 (c)</u>	(c)
<b>14. Increase in Gross Revenue Requirements (12 x 13)</b>	<b><u>\$ 138,686</u></b>	

Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
Residential	\$ 264,090	\$ 384,987	\$ 120,898	45.78%	(d)
Commercial	16,269	34,058	17,788	109.34%	
Industrial	-	-	-	0.00%	
Other	3,724	3,724	-	0.00%	
<b>Totals</b>	<b>\$ 284,083</b>	<b>\$ 422,769</b>	<b>\$ 138,686</b>	<b>48.82%</b>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (c) C-3

(b) C-1 (d) H-1

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

**Rebuttal Schedule A-2**

Test Year Ended December 31, 2009

**Title: Summary Results of Operations**

**Explanation:**

Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 288,330	\$ 264,265	\$ 300,037	\$ 284,083	\$ 284,083	\$ 422,769
2. Revenue Deductions & Operating Expenses	(300,335)	(288,717)	(325,223)	(345,296)	(345,296)	(379,318)
3. Operating Income	\$ (12,005)	\$ (24,452)	\$ (25,186)	\$ (61,213)	\$ (61,213)	\$ 43,450
4. Other Income and Deductions	3,300	10,373	-	-	-	-
5. Interest Expense	(14,529)	(10,742)	(1,544)	(1,544)	(1,544)	(1,544)
<b>6. Net Income</b>	<b>\$ (23,234)</b>	<b>\$ (24,821)</b>	<b>\$ (26,730)</b>	<b>\$ (62,757)</b>	<b>\$ (62,757)</b>	<b>\$ 41,907</b>
7. Earned Per Average Common Share*	\$ (4.65)	\$ (4.96)	\$ (5.35)	\$ (12.55)		
8. Dividends Per Common Share*	-	-	-	-		
9. Payout Ratio*	0.00%	0.00%	0.00%	0.00%		
10. Return on Average Invested Capital	-16.14%	-17.97%	-19.03%	-44.69%	-44.69%	29.84%
11. Return on Year End Capital	-16.14%	-18.77%	-17.99%	-42.23%	-42.23%	28.20%
12. Return on Average Common Equity	Negative Equity					
13. Return on Year End Common Equity	Negative Equity					
14. Times Bond Interest Earned - Before Inc Tax	-88.91%	-227.63%	-1144.11%	-5206.24%	-5206.24%	3631.64%
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes	-59.91%	-131.06%	-1631.22%	-3964.60%	-3964.60%	2814.18%

Supporting Schedules:

\*Optional for projected year

(a) E-2

(b) C-1

(c) F-1

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule A-4**

**Title: Construction Expenditures and  
Gross Utility Plant in Service**

**Explanation:**

Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

<b>Year</b>	<b>Construction Expenditures (a)</b>	<b>Net Plant Placed In Service (b)</b>	<b>Gross Utility Plant In Service</b>
1. Prior Year 1 - 2007	\$ 48,500	\$ 48,500	\$ 689,871
2. Prior Year 2 - 2008	22,257	22,257	712,128
3. Test Year - 2009	36,927	12,239	724,367
4. Projected Year 1	3,000,000	3,002,854	3,727,221
5. Projected *			
6. Projected *			

\* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule B-1  
Title: Summary of Original Cost  
and RCND**

Explanation:  
Schedule showing elements of adjusted original cost  
and RCND rate bases.

Required for: All Utilities   
Class A   
Class B   
Class C   
Class D   
Spec'l Reqmt

	<u>Original Cost</u> <u>Rate Base*</u>	<u>RCND</u> <u>Rate Base*</u>
1. Gross Utility Plant in Service	\$ 724,367	
2. Less: Accumulated Depreciation	<u>(457,119)</u>	
3. Net Utility Plant in Service	\$ 267,248 (a)	(b)
<b>Less:</b>		
4. Advances in Aid of Construction	\$ (19,239) (c)	(c)
5. Contributions in Aid of Construction	(242,033) (c)	(c)
<b>Add:</b>		
6. Amortization of Contributions	\$ 232,726	
7. Allowance for Working Capital	<u>32,862 (d)</u>	(d)
<b>8. Total Rate Base</b>	<u><u>\$ 271,564 (e)</u></u>	(e)

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) B-2 (d) B-5
- (b) B-3
- (c) E-1

Recap Schedules:

- (e) A-1

**Rebuttal Schedule B-2**  
**Title: Original Cost Rate Base**  
**Proforma Adjustments**

Explanation:  
Schedule showing pro forma adjustments to gross plant  
in service and accumulated depreciation for the original  
cost rate base.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	<u>Actual at End</u>	<u>Pro forma</u>	<u>Ref</u>	<u>Adjusted at End</u>
	<u>Of Test Year (a)</u>	<u>Adjustment</u>		<u>Of Test Year (b)</u>
1 1. Gross Utility Plant in Service	\$ 785,752	\$ (61,385)	1	\$ 724,367
2 2. Less: Accumulated Depreciation	(477,224)	20,105	2	(457,119)
3 3. Net Utility Plant in Service	<b>\$ 308,528</b>	<b>\$ (41,280)</b>		<b>\$ 267,248</b>
<b>Less:</b>				
4 4. Advances in Aid of Construction	\$ (66,818)	\$ 47,579	3	\$ (19,239)
5 5. Contributions in Aid of Construction	-	(242,033)	4	(242,033)
<b>Add:</b>				
6 6. Amortization of CIAC	\$ -	\$ 232,726	5	\$ 232,726
7 7. Allowance for Working Capital	34,231	(1,369)	6	32,862
8 <b>8. Total Rate Base</b>	<b>\$ 275,941</b>	<b>\$ (4,377)</b>		<b>\$ 271,564</b>

**Explanations:**

<b>Ref</b>		
1	Remove office equipment and trucks from utility plant (Indiada)	\$ (21,834)
	Remove office equipment and trucks from utility plant (East Slope)	(39,221)
	Reclassify Jim's Electric invoice dated 1/6/09 to R&M (East Slope)	(130)
	Reclassify Jim's Electric invoice dated 7/31/09 to R&M (East Slope)	(75)
	Reclassify Jim's Electric invoice dated 11/18/09 to R&M (East Slope)	(125)
	Total reduction to Gross Utility Plant in Service	<u>\$ (61,385)</u>
2	Remove accumulated depreciation related to plant decreases in item 1.	
3	Adjust Advances in Aid of Construction (Antelope Run)	\$ 41,660
	Adjust Advances in Aid of Construction (East Slope)	5,919
	Total adjustment to Advances in Aid of Construction	<u>\$ 47,579</u>
4	Adjust Contributions in Aid of Construction (Antelope Run)	\$ (40,171)
	Adjust Contributions in Aid of Construction (East Slope)	(201,862)
	Total adjustment to Contributions in Aid of Construction	<u>\$ (242,033)</u>
5	Adjust Amortization of CIAC (Antelope Run)	\$ 31,217
	Adjust Amortization of CIAC (East Slope)	201,509
	Total adjustment to Amortization of Advances in Aid of Construction	<u>\$ 232,726</u>
6	Adjust working capital allowance based on changes to operating expenses.	

NOTE: For combination utilities above information should be presented in total and by department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule B-5**  
**Title: Computation of Working Capital**

Explanation:  
 Schedule showing computation of working capital allowance.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specil Reqmt	<input type="checkbox"/>

	<u>Amount</u>	
1. Cash working capital		
1/24th Purchased Power	\$ 3,031	
1/24th Purchased Water	-	
1/8th Operation & Maintenance Expense	29,830	
2. Materials and Supplies Inventories	-	(a)
3. Prepayments	-	(a)
4. Total Working Capital Allowance	<u>\$ 32,862</u>	(b)

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:  
 (a) E-1

Recap Schedules:  
 (b) B-1

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule C-1  
Title: Adjusted Test Year Income  
Statement**

Explanation:

Schedule showing statement of income for the test year, including pro forma adjustments.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec Reqmt	<input type="checkbox"/>

Description	Actual for Test		Ref	Proforma		Test Year		Proposed	Adjusted Test
	Year Ended (a)			Adjustments		Results After			
	31-Dec-09			(b)	Pro Forma	Adjustments	Ref	Increase	Rate Increase
<b>Operating Revenues:</b>									
461 Metered Water Revenue	\$ 281,796	A	\$ (1,437)	\$ 280,359	P	\$ 138,686	\$ 419,045		
461.1 Surcharge Revenue	14,517	B	(14,517)	-					
474 Other Water Revenue	3,724		-	3,724					3,724
<b>Total Operating Revenue</b>	<b>\$ 300,037</b>		<b>\$ (15,954)</b>	<b>\$ 284,083</b>		<b>\$ 138,686</b>	<b>\$ 422,769</b>		
<b>Operating Expenses:</b>									
601 Salaries & Wages	\$ -		\$ -	\$ -				\$ -	
610 Purchased Water	1,700	C	(1,700)	-				-	
615 Purchased Power	72,314	D	433	72,747				72,747	
618 Chemicals	792		-	792				792	
620 Repairs & Maintenance	16,143	E	466	16,609				16,609	
621 Office Supplies and Expense	12,202	F	(179)	12,023				12,023	
630 Outside Services	127,734	G	30,304	158,038				158,038	
635 Water Testing	8,008		-	8,008				8,008	
641 Rental Expense	-		-	-				-	
650 Transportation Expense	21,419	H	386	21,805				21,805	
657 Insurance - General Liability	6,565	I	(74)	6,491				6,491	
659 Insurance - Health and Life	-		-	-				-	
666 Rate Case Expense	4,618	J	10,255	14,873				14,873	
675 Miscellaneous Expense	5		-	5				5	
403 Depreciation & Amortization	27,353	K	11,960	39,313				39,313	
408 Taxes Other Than Income	(1,127)	L	1,127	-				-	
408.1 Property Taxes	19,976	M	(6,212)	13,764	R	2,229		15,993	
409 Income Taxes	7,521	N	(26,692)	(19,171)	Q	31,793		12,622	
<b>Total Operating Expenses</b>	<b>\$ 325,223</b>		<b>\$ 20,073</b>	<b>\$ 345,296</b>		<b>\$ 34,022</b>	<b>\$ 379,318</b>		
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (25,186)</b>		<b>\$ (36,027)</b>	<b>\$ (61,213)</b>	(c)	<b>\$ 104,664</b>	<b>\$ 43,450</b>		
<b>Other Income/(Expense):</b>									
419 Interest Income	\$ -		\$ -	\$ -				\$ -	
421 Non-Utility Income	-		-	-				-	
426 Miscellaneous Non-Utility Expenses	-		-	-				-	
427 Interest Expense	(1,544)	O	-	(1,544)				(1,544)	
<b>Total Other Income/(Expense)</b>	<b>\$ (1,544)</b>		<b>\$ -</b>	<b>\$ (1,544)</b>		<b>\$ -</b>	<b>\$ (1,544)</b>		
<b>NET INCOME/(LOSS)</b>	<b>\$ (26,730)</b>		<b>\$ (36,027)</b>	<b>\$ (62,757)</b>		<b>\$ 104,664</b>	<b>\$ 41,907</b>		

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-2  
(b) C-2

Recap Schedules:  
(c) A-1

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec Reqmt	

Explanation:  
 Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	J	Total	
											this page	
Revenues:												
Metered Water Revenue	\$ (1,437)											\$ (1,437)
Surcharge Revenue		\$ (14,517)										(14,517)
Expenses:												
Purchased Water			\$ (1,700)									\$ (1,700)
Purchased Power				\$ 433								433
Repairs & Maintenance					\$ 466							466
Office Supplies and Expense						\$ (179)						(179)
Outside Services							\$ 30,304					30,304
Transportation Expense								\$ 386				386
Insurance - General Liability									\$ (74)			(74)
Rate Case Expense										\$ 10,255		10,255

Adjustment Descriptions:

- A - Remove intercompany water sales for Antelope Run during the test year to Indiada by a 2-inch meter.
- B - Remove surcharge revenues from the test year as they are temporary, and will not be included in the proposed consolidated rates.
- C - Remove intercompany purchased water expense to Indiada from Antelope Run.
- D - Adjust purchased power expense per calculation on Schedule C-2g. Schedule also includes support to counter Staff's disallowance amount of \$4,862.
- E - Adjust repairs and maintenance expense per calculation on Schedule C-2h.
- F - Adjust office supplies and expense per calculation on Schedule C-2a.
- G - Adjust outside services expense per calculation on Schedule C-2b.
- H - Adjust transportation expense per calculation on Schedule C-2c.
- I - Remove workers compensation insurance expenses that will not recur as a result of management contract.
- J - Increase rate case expense to recover \$4,618 of costs incurred for the 2009 emergency rate cases, and estimated costs of \$40,000 for the consolidated cases (\$44,618), amortized over a three year period (\$44,618/3 = \$14,873 per year).

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:  
 C-2a through C-2c  
 Recap Schedules:  
 (a) C-1

Explanation:  
 Schedule itemizing pro forma adjustments to the test year income statement.

Description	K	L	M	N	O	P	Q	R	Total this page	Total prev page	Total (a) Adjustments
<b>Revenues:</b>											
Metered Water Revenue						\$ 138,686			\$ 138,686	\$ (1,437)	\$ 137,249
Surcharge Revenue									-	(14,517)	(14,517)
<b>Expenses:</b>											
Purchased Water									\$ -	\$ (1,700)	\$ (1,700)
Purchased Power									-	433	433
Repairs & Maintenance									-	466	466
Office Supplies and Expense									-	(179)	(179)
Outside Services									-	30,304	30,304
Transportation Expense									-	386	386
Insurance - General Liability									-	(74)	(74)
Rate Case Expense									-	10,255	10,255
Depreciation & Amortization	\$ 11,960								11,960	-	11,960
Taxes Other Than Income		\$ 1,127							1,127	-	1,127
Property Taxes			\$ (6,212)					\$ 2,229	(3,983)	-	(3,983)
Income Taxes				\$ (26,692)			\$ 31,793		5,101	-	5,101
Other Income/(Expense):									-	-	-
Interest Expense									-	-	-

**Adjustment Descriptions:**

- K - Increase depreciation expense based upon proposed depreciation rates per schedule C-2d.
- L - Adjust for payroll tax expenses that will not recur due to management contract.
- M - Adjust test year property tax expense per Schedule C-2i.
- N - Adjust test year income tax expense per Schedule C-2e.
- O - Removed.
- P - Increase metered water revenue per calculation on Schedule A-1.
- Q - Increase income taxes for proposed rates per calculation on Schedule C-2f.
- R - Increase property taxes for proposed rates per calculation on Schedule C-2i.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:  
 Recap Schedules:  
 C-2d through C-2i (a) C-1

Antelope Run Water Company/East Slope Water Company/Indiada Water Company  
Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171  
Test Year Ended December 31, 2009

**Rebuttal Schedule C-2a**  
**Title: Income Statement Proforma**  
**Adjustments**

**DETAIL OF PROPOSED OFFICE SUPPLIES AND EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 billing forms	\$ (27)
November 2008 billing forms	(6)
November 2008 billing forms	(2)
November 2008 postage	(211)
November 2008 postage	(45)
November 2008 postage	(15)
December 2008 billing forms	(27)
December 2008 billing forms	(6)
December 2008 billing forms	(2)
December 2008 postage	(213)
December 2008 postage	(45)
December 2008 postage	(15)
November 2009 billing forms	2
November 2009 postage	59
December 2009 billing forms	26
December 2009 billing forms	6
December 2009 billing forms	2
December 2009 postage	267
December 2009 postage	54
December 2009 postage	19
<b>Total Adjustment F</b>	<b>\$ (179)</b>

Antelope Run Water Company/East Slope Water Company/Indiada Water Company  
 Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171  
 Test Year Ended December 31, 2009

**Rebuttal Schedule C-2b**  
**Title: Income Statement Proforma**  
**Adjustments**

**DETAIL OF PROPOSED OUTSIDE SERVICES EXPENSE ADJUSTMENT**

<u>Description</u>	<u>Amount</u>
Other November 2008 services	\$ (472)
December 2008 accounting	(130)
December 2008 accounting	(195)
December 2008 accounting	(130)
November 2009 accounting	130
December 2009 accounting	130
December 2009 accounting	130
December 2009 accounting	195
Remove test year management fees expense per general ledger - Indiada	(5,602)
Remove test year management fees expense per general ledger - Antelope Run	(18,528)
Remove test year management fees expense per general ledger - East Slope	(87,926)
Proforma management fees expense - Consolidated	<u>142,702</u>
<b>Total Adjustment G</b>	<b>\$ <u><u>30,304</u></u></b>

Note: Management fees for the consolidated entity are less than each entity separate:

Indiada	\$ 9,636
Antelope Run	29,258
East Slope	<u>115,498</u>
Three company combined total	\$ 154,393
Consolidated total	<u>142,702</u>
Total Management fees savings due to consolidation	<u><u>\$ 11,691</u></u>

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule C-2c**

**Title: Income Statement Proforma**

**Adjustments**

**DETAIL OF PROPOSED TRANSPORTATION EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 mileage	\$ (109)
November 2008 mileage	(367)
November 2008 mileage	(82)
December 2008 mileage	(338)
December 2008 mileage	(1,031)
December 2008 mileage	(230)
November 2009 mileage	178
December 2009 mileage	383
December 2009 mileage	817
December 2009 mileage	203
Non-recurring vehicle insurance refund	1,962
Non-recurring vehicle lease expenses	(600)
Non-recurring vehicle lease expenses	(200)
Non-recurring vehicle lease expenses	(200)
<b>Total Adjustment H</b>	<b>\$ 386</b>

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule C-2d**  
**Title: Income Statement Proforma**  
**Adjustments**

**DETAIL OF PROPOSED DEPRECIATION EXPENSE CALCULATION**

Account Number	Description	Plant @ End of Test Year 31-Dec-09	Proposed Depreciation Rate	Ref	Proposed Depreciation Expense
301	Intangibles	\$ 2,180	0.00%		\$ -
303	Land & Land Rights	5,984	0.00%		-
304	Structures & Improvements	9,622	3.33%		320
307	Wells & Springs	70,152	3.33%	1	916
311	Pumping Equipment	258,885	12.50%		32,361
320	Water Treatment Equipment	-			-
320.1	Water Treatment Plants	1,076	3.33%		36
320.2	Solution Chemical Feeders	-	20.00%		-
330	Distribution Reservoirs & Standpipes	4,978	2.22%		111
330.1	Storage Tanks	32,089	2.22%		712
330.2	Pressure Tanks.	13,941	5.00%		697
331	Transmission & Distribution Mains	299,883	2.00%	2	3,131
333	Services	474	3.33%	3	-
334	Meters & Meter Installations	21,118	8.33%	4	1,030
335	Hydrants	-	2.00%		-
339	Other Plant and Misc Equipment	-	6.67%		-
340	Office Furniture & Equipment	-	6.67%		-
340.1	Computers and Software	-	20.00%		-
341	Transportation Equipment	3,985	20.00%	5	-
343	Tools, Shop, and Garage Equipment	-	5.00%		-
345	Power Operated Equipment	-	5.00%		-
348	Other Tangible Plant	-	0.00%		-
<b>Totals</b>		<b>\$ 724,367</b>			<b>\$ 39,313</b>
Test Year Depreciation Expense					27,353
<b>Total Adjustment K</b>					<b>\$ 11,960</b>

**Explanations:**

**Ref**

- 1 \$42,649 of the total amount in account 307 - Wells & Springs, is fully depreciated.
- 2 \$143,358 of the total amount in account 331 - Transmission & Distribution Mains, is fully depreciated.
- 3 Amount in Account 333 (\$474) - Services, is fully depreciated.
- 4 \$8,759 of the total amount in account 334 - Meters & Meter Installations, is fully depreciated.
- 5 \$3,985 of the total amount in account 341 - Transportation Equipment, is fully depreciated.

Antelope Run Water Company/East Slope Water Company/Indiada Water Company  
 Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171  
 Test Year Ended December 31, 2009

**Rebuttal Schedule C-2e**  
**Title: Income Statement Proforma**  
**Adjustments**

**CALCULATION OF OPERATING INCOME ADJUSTMENT N  
 TO TEST YEAR INCOME TAX EXPENSE**

***STATE INCOME TAX CALCULATION:***

Operating Income/(Loss) Before Taxes	\$	(80,384)	
Less:			
Estimated Interest Expense			
Arizona Taxable Income	\$	(80,384)	
Arizona Income Tax Rate		6.9680%	
Arizona Income Tax Expense	\$		(5,601)

***FEDERAL INCOME TAX CALCULATION:***

Operating Income/(Loss) Before Taxes	\$	(80,384)	
Less:			
Arizona Income Tax	\$	(5,601)	
Estimated Interest Expense		-	
Federal Taxable Income	\$	(85,986)	
Federal Income Tax Rate		15.7815%	
Federal Income Tax Expense	\$		(13,570)
Adjusted Test Year Income Tax Expense	\$		(19,171)
<b>Test Year Income Tax Expense</b>			<b>7,521</b>
<b>Total Adjustment N to Income Taxes</b>	<b>\$</b>		<b>(26,692)</b>

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule C-2f**

**Title: Income Statement Proforma  
Adjustments**

**CALCULATION OF OPERATING INCOME ADJUSTMENT Q  
TO PROPOSED INCOME TAX EXPENSE**

Revenue	\$	422,769	
Operating Expenses Excluding Income Tax		364,467	
Estimated Interest Expense			
Arizona Taxable Income			\$ 58,301
Arizona Income Tax Rate			6.9680%
Arizona Income Tax Expense			\$ 4,062
Federal Taxable Income	\$	54,239	
Federal Tax on 1st Income Range (\$1 - \$50,000) @ 15%	\$	7,500	
Federal Tax on 2nd Income Range (\$50,001 - \$75,000) @ 25%		1,060	
Federal Tax on 3rd Income Range (\$75,001 - \$100,000) @ 34%			
Federal Tax on 4th Income Range (\$100,001 - \$335,000) @ 39%			
Federal Tax on 5th Income Range (\$335,001 - \$10M) @ 34%		-	
Total Federal Income Tax Expense			8,560
Combined Federal and State Income Tax Expense	\$		12,622
Adjusted Test Year Income Tax Expense			(19,171)
<b>Adjustment Q to Income Tax Expense</b>	<b>\$</b>		<b>31,793</b>
Required Operating Income	\$	43,450	
Adjusted Test Year Operating Income/(Loss)		(61,213)	
Proposed Increase In Operating Income	\$		104,664
Income Taxes On Proposed Revenue	\$	12,622	
Income Taxes On Test Year Revenue		(19,171)	
Proposed Revenue Increase For Income Taxes	\$		31,793
Property Taxes On Proposed Revenue	\$	15,993	
Property Taxes On Test Year Revenue		13,764	
Proposed Revenue Increase For Property Taxes	\$		2,229
<b>Total Proposed Increase In Revenue</b>	<b>\$</b>		<b>138,685</b>

Antelope Run Water Company/East Slope Water Company/Indiada Water Company  
 Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171  
 Test Year Ended December 31, 2009

Rebuttal Schedule C-2g  
 Title: Income Statement Proforma  
 Adjustments

**DETAIL OF PROPOSED PURCHASED POWER EXPENSE ADJUSTMENT**

Description	Amount
Remove expenses prior to Test Year (East Slope)	\$ (4,298)
Remove credit adjustment for prior year (East Slope)	4,731
<b>Total Adjustment D</b>	<b>\$ 433</b>

*Please note: Adjustment B was reflected as a negative amount on the original application.*

**Invoices related to Staff's Adjustment #1 as reflected on Schedule JMM-9:**

SSVEC Account 6506500	\$ 213	
SSVEC Account 6956000	12	
SSVEC Account 6955900	12	
SSVEC Account 4154900	27	
SSVEC Account 4155200	2,388	
SSVEC Account 4159600	27	
SSVEC Account 4204600	893	
Total January SSVEC invoices provided	\$ 3,573	
Remove amount paid for February 2009	(740)	
Add invoice amount for February 2009	2,029	Account 4155200
<b>Staff's disallowance amount</b>	<b>\$ 4,862</b>	

The Company is providing \$3,573 of January 2009 invoices from Sulphur Springs Valley Electric Cooperative to support Staff's disallowed amount for purchased power. The remaining difference of \$1,289 is the amount that was overpaid on the January 2009 bill for account 4155200, resulting in a credit that was applied in February 2009.

Antelope Run Water Company/East Slope Water Company/Indiada Water Company  
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Test Year Ended December 31, 2009

Rebuttal Schedule C-2h  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED REPAIRS AND MAINTENANCE EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
Reclassify amount from Pumping Equipment	\$ 125
Reclassify amount from Pumping Equipment	130
Reclassify amount from Pumping Equipment	75
Reclassify amount from Meters <sup>1</sup>	116
Exclude expense prior to test year	(70)
Include test year expense for December 2009	90
<b>Total Adjustment E</b>	<b>\$ 466</b>

<sup>1</sup> This amount was excluded from Meters (334) on the original application, but was not included in Repairs and Maintenance.

**DETAIL OF PROPOSED PROPERTY TAX EXPENSE CALCULATION**

	Test Year as Adjusted	Company at Proposed Rates
Adjusted 2009 Test Year Revenue	\$ 284,083	\$ 284,083
Weight Factor	2	2
Subtotal	\$ 568,166	\$ 568,166
Company Recommended Revenue	284,083	422,769
Subtotal	\$ 852,249	\$ 990,935
Number of Years	3	3
Three Year Revenue Average	\$ 284,083	\$ 330,312
AZ Department of Revenue Multiplier	2	2
Revenue Base Value	\$ 568,166	\$ 660,623
Plus 10% of CWIP	2,854	2,854
Less: Net Book Value of Licensed Vehicles	-	-
<b>Full Cash Value</b>	<b>\$ 571,020</b>	<b>\$ 663,477</b>
Assessment Ratio	20.50%	20.50%
<b>Assessment Value</b>	<b>\$ 117,059</b>	<b>\$ 136,013</b>
<b>Revised Composite Property Tax Rate *</b>	<b>11.7583%</b>	<b>11.7583%</b>
Adjusted Test Year Property Tax Expense	\$ 13,764	
Actual Test Year Property Tax Expense	19,976	
<b>Total Adjustment M</b>	<b>\$ (6,212)</b>	
Projected Property Tax Expense	\$ 15,993	
Adjusted Test Year Property Tax Expense	13,764	
<b>Total Adjustment R</b>	<b>\$ 2,229</b>	
 <i>For Gross Revenue Conversion Factor:</i>		
Change in Property Tax Expense	\$ 2,229	
Change in Revenue Requirement	138,685	
Change in Property Tax per Dollar Increase in Revenue	1.6070%	

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule C-3**

**Title: Computation of Gross Revenue Conversion Factor**

Explanation:  
Schedule showing incremental taxes on gross revenues and the development of a gross revenue conversion factor.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

<u>Description</u>	<u>Calculation</u>
Revenue	1.0000
Combined Federal And State Tax Rate	(0.2292)
Property Tax Rate	(0.0161)
Subtotal	0.7547
<b>Gross Revenue Conversion Factor = 1/Operating Income %</b>	<b>1.3251</b>

*CALCULATION OF COMBINED FEDERAL AND STATE TAX RATE:*

Operating Income Before Taxes (Arizona Taxable Income)	100.0000%
Arizona State Income Tax Rate	6.9680%
Federal Taxable Income	93.0320%
Federal Income Tax Rate	15.9555%
Effective Federal Income Tax Rate	14.8437%
Combined Federal And State Income Tax Rates	22.9235%

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule D-1**

**Title: Summary Cost of Capital**

Explanation:  
Schedule showing elements of capital structure  
and the related cost.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)								
WIFA Loan	\$ -				\$ 3,000,000	95.28%	5.00%	4.76%
Short-Term Debt (a)								
Wells Fargo Credit Line	\$ 104,877	70.57%	10.75%	7.59%	\$ 104,877	3.33%	10.75%	0.36%
N. Watkins note	50,545	34.01%	10.00%	3.40%	50,545	1.61%	10.00%	0.16%
Common Equity (c)	(6,811)	-4.58%	-22.54%	1.03%	(6,811)	-0.22%	16.00%	-0.03%
Total	<u>\$ 148,611</u>	<u>100.00%</u>		<u>12.02%</u>	<u>\$ 3,148,611</u>	<u>100.00%</u>		<u>5.25%</u>

Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

Recap Schedules:

- (e) A-3

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**  
Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171  
Test Year Ended December 31, 2009

**Rebuttal Schedule E-1**  
**Title: Comparative Balance Sheet**

Explanation:  
Schedule showing comparative balance sheets at the end of the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specl Reqmt	<input type="checkbox"/>

	Test Year At 31-Dec-09	Prior Year 31-Dec-08	Prior Year 31-Dec-07
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 724,367	\$ 712,128	\$ 689,871
103 Property Held for Future Use	-	-	-
105 Construction Work in Process	2,854	-	-
108 Accumulated Depreciation	(457,119)	(435,722)	(423,505)
Total Property Plant & Equipment	\$ 270,101	\$ 276,405	\$ 266,366
Current Assts:			
131 Cash	\$ 10,441	\$ 19,871	\$ 5,446
135 Temporary Cash Investments	-	-	-
141 Customer Accounts Receivable	11,262	92	92
146 Notes/Receivables from Associated Companies	15,114	15,114	14,114
151 Plant Material and Supplies	-	-	-
162 Prepayments	-	-	-
174 Miscellaneous Current and Accrued Assets	3,020	3,000	3,000
Total Current Assets	\$ 39,837	\$ 38,077	\$ 22,652
<b>TOTAL ASSETS</b>	<b>\$ 309,938</b>	<b>\$ 314,482</b>	<b>\$ 289,018</b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201 Common Stock Issued	\$ 46,300	\$ 46,300	\$ 46,300
211 Paid in Capital in Excess of Par Value	(3,552)	(13,875)	(13,875)
215 Retained Earnings	(36,297)	(67,775)	(45,032)
216 Reacquired Capital Stock (Treasury)	(11,300)	(11,300)	(11,300)
218 Proprietary Capital	(1,962)	9,495	17,497
Total Capital	\$ (6,811)	\$ (37,155)	\$ (6,410)
Current Liabilities:			
231 Accounts Payable	\$ 89,203	\$ 88,115	\$ 26,394
232 Notes Payable (Current Portion)	-	-	20,200
234 Notes/Accounts Payable to Associated Companies	35,114	15,114	14,114
235 Customer Deposits	8,484	30,191	5,180
236 Accrued Taxes	(19)	1,220	4,519
241 Miscellaneous Current and Accrued Liabilities	155,422	158,895	136,000
Total Current Liabilities	\$ 288,204	\$ 293,535	\$ 206,407
224 Long-Term Debt (Over 12 Months)	\$ -	\$ 10,523	\$ 14,323
Deferred Credits:			
252 Advances In Aid Of Construction	\$ 19,239	\$ 47,579	\$ 74,698
271 Contributions In Aid Of Construction	242,033	-	-
272 Less: Amortization of Contributions	(232,726)	-	-
281 Accumulated Deferred Income Tax	-	-	-
Total Deferred Credits	\$ 28,546	\$ 47,579	\$ 74,698
Total Liabilities	\$ 316,750	\$ 351,637	\$ 295,428
<b>TOTAL LIABILITIES and CAPITAL</b>	<b>\$ 309,939</b>	<b>\$ 314,482</b>	<b>\$ 289,018</b>
Supporting Schedules:	Recap Schedules:		
(a) E-5	(b) A-3		

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule E-2  
Title: Comparative Income  
Statements**

**Explanation:**

Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specl Reqmt	<input type="checkbox"/>

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Revenues: (a)			
461 Metered Water Revenue	\$ 281,796	\$ 261,783	\$ 284,144
461.1 Surcharge Revenue	14,517	-	-
474 Other Water Revenue	3,724	2,482	4,186
Total Revenues	<u>\$ 300,037</u>	<u>\$ 264,265</u>	<u>\$ 288,330</u>
Operating Expenses (a)			
601 Salaries & Wages	\$ -	\$ 68,400	\$ 100,000
610 Purchased Water	1,700	2,150	4,009
615 Purchased Power	72,314	68,922	73,063
618 Chemicals	792	-	-
620 Repairs and Maintenance	16,143	22,983	13,671
621 Office Supplies and Expense	12,202	28,939	9,779
630 Outside Services	127,734	22,457	3,157
635 Water Testing	8,008	5,017	2,235
641 Rents	-	3,600	4,800
650 Transportation Expense	21,419	14,813	12,760
657 Insurance - General liability	6,565	3,685	5,298
659 Insurance - Health and Life	-	-	-
666 Regulatory Commission Expense - Rate Case	4,618	-	-
675 Miscellaneous Expense	5	556	10,985
403 Depreciation Expense	27,353	30,429	31,082
408 Taxes Other Than Income	(1,127)	8,134	13,116
408.11 Property Taxes	19,976	8,632	17,293
409 Income Tax	7,521	-	(913)
Total Operating Expenses	<u>\$ 325,223</u>	<u>\$ 288,717</u>	<u>\$ 300,335</u>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (25,186)</b>	<b>\$ (24,452)</b>	<b>\$ (12,005)</b>
Other Income/(Expense)			
419 Interest and Dividend Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	10,373	4,000
426 Miscellaneous Non-Utility Expense	-	-	(700)
427 Interest Expense	(1,544)	(10,742)	(14,529)
Total Other Income/(Expense)	<u>\$ (1,544)</u>	<u>\$ (369)</u>	<u>\$ (11,229)</u>
<b>NET INCOME/(LOSS)</b>	<b>\$ (26,730)</b>	<b>\$ (24,821)</b>	<b>\$ (23,234)</b>

Supporting Schedules:

Recap Schedules:

A-2

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule E-5**

**Title: Detail of Utility Plant**

Explanation:

Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specil Reqmt	<input type="checkbox"/>

Account Number	Description	End of Prior Year at 31-Dec-08	Net Additions	End of Test Year at 31-Dec-09
301	Intangibles	\$ 2,180	\$ -	\$ 2,180
303	Land & Land Rights	5,984	-	5,984
304	Structures & Improvements	9,622	-	9,622
307	Wells & Springs	70,152	-	70,152
311	Pumping Equipment	231,440	27,445	258,885
320	Water Treatment Equipment	-	-	-
320.1	Water Treatment Plants	1,076	-	1,076
320.2	Solution Chemical Feeders	-	-	-
330	Distribution Reservoirs & Standpipes	4,978	-	4,978
330.1	Storage Tanks	32,089	-	32,089
330.2	Pressure Tanks.	13,941	-	13,941
331	Transmission & Distribution Mains	294,435	5,448	299,883
333	Services	474	-	474
334	Meters & Meter Installations	19,938	1,180	21,118
335	Hydrants	-	-	-
339	Other Plant and Misc Equipment	-	-	-
340	Office Furniture & Equipment	3,789	(3,789)	-
340.1	Computers and Software	-	-	-
341	Transportation Equipment	22,030	(18,045)	3,985
343	Tools, Shop, and Garage Equipment	-	-	-
345	Power Operated Equipment	-	-	-
348	Other Tangible Plant	-	-	-
<b>Total Plant In Service</b>		<b>\$ 712,128</b>	<b>\$ 12,239</b>	<b>\$ 724,367</b>
108	Accumulated Depreciation	\$ (435,722)	\$ (21,397)	\$ (457,119)
Net Plant In Service		\$ 276,405	\$ (9,158)	\$ 267,248
103	Property Held for Future Use	\$ -	\$ -	\$ -
105	Construction Work in Process	-	2,854	2,854
<b>Total Net Plant</b>		<b>\$ 276,405</b>	<b>\$ (6,304)</b>	<b>\$ 270,102</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule E-7  
Title: Operating Statistics**

Explanation:  
Schedule showing key operating statistics in comparative format,  
for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

<b>Water Statistics:</b>	<b>Test Year Ended 31-Dec-09</b>	<b>Prior Year Ended 31-Dec-08</b>	<b>Prior Year Ended 31-Dec-07</b>
Gallons Sold - By Class of Service:			
Residential	107,341,768	101,673,794	118,214,705
Commercial	5,830,232	5,502,206	6,931,625
Average Number of Customers - By Class of Service:			
Residential	954	989	951
Commercial	55	54	52
Average Annual Gallons Per Residential Customer	112,518	102,826	124,297
Average Annual Revenue Per Residential Customer	*	*	*
Pumping Cost Per 1,000 Gallons	\$ 0.6390	\$ 0.6431	\$ 0.5838

\* Current customer rates differ by company, please see each individual company application.

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**  
 Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171  
 Test Year Ended December 31, 2009

**Rebuttal Schedule E-8**  
**Title: Taxes Charged to Operations**

Explanation:  
 Schedule showing all significant taxes charged to operations for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specl Reqmt	<input type="checkbox"/>

<b>Description</b>	<b>Test Year Ended 31-Dec-09</b>	<b>Prior Year Ended 31-Dec-08</b>	<b>Prior Year Ended 31-Dec-07</b>
<b>Federal Taxes:</b>			
Income	\$ 7,521	\$ -	\$ (931)
Payroll	(1,160)	5,781	8,450
<b>Total Federal Taxes</b>	<b>\$ 6,361</b>	<b>\$ 5,781</b>	<b>\$ 7,519</b>
<b>State Taxes:</b>			
Income	\$ -	\$ -	\$ -
Payroll	33	2,354	4,666
<b>Total State Taxes</b>	<b>\$ 33</b>	<b>\$ 2,354</b>	<b>\$ 4,666</b>
<b>Local Taxes:</b>			
Property	\$ 19,976	\$ 8,632	\$ 17,293
<b>Total Taxes</b>	<b>\$ 26,370</b>	<b>\$ 16,766</b>	<b>\$ 29,478</b>

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule E-9  
Title: Notes to Financial  
Statements**

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specl Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of the consolidated entity will be kept as accrual based, and will also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**Proposed depreciation rates are depicted on Schedule C-2d as well as on the plant schedule as part of the financing application. These rates were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**It is undetermined at this time if depreciation expense will be the same for regulatory purposes and tax purposes. However, it is likely that the consolidated entity will follow what East Slope Water has done in the past, and book depreciation will be used for tax purposes. Additionally, since the consolidated entity will be a C-Corp, it will pay its own income taxes.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company/East Slope Water Company/Indiada Water Company  
Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171  
Test Year Ended December 31, 2009

Rebuttal Schedule F-1

Title: Projected Income Statements -  
Present and Proposed Rates

Explanation:  
Schedule showing an income statement for the projected year,  
compared with actual test year results, at present and proposed  
rates.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec Reqmt	<input type="checkbox"/>

	Actual Test Year Ended (a) 31-Dec-09	Projected Year	
		At Present Rates Year Ended (b) 31-Dec-10	At Proposed Rates Year Ended (b) 31-Dec-10
<b>Operating Revenues:</b>			
461 Metered Water Revenue	\$ 281,796	\$ 280,359	\$ 419,045
461.1 Surcharge Revenue	14,517	-	-
474 Other Water Revenue	3,724	3,724	3,724
<b>Total Operating Revenue</b>	<b>\$ 300,037</b>	<b>\$ 284,083</b>	<b>\$ 422,769</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ -	\$ -	\$ -
610 Purchased Water	1,700	-	-
615 Purchased Power	72,314	72,747	72,747
618 Chemicals	792	792	792
620 Repairs & Maintenance	16,143	16,609	16,609
621 Office Supplies and Expense	12,202	12,023	12,023
630 Outside Services	127,734	158,038	158,038
635 Water Testing	8,008	8,008	8,008
641 Rental Expense	-	-	-
650 Transportation Expense	21,419	21,805	21,805
657 Insurance - General Liability	6,565	6,491	6,491
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	4,618	14,873	14,873
675 Miscellaneous Expense	5	5	5
403 Depreciation & Amortization	27,353	39,313	39,313
408 Property Taxes	19,976	13,764	15,993
408.1 Taxes Other Than Income	(1,127)	-	-
409 Income Taxes	7,521	(19,171)	12,622
<b>Total Operating Expenses</b>	<b>\$ 325,223</b>	<b>\$ 345,296</b>	<b>\$ 379,318</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (25,186)</b>	<b>\$ (61,213)</b>	<b>\$ 43,450</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	(1,544)	(1,544)	(1,544)
<b>Total Other Income/(Expense)</b>	<b>\$ (1,544)</b>	<b>\$ (1,544)</b>	<b>\$ (1,544)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (26,730)</b>	<b>\$ (62,757)</b>	<b>\$ 41,907</b>
Earnings per share of average Common Stock Outstanding	\$ (66.83)	\$ (156.89)	\$ 104.77
% Return on Common Equity		Negative Equity	

Supporting Schedules:  
(a) E-2

Recap Schedules:  
(b) A-2

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**  
 Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171  
 Test Year Ended December 31, 2009

**Rebuttal Schedule F-3**  
**Title: Projected Construction Requirements**

Explanation:  
 Schedule showing projected annual construction requirements,  
 by property classification, for 1 to 3 years subsequent to the  
 test year compared with the test year.

Required for: All Utilities  
 Class A  
 Class B  
 Class C  
 Class D  
 Specl Reqmt

X

<u>Property Classification</u>	<u>Actual Test Year Ended 12/31/2009</u>	<u>End of Projected Year 1</u>
Production Plant	\$ 27,445	\$ 377,294
Transmission Plant	5,448	2,625,560
Other Plant	1,180	-
Total Plant	<u>\$ 34,073</u>	<u>\$ 3,002,854</u>

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:  
 (a) F-2 & A-4

**Antelope Run Water Company/East Slope Water Company/Indiada Water Company**

Docket Nos. W-02327A-10-0171, W-01906A-10-0171, and W-02031A-10-0171

Test Year Ended December 31, 2009

**Rebuttal Schedule F-4  
Title: Assumptions Used in  
Developing Projections**

Explanation:

Documentation of important assumptions used in preparing forecasts and projections

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

**The company has experienced no growth in the past few years.**

2 Growth in consumption and customer demand

**The company does not anticipate an increase in customer consumption and demand due to the proposed tiered rate structure.**

3 Changes in expenses

**The company believes the test year 2009, with the limited proforma adjustments included in this application, accurately depict expense levels for the consolidated entity going forward.**

4 Construction requirements including production reserves and changes in plant capacity

**The Company is seeking a loan from WIFA for the proposed consolidated entity totaling \$3 million to replace lines, add storage, and upgrade pumps and electrical at wells and booster sites.**

5 Capital structure changes

**If the proposed consolidation of Indiada Water Company, Antelope Run Water, and East Slope Water Company is approved, the new or surviving entity is to be structured as a C-Corp.**

6 Financing costs, interest rates

**The company proposes to borrow funds from WIFA, and it will be required to pay WIFA's normal fees, reserves, and the prevailing interest rate at the time the loan is closed. The consolidated entity's total share of the interest expense is included on the income statement.**

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company/East Slope Water Company/ Indiada Water Company Consolidated  
Docket No. W-02327A-10-0171 et al. Rebuttal Schedule: H-1  
Test Year Ended December 31, 2009 Title: Summary of Revenues by Customer  
Classification - Present and Proposed Rates

Explanation: Required for: All Utilities   
Schedule comparing revenues by customer classification for Class A   
the Test Year, at present and proposed rates. Class B   
Class C   
Class D   
Specl Reqmt

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
<b>Residential</b>				
5/8 x 3/4 inch	\$ 253,283	\$ 371,093	\$ 117,810	46.51%
1 inch	6,390	5,727	(663)	-10.38%
1.5 inch	4,417	8,168	3,751	84.91%
<b>Total Residential</b>	<b>\$ 264,090</b>	<b>\$ 384,987</b>	<b>\$ 120,898</b>	<b>45.78%</b>
<b>Commercial</b>				
5/8 x 3/4 inch	\$ 9,997	\$ 15,850	\$ 5,853	58.55%
1 inch	1,844	9,955	8,112	440.01%
1.5 inch	1,855	3,441	1,586	85.46%
2 inch	2,574	4,812	2,238	86.96%
<b>Total Commercial</b>	<b>\$ 16,269</b>	<b>\$ 34,058</b>	<b>\$ 17,788</b>	<b>109.34%</b>
<b>Total Metered Water Revenues</b>	<b>\$ 280,359</b>	<b>\$ 419,045</b>	<b>\$ 138,686</b>	<b>49.47%</b>
Other Revenues	3,724	3,724	-	0.00%
<b>Total Revenues</b>	<b>\$ 284,083</b>	<b>\$ 422,769</b>	<b>\$ 138,686</b>	<b>48.82%</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules: Recap Schedules:  
(a) H-2 (b) A-1

**Antelope Run Water Company/East Slope Water Company/ Indiada Water Company Consolidated**

Docket No. W-02327A-10-0171 et al.

Test Year Ended December 31, 2009

**Rebuttal Schedule: H-3**

**Title: Changes in Representative Rate Schedules - Page 1 of 2**

Explanation:  
Schedule comparing present rate schedules with proposed rate schedule.

*(Note: Rates apply to both residential and commercial usage)*

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

<u>Description</u>	<u>Present Rate</u>	<u>Proposed Rate</u>
<b>MONTHLY USAGE CHARGE</b>		
5/8" x 3/4" Meter	NA	\$ 13.43
3/4" Meter	NA	20.15
1" Meter	NA	33.58
1-1/2" Meter	NA	67.15
2" Meter	NA	107.44
3" Meter	NA	214.88
4" Meter	NA	335.75
6" Meter	NA	671.50
<b>Commodity Charges Per 1,000 Gallons:</b>		
<b><u>5/8 x 3/4 - inch meter</u></b>		
Tier one: 0 - 3,000 Gallons	NA	\$ 1.00
Tier two: 3,001 to 10,000 Gallons	NA	1.80
Tier three: All Gallons Over 10,000	NA	3.24
<b><u>3/4 - inch meter</u></b>		
Tier one: 0 - 3,000 Gallons	NA	\$ 1.00
Tier two: 3,001 to 10,000 Gallons	NA	1.80
Tier three: All Gallons Over 10,000	NA	3.24
<b><u>One - inch meter</u></b>		
Tier one: 0 - 10,000 Gallons	NA	\$ 1.80
Tier two: All Gallons Over 25,000	NA	3.24
<b><u>One and one half - inch meter</u></b>		
Tier one: 0 - 20,000 Gallons	NA	\$ 1.80
Tier two: All Gallons Over 50,000	NA	3.24
<b><u>Two - inch meter</u></b>		
Tier one: 0 - 20,000 Gallons	NA	\$ 1.80
Tier two: All Gallons Over 80,000	NA	3.24
<b><u>Three - inch meter</u></b>		
Tier one: 0 - 20,000 Gallons	NA	\$ 1.80
Tier two: All Gallons Over 140,000	NA	3.24
<b><u>Four - inch meter</u></b>		
Tier one: 0 - 20,000 Gallons	NA	\$ 1.80
Tier two: All Gallons Over 200,000	NA	3.24
<b><u>Six - inch meter</u></b>		
Tier one: 0 - 20,000 Gallons	NA	\$ 1.80
Tier two: All Gallons Over 400,000	NA	3.24

Antelope Run Water Company/East Slope Water Company/ Indiada Water Company Consolidated

Docket No. W-02327A-10-0171 et al.

Rebuttal Schedule: H-3  
 Title: Changes in Representative Rate  
 Schedules - Page 2 of 2

Description	Present Rate	Proposed Rate
<b>SERVICE CHARGES</b>		
Establishment	NA	\$ 35.00
Reconnection (Delinquent)	NA	35.00
Meter Test (If Correct)	NA	25.00
Meter Reread (If Correct)	NA	20.00
NSF Check Charge	NA	25.00
Deposit		*
Deposit Interest (Per Annum)		*
Deferred Payment (Per Month)	1.50%	**
Late Charge (Per Month)	2%	**
Re-establishment (Within 12 Months)		***
After Hours Service Charge		35.00
<b>MONTHLY SERVICE CHARGE</b>		
<b>FOR FIRE SPRINKLER:</b>	N/A	****

**SERVICE LINE AND METER INSTALLATION CHARGES**

Refundable Pursuant to AAC R14-2-405

Description	Present Rate	Proposed Rates		
		Service Line	Meter Charge	Total Charge
5/8" x 3/4" Meter	NA	\$ 430.00	\$ 130.00	\$ 560.00
3/4" Meter	NA	430.00	230.00	660.00
1" Meter	NA	480.00	290.00	770.00
1-1/2" Meter	NA	535.00	500.00	1,035.00
2" Meter - Turbine	NA	815.00	1,020.00	1,835.00
2" Meter - Compound	NA	815.00	1,865.00	2,680.00
3" Meter - Turbine	NA	1,030.00	1,645.00	2,675.00
3" Meter - Compound	NA	1,150.00	2,545.00	3,695.00
4" Meter - Turbine	NA	1,460.00	2,620.00	4,080.00
4" Meter - Compound	NA	1,640.00	3,595.00	5,235.00
6" Meter - Turbine	NA	2,180.00	4,975.00	7,155.00
6" Meter - Compound	NA	2,300.00	6,870.00	9,170.00

\* Per Commission Rule AAC R-14-2-403(B).

\*\* 1.50% of unpaid monthly balance.

\*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).

\*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

Antelope Run Water Company/East Slope Water Company/ Indiada Water Company Consolidated  
 Docket No. W-02327A-10-0171 et al.  
 Test Year Ended December 31, 2009

Rebuttal Schedule: H-4  
 Title: Typical Bill  
 Analysis  
 Page 1 of 4

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage.)

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

5/8" x 3/4" meter

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	NA	\$ 13.43	NA
1,000	NA	14.43	NA
2,000	NA	15.43	NA
3,000	NA	16.43	NA
4,000	NA	18.23	NA
5,000	NA	20.03	NA
6,000	NA	21.83	NA
7,000	NA	23.63	NA
8,000	NA	25.43	NA
9,000	NA	27.23	NA
10,000	NA	29.03	NA
13,000	NA	38.75	NA
15,000	NA	45.23	NA
20,000	NA	61.43	NA
25,000	NA	77.63	NA
50,000	NA	158.63	NA
75,000	NA	239.63	NA
100,000	NA	320.63	NA
125,000	NA	401.63	NA
150,000	NA	482.63	NA
175,000	NA	563.63	NA
200,000	NA	644.63	NA

Supporting Schedules:

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage.)

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

**1 inch meter**

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	NA	\$ 33.58	NA
1,000	NA	35.38	NA
2,000	NA	37.18	NA
3,000	NA	38.98	NA
4,000	NA	40.78	NA
5,000	NA	42.58	NA
6,000	NA	44.38	NA
7,000	NA	46.18	NA
8,000	NA	47.98	NA
9,000	NA	49.78	NA
10,000	NA	51.58	NA
15,000	NA	67.78	NA
20,000	NA	83.98	NA
25,000	NA	100.18	NA
40,000	NA	148.78	NA
50,000	NA	181.18	NA
75,000	NA	262.18	NA
100,000	NA	343.18	NA
125,000	NA	424.18	NA
150,000	NA	505.18	NA
175,000	NA	586.18	NA
200,000	NA	667.18	NA

Supporting Schedules:

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage.)

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

**1.5 inch meter**

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	NA	\$ 67.15	NA
1,000	NA	68.95	NA
2,000	NA	70.75	NA
3,000	NA	72.55	NA
4,000	NA	74.35	NA
5,000	NA	76.15	NA
6,000	NA	77.95	NA
7,000	NA	79.75	NA
8,000	NA	81.55	NA
9,000	NA	83.35	NA
10,000	NA	85.15	NA
15,000	NA	94.15	NA
20,000	NA	103.15	NA
25,000	NA	119.35	NA
50,000	NA	200.35	NA
75,000	NA	281.35	NA
100,000	NA	362.35	NA
125,000	NA	443.35	NA
150,000	NA	524.35	NA
175,000	NA	605.35	NA
200,000	NA	686.35	NA

Supporting Schedules:

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage.)

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

**2 inch meter**

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	NA	\$ 107.44	NA
1,000	NA	109.24	NA
2,000	NA	111.04	NA
3,000	NA	112.84	NA
4,000	NA	114.64	NA
5,000	NA	116.44	NA
6,000	NA	118.24	NA
7,000	NA	120.04	NA
8,000	NA	121.84	NA
9,000	NA	123.64	NA
10,000	NA	125.44	NA
15,000	NA	134.44	NA
20,000	NA	143.44	NA
25,000	NA	159.64	NA
50,000	NA	240.64	NA
75,000	NA	321.64	NA
100,000	NA	402.64	NA
125,000	NA	483.64	NA
150,000	NA	564.64	NA
175,000	NA	645.64	NA
200,000	NA	726.64	NA

Supporting Schedules:

Explanation:  
 Schedule(s) showing billing activity by block for each rate  
 schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec Reqmt	<input type="checkbox"/>

5/8 x 3/4 inch meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	262	-	262	2.32%	-	0.00%
1 to 1,000	525	262,500	787	6.97%	262,500	0.25%
1,001 to 2,000	867	1,300,500	1,654	14.65%	1,563,000	1.51%
2,001 to 3,000	1,069	2,672,500	2,723	24.11%	4,235,500	4.10%
3,001 to 4,000	1,205	4,217,500	3,928	34.78%	8,453,000	8.18%
4,001 to 5,000	1,174	5,283,000	5,102	45.18%	13,736,000	13.29%
5,001 to 6,000	974	5,357,000	6,076	53.80%	19,093,000	18.47%
6,001 to 7,000	728	4,732,000	6,804	60.25%	23,825,000	23.04%
7,001 to 8,000	573	4,297,500	7,377	65.32%	28,122,500	27.20%
8,001 to 9,000	498	4,233,000	7,875	69.73%	32,355,500	31.30%
9,001 to 10,000	393	3,733,500	8,268	73.21%	36,089,000	34.91%
10,001 to 12,000	589	6,479,000	8,857	78.43%	42,568,000	41.17%
12,001 to 14,000	445	5,785,000	9,302	82.37%	48,353,000	46.77%
14,001 to 16,000	343	5,145,000	9,645	85.41%	53,498,000	51.74%
16,001 to 18,000	268	4,556,000	9,913	87.78%	58,054,000	56.15%
18,001 to 20,000	206	3,914,000	10,119	89.60%	61,968,000	59.94%
20,001 to 25,000	389	8,752,500	10,508	93.05%	70,720,500	68.40%
25,001 to 30,000	245	6,737,500	10,753	95.22%	77,458,000	74.92%
30,001 to 35,000	155	5,037,500	10,908	96.59%	82,495,500	79.79%
35,001 to 40,000	95	3,562,500	11,003	97.43%	86,058,000	83.24%
40,001 to 50,000	120	5,400,000	11,123	98.49%	91,458,000	88.46%
50,001 to 60,000	64	3,520,000	11,187	99.06%	94,978,000	91.87%
60,001 to 70,000	35	2,275,000	11,222	99.37%	97,253,000	94.07%
70,001 to 80,000	26	1,950,000	11,248	99.60%	99,203,000	95.95%
80,001 to 90,000	9	765,000	11,257	99.68%	99,968,000	96.69%
90,001 to 99,999	9	855,000	11,266	99.76%	100,823,000	97.52%
102,180	1	95,000	11,267	99.77%	100,918,000	97.61%
102,280	1	95,000	11,268	99.78%	101,013,000	97.70%
106,900	1	95,000	11,269	99.79%	101,108,000	97.79%
108,540	1	95,000	11,270	99.80%	101,203,000	97.89%
108,570	1	95,000	11,271	99.81%	101,298,000	97.98%
114,980	1	95,000	11,272	99.81%	101,393,000	98.07%
119,360	1	95,000	11,273	99.82%	101,488,000	98.16%
120,560	1	95,000	11,274	99.83%	101,583,000	98.25%
124,600	1	95,000	11,275	99.84%	101,678,000	98.35%
124,790	1	95,000	11,276	99.85%	101,773,000	98.44%
125,130	1	95,000	11,277	99.86%	101,868,000	98.53%
125,670	1	95,000	11,278	99.87%	101,963,000	98.62%
127,000	1	95,000	11,279	99.88%	102,058,000	98.71%
129,330	1	95,000	11,280	99.88%	102,153,000	98.81%
132,310	1	95,000	11,281	99.89%	102,248,000	98.90%
138,190	1	95,000	11,282	99.90%	102,343,000	98.99%
144,140	1	95,000	11,283	99.91%	102,438,000	99.08%
146,590	1	95,000	11,284	99.92%	102,533,000	99.17%
149,390	1	95,000	11,285	99.93%	102,628,000	99.26%
151,900	1	95,000	11,286	99.94%	102,723,000	99.36%
154,150	1	95,000	11,287	99.95%	102,818,000	99.45%
177,740	1	95,000	11,288	99.96%	102,913,000	99.54%
180,720	1	95,000	11,289	99.96%	103,008,000	99.63%
192,510	1	95,000	11,290	99.97%	103,103,000	99.72%
195,840	1	95,000	11,291	99.98%	103,198,000	99.82%
197,030	1	95,000	11,292	99.99%	103,293,000	99.91%
217,240	1	95,000	11,293	100.00%	103,388,000	100.00%
11,293		103,388,000				

Average Number of Customers 941  
 Average Consumption 9,155  
 Median Consumption 5,559

Supporting Schedules:

Recap Schedules:

Explanation:  
 Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specil Reqmt	<input type="checkbox"/>

5/8 x 3/4 inch meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	38	-	38	7.92%	-	0.00%
1 to 1,000	106	53,000	144	30.00%	53,000	1.29%
1,001 to 2,000	70	105,000	214	44.58%	158,000	3.85%
2,001 to 3,000	32	80,000	246	51.25%	238,000	5.80%
3,001 to 4,000	17	59,500	263	54.79%	297,500	7.25%
4,001 to 5,000	18	81,000	281	58.54%	378,500	9.23%
5,001 to 6,000	17	93,500	298	62.08%	472,000	11.51%
6,001 to 7,000	11	71,500	309	64.38%	543,500	13.25%
7,001 to 8,000	22	165,000	331	68.96%	708,500	17.27%
8,001 to 9,000	11	93,500	342	71.25%	802,000	19.55%
9,001 to 10,000	9	85,500	351	73.13%	887,500	21.64%
10,001 to 12,000	23	253,000	374	77.92%	1,140,500	27.80%
12,001 to 14,000	17	221,000	391	81.46%	1,361,500	33.19%
14,001 to 16,000	15	225,000	406	84.58%	1,586,500	38.68%
16,001 to 18,000	10	170,000	416	86.67%	1,756,500	42.82%
18,001 to 20,000	7	133,000	423	88.13%	1,889,500	46.06%
20,001 to 25,000	22	495,000	445	92.71%	2,384,500	58.13%
25,001 to 30,000	11	302,500	456	95.00%	2,687,000	65.50%
30,001 to 35,000	3	97,500	459	95.63%	2,784,500	67.88%
35,001 to 40,000	5	187,500	464	96.67%	2,972,000	72.45%
40,001 to 50,000	4	180,000	468	97.50%	3,152,000	76.84%
50,001 to 60,000	3	165,000	471	98.13%	3,317,000	80.86%
60,001 to 70,000	4	260,000	475	98.96%	3,577,000	87.20%
70,001 to 80,000	1	75,000	476	99.17%	3,652,000	89.03%
80,001 to 90,000	-	-	476	99.17%	3,652,000	89.03%
90,001 to 99,999	3	285,000	479	99.79%	3,937,000	95.97%
165,110	1	165,110	480	100.00%	4,102,110	100.00%
	480	4,102,110				

Average Number of Customers	40
Average Consumption	8,546
Median Consumption	2,813

Supporting Schedules:

Recap Schedules:

Explanation:  
 Schedule(s) showing billing activity by block for each rate  
 schedule.

Required for: All Utilities   
 Class A   
 Class B   
 Class C   
 Class D   
 Specl Reqmt

**1 inch meter - Residential**

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	13	-	13	12.62%	-	0.00%
1 to 1,000	1	500	14	13.59%	500	0.05%
1,001 to 2,000	6	9,000	20	19.42%	9,500	0.87%
2,001 to 3,000	11	27,500	31	30.10%	37,000	3.40%
3,001 to 4,000	6	21,000	37	35.92%	58,000	5.33%
4,001 to 5,000	15	67,500	52	50.49%	125,500	11.52%
5,001 to 6,000	5	27,500	57	55.34%	153,000	14.05%
6,001 to 7,000	5	32,500	62	60.19%	185,500	17.03%
7,001 to 8,000	1	7,500	63	61.17%	193,000	17.72%
8,001 to 9,000	5	42,500	68	66.02%	235,500	21.62%
9,001 to 10,000	2	19,000	70	67.96%	254,500	23.37%
10,001 to 12,000	5	55,000	75	72.82%	309,500	28.42%
12,001 to 14,000	5	65,000	80	77.67%	374,500	34.39%
14,001 to 16,000	3	45,000	83	80.58%	419,500	38.52%
16,001 to 18,000	2	34,000	85	82.52%	453,500	41.64%
18,001 to 20,000	1	19,000	86	83.50%	472,500	43.38%
20,001 to 25,000	9	202,500	95	92.23%	675,000	61.98%
25,001 to 30,000	2	55,000	97	94.17%	730,000	67.03%
30,001 to 35,000	1	32,500	98	95.15%	762,500	70.01%
35,001 to 40,000	-	-	98	95.15%	762,500	70.01%
40,001 to 50,000	3	135,000	101	98.06%	897,500	82.41%
50,001 to 60,000	-	-	101	98.06%	897,500	82.41%
60,001 to 70,000	1	65,000	102	99.03%	962,500	88.38%
70,001 to 80,000	-	-	102	99.03%	962,500	88.38%
80,001 to 90,000	-	-	102	99.03%	962,500	88.38%
90,001 to 99,999	-	-	102	99.03%	962,500	88.38%
126,590	1	126,590	103	100.00%	1,089,090	100.00%
	103	1,089,090				

Average Number of Customers 8.58  
 Average Consumption 10,574  
 Median Consumption 4,967

Supporting Schedules:

Recap Schedules:

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

**1 inch meter - Commercial**

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	13	-	13	10.83%	-	0.00%
1 to 1,000	1	500	14	11.67%	500	0.02%
1,001 to 2,000	-	-	14	11.67%	500	0.02%
2,001 to 3,000	5	12,500	19	15.83%	13,000	0.54%
3,001 to 4,000	9	31,500	28	23.33%	44,500	1.85%
4,001 to 5,000	12	54,000	40	33.33%	98,500	4.09%
5,001 to 6,000	6	33,000	46	38.33%	131,500	5.46%
6,001 to 7,000	11	71,500	57	47.50%	203,000	8.42%
7,001 to 8,000	8	60,000	65	54.17%	263,000	10.91%
8,001 to 9,000	3	25,500	68	56.67%	288,500	11.97%
9,001 to 10,000	2	19,000	70	58.33%	307,500	12.76%
10,001 to 12,000	7	77,000	77	64.17%	384,500	15.95%
12,001 to 14,000	3	39,000	80	66.67%	423,500	17.57%
14,001 to 16,000	6	90,000	86	71.67%	513,500	21.31%
16,001 to 18,000	5	85,000	91	75.83%	598,500	24.83%
18,001 to 20,000	1	19,000	92	76.67%	617,500	25.62%
20,001 to 25,000	4	90,000	96	80.00%	707,500	29.35%
25,001 to 30,000	2	55,000	98	81.67%	762,500	31.64%
30,001 to 35,000	2	65,000	100	83.33%	827,500	34.33%
35,001 to 40,000	1	37,500	101	84.17%	865,000	35.89%
40,001 to 50,000	2	90,000	103	85.83%	955,000	39.62%
50,001 to 60,000	1	55,000	104	86.67%	1,010,000	41.91%
60,001 to 70,000	5	325,000	109	90.83%	1,335,000	55.39%
70,001 to 80,000	3	225,000	112	93.33%	1,560,000	64.73%
80,001 to 90,000	1	85,000	113	94.17%	1,645,000	68.25%
90,001 to 99,999	2	190,000	115	95.83%	1,835,000	76.14%
101,150	1	101,150	116	96.67%	1,936,150	80.33%
103,110	1	103,110	117	97.50%	2,039,260	84.61%
108,130	1	108,130	118	98.33%	2,147,390	89.10%
119,030	1	119,030	119	99.17%	2,266,420	94.04%
143,750	1	143,750	120	100.00%	2,410,170	100.00%
	120	2,410,170				

Average Number of Customers	10.00
Average Consumption	20,085
Median Consumption	7,375

Supporting Schedules:

Recap Schedules:

Explanation:  
 Schedule(s) showing billing activity by block for each rate  
 schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

**1.5 inch meter - Residential**

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	8	-	8	16.33%	-	0.00%
1 to 1,000	3	1,500	11	22.45%	1,500	0.08%
1,001 to 2,000	1	1,500	12	24.49%	3,000	0.15%
2,001 to 3,000	-	-	12	24.49%	3,000	0.15%
3,001 to 4,000	1	3,500	13	26.53%	6,500	0.33%
4,001 to 5,000	1	4,500	14	28.57%	11,000	0.57%
5,001 to 6,000	7	38,500	21	42.86%	49,500	2.55%
6,001 to 7,000	1	6,500	22	44.90%	56,000	2.88%
7,001 to 8,000	2	15,000	24	48.98%	71,000	3.65%
8,001 to 9,000	2	17,000	26	53.06%	88,000	4.53%
9,001 to 10,000	-	-	26	53.06%	88,000	4.53%
10,001 to 12,000	-	-	26	53.06%	88,000	4.53%
12,001 to 14,000	2	26,000	28	57.14%	114,000	5.86%
14,001 to 16,000	1	15,000	29	59.18%	129,000	6.64%
16,001 to 18,000	-	-	29	59.18%	129,000	6.64%
18,001 to 20,000	-	-	29	59.18%	129,000	6.64%
20,001 to 25,000	2	45,000	31	63.27%	174,000	8.95%
25,001 to 30,000	1	27,500	32	65.31%	201,500	10.37%
30,001 to 35,000	2	65,000	34	69.39%	266,500	13.71%
35,001 to 40,000	2	75,000	36	73.47%	341,500	17.57%
40,001 to 50,000	1	45,000	37	75.51%	386,500	19.88%
50,001 to 60,000	-	-	37	75.51%	386,500	19.88%
60,001 to 70,000	-	-	37	75.51%	386,500	19.88%
70,001 to 80,000	1	75,000	38	77.55%	461,500	23.74%
80,001 to 90,000	1	85,000	39	79.59%	546,500	28.11%
90,001 to 99,999	1	95,000	40	81.63%	641,500	33.00%
116,710	1	116,710	41	83.67%	758,210	39.01%
119,190	1	119,190	42	85.71%	877,400	45.14%
130,080	1	130,080	43	87.76%	1,007,480	51.83%
139,890	1	139,890	44	89.80%	1,147,370	59.03%
140,710	1	140,710	45	91.84%	1,288,080	66.26%
151,200	1	151,200	46	93.88%	1,439,280	74.04%
151,620	1	151,620	47	95.92%	1,590,900	81.84%
161,220	1	161,220	48	97.96%	1,752,120	90.14%
191,730	1	191,730	49	100.00%	1,943,850	100.00%
	49	1,943,850				

Average Number of Customers 4.08  
 Average Consumption 39,670  
 Median Consumption 8,250

Supporting Schedules:

Recap Schedules:

Explanation:  
 Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

**1.5 inch meter - Commercial**

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	4	-	4	12.12%	-	0.00%
1 to 1,000	8	4,000	12	36.36%	4,000	0.62%
1,001 to 2,000	-	-	12	36.36%	4,000	0.62%
2,001 to 3,000	1	2,500	13	39.39%	6,500	1.00%
3,001 to 4,000	1	3,500	14	42.42%	10,000	1.54%
4,001 to 5,000	1	4,500	15	45.45%	14,500	2.24%
5,001 to 6,000	-	-	15	45.45%	14,500	2.24%
6,001 to 7,000	-	-	15	45.45%	14,500	2.24%
7,001 to 8,000	-	-	15	45.45%	14,500	2.24%
8,001 to 9,000	-	-	15	45.45%	14,500	2.24%
9,001 to 10,000	-	-	15	45.45%	14,500	2.24%
10,001 to 12,000	1	11,000	16	48.48%	25,500	3.93%
12,001 to 14,000	1	13,000	17	51.52%	38,500	5.94%
14,001 to 16,000	-	-	17	51.52%	38,500	5.94%
16,001 to 18,000	-	-	17	51.52%	38,500	5.94%
18,001 to 20,000	-	-	17	51.52%	38,500	5.94%
20,001 to 25,000	1	22,500	18	54.55%	61,000	9.41%
25,001 to 30,000	3	82,500	21	63.64%	143,500	22.13%
30,001 to 35,000	5	162,500	26	78.79%	306,000	47.19%
35,001 to 40,000	3	112,500	29	87.88%	418,500	64.53%
40,001 to 50,000	2	90,000	31	93.94%	508,500	78.41%
50,001 to 60,000	-	-	31	93.94%	508,500	78.41%
60,001 to 70,000	1	65,000	32	96.97%	573,500	88.43%
70,001 to 80,000	1	75,000	33	100.00%	648,500	100.00%
80,001 to 90,000	-	-	33	100.00%	648,500	100.00%
90,001 to 99,999	-	-	33	100.00%	648,500	100.00%
>100,000	-	-	33	100.00%	648,500	100.00%
	33	648,500				

Average Number of Customers 2.75  
 Average Consumption 19,652  
 Median Consumption 12,500

Supporting Schedules:

Recap Schedules:

Explanation:  
 Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities   
 Class A   
 Class B   
 Class C   
 Class D   
 Speel Reqmt

**2 inch meter - Commercial**

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	-	-	-	0.00%	-	0.00%
2,001 to 3,000	-	-	-	0.00%	-	0.00%
3,001 to 4,000	-	-	-	0.00%	-	0.00%
4,001 to 5,000	4	18,000	4	11.11%	18,000	3.43%
5,001 to 6,000	3	16,500	7	19.44%	34,500	6.58%
6,001 to 7,000	3	19,500	10	27.78%	54,000	10.30%
7,001 to 8,000	3	22,500	13	36.11%	76,500	14.59%
8,001 to 9,000	2	17,000	15	41.67%	93,500	17.83%
9,001 to 10,000	2	19,000	17	47.22%	112,500	21.45%
10,001 to 12,000	2	22,000	19	52.78%	134,500	25.64%
12,001 to 14,000	3	39,000	22	61.11%	173,500	33.08%
14,001 to 16,000	1	15,000	23	63.89%	188,500	35.94%
16,001 to 18,000	1	17,000	24	66.67%	205,500	39.18%
18,001 to 20,000	1	19,000	25	69.44%	224,500	42.80%
20,001 to 25,000	4	90,000	29	80.56%	314,500	59.96%
25,001 to 30,000	6	165,000	35	97.22%	479,500	91.42%
30,001 to 35,000	-	-	35	97.22%	479,500	91.42%
35,001 to 40,000	-	-	35	97.22%	479,500	91.42%
40,001 to 50,000	1	45,000	36	100.00%	524,500	100.00%
50,001 to 60,000	-	-	36	100.00%	524,500	100.00%
60,001 to 70,000	-	-	36	100.00%	524,500	100.00%
70,001 to 80,000	-	-	36	100.00%	524,500	100.00%
80,001 to 90,000	-	-	36	100.00%	524,500	100.00%
90,001 to 99,999	-	-	36	100.00%	524,500	100.00%
>100,000	-	-	36	100.00%	524,500	100.00%
	36	524,500				

Average Number of Customers 3.00  
 Average Consumption 14,569  
 Median Consumption 10,500

Supporting Schedules:

Recap Schedules: