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1	BEFORE THE ARIZONA CORPORATION CONTINUES IN							
2 3	COMMISSIONERS Arizona Corporation Commission DOCKETED							
	GARY PIERCE - Chairman BOB STUMP	012						
4	SANDRA D. KENNEDY PAUL NEWMAN	DOCKETED BY	- ) Tea 					
5	BRENDA BURNS		ne					
6	IN THE MATTER OF THE APPLICATIO	N OF   I	DOCKET NO. W-01445A-10-0517					
7	ARIZONA WATER COMPANY, AN ARI CORPORATION, FOR A DETERMINATI	ZONA ION OF						
8	THE FAIR VALUE OF ITS UTILITY PLA PROPERTY AND FOR ADJUSTMENTS	NT AND	DECISION NO					
9	RATES AND CHARGES FOR UTILITY S FURNISHED BY ITS WESTERN GROUP	SERVICE						
10	FOR CERTAIN RELATED APPROVALS		DPINION AND ORDER					
11	DATE OF HEARING:		1; January 27, 2012; February 13, 2012 onferences); February 21, 2012 (Public					
12		Comment); Ma						
13	PLACE OF HEARING:	Phoenix, Arizo	na					
14	ADMINISTRATIVE LAW JUDGE:	Sarah N. Harpr	ing					
15 16	IN ATTENDANCE:	Sandra D. Keni Brenda Burns,	nedy, Commissioner Commissioner					
17 18	APPEARANCES:	Robert W. Gea	Hirsch, BRYAN CAVE, LLP, and Mr. ke, Vice President and General Counsel, Company, on behalf of Applicant;					
19			Van Quathem, RYLEY CARLOCK & E, on behalf of Abbott Laboratories;					
20 21			Patterson, Of Counsel, MUNGER on behalf of the Water Utilities Arizona;					
22			Wood, Counsel, on behalf of the					
23			lity Consumer Office; and					
24			2. Van Cleve, Mr. Scott Hesla, and Ms. a, Staff Attorneys, Legal Division, on					
25			e Utilities Division of the Arizona					
26	BY THE COMMISSION:							
27	This case involves an Amended A	application for a	a permanent rate increase, filed with the					
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Arizona Corporation Commission ("Commission") on May 9, 2011, by Arizona Water Company 1 2 ("AWC"), a Class A water utility, in which AWC requested adjustments to the rates and charges for 3 utility service provided by AWC's Western Group, comprised of its water systems known as Pinal 4 Valley (Casa Grande, Coolidge, and Stanfield), Ajo, and White Tank. AWC's Amended Application 5 uses a test year ending December 31, 2010. In its Amended Application, AWC also requested approval of an Arsenic Cost Recovery Mechanism, consolidation of its White Tank water system into 6 7 its Pinal Valley water system, continuation and consolidation of its Central Arizona Project Hook-Up Fees for its Pinal Valley and White Tank water systems, approval of a Distribution System 8 Improvement Charge, and approval of an Off-Site Facilities Fee for each new service connection. 9 10 The parties to this matter have entered into a Settlement Agreement resolving all of the disputed 11 issues in this matter.

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Having considered the entire record herein and being fully advised in the premises, the
Commission finds, concludes, and orders that:

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# FINDINGS OF FACT

#### 16 I. Background

AWC is an Arizona corporation that provides water utility service, pursuant to
 Certificates of Convenience and Necessity granted by the Commission, to approximately 84,000
 customers through 19 water systems located in Cochise, Coconino, Gila, Maricopa, Navajo, Pima,
 Pinal, and Yavapai Counties. (Ex. A-1at 1.) AWC's water systems are organized into three groups:
 the Northern Group, the Eastern Group, and the Western Group. (Decision No. 71845<sup>1</sup> (August 25,
 2010).)

AWC's Western Group includes the Pinal Valley (Casa Grande, Coolidge, and
 Stanfield) system, the Ajo system, and the White Tank system. (Ex. A-1.) As of December 31, 2010,
 the Western Group systems were serving approximately 30,600 customers, with the following
 number of connections each: Pinal Valley—28,026; Ajo—681; and White Tank—1,937. (Ex. S-1,

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28 1 Official notice is taken of Decision No. 71845 (August 25, 2010).

1 Ex. KS, at 1, 4.)

2 From an engineering perspective, the Western Group includes six separate 3. independent water systems, each with its own water production, water treatment, storage, and 3 distribution facilities: Tierra Grande, Pinal Valley,<sup>2</sup> Coolidge Airport, Stanfield, White Tank, and 4 Aio. (Ex. S-1, Ex. KS, at 1.) The Tierra Grande, Pinal Valley, Coolidge Airport, and Stanfield 5 systems (all included within AWC's Pinal Valley system for purposes of ratemaking) are located in 6 Pinal County. (Id.) The White Tank system is located in Maricopa County. (Id.) The Ajo system is 7 8 located in Pima County. (Id.)

9 The Coolidge Airport system was added at the end of 2007 pursuant to a Water 4. System Lease and Operation Agreement with the City of Coolidge and has not previously been 10 included in an AWC rate case.<sup>3</sup> (Ex. S-1, Ex. KS, at 1.) The Coolidge Airport system is small, with 11 only approximately one dozen customers, and is remote from the rest of the Pinal Valley system and 12 not yet interconnected with the Pinal Valley system. (Tr. at 36-37.) AWC does plan, in the long 13 term, to interconnect the Coolidge Airport system with the Pinal Valley system. (Tr. at 37.) AWC 14 does not intend for any off-site facilities fee to apply to the Coolidge Airport system. (Id.) 15

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All of the systems within the Western Group are in full compliance with the 5. requirements of the Arizona Department of Environmental Quality ("ADEQ") or the Maricopa 17 County Environmental Services Division ("MCESD"), as applicable, and are delivering water that 18 meets the water quality standards required by Title 18, Chapter 4 of the Arizona Administrative 19 20Code. (Ex. S-1, Ex. KS, at 26.)

The Pinal Valley system includes the interconnected Casa Grande and Coolidge systems, the only Western Group water systems that are currently interconnected. (Tr. at 52.) 22

William Garfield testified that the City of Coolidge had owned and operated the airport water system for decades, did not have any other water utility operations, and approached AWC to take over the management and operation of the 23 system and supported AWC's extension of its CC&N to take the system into its CC&N. (Tr. at 45.) AWC took over the system effectively through a leasing agreement, and AWC has acquired facilities in the system as the City-owned old 24

facilities are replaced with new AWC-owned facilities. (Tr. at 46.) Mr. Garfield testified that the airport water system was not included in AWC's last rate case because AWC did not begin operating it until either the end of its last test year

<sup>25</sup> or even post-test year, and AWC thus did not have data for operation of the system. (See Tr. at 46-47.) When AWC took it over, the system was in need of repairs and replacement of facilities, with greatly excessive water loss, and AWC has 26

been improving it since and has brought its water loss under control. (See Tr. at 48.) Under the leasing arrangement, AWC will pay the City for use of its facilities until those facilities are all replaced, at which time AWC will own the 27 system outright. (See Tr. at 49-50.) The airport water system came into AWC's service area as part of the Coolidge

system for rate purposes, and it thus has been within the Pinal Valley system for billing purposes. (Tr. at 50-51.) The 28 CC&N extension area including the Coolidge Airport system was granted in Decision No. 69386 (March 22, 2007).

Except for the Ajo system, each Western Group system is located in an Arizona
 Department of Water Resources ("ADWR") Active Management Area ("AMA"), with White Tank
 located in the Phoenix AMA and the others located in the Pinal AMA. (Ex. S-1, Ex. KS, at 27.)
 ADWR has reported that all of the Western Group systems are in compliance with ADWR reporting
 requirements and have System Water Plans meeting ADWR requirements. (*Id.*)

7. All of the Western Group systems have water loss levels below 10 percent (ranging
from 3.2 percent (White Tank) to 7.8 percent (Ajo)), and all have adequate production and storage
capacities. (Ex. S-1, Ex. KS, at 4.)

8. Customers served by 5/8" x <sup>3</sup>/4" meters comprise the vast majority of Western Group
customers, representing the following percentage of overall customers for each system during the
TY: Pinal Valley (Casa Grande, Coolidge)—94.05 percent; Pinal Valley (Stanfield)—95.61 percent;
Ajo—95.41 percent; and White Tank—80.66 percent. (*See* Ex. S-1, Ex. KS, at 11, 17, 22, 24.) The
average water usage of these customers differs significantly by system, as follows:<sup>4</sup>

14		Pinal Valley	White Tank	<u>Ajo</u>
15	Average:	8,520 gallons	13,906 gallons	4,764 gallons

16 9. AWC described the Ajo service area as a somewhat depressed area, as the major employer shut down the mine years ago, with a lot of retirees and small household sizes, and 17 generally lower water usage than in AWC's other service areas. (Tr. at 56.) AWC described the 18 White Tank service area as an area of primarily single family homes on relatively large lots, with 19 higher water usage than in areas with more typically sized lots, and with some larger properties with 20 livestock and horses. (See Tr. at 56-57.) AWC also explained that there are a handful of residential 21 5/8" x  $\frac{3}{4}$ " customers in the White Tank service area who use extremely large amounts of water, far in 22 excess of typical residential usage, in the neighborhood of 100,000 to 200,000 gallons per month, 23 which increases the average for the area. (Tr. at 72-73.) AWC described Pinal Valley as having 24 more typically sized lots. (See Tr. at 56-57.) AWC described the Casa Grande area as a little more 25 urbanized, with homes and lots that are not as large as those in the White Tank area and that are more 26

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These figures are taken from Ex. A-2, Sched. H-2.

consistent with what would be found in the eastern or central areas of the Phoenix metropolitan area. 1 2 (Tr. at 57.) The Coolidge Airport service area has no residential customers, only serving businesses 3 related to aviation. (Id.)

4 10. AWC's current rates were established in Decision No. 71845, which involved all three 5 groups and was determined using a 2007 test year. In Decision No. 71845, the Commission 6 authorized AWC, for ratemaking purposes, fully to consolidate the rates for the Casa Grande and 7 Coolidge systems and partially to consolidate (with Casa Grande and Coolidge) the rates for the Stanfield system.<sup>5</sup> The Commission also required AWC to undertake a study outlining consolidation 8 9 proposals, including a full system-wide single-tariff consolidation option, and to file its consolidation 10 report, as a compliance item, by June 30, 2011, and no later than three months before filing its next The Commission further directed AWC to use the information in the 11 rate case application. 12 consolidation report to inform its proposals in future rate cases. AWC filed its consolidation report 13 on September 30, 2010, in the docket for Decision No. 71845. (Ex. A-1 at 4.)

14 In Decision No. 68302 (November 14, 2005), the Commission authorized an Arsenic 11. 15 Cost Recovery Mechanism ("ACRM") for AWC's Western Group, to be implemented in accordance with the ACRM approved for its Northern Group in Decision No. 66400 (October 14, 2003) and for 16 its Eastern Group in Decision No. 66849 (March 19, 2004).<sup>6</sup> AWC was subsequently authorized to 17 18 implement ACRM tariffs in Casa Grande, Stanfield, and White Tank, through three separate Commission Decisions.<sup>7</sup> 19

The ACRM surcharges were discontinued for the Western Group as a result of 2012. 21 Decision No. 71845, which adopted AWC's current rates. (Tr. at 52-53.)

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Decision No. 68302 authorized AWC to implement Central Arizona Project ("CAP") 13. 23 Hook-Up Fee ("HUF") tariffs for its Western Group, which CAP HUF tariffs were to be reevaluated 24 in AWC's next rate case to determine if they should be continued, eliminated, or modified based on

<sup>25</sup> 5 Stanfield shares the same monthly service charge, but has different commodity rates.

Official notice is taken of Decision No. 68302 (November 14, 2005), Decision No. 66400 (October 14, 2003), and 26 Decision No. 66849 (March 19, 2004).

Official notice is taken of Decision No. 70192 (March 10, 2008), authorizing AWC to implement Step One of the 27 ACRM for its Casa Grande system; Decision No. 70702 (January 20, 2009), authorizing AWC to implement Step Two of the ACRM for its Casa Grande system and Step One of the ACRM for its Stanfield system; and Decision No. 70963

<sup>28</sup> (April 7, 2009), authorizing AWC to implement Step One of the ACRM for its White Tank system.

AWC's CAP Water Use Plan and any other evidence introduced in that proceeding. Decision No.
 68302 required AWC to refund the collected CAP HUF monies, with 6 percent interest, if its CAP
 Water Use Plan (required by the Decision) were disapproved, and restricted the use of the CAP HUF
 monies collected to paying ongoing and deferred CAP Municipal and Industrial capital charges
 incurred with regard to AWC's CAP allocations for each system.

6 14. Decision No. 71845 authorized AWC to continue charging the CAP HUFs for the
7 Casa Grande, Coolidge, and White Tank systems until its next Western Group rate case or December
8 31, 2012, whichever came first.

9 15. Decision No. 71845 required AWC to submit for Commission approval, within 120 10 days of the Decision, additional Best Management Practices ("BMPs") as follows for the Western 11 Group systems: Casa Grande (10 BMPs), Coolidge (10 BMPs), White Tank (5 BMPs), Stanfield (3 12 BMPs), and Ajo (3 BMPs). The Decision further provided that where systems were consolidated, the 13 higher BMP requirement would apply and that AWC could, in its next rate case, request cost 14 recovery of actual costs associated with the BMPs implemented.

15 16. AWC has an approved curtailment plan tariff and an approved backflow prevention
16 tariff for its Western Group. (Ex. S-1, Ex. KS, at 29.)

#### 17 II. Procedural History

18 17. On December 29, 2010, AWC filed with the Commission an application requesting
19 adjustments to its rates and charges for utility service provided by its Western Group and using a test
20 year ending December 31, 2009.

21 18. On January 7, 2011, the Commission's Utilities Division ("Staff") filed a Letter of
22 Deficiency based upon AWC's test year. Staff asserted that AWC should withdraw its application
23 and submit a new application using a test year including at least 12 months of actual data under
24 AWC's current rates, which had taken effect on July 1, 2010, pursuant to Decision No. 71845.

25 19. A dispute between AWC and Staff as to the sufficiency of AWC's application
26 continued, with various filings made by each of them, until March 24, 2011.

27 20. On March 24, 2011, a procedural conference was held at the Commission's offices in
28 Phoenix, with AWC and Staff appearing through counsel. Rather than immediately proceeding to

1 oral argument, the parties were provided an opportunity to engage in discussions in an attempt to 2 resolve their dispute. As a result of their discussions, the parties reached an agreement to resolve The particular points of agreement were read into the record.<sup>8</sup> As part of the 3 their dispute. agreement, AWC agreed to file a fully amended new application for its Western Group using a test 4 5 year ending December 31, 2010.

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On March 25, 2011, a Procedural Order was issued setting forth the items of 21. 7 agreement specifically pertaining to this docket, ordering that no action would be taken on a Motion 8 and requests for relief that had been rendered moot by the agreement, and ordering that this docket 9 would remain open for the filing of AWC's Amended Application. AWC subsequently filed a 10 Motion for Clarification of the March 25, 2011, Procedural Order.

11 22. On May 9, 2011, AWC filed an Amended Application for its Western Group 12 ("Amended Application"), using a test year ending December 31, 2010 ("TY").

On June 8, 2011, AWC filed a Response to Staff's List of Deficiencies,<sup>9</sup> including 13 23. 14 revised schedules, revised plant data, and additional public water system compliance documentation.

15 24. Also on June 8, 2011, Staff issued a Letter of Sufficiency, stating that AWC's Amended Application had met the sufficiency requirements outlined in A.A.C. R14-2-103 and that 16 17 AWC had been classified as a Class A utility.

18 25. On June 13, 2011, AWC filed a Supplemental Response to Staff's List of 19 Deficiencies, providing additional data concerning water testing, the Coolidge Airport water system, 20and pre-TY system connections.

21 On June 15, 2011, the Residential Utility Consumer Office ("RUCO") filed an 26. 22 Application to Intervene. No objections to RUCO's intervention were filed.

23 27. On June 28, 2011, a Procedural Order was issued denying AWC's Motion for Clarification, granting RUCO's Application to Intervene, and establishing a procedural schedule for 24 this matter that accommodated AWC's and Staff's desire to have two separate tracks-one to follow 25 in the event that the parties were able to reach a settlement agreement (with hearing to commence on 26

All of the items of agreement are included in the transcript for the procedural conference.

<sup>28</sup> Staff's List of Deficiencies was not docketed.

January 20, 2012) and one to follow in the event that the parties were not able to reach a settlement
 agreement (with hearing to commence on February 2, 2012).

28. On July 8, 2011, Staff filed Staff's Request for a Modification to the Procedural
Schedule, to avoid a conflict with an unrelated docket. Staff and RUCO proposed an alternate dualtrack procedural schedule, with a hearing to start either on February 23, 2012, or March 22, 2012,
depending on settlement. Staff also suggested a joint procedural conference for this docket and the
unrelated docket, to allow input regarding the procedural schedules for both matters.

8 29. On July 13, 2011, AWC filed a Response and Objection to Staff's Request for 9 Modification to the Procedural Schedule, asserting that Staff's request should be denied or, in the 10 alternative, that a joint procedural conference should be held in this docket and the unrelated docket 11 so that the impact of the requested delays in this docket could instead be balanced between this 12 docket and the unrelated docket.

30. On July 15, 2011, RUCO filed a Response in Support of Staff's Request for
Modification of the Procedural Schedule, in which RUCO asserted that the procedural schedule
herein needed to be modified to resolve conflicts with the unrelated docket, but urged that no joint
procedural conference be held.

31. On July 15, 2011, a Procedural Order was issued vacating the prior dual-track
procedural schedule; establishing a new single-track procedural schedule with a hearing to commence
on February 21, 2012; and establishing other procedural requirements and deadlines.

32. On July 19, 2011, AWC filed a Request for Amendment to Procedural Order
Concerning Public Notice, in which it requested that AWC's deadline for providing public notice be
extended by one week so that a special customer mailing, at additional expense, would not be
necessary.

24 33. On July 20, 2011, a Procedural Order was issued granting AWC's requested public
25 notice deadline extension.

26 34. On July 25, 2011, AWC filed an Explanation of Public Notice, as required by a prior
27 Procedural Order.

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35. On August 26, 2011, AWC filed a Certificate of Notice stating that public notice had

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been mailed to each of AWC's customers via a bill insert with the billing cycle beginning on July 22,
 2011, and ending on August 18, 2011, and had been published in the *West Valley View* on July 26,
 2011, and in the *Ajo Copper News*, the *Casa Grande Dispatch*, and the *Coolidge Examiner* on July
 27, 2011. An affidavit of publication was included for each newspaper, all of which are considered
 to be newspapers of general circulation.

6 36. On September 13, 2011, Abbott Laboratories ("Abbott") filed an Application to 7 Intervene, stating that its manufacturing plant in Casa Grande, which operates at all times, is the 8 largest user in AWC's Casa Grande water system and that Abbott thus would be directly and 9 substantially affected by rate changes in this matter.

37. On September 15, 2011, AWC filed a September 13, 2011, letter from the Mayor of
Casa Grande to Chairman Pierce, in which the Mayor expressed support for the Distribution System
Improvement Charge requested by AWC in its Amended Application. This letter was filed again on
September 16, September 20, and October 5, 2011.

14 38. On September 26, 2011, a Procedural Order was issued granting, without objection,
15 Abbott's Application to Intervene.

16 39. On October 3, 2011, Water Utilities Association of Arizona ("WUAA") filed an 17 Application for Leave to Intervene, stating that WUAA is a non-profit corporation representing the 18 investor-owned segment of Arizona's water industry; that WUAA has approximately 100 members, 19 of which AWC is one; and that several of the policy issues in this matter have broad implications for 20 the investor-owned water industry.

21 40. On October 11, 2011, a Procedural Order was issued granting, without objection,
22 WUAA's Application to Intervene.

41. On December 2, 2011, Staff filed Staff's Motion for Extension of Time to File Rate
Design Testimony, requesting a brief extension in the deadline for filing rate design testimony, which
Staff asserted the other parties did not oppose provided that they were provided similar extensions.

42. On December 5, 2011, a Procedural Order was issued extending the deadlines for Staff
and Intervenor direct testimony related to rate design and for AWC's rebuttal testimony related to
rate design.

On December 5, 2011, Abbott filed the Direct Testimony of Stephen V. Chasse; Staff 1 43. 2 filed the Direct Testimony of Jeffrey M. Michlik and Katrin Stukov; and RUCO filed the Direct 3 Testimony of William A. Rigsby and Timothy J. Coley.

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On December 12, 2011, RUCO filed the Direct Testimony (Rate Design) of Rodney 44. L. Moore, and Staff filed the Direct Testimony (Rate Design) of Bentley Erdwurm.

On December 15, 2011, RUCO filed a Notice of Errata providing revised schedules 6 45. 7 for the Direct Testimony (Rate Design) of Rodney L. Moore.

On January 6, 2012, AWC filed the Rebuttal Testimony of William M. Garfield, 8 46. 9 Fredrick K. Schneider, Joseph D. Harris, Joel M. Reiker, and Thomas M. Zepp.

On January 13, 2012, AWC filed the Rebuttal Testimony (Rate Design) of Joseph D. 10 47. 11 Harris and Joel M. Reiker.

On January 24, 2012, Staff filed a Notice of Settlement Discussions, stating that AWC 12 48. had approached Staff with an interest in engaging in settlement discussions and that Staff believed 13 that settlement might be possible and would like to engage in settlement discussions with all parties. 14 Staff stated that Staff would be entering settlement discussions the week of January 30, 2012, with all 15 parties invited and given the opportunity to attend all settlement discussions. 16

17 On January 24, 2012, Staff filed Staff's Request for a Procedural Conference, stating 49. that Staff desired a procedural conference to be held as soon as possible to discuss modifying filing 18 deadlines, including the surrebuttal testimony deadline of January 27, 2012. Staff asserted that AWC 19 20 and RUCO supported Staff's request.

On January 25, 2012, AWC filed a Notice of Scheduling of Settlement Conference, 21 50. providing each party notice that a settlement meeting was scheduled to be held from 9:00 a.m. until 22 4:00 p.m. at the Commission's office on January 31, 2012. 23

On January 27, 2012, a procedural conference was held before a duly authorized 24 51. Administrative Law Judge of the Commission at the Commission's offices in Phoenix, with AWC, 25 Abbott, RUCO, and Staff appearing through counsel. WUAA did not appear, but counsel for AWC 26 averred that WUAA had previously indicated its assent to the scheduling proposal to be made by the 27 parties. The parties proposed that a dual-track schedule be established, to accommodate settlement 28

1 discussions and the possibility of settlement, and provided proposed dates for each track.

2 52. On January 31, 2012, a Procedural Order was issued adopting a dual-track schedule
3 including the dates proposed by the parties and extending the Commission's time frame in this
4 matter.

5 53. On February 10, 2012, AWC and Staff filed a Joint Request for a Procedural 6 Conference, stating that all of the parties had been able to reach settlement and that the parties desired 7 a procedural conference to discuss whether additional notice was necessary because, although all of 8 the rates that would be adopted pursuant to the settlement, if approved by the Commission, would fall 9 within the percentage increase stated in the public notice provided by AWC, a single rate 10 classification's rate increase percentage exceeded that proposed in the schedules included with 11 AWC's Amended Application.

12 54. On February 13, 2012, a Procedural Order was issued scheduling a telephonic 13 procedural conference to take place that afternoon to discuss the notice issue; vacating the pre-14 hearing conference scheduled for February 17, 2012; changing the first scheduled day of the 15 evidentiary hearing, February 21, 2012, to a public comment proceeding; and scheduling the 16 evidentiary hearing to commence on March 1, 2012, and to continue on March 2, 2012, and such 17 other dates as might be scheduled.

18 55. On February 13, 2012, the telephonic procedural conference proceeded as scheduled, with AWC, Abbott, RUCO, WUAA, and Staff appearing through counsel. During the procedural 19 20 conference, Staff raised an issue regarding whether additional notice should be provided to White Tank residential customers, and it was determined after discussion that no such notice was required 21 22 because the approximately 12-percent increase to the White Tank residential customers under the 23 parties' proposed settlement was consistent with what should have been anticipated by a customer receiving and reading the notice stating that AWC had requested a revenue increase of 24.45 percent 24 25 and that the Commission could grant an increase higher or lower than that requested in the Amended 26 Application. The parties agreed that the notice had been accurate when it was provided and that it 27 was still accurate.

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56. On February 15, 2012, Staff, on behalf of the parties, filed a Proposed Settlement

1 Agreement ("Agreement") signed by all of the parties.

2 57. On February 21, 2012, a public comment proceeding convened before a duly
3 authorized Administrative Law Judge of the Commission, with AWC, Abbott, and Staff appearing
4 through counsel. No member of the public attended to provide comment, but discussion occurred
5 regarding procedural matters related to the upcoming hearing.

6 58. Also on February 21, 2012, AWC filed the Testimony in Support of Settlement of
7 William M. Garfield and Joel Reiker; RUCO filed the Settlement Testimony of William A. Rigsby
8 and Jodi A. Jerich; Abbott filed the Testimony in Support of Settlement of Stephen V. Chasse; and
9 Staff filed the Testimony in Support of the Proposed Settlement Agreement of Steven M. Olea.

10 59. On February 23, 2012, AWC, on behalf of the other parties, filed a Notice of Parties'
 11 Agreements Regarding Settlement Hearing Procedural Matters.

12 60. Also on February 23, 2012, RUCO filed the Testimony Summaries of William
13 Rigsby, Rodney Moore, Timothy Coley, and Jodi Jerich.

14 61. On February 27, 2012, AWC filed Summaries of Testimony for William Garfield and
15 Joel Reiker.

16 62. On February 28, 2012, Staff filed the Testimony Summary of Steven Olea, and Abbott
17 filed the Summary of Testimony of Stephen Chasse.

18 63. On February 29, 2012, RUCO filed the Amended Direct Testimony of William
19 Rigsby.

On March 1, 2012, an evidentiary hearing was held before a duly authorized 20 64. 21 Administrative Law Judge of the Commission at the Commission's offices in Phoenix, Arizona. 22 AWC, Abbott, RUCO, WUAA, and Staff all appeared through counsel. AWC provided exhibits and 23 the testimony of William Garfield, President of AWC, and of Joel Reiker, Vice-President of Rates and Revenues for AWC. Abbott provided exhibits and the testimony of Stephen Chasse, Manager of 24 25 Facilities and Utilities for Abbott. RUCO provided exhibits and the testimony of William Rigsby, Chief of Accounting and Rates for RUCO, and of Jodi Jerich, Director of RUCO. WUAA did not 26 27 provide exhibits or testimony. Staff provided exhibits and the testimony of Steven Olea, Director of the Commission's Utilities Division and Interim Director of the Commission's Safety Division. The 28

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parties stipulated as to the admissibility of the Amended Application with accompanying schedules,
 the parties' testimony that preceded the filing of the Settlement Agreement, and a joint issues matrix.
 No members of the public attended to provide public comment.

65. On August 8 and 25, 2011, two customer comments were filed in opposition to
AWC's requested rate increase, one from the Coolidge system and one from the Casa Grande system.
On August 29 and September 13, 2011, two customer comments were filed in opposition to AWC's
requested rate increase, one from the Casa Grande system and one from the Ajo system.

8 <u>III. The Intervenors</u>

<u>A.</u><u>Abbott</u>

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Abbott is one of the largest industrial customers in AWC's Pinal Valley system. (Ex. 10 66. Abbott-1 at 1.) Abbott operates a manufacturing facility on the west side of Casa Grande that 11 12 employs approximately 500 employees, operates at all times, and manufactures a variety of infant formula and adult nutritional products for distribution primarily in the western United States. (Ex. 13 Abbott-1 at 2, 3.) Abbott receives chlorinated groundwater from AWC through a dedicated 7-mile 14 pipeline that was constructed by Abbott and contributed to AWC. (Id. at 2.) The water Abbott 15 receives from AWC is not otherwise treated by AWC. (Id.) Abbott treats the water received from 16 AWC with Abbott's own reverse osmosis treatment plant, to remove impurities including arsenic and 17 fluoride. (Id.) AWC considers Abbott to be a non-potable customer.<sup>10</sup> (Tr. at 57.) Abbott's cost to 18 operate the reverse osmosis plant, not including capital costs, amounted to \$0.96 per thousand gallons 19 in 2010-2011. (Ex. Abbott-1 at 5.) Abbott asserts that the water it receives from AWC is not treated 20 for arsenic by AWC, even though Abbott has been paying for arsenic treatment through the arsenic 21 surcharge in place before Decision No. 71845 (set at \$0.2147 per thousand gallons) and now included 22 23 within the rates approved by the Commission in Decision No. 71845. (Id. at 3.) Abbott receives its 24 water primarily through a 6" meter and pays \$1.5036 per thousand gallons, a tariffed rate, plus other tariffed fees and charges. (Ex. Abbott-1 at 4.) Abbott receives some water through a 1" meter. (Id.; 25

The only AWC tariff that would have a non-potable rate is its untreated CAP water tariff, which is used for surface water taken off the canals primarily for golf courses. (Tr. at 58.) AWC is not proposing any changes to that tariff in this matter. (See id.) Mr. Garfield testified that that tariff is effectively a pass through of the CAP water costs to the golf course users. (Id.)

Tr. at 96.) Abbott reports that it has a strong incentive to reduce its water consumption, both for
financial and environmental reasons, and has implemented ongoing water conservation efforts at its
plant. (Ex. Abbott-1 at 4.) Abbott used approximately 387 million gallons of water in 2009, 379
million gallons of water in 2010, and 393 million gallons of water in 2011. (*Id.* at 5; Tr. at 93.)
Although Abbott's 2011 water consumption was an increase from its 2010 water consumption, Mr.
Chasse testified that this was due to an increase in production at the plant and actually represented
either no change or a per-unit reduction in water consumption. (Tr. at 93.)

67. Abbott provided testimony in this matter, but did not provide a position as to rate base, cost of capital, revenue requirement, rate design, or most of the other approvals requested by AWC in its Amended Application. Abbott's primary focus in this case was to ensure that Abbott and similarly situated customers would not be required to pay an arsenic treatment surcharge for purchased water that is not treated for arsenic. (*See* Tr. at 91-92.) Abbott also asserted that AWC's proposed Off-Site Facilities Fee tariff language should be modified to exclude new service connections intended only to provide alternate delivery locations for existing water service. (Ex. Abbott-1 at 6.)

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B. WUAA

68. WUAA did not file any testimony or otherwise provide any evidence in this matter.

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RUCO provided testimony and exhibits in this matter, which included RUCO's
position as to rate base, cost of capital, revenue requirement, rate design, and the other approvals
requested by AWC in its Amended Application.

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# IV. Pre-Settlement Positions

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### A. The Amended Application

23 70. In the Amended Application, AWC asserted that the revenues from its utility
24 operations are presently inadequate to allow AWC to recover its operating costs and provide a just
25 and reasonable rate of return on the fair value of its utility plant and property used to provide service
26 to its Western Group customers. (Ex. A-1 at 2-3.) AWC asserted that it had made significant
27 additions to its plant in service since the test year used in its last rate case, both to assure safe and
28 reliable service to its customers and to comply with the Commission's directive for AWC to reduce

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its water losses by July 1, 2011. (Id. at 3.) AWC also stipulated in the Amended Application that the 1 2 Commission could use AWC's original cost rate base ("OCRB") as its fair value rate base ("FVRB") 3 for the limited purpose of setting rates in this matter. (Id.) AWC's position in the Amended Application,<sup>11</sup> as to the Western Group's TY operations and revenue requirement, was as follows: 4 \$18,666.157 TY Adjusted Operating Revenues: 5 TY Adjusted Operating Expenses: \$16,278,093 6 TY Adjusted Operating Income: \$2,388,064 Adjusted OCRB: \$54,072,795 7 TY Rate of Return: 4.42% 8 \$5,144,329 **Required Operating Income:** Operating Income Deficiency: \$2,756,265 9 Gross Revenue Conversion Factor 1.6559 **Required Revenue Increase:** \$4,564,110 10 **Required Revenue Increase %:** 24.45% 11 **Required Operating Revenues:** \$23,230,225 **Required Rate of Return:** 9.51% 12 13 71. In the Amended Application, AWC also requested the following: 14 That the Commission authorize AWC's Western Group to implement an (a) ACRM consistent with the ACRM authorized for AWC's Sedona and Superstition systems in 15 Decision No. 71845 because AWC must construct additional arsenic treatment plants in its Pinal 16 17 Valley system; 18 (b) That the Commission authorize consolidation of the White Tank system with 19 the Pinal Valley system; 20 That the Commission authorize AWC to continue collecting the CAP HUF for (c) 21 the Pinal Valley (Casa Grande and Coolidge) and White Tank water systems, as authorized in 22 Decision No. 68302 and continued in Decision No. 71845, and further to consolidate the CAP HUF into a single fee, so that AWC will continue to recover its on-going and deferred CAP Municipal and 23 24 Industrial capital costs; 25 (d) That the Commission authorize AWC to collect a Distribution System 26 Improvement Charge ("DSIC") for AWC's Western Group systems so that AWC is able to restore 27 28 This data comes from Ex. A-2, Sched. A-1.

and maintain its financial ability to provide an adequate level of water service to its Western Group
 customers by recovering the fixed costs (depreciation and rate of return) of non-revenue producing
 distribution system improvement projects completed between rate cases;

4 (e) That the Commission authorize AWC to collect an Off-Site Facilities Fee
5 ("OSFF") so that AWC can equitably apportion the costs of constructing additional off-site facilities
6 to provide water production, treatment, delivery, storage, and pressure facilities among all new
7 customers whose water supply requirements make the facilities necessary, with the fee starting at
8 \$3,500 for a 5/8" x <sup>3</sup>/<sub>4</sub>" new service connection and graduated fees for larger meter sizes; and

9 (f) That the Commission authorize such other and further relief as may be 10 appropriate to ensure that AWC has an opportunity to earn a just and reasonable return on the fair 11 value of its utility plant and property and as may otherwise be required under Arizona law.<sup>12</sup>

<u>B.</u>

ACRM

12

13 72. AWC asserted that it must construct additional arsenic treatment plants in the Pinal 14 Valley system and that planning and design for those plants was already underway as of May 2011. 15 (Ex. A-1, Harris, at 7-8.) AWC requested that the ACRM authorization granted in Decision No. 16 71845, specifically allowing AWC to make new ACRM filings for arsenic treatment plants planned 17 for the Sedona and Superstition water systems, be extended to its Western Group water systems. (Id. at 8.) AWC planned to expand its Henness Road arsenic treatment plant and to build new arsenic 18 19 treatment facilities at Coolidge Well No. 13, at an estimated cost of \$2,650,000. (Id.) AWC asserted 20 that it would need an additional \$493,000 of additional revenues just to recover the capital costs of 21 this additional plant, without taking into account any of the additional operating costs resulting from 22 arsenic treatment. (Id.)

73. Staff recommended that the Commission continue authorization for an ACRM that
would preserve eligibility for an ACRM surcharge for each new arsenic treatment facility, but would
require AWC to apply and obtain approval for each ACRM surcharge. (Ex. S-2 at 31.)

26

27

28 Ex. A-1 at 4-6. AWC also included a single reference to a MAP Surcharge in its Amended Application. (Ex. A-1 at 6.)

74. RUCO recommended approval of AWC's request for continuation of its ACRM for
 the Western Group. (Ex. R-5 at 13.)

3

C.

Consolidation of White Tank with Pinal Valley

4 75. AWC asserted that Decision No. 71845 approved consolidation of Casa Grande, 5 Coolidge, and Stanfield into Pinal Valley and required AWC to complete a consolidation study with proposals for its remaining systems. (Ex. A-1, Garfield, at 23-24.) AWC filed its consolidation study 6 7 on September 30, 2010, and consistent with the study, proposed to consolidate White Tank with Pinal Valley.<sup>13</sup> (Id. at 24.) AWC proposed to "operationally consolidate" White Tank into Pinal Valley, 8 9 which would mean that their accounting, regulatory, operational, and ratemaking functions would be 10 consolidated. (Ex. A-1, Harris, at 8-9.) AWC asserted that full consolidation of the rates of White 11 Tank and Pinal Valley was not possible and proposed phased consolidation, with full consolidation 12 for residential and commercial rates in this case and later consolidation for industrial general service rates. (Id. at 10-11.) AWC clarified that White Tank and Pinal Valley financial and operating data 13 14 would be fully consolidated, but that tariffs and billing records would remain separate until the 15 industrial rates were fully consolidated later. (Ex. A-1, Reiker, at 9-10.) AWC asserted that the key in consolidating rates is to ensure that residential customers do not pay more than their cost of 16 17 service, and testified that AWC's proposal would not result in residents of one service area subsidizing the residents of another service area after rate consolidation. (Ex. A-3, Harris (RD), at 5.) 18

19 76. RUCO opposed consolidation of White Tank into Pinal Valley. (Ex. R-5 at 13.) 20RUCO expressed concern that cross subsidization and distorted price signals would result from such 21 consolidation. (Id. at 13-14.) RUCO asserted that White Tank's rates should be more reflective of 22 AWC's cost of service and questioned the wisdom of AWC's proposed shift of revenue from White 23 Tank customers to Pinal Valley customers, as White Tank customers have average monthly consumption more than 5,500 gallons higher than that of Pinal Valley customers. (Id. at 14.) RUCO 24 25 stated that the consolidation would send the wrong price signals to White Tank customers, whose 26 bills would increase about \$0.16 at the average level and would decrease \$0.32 at 9,000 gallons,

<sup>28 &</sup>lt;sup>13</sup> In the study, AWC did not propose to consolidate Ajo because Ajo does not share similarities in water resources with the other systems. (*See* Ex. A-1, Harris, at 8-10, Ex. JDH-2.)

while Pinal Valley customers with average and median usage would see increases of \$9.33 and \$8.31.
 (*Id.* at 14-15.) RUCO asserted that the Commission should approve rate consolidation only when
 there are public policy reasons that outweigh adherence to traditional cost of service principles. (*Id.* at 15.)

5 77. Staff recommended full consolidation of the Western Group in this case. (Ex. S-3 at 2, 4.) Staff asserted that consolidating the rate schedules would reduce administrative burden on both 6 AWC and the Commission and promote equity by eliminating the substantial disparities in bills over 7 8 geographic areas. (Id. at 2.) Staff determined that full consolidation would result in decreased bills 9 for most Ajo and Stanfield customers and for White Tank customers using 20,000 gallons or less per 10 month, and that Casa Grande and Coolidge customers would not be harmed by full consolidation, and reasoned that the lack of adverse impact provided an excellent opportunity for bill consolidation in 11 12 this matter. (Id. at 4.) However, Staff provided an alternate set of schedules, with separate rates for 13 White Tank and Ajo, for use if the Commission preferred a more gradual move toward consolidation. 14 (*Id.* at 2.)

15

# D. Complete Consolidation of Stanfield into Pinal Valley

The rates for Stanfield were partially consolidated with those for Pinal Valley (Casa
Grande and Coolidge) in Decision No. 71845. (Ex. A-1, Harris, at 11.) AWC now proposes to fully
consolidate Stanfield's rates with Pinal Valley's rates. (*Id.*)

19 79. Staff's primary recommendation was to fully consolidate the Western Group as a
20 whole. (Ex. S-3 at 2.) Staff's alternate recommendation included full consolidation of Stanfield into
21 Pinal Valley. (*Id.*)

RUCO's schedules included full consolidation of Stanfield into Pinal Valley. (Ex. R-2
at Scheds. RD-1, RD-2; Ex. R-3 at Sched. RD-2.)

24

E. CAP HUFs

81. AWC requested that it be permitted to continue collecting the CAP HUFs for the Pinal
Valley (Casa Grande and Coolidge) and White Tank systems, which had been approved in Decision
No. 68302 to allow AWC to recover ongoing and deferred CAP Municipal and Industrial ("M&I")

capital costs<sup>14</sup> and continued in Decision No. 71845 until its next Western Group rate case, or 1 2 December 31, 2012, whichever came first. (Ex. A-1, Reiker, at 6-7.) AWC requested that it be 3 authorized to continue collecting the present CAP HUFs and that the CAP HUFs be consolidated into a single fee consistent with AWC's request to consolidate the water rates for the Pinal Valley and 4 5 White Tank systems. (Id. at 7-8.) AWC prepared a true-up of the CAP HUFs for Casa Grande, Coolidge, and White Tank through the end of the TY. (Id. at JMR-1, JMR-2, JMR-3.) The true-up 6 7 showed a balance of deferred CAP M&I capital charges of \$5,025,502 at the end of the TY. (Id. at 8 7.) AWC expected that balance to increase over the coming years because customer growth had been 9 and was expected to continue to be far below the levels assumed when the CAP HUFs were set. (Id.) 10 AWC requested that the CAP HUF authority continue, but that the CAP HUFs be consolidated into a 11 single fee of \$204 for a 5/8" x  $\frac{3}{4}$ " meter, higher for larger meters, in the Pinal Valley and White Tank systems. (Id. at 7-8.) AWC did not request to increase or decrease the CAP HUFs, only to 12 13 consolidate them. (Id. at 8.) AWC asserted that it expected to file another Western Group rate case 14 in 2013, using a 2012 TY. (Id. at 8-9.)

RUCO opposed consolidation of the CAP HUFs for Pinal Valley and White Tank
because RUCO opposed consolidation of Pinal Valley and White Tank. (Ex. R-5 at 16-17.) RUCO
stated that it had supported the original adoption of the CAP HUFs in Decision No. 68302, and
RUCO did not express opposition to continuation of the CAP HUFs herein. (*Id.*)

19 83. Staff recommended continuation of the CAP HUF tariff for Pinal Valley and White
20 Tank, but recommended that the title of the tariff be changed to "CAP M&I Fees," which Staff
21 asserted is a more accurate description of the fees. (Ex. S-2 at 31.) Staff also recommended that the
22 appropriateness of the tariff be reviewed again in AWC's next rate case. (*Id.*) Staff did not oppose
23 consolidation of the CAP HUFs. (*See id.*)

24

. . .

<sup>&</sup>lt;sup>14</sup> Mr. Garfield testified that the CAP M&I costs are effectively for repayment of the cost of building the CAP canal and that each subcontractor to the CAWCD must pay its share of the cost of the canal that delivers its subcontracted amount of water. (Tr. at 58-59.) AWC was unable to recover those costs for a number of years, so AWC deferred those costs for future recovery, and those deferred costs are being recovered under the CAP HUF. (*Id.* at 59.) AWC incurs ongoing costs as well. (*Id.*) The CAP HUFs apply only to Casa Grande, Coolidge, and White Tank because those are the areas that have subcontracts for CAP water. (*Id.*) Ajo is outside of the CAP delivery area. (*Id.*)

F. DSIC

1

84. AWC requested authority to implement a DSIC, which it described as a ratemaking
tool that would allow it to recover the fixed costs (depreciation and rate of return) of non-revenueproducing distribution system improvement projects completed between rate cases. (Ex. A-1, Harris,
at 11.) AWC asserted that Decision No. 71845 had indicated that a DSIC may be a reasonable way to
deal with the issue of replacing aging infrastructure and required AWC to complete a DSIC study,
which AWC included as an exhibit to Mr. Harris's Direct Testimony accompanying the Amended
Application. (*Id.* at 12-13, Ex. JDH-3.)

9 85. RUCO opposed the DSIC, stating that AWC was seeking recovery of routine plant 10 improvements that would normally be recovered in a general rate case proceeding. (Ex. R-5 at 4.) 11 RUCO asserted that a DSIC is a one-sided mechanism that fails to consider reduced operating and 12 maintenance expenses attributable to new plant. (Id.) RUCO also asserted that because there is no 13 federal or state requirement mandating the types of routine plant additions for which AWC seeks 14 recovery through the DSIC (such as is present in the context of building an arsenic treatment plant), 15 there is no need for the Commission to adopt a special surcharge to allow AWC recovery for the 16 additions. (Id. at 4-5.)

17 86. Staff also recommended denial of the DSIC. (Ex. S-2 at 30.) Staff stated that the 18 DSIC is a surcharge mechanism that would allow AWC to implement and/or change a surcharge to 19 recover the cost of certain items of plant between rate cases and that the use of such adjustor 20 mechanisms should only be permitted under extraordinary circumstances, which are absent in this 21 case. (Id. at 29-30.) Staff also stated that a similar mechanism had been requested by Arizona-22 American in a rate case, although Arizona-American referred to it as an "infrastructure improvement 23 surcharge," and that the Commission had denied the infrastructure improvement surcharge in 24 Decision No. 72047 (January 6, 2011). (Id. at 30.)

25

G. OSFF

26 87. AWC requested authority to implement an OSFF tariff, which it stated would
27 equitably apportion the costs of constructing additional off-site facilities to provide water production,
28 treatment, delivery, storage, and pressure facilities among all new customers whose water supply

requirements make the facilities necessary. (Ex. A-1, Harris, at 20.) AWC proposed a \$3,500 OSFF 1 for each new 5/8" x  $\frac{3}{4}$ " service connection, with graduated OSFFs for larger meter sizes, and that the 2 3 OSFF be applicable to all new service connections in the service area. (Id.) AWC asserted that the OSFF would be in addition to an applicant's advances in aid of construction ("AIAC") or 4 5 contributions in aid of construction ("CIAC") and cited other dockets in which OSFFs have been approved by the Commission for other utilities. (Ex. A-1, Harris, at 21.) AWC asserted that the 6 7 OSFF would primarily be used to cover the costs of the Pinal Valley CAP Treatment Plant and the 8 necessary transmission and distribution mains, water storage tanks, and booster stations needed to provide water service in the growing area. (Id.) AWC asserted that it has a policy of not 9 10 commencing construction of a particular phase until sufficient OSFFs have been collected to offset 11 the costs associated with the phase, so as to ensure that AWC is not faced with large off-site 12 infrastructure investments that are not fully funded by contributions, as this could lead to large increases in rate base and rates. (Id. at 21-22.) AWC further asserted that it is not appropriate to 13 14 offset rate base with any unexpended OSFFs because the OSFFs are not available to AWC except for 15 the purpose of constructing off-site facilities. (Id. at 22.)

- 16 88. RUCO stated that it neither agreed nor disagreed with the OSFF tariff, which RUCO 17 described as "delay[ing] the recognition of CIAC as a deduction to rate base until the plant funded by 18 hook-up fees is placed into service," but asserted that delaying recognition of CIAC as a deduction to 19 rate base is not in the best interest of ratepayers. (Ex. R-5 at 19.)
- 20 89. Abbott asserted that the proposed OSFF tariff language should be changed to exclude
  21 new service connections intended to provide alternate delivery locations for existing water service, as
  22 opposed to new water service. (Ex. Abbott-1 at 6.)
- Staff determined that the proposed OSFFs were reasonable and recommended
  adoption of specific tariff language provided with the Direct Testimony of Katrin Stukov. (Ex. S-1,
  Ex. KS at 30.) Staff recommended that its OSFF tariff language be adopted; that the funds generated
  by the OSFF tariff be used only for plant items meeting the conditions of Staff's recommended OSFF
  tariff; and that AWC submit to Docket Control each January, beginning in January 2013 and until the
- 28

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OSFF tariff is no longer in effect, a calendar year OSFF status report containing specified data. (Ex.
 S-1, Ex. KS at ii.)

3

#### H. \_\_\_\_ Deferral of Costs for BMPs

91. On December 22, 2010, AWC submitted, for the Commission's consideration, the
additional BMPs required by Decision No. 71845. (Ex. A-1, Garfield, at 26.) As of the filing of
AWC's Amended Application and of Staff's Direct Testimony, the Commission was still considering
AWC's proposed BMPs. (*Id.*; Ex. S-1, Ex. KS, at 30.)

8 92. In this case, AWC proposed to increase its operating expenses by \$11,925 to include
9 the costs of implementing the additional BMPs required by Decision No. 71845 for the Pinal Valley
10 and White Tank systems. (Ex. A-1, Reiker, at 21.)

11 93. RUCO did not exclude AWC's pro forma adjustment for additional BMP costs. *(See*12 Ex. R-1 at 21-28, Sched. TJC-7.)

94. Staff disallowed AWC's pro forma adjustment for additional BMP expenses and
recommended that AWC continue to defer its BMP costs for recovery in a future general rate case.
(Ex. S-2 at 20.) Staff stated that it had not yet completed its review of AWC's BMP proposal, that
Staff was awaiting AWC's response to a data request, and that Staff might change its
recommendation after receiving the response to the data request. (*Id.*)

95. On rebuttal, AWC asserted that although it had, in another docket,<sup>15</sup> filed an application to allow deferral of costs associated with implementing the additional BMPs required by Decision No. 71845, no action had yet been taken on AWC's application in that docket, and AWC urged the Commission, if Staff's position were adopted, also to approve AWC's application to allow deferral of those costs. (Ex. A-3, Harris, at 9-10.)

23

### . Accrual of Allowance for Funds Used During Construction ("AFUDC")

24 96. AWC included in plant-in-service for the Pinal Valley system \$258,409 for real 25 property that does not currently have water plant serving customers. (Ex. S-2 at 7, 10-11.) AWC

AWC asserted that the application had been filed in Docket No. W-01445A-11-0092. (Ex. A-3, Harris, at 9.)
 Official notice is taken that AWC filed an application requesting an accounting order to record as miscellaneous deferred debits both BMP expenses and tank painting expenses in Docket No. W-01445A-11-0092 on February 28, 2011, and that no additional filings have been made in that docket as of April 4, 2012.

intends to use the property to serve the Arizona City portion of its Pinal Valley system. (Ex. S-2 at
 11.) Design and permitting were complete, water transmission lines had been constructed, and a
 booster station and storage tank materials had been ordered at the time of the Amended Application,
 but construction was to commence post-TY, in October 2011, and to be completed by May 31, 2012.
 (*Id.*)

6 97. RUCO did not make a deduction from plant-in-service for the property to be used for
7 the Arizona City booster station and storage tank. (*See* Ex. R-1 at 9, Sched. TJC-2.)

8 98. Staff found that the real property to be used for the Arizona City booster station and 9 storage tank was not yet used and useful, as it contained no plant that was providing service to 10 customers, and recommended a \$258,409 deduction from plant-in-service to exclude the property. 11 (Ex. S-2 at 7, 10-11.)

12

J.

#### Cost of Capital

AWC, RUCO, and Staff took the following positions on the Western Group's cost of
capital, with the cost of equity as the area of dispute:<sup>16</sup>

15			AWC			RUCO	1		STAFF	
16		Weight	Cost	Weighted Avg. Cost	Weight	Cost	Weighted Avg. Cost	Weight	Cost	Weighted Avg. Cost
17	Common Equity	50.97%	12.10%	6.17%	50.97%	9.50%	4.84%	51.1%	10.0%	5.1%
	Debt	49.03%	6.82%	3.35%	49.03%	6.82%	3.35%	49.0%	6.8%	3.3%
18	Weighted			9.51%			8.19%			8.4%
19	Avg. Cost of Capital									

100. AWC asserted that the cost of equity should be determined using a sample of seven
publicly traded water utilities with the discounted cash flow ("DCF") model, the capital asset pricing
model ("CAPM"), and two versions of the risk premium ("RP") model. (Ex. A-1, Zepp, at 5.) AWC
gave a 50-percent weight to DCF estimates and a 50-percent weight to CAPM estimates and
concluded that the appropriate cost of equity for the sample group fell in the range of 10.9 percent to
12.3 percent. (*Id.*) Mr. Zepp further determined a risk premium for AWC based on specific
additional business risks faced by AWC—specifically AWC's size because it is smaller than the

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<sup>16</sup> The sources for this data are Ex. A-2, Sched. D-1; Ex. A-3, Zepp, at 3; Ex. R-4 at Sched. WAR-1; Ex. S-2 at 29.

1 sample utilities, the use of a historical test year, and risk relative to other companies as analyzed by 2 the California Public Utilities Commission in a 2009 generic return on equity case. (Id. at 5-6.) Mr. 3 Zepp concluded that because of Arizona's regulatory system, AWC's cost of equity is increased by 4 no less than 50 basis points above the return on equity for the seven sample utilities. (Id. at 6.) Mr. 5 Zepp concluded that the cost of equity for AWC is in the range of 11.4 to 12.8 and that the midpoint 6 of 12.1 was a reasonable required rate of return on equity for AWC. (Id.) Mr. Zepp's 7 recommendation regarding cost of equity did not change on rebuttal. (Ex. A-3, Zepp, at 3.)

8 101. To determine cost of equity, RUCO conducted a market-based DCF and CAPM 9 analyses using two separate proxy groups, a water company proxy group comprised of four publicly 10 traded water companies and a natural gas proxy group consisting of nine natural gas local distribution 11 companies with similar operating characteristics to water providers. (Ex. R-4 at 7, 17-21.) RUCO's 12 proxy group for the analyses diverged from AWC's in that AWC used three water companies that 13 RUCO excluded, and RUCO included a sample of natural gas local distribution companies, which 14 AWC did not. (Id. at 22.) In addition, AWC and RUCO used different growth estimates in their 15 DCF analyses, used different risk-free instruments for the risk-free rate of return component in their 16 CAPM analyses, and used different market risk premiums in their CAPM analyses. (Id. at 54-58.) In 17 addition, RUCO did not adopt the additional 50 basis point addition that AWC included in its cost of 18 common equity. (Id. at 59.) RUCO's recommended cost of common equity figure of 9.50 fell just 19 above the high end of its range of estimates (3.97 percent to 9.40 percent), which RUCO determined 20 was appropriate after considering the current state of the national and Arizona economies, Arizona's 21 rate of unemployment, and the U.S. Federal Reserve's recent decision not to raise interest rates for 22 the next two years. (Id. at 34-35.)

23

102. Staff did not conduct its typical market-based DCF and CAPM analysis due to limited 24 Staff resources and instead derived its recommended cost of equity by taking an average of the most 25 recent Commission-authorized cost of equity (10.4 percent) and the most recent Staff market-based 26 cost of equity estimate (9.6 percent) for non-publicly traded water utilities. (Ex. S-2 at 28-29.)

27

Κ.

TY Results, Rate Base, and Revenue Requirement

28

103. RUCO and Staff adopted the following positions regarding the TY operations and

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required revenue for the separate systems in the Western Group, which are shown in comparison to
 the figures included in the Amended Application:<sup>17</sup>

3	PINAL VALLEY (Casa Grande, Coolidge, & Stanfield)							
4		AWC	RUCO	Staff				
5	TY Adjusted Operating Revenues:	\$16,572,288	\$16,572,049	\$16,657,541				
6	TY Adjusted Operating Expenses:	\$14,428,651	\$14,350,194	\$13,976,267				
7	TY Adjusted Operating Income:	\$2,143,637	\$2,221,855	\$2,681,274				
8	Adjusted OCRB:	\$47,398,030	\$46,846,040	\$46,898,537				
0	TY Rate of Return:	4.52%	4.74%	5.72%				
9	Required Operating Income:	\$4,509,311	\$3,834,846	\$3,939,477				
10	Operating Income Deficiency:	\$2,365,674	\$1,612,991	\$1,258,203				
11	Gross Revenue Conversion Factor	1.6569	1.6569	1.6562				
10	Required Revenue Increase:	\$3,919,673	\$2,672,556	\$2,083,848				
12	Required Revenue Increase %:	23.65%	16.13%	12.51%				
13	Required Rate of Return:	9.51%	8.19%	8.40%				
14	Proposed Revenue Increase:	\$4,509,782 <sup>18</sup>	\$2,672,556	\$2,083,848				
15	in the second	HITE TANK	114 - 14 - 14 - 14 - 14 - 14 - 14 - 14					
16		AWC	RUCO	Staff				
17	TY Adjusted Operating Revenues:	\$1,584,389	\$1,584,472	\$1,582,565				
18	TY Adjusted Operating Expenses:	\$1,422,306	\$1,417,249	\$1,397,216				
19	TY Adjusted Operating Income:	\$162,083	\$167,223	\$185,350				
	Adjusted OCRB:	\$5,682,264	\$5,606,782	\$5,652,142				
20	TY Rate of Return:	2.85%	2.98%	3.28%				
21	Required Operating Income:	\$540,594	\$458,975	\$474,780				
	Operating Income Deficiency:	\$378,512	\$291,752	\$289,430				
22 23	Gross Revenue Conversion Factor	1.6497	1.6497	1.6526				
23	Required Revenue Increase:	\$624,449	\$481,317	\$478,324				

24

28 proposed rate consolidation." (*Id.*)

<sup>The sources for this data are Ex. A-2 at Sched. A-1; Ex. R-1 at Sched. TJC-1 (Pinal Valley, White Tank, Ajo); Ex. S-1 at Sched. JMM-1 (Pinal Valley, White Tank, Ajo).
AWC included in its Amended Amplication a "Consolidated Persons Adjustment" affective Pinel Valley.</sup> 

AWC included in its Amended Application a "Consolidated Revenue Adjustment" affecting Pinal Valley and White
 Tank, which resulted in a \$590,109 increase in the proposed gross revenue increase for Pinal Valley and a corresponding decrease in the proposed gross revenue increase for White Tank. (Ex. A-2 at Sched. A-1.) The accompanying footnote stated: "Consolidated Revenue Adjustment represents the increase/(decrease) in revenue requirement resulting from proposed rate consolidation." (Id.)

	Required Revenue Increase %:	39.41%	30.38%	30.22%
	Required Rate of Return:	9.51%	8.19%	8.40%
	Proposed Revenue Increase:	\$34,340 <sup>19</sup>	\$481,317	\$478,324
		AJO		
-		AWC	RUCO	Staff
5	TY Adjusted Operating Revenues:	\$509,480	\$509,594	\$515,694
5	TY Adjusted Operating Expenses:	\$427,136	\$425,291	\$406,232
7	TY Adjusted Operating Income:	\$82,344	\$84,303	\$109,463
3	Adjusted OCRB:	\$992,500	\$986,335	\$987,646
	TY Rate of Return:	8.30%	8.55%	11.08%
9	Required Operating Income:	\$94,424	\$80,742	\$82,962
0	Operating Income Deficiency:	\$12,079	-\$3,561	-\$26,500
1	Gross Revenue Conversion Factor	1.6548	1.6548	1.5726
2	Required Revenue Increase:	\$19,988	-\$5,893	-\$41,676
	Required Revenue Increase %:	3.92%	-1.16%	-8.08%
3	Required Rate of Return:	9.51%	8.19%	8.40%
4 🛛	Proposed Revenue Increase:	\$19,988	-\$5,893	-\$41,676
5				
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8				
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- 11				

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- 26 ...
- 27 ...

28 <sup>19</sup> See preceding note.

#### L. Rate Design

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104. AWC's current rates and charges and the rates and charges proposed by AWC in its
Amended Application and on rebuttal are as shown in Exhibit A, attached hereto and incorporated
herein.<sup>20</sup> AWC's rate design on rebuttal did not change significantly from that originally proposed in
the Amended Application. (*See* Exhibit A hereto; Ex. A-3 at Sched. H-3.)

6 105. RUCO's proposed rate design for Pinal Valley residential and commercial customers 7 differed from that proposed by AWC in that RUCO proposed lower basic service charges and lower 8 commodity rates. (See Ex. R-2 at Sched. RD-1 (Pinal Valley).) For Pinal Valley industrial 9 customers, RUCO's proposed rate design differed in that RUCO proposed higher basic service 10 charges and a higher flat commodity rate. (See id.) RUCO also proposed a higher monthly charge 11 for private fire service; a lower gallonage allowance per coin for coin machines; lower monthly 12 minimum charges, commodity rates, and tier-break-over points for construction meters; and lower monthly minimum charges and flat commodity rates for meters used for sales for resale. (See id.) 13

14 RUCO's proposed rate design for White Tank residential customers differed from that 106. proposed by AWC in that RUCO proposed higher basic service charges, higher commodity rates, a 15 lower tier-break-over point for 1" meters, and a higher tier-break-over point for 2" meters. (See Ex. 16 R-2 at Sched. RD-1 (White Tank).) For White Tank commercial customers, RUCO's proposed rate 17 design differed in that RUCO proposed higher basic service charges, higher commodity rates, and 18 19 higher tier-break-over points. (See id.) For White Tank industrial customers, RUCO's proposed rate 20 design differed in that RUCO proposed higher basic service charges and a higher flat commodity 21 rate. (See id.) For White Tank construction customers, RUCO's proposed rate design different in 22 that RUCO proposed higher basic service charges, higher commodity rates, and lower tier-break-over 23 points. (See id.) RUCO also proposed a higher basic service charge for private fire service. (See id.)

RUCO's proposed rate design for Ajo residential and commercial customers differed
from that proposed by AWC in that RUCO proposed lower basic service charges and higher
commodity rates. (*See* Ex. R-2 at Sched. RD-1 (Ajo).) RUCO also proposed no industrial rates or

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<sup>20</sup> The sources for the data in Exhibit A hereto are Ex. A-2 at Sched. H-3; Ex. A-3 at Sched. H-3.

sales for resale rates; a lower private fire service charge; a lower gallonage allowance per coin for
 coin machines; and a higher basic service charge, lower tier-break-over point, and higher commodity
 rates for construction water. (*See id.*)

4 108. Staff's primary recommended rate design differed most significantly from that 5 proposed by AWC in that Staff would have consolidated rates for the entire Western Group. (Ex. S-3 6 at 2-4, Sched. DBE-1A (Casa Grande-Coolidge, Stanfield, White Tank, Ajo).) Staff's recommended 7 rate design used lower basic service charges for all classes except private fire service, used lower 8 first- and second-tier commodity rates, used a higher third-tier commodity rate, and used lower tier-9 break-over points for all meter sizes larger than 5/8" x <sup>3</sup>/<sub>4</sub>". (Id. at Sched. DBE-1A (Casa Grande-10 Coolidge, Stanfield, White Tank, Ajo).) Staff's rate design among systems was the same except as to 11 the gallonage allowance for coin machines, for which Staff's recommendations were the same as 12 AWC's proposals. (See id.)

13 109. AWC disagreed with Staff's method of allocating revenues to customer classes, 14 asserting that Staff's rate design, including full consolidation, would have resulted in a 38 percent 15 increase in the level of revenues collected from industrial customers, a 24 percent increase in the 16 level of revenues collected from commercial customers, and only a 10 percent increase in the level of 17 revenues collected from residential customers. (Ex. A-3, Reiker, at 5.) AWC asserted that this was not consistent with AWC's cost of service study, which showed that the required increase in gross 18 19 revenues for the industrial class was negative because the present revenues collected from the 20 industrial class were, on average, greater than the cost of serving that class. (Id.) AWC further 21 asserted that the industrial class is the most sensitive to price. (Ex. A-3, Reiker, at 5-6.) AWC also 22 expressed concern that Staff's rate design would allocate only 40.5 percent of revenues over all 23 classes to the fixed basic service charge, which AWC asserted would increase revenue volatility and 24 uncertainty. (Ex. A-3, Reiker, at 6.) AWC asserted that the Commission should instead authorize 25 rates that would collect 50 percent of AWC's revenue requirement through the fixed basic service 26 charge. (See id.) AWC accepted Staff's proposed changes to AWC's service charges, including its 27 service line and meter installation charges. (Ex. A-3, Reiker, at 7.)

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1 110. AWC asserted that RUCO's rate design allocated the largest revenue increase to the 2 industrial class, thereby unduly burdening the industrial customer class and not following cost of 3 service principles. (Ex. A-3, Reiker, at 12.)

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111. Abbott and WUAA did not make rate design proposals.

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M. Bill Impacts

112. The rates and charges proposed by AWC in its Rebuttal Testimony deviated only very
slightly from those proposed in the Amended Application and would have had approximately the
following monthly bill impact on an average usage residential customer served by a 5/8" x <sup>3</sup>/<sub>4</sub>" meter
in each of the Western Group systems:<sup>21</sup>

10	System	Usage	Current	Proposed	Dollar	Percent
11		(Gallons)	Bill	Bill	Change	Change
11	Pinal Valley (Casa Grande & Coolidge)	8,500	\$29.36	\$38.57	+\$9.21	+31.38%
12	Pinal Valley (Stanfield)	8,300	\$39.17	\$38.03	-\$1.14	-2.91%
	Ajo	4,800	\$50.24	\$53.33	+\$3.08	+6.13%
13	White Tank	13,900	\$52.16	\$52.18	+\$0.02	+0.03%
		-				

14 113. The rates and charges proposed by RUCO would have had approximately the 15 following monthly bill impact on an average usage residential customer served by a 5/8" x  $\frac{3}{4}$ " meter 16 in each of the Western Group systems:<sup>22</sup>

17	System	Usage (Gallons)	Current Bill	Proposed Bill	Dollar Change	Percent Change
18	Pinal Valley (Casa Grande & Coolidge)	8,500	\$29.36	\$34.34	+\$4.98	+16.96%
19	Pinal Valley (Stanfield)	8,300	\$39.17	\$33.94	-\$5.23	-13.35%
17	Ajo	4,800	\$50.24	\$49.87	-\$0.37	-0.74%
20	White Tank	13,900	\$52.16	\$68.17	+\$16.01	+30.69%

114. The rates and charges recommended by Staff, under its primary recommendation for
full consolidation, would have had approximately the following monthly bill impact on an average
usage residential customer served by a 5/8" x <sup>3</sup>/<sub>4</sub>" meter in each of the Western Group systems:<sup>23</sup>

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<sup>27</sup>  $\begin{bmatrix} 2^1 & \text{This data is taken from Ex. A-3, Sched. H-4. AWC used slightly rounded figures for average monthly usage, and those figures are repeated here.}$ 

The impacts for RUCO's proposed rates and charges are calculated from Ex. R-2, Sched. RD-2 for each system.

<sup>28 23</sup> The impacts for Staff's proposed rates and charges are calculated from Ex. S-3, Sched. DBE-1A for each system.

1	System	Usage	Current	Proposed	Dollar	Percent
2		(Gallons)	Bill	Bill	Change	Change
2	Pinal Valley (Casa Grande & Coolidge)	8,500	\$29.36	\$31.38	+\$2.02	+6.88%
3	Pinal Valley (Stanfield)	8,300	\$39.17	\$30.98	-\$8.19	-20.91%
	Ajo	4,800	\$50.24	\$23.98	-\$26.26	-52.27%
4	White Tank	13,900	\$52.16	\$46.66	-\$5.50	-10.54%

### V. The Settlement

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### The Settlement Agreement

The Settlement Agreement, attached hereto and incorporated herein as Exhibit B,24 7 115. 8 was executed on February 15, 2012, by representatives for all of the parties to this matter, specifically 9 William Garfield for AWC, Jeffrey Starling for Abbott, Greg Patterson for WUAA, Jodi Jerich for 10 RUCO, and Steven Olea (by proxy) for Staff. (Ex. S-5.) The Settlement Agreement states that the 11 negotiation process was open, transparent, and inclusive of all parties; that each party had an equal 12 opportunity to participate; and that all parties attended and actively participated in all phases of the 13 settlement discussions. (Id. at 3, § 1.7.) The stated purpose of the Settlement Agreement is to settle 14 all issues in this matter in a manner that will promote the public interest, provide for prompt 15 resolution, and allow expeditious implementation of new rates. (Id. at 3, § 1.8.) The Settlement 16 Agreement asserts:

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[T]he terms of this Agreement will serve the public interest by providing a just and reasonable resolution of the issues presented by the Rate Case, establishing just and reasonable rates for AWC's customers, and promoting the health, welfare and safety of AWC's customers. Commission approval of this Agreement will further serve the public interest by allowing the Signatory Parties to avoid the expense and delay associated with continued litigation.<sup>25</sup>

The parties desire for the Commission to find the terms and conditions of the Settlement Agreement to be just and reasonable and in the public interest, along with all other necessary findings; to approve the Settlement Agreement; and to order the Settlement Agreement and the rates contained therein to become effective at the earliest practicable date. (*Id.* at 3, § 1.10.)

25 116. The Settlement Agreement includes, as Exhibit No. 1, both an Off-Site Facilities Fee
 26 (Water) Tariff Schedule and a number of supporting schedules that include data for the Western

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<sup>&</sup>lt;sup>24</sup> The Settlement Agreement was admitted herein as Exhibit S-5.

Group as a whole as well as breakdown data for Pinal Valley, Ajo, and White Tank. (*See id.* at Ex.
 The supporting schedules detail and support the parties' agreements related to revenue
 requirement, OCRB/FVRB, TY income and expenses, cost of capital, and rate design. (*See id.*)

5 117. The parties agree that AWC should be permitted to continue its ACRM as proposed
6 and that AWC's General Service Tariff should be amended to exclude from applicability of the
7 ACRM surcharge any industrial class customer that does not receive water from AWC's potable
8 water distribution system. (Ex. S-5 at 5, § 7.2.)

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C. Consolidation of White Tank with Pinal Valley

10 118. The parties agree that the White Tank and Ajo systems should remain separate and 11 should not be consolidated with the Pinal Valley system at this time. (Ex. S-5 at 5, § 5.1.)

D. Complete Consolidation of Stanfield into Pinal Valley

13 119. The parties agree that the Stanfield system should be fully consolidated with the Pinal
14 Valley system (Casa Grande and Coolidge) at this time. (Ex. S-5 at 5, § 5.1.)

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E. CAP HUFs

ACRM

B.

16 120. The parties agree that AWC's CAP HUFs for the Casa Grande, Coolidge, and White 17 Tank systems should be continued, without change, except that the name of the CAP HUFs should be 18 changed to CAP M&I Fees to more accurately describe the fees and avoid confusion with other hook-19 up fee tariffs. (Ex. S-5 at 5-6, § 7.3.)

F. DSIC

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121. AWC withdrew its request for a DSIC in this matter. (Ex. S-5 at 5, § 6.1.)

G. OSFF

122. The parties agree that AWC should be permitted to collect OSFFs as proposed in its
Amended Application and agree on the language of the Off-Site Facilities Fee (Water) Tariff
Schedule as included in Exhibit No. 1 to the Settlement Agreement. (Ex. S-5 at 5, § 7.1.)

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1	H. Deferral of Costs for BMPs					
2	123. The parties agree that Decision No. 71845 authorized AWC to continue to defer its					
3	costs associated with implementing and per	forming addition	nal BMPs for reco	overy in a future general		
4	rate case, and that AWC should record such	deferral of costs	. (Ex. S-5 at 6, §	7.4.)		
5	I. Accrual of AFUDC					
6	124. The parties agree that AW	IC should be a	llowed to accrue	• AFUDC on the land		
7	purchased for the Arizona City water storag	e tank and boost	er pump station.	(Ex. 5-5 at 6, § 7.5.)		
8	J. Cost of Capital					
9	125. The parties agree on the f	ollowing calcula	ation of AWC's	cost of capital for the		
10	Western Group: <sup>26</sup>					
11		Weight	Cost	Weighted Avg. Cost		
12	Common Equity	50.97%	10.0%	5.10%		
13	Debt	49.03%	6.82%	3.34%		
	Weighted Avg. Cost of Capital			8.44%		
14	K. TY Results, Rate Base, and	Pevenue Pequire	ment			
15						
16	126. The parties agree on the following the	owing TY results	s, OCRB/FVRB, a	and revenue requirement		
	for the Western Group: <sup>27</sup>					
17						
18	TY Adjusted Operating Revenues					
4.0	TY Adjusted Operating Expenses					
19	TY Adjusted Operating Income:	\$2,549,4				
20	Adjusted OCRB/FVRB:	\$53,234,2				
	TY Rate of Return:	4.79				
21	Required Operating Income:	\$4,494,7				
22	Operating Income Deficiency: Gross Revenue Conversion Factor	\$1,945,2 r 1.65				
	4	\$ <b>3,224,4</b>				
23	Required Revenue Increase: Required Revenue Increase %:	17.30				
24	Required Operating Revenues:	\$21,862,5				
	Required Rate of Return:	\$21,002,5 <b>8.44</b>				
25	Required Rate of Return.					
26						
27	$^{26}$ Ex. S-5 at 4, § 3.1, Ex. 1 at Sched. D-1. This c cost of common equity, which is reduced to 10					

<sup>28</sup> Application. (See Ex. S-5, Ex. 1 at Sched. D-1.) <sup>27</sup> The provisions of the Agreement come from Ex. S-5 at 3, § 2.0 and at Sched. A-1.

#### Rate Design

The parties agree on the following overall revenue percentage increases/decreases by 2 127. customer class for the Western Group as a whole, and the Pinal Valley, White Tank, and Ajo systems 3 separately, under the rates and charges agreed upon in the Settlement Agreement:<sup>28</sup> 4

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<b>Customer Class</b>	Western Group	<b>Pinal Valley</b>	White Tank	Ajo
Residential	14.53%	13.63%	27.09%	-4.08%
Commercial	28.97%	27.88%	68.00%	10.87%
Industrial	13.27%	13.58%	2.27%	0%
Private Fire	9.24%	9.27%	10.18%	3.35%
Other Water	16.51%	7.96%	56.87%	-1.08%
Miscellaneous	0%	0%	0%	0%
Total Operating	17.30%	16.47%	31.65%	-0.43%
Revenues				

The agreed-upon rates will also result in the following revenue percentage increases/decreases for the 11 residential 5/8" x <sup>3</sup>/<sub>4</sub>" meter and 1" meter customer classes within the Western Group as a whole and 12 13 within the separate systems:<sup>29</sup>

13.28%

14.78%

**Pinal Valley** 

12.19%

15.94%

White

Tank<sup>30</sup>

29.76%

13.32%

Ajo

-4.19%

-0.36%

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- 15
- Western Group Residential **Meter Size** 5/8" x <sup>3</sup>/<sub>4</sub>" Meter
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Bill Impacts M.

1" Meter

18 The agreed upon rates and charges would have approximately the following monthly 128. bill impact on an average usage residential customer served by a 5/8" x <sup>3</sup>/<sub>4</sub>" meter in each of the 19 Western Group systems:<sup>31</sup>

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21	System	Usage	Current	Proposed	Dollar	Percent
22		(Gallons)	Bill	Bill	Change	Change
22	Pinal Valley (Casa Grande & Coolidge)	8,500	\$29.36	\$31.17	+\$1.82	+6.20%
23	Pinal Valley (Stanfield)	8,300	\$39.17	\$30.65	-\$8.52	-21.76%
	Ajo	4,800	\$50.24	\$45.58	-4.66	-9.28%
24	White Tank	13,900	\$52.16	\$58.72	+\$6.55	+12.57%

<sup>25</sup> 

<sup>28</sup> These figures come from Ex. S-5, Ex. 1 at Sched. H-1.

26 29 This data is taken from Ex. S-5, Ex. 1 at Sched. H-2. These represent the majority of customers in each system. (See id.) 27

The average consumption for a White Tank residential 5/8" x <sup>3</sup>/<sub>4</sub>" customer is 13,906 gallons, while the average consumption for a White Tank residential 1" customer is 8,955 gallons. (Ex. S-5, Ex. 1 at Sched. H-2.)

28 This data is taken from Ex. S-5, Ex. 1 at Sched. H-4. 1

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#### Additional Settlement Agreement Provisions

129. The parties agree that AWC's next Western Group general rate case filing, or rate case
filed for any system within the Western Group, shall use a test year that includes at least 12 months
of actual experience with the rates approved in this matter. (Ex. S-5 at 6, § 7.6.)

5 130. The Settlement Agreement provides that if the Commission issues an order adopting 6 all material terms of the Settlement Agreement, such action shall constitute Commission approval of 7 the Settlement Agreement, and the parties shall thereafter abide by the terms as approved by the 8 Commission. (Ex. S-5 at 6, § 8.4.) The Settlement Agreement further provides that the parties agree 9 to waive their rights to appeal a Commission Decision approving the Settlement Agreement, provided 10 that the Commission approves all material provisions of the Settlement Agreement. (*Id.* at 6, § 8.5.)

11 131. The Settlement Agreement provides that AWC shall file compliance tariffs, consistent
12 with any order of the Commission, for Staff review and approval and that such compliance tariffs
13 shall become effective on the effective date of the rate increase stated in the Commission's order.
14 (*Id.* at 7, § 8.6.)

15 132. The Settlement Agreement also states that if the Commission fails to issue an order 16 adopting all material terms of the Settlement Agreement, or adds new or different material terms to 17 the Settlement Agreement, any party may withdraw from the Settlement Agreement and may pursue 18 remedies at law. (*Id.* at 7, § 8.7.) The Settlement Agreement allows a party to exercise reasonable 19 discretion in determining whether a term is material. (*Id.*) In addition, the Settlement Agreement 20 provides that if a party files an application for rehearing before the Commission, "Staff shall not be 21 obligated to file any document or take any position regarding the . . . application for rehearing." (*Id.*)

133. The Settlement Agreement also provides that nothing therein shall prevent AWC from requesting a change to its rates in the event of conditions or circumstances that constitute an emergency, which is "limited to an extraordinary event that, in the Commission's judgment, requires rate relief in order to protect the public interest." (Ex. S-5 at 8, § 9.10.)

### 26 VI. Parties' Support of Settlement Agreement

27 134. AWC requests that the Commission approve the Settlement Agreement as written.
28 (Ex. A-4, Garfield, at 8.) Mr. Garfield testified that AWC agreed to materially reduce its rate request

because of the expense and uncertainty of protracted litigation, including potential appeals, and so 1 2 that it could secure all parties' commitment to expedite the Settlement Agreement, bring it before the 3 Commission for approval, and obtain implementation of the Settlement Agreement's provision, including new rates, at the earliest possible date. (Ex. A-4, Garfield, at 7.) Mr. Garfield stated that 4 5 each month of delay in having the new rates implemented amounts to approximately \$250,000 of lost revenues, so AWC sees a great benefit in resolving the complexities of the case through agreement so 6 7 as to expedite a Commission decision. (See Tr. at 61-62.) Mr. Garfield further testified that the 8 Settlement Agreement provides the following benefits:

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- It avoids protracted litigation and yields significant savings of rate case expenses, making lower customer rates possible.
- It establishes rate designs that promote water conservation and provides a financial incentive and savings for customers who use less water.
- It produces lower rates to customers by adopting Staff's proposed return on common equity of 10.0%, rather than the Company's requested return on common equity of 12.1%.
- It postpones any rate application for any water system in the Western Group until there is at least twelve months of recorded revenues with rates approved in this proceeding, effectively postponing any new rate increase for the Western Group for two years or longer.<sup>32</sup>

15 Mr. Reiker testified that the Settlement Agreement rate design is much more 135. 16 aggressive in terms of conservation than was AWC's proposed rate design because it provides 17significant monetary discounts to residential customers who lower their usage, even to customers 18 who are already at the lifeline usage of 3,000 gallons or maybe right above it and who can reduce 19 their usage just enough to get below the break-over point. (Tr. at 74.) Mr. Reiker testified that this 20 was accomplished by increasing the first and second tier-break-over points for White Tank to make it 21 easier for those customers to get their usage down under those break-over points and by increasing 22 the differential between the three tier commodity rates for 5/8" x  $\frac{3}{4}$ " residential customers. (Id. at 23 75.) Mr. Reiker stated that the middle tier is the theoretical cost of water and that the Settlement 24 Agreement rate design lowered the first tier charge and raised the third tier charge, which shifts more 25 revenue recovery to the third tier and has the potential to increase revenue volatility, but provides a 26 better tool to customers who can reduce their usage and thereby save money. (Id.) Mr. Reiker added

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28 <sup>32</sup> Ex. A-4, Garfield, at 7.

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that having the greater tier differentials will be something of an experiment for AWC, as it has never 1 2 had such large differentials. (Id. at 76.) Mr. Reiker testified that the rates under the Settlement 3 Agreement would produce revenues from residential customers that are equal to or below the cost of 4 service for those residential customers and that they provide those customers an even larger discount, 5 on an aggregate basis, than would have existed under AWC's proposed rates. (Id. at 78-79.) Mr. Reiker also spoke to four policy considerations AWC applies in developing rates, which were still 6 7 applied in the rates under the Settlement Agreement: (1) achieving gradualism, because the rates under the Settlement Agreement represent small steps toward moving different classes toward their 8 9 cost of service; (2) achieving affordability, because revenues for residential customers are kept lower 10 than the cost of service; (3) avoiding residential intersystem subsidies, because White Tank is not 11 being consolidated with Pinal Valley and thus Pinal Valley customers will not pay any more to 12 support White Tank customers; and (4) ensuring revenue recovery, because the basic service charge 13 is designed to provide AWC with 41 percent of its overall revenue, which is a small increase from its last rate case. (See Tr. at 79-82.) Mr. Reiker also confirmed that the largest percentage revenue 14 15 increase under the Settlement Agreement comes from the commercial customer class, which had 16 increasing usage for the period from 2000 to 2010, at least in the Pinal Valley and White Tank areas. 17 (Tr. at 82-83.)

18 Mr. Chasse testified that Abbott intervened in this matter to assert that 6" industrial 136. 19 customers in the Pinal Valley system, such as itself, should not be required to pay tiered rates because 20 rate tiers are not needed to encourage additional conservation by these customers; that customers 21 should pay rates that reflect AWC's cost of providing service to the customers; and that AWC's 22 OSFF tariff language should be changed to reflect that the OSFF is not payable for additional service 23 connections established as back-up connections. (Ex. Abbott-2 at 1-2.) Mr. Chasse testified that the 24 rate design in the Settlement Agreement includes a flat commodity rate for 6" industrial customers in 25 the Pinal Valley system and more closely reflects the cost of service than did the other parties' initial 26 rate design proposals. (Id. at 2.) Mr. Chasse also testified that the ACRM surcharge previously paid 27 by non-potable industrial customers would be inapplicable under the Settlement Agreement and that 28 the OSFF tariff will not apply to redundant connections because such connections do not require

AWC to increase its off-site facility capacity. (*Id.*) Mr. Chasse characterized these provisions as just and reasonable resolutions of disputed issues, designed to distribute the rate increase in a fair manner consistent with cost of service rate design, and expressed appreciation for the parties' willingness to engage in settlement discussions to seek a fair resolution that would save the parties the expense of preparing for and attending a lengthy hearing. (*Id.*)

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137. WUAA did not provide any testimony in this matter.

Ms. Jerich testified that RUCO does not enter into settlements lightly and that the 7 138 8 negotiations in this matter produced a well-balanced and fair result that benefits both ratepayers and 9 AWC. (Id. at 2-3.) Ms. Jerich stated that the Settlement Agreement provides regulatory certainty and clarity, avoids the risk of protracted litigation and appeals, represents a middle ground that the 10 parties can support, and has terms that are favorable to ratepayers and are in the public interest. (Id.) 11 Ms. Jerich pointed out that the Settlement Agreement adopts RUCO's positions on rate consolidation 12 and the DSIC, would provide a revenue increase only \$76,423 higher than that recommended by 13 RUCO, and will result in a rate increase far less than what AWC proposed for Pinal Valley customers 14 and far less than what RUCO originally proposed for White Tank customers. (Id. at 4, 7.) Ms. Jerich 15 presented the benefits of the Settlement Agreement to ratepayers and intervenors as follows: 16 The overall revenue increase of approximately \$3.2 million is 17 significantly less than the \$4.5 million increase Arizona Water requested and is very close to the \$3.1 million revenue increase RUCO 18 recommended. Ajo residents will enjoy a decrease in their rates instead of the rate 19 increase proposed by Arizona Water.

- Stanfield residents will enjoy a decrease in their rates.
- Pinal Valley and White Tanks [sic] customers will pay fair rates for their own respective systems without one system subsidizing rates for the other through rate consolidation.
  - Arizona Water withdraws its request for a DSIC mechanism in this rate case.
  - The earliest that Arizona Water can file for new rates is twelve (12) months after the new rates go into effect.<sup>33</sup>
- 139. Mr. Olea testified that the Settlement Agreement represents compromise by the parties

26 on their various litigation positions, in a manner that furthers the public interest. (Ex. S-4 at 5-6.)

27 Mr. Olea pointed out that even though the total revenue that would be produced under the Settlement

28 33 Ex. R-7 at 5-6.

Agreement is greater than that recommended by Staff, the Settlement Agreement would result in 1 2 smaller rate increases than proposed by AWC or recommended by Staff for both average and median 3 Pinal Valley (Casa Grande and Coolidge) system customers and would result in larger decreases for 4 Stanfield customers than would have occurred under AWC's proposed rate design or Staff's 5 recommended rate design, due to the Settlement Agreement's lower monthly minimum charges and greater rate spread for commodity charges between tiers, which also promote more efficient water 6 7 usage. (Id. at 7-8.) Mr. Olea testified that Ajo residential customers with average and median use 8 would also see a decrease in their monthly bills under the Settlement Agreement, although the 9 decrease is less than would have occurred under Staff's recommended full consolidation rate design. 10 (See id. at 8.) Staff felt that it was important to achieve a rate decrease for the majority of Ajo 11 customers. (See id. at 9.) In addition, Mr. Olea testified that White Tank residential customers with 12 average and median usage would see an increase in their monthly bills, of \$6.55 and \$3.96, 13 respectively, and further testified that had the parties not reached settlement, Staff's surrebuttal testimony would have recommended that White Tank not be consolidated with the other Western 14 15 Group systems because Staff determined after its direct testimony had been filed that consolidation of 16 White Tank was not in the public interest at this time because the water consumption patterns of 17 White Tank customers are so different from those of the other systems' customers, and the other 18 systems' customers should not be required to subsidize White Tank. (Id. at 8-10; Tr. at 120.) Mr. 19 Olea testified that the rates proposed for White Tank in the Settlement Agreement are the rates that 20 are necessary to achieve the revenue requirement for the White Tank system without consolidation. 21 (Ex. S-4 at 10.) Mr. Olea testified that in Staff's opinion, the Settlement Agreement is fair, balanced, 22 and in the public interest because it addresses AWC's needs while balancing them with terms and 23 conditions that provide customer benefits, such as the following:

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this case:

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recommended in its direct testimony; Residential Customers for the Pinal Valley, Stanfield and Ajo systems with average usage or less will experience a rate decrease [compared to Staff's proposal];

The Company cannot file its next rate case until the Company has at

least twelve months of actual experience using the rates approved in

The Company will adopt the 10.0 percent cost of equity that Staff

1 2

- The Company has withdrawn its request to implement a DSIC mechanism; [and]
- The Company has agreed to larger spreads for its charges between tiers, which gives customers more control over their bills.<sup>34</sup>

3 Mr. Olea emphasized that the rate design will have much of the revenue increase generated by the 4 third tier, which in Staff's opinion allows customers much more control over their bills and allows 5 them to save a lot of money by using even a little less water, possibly even enabling them to bring 6 their bills lower than they were under existing rates. (Tr. at 126.) Mr. Olea added that the 7 requirement for AWC to have at least 12 months of actual data under its existing rates before filing 8 its next general rate case is important because having only six months of data, as in the Amended 9 Application herein, makes reviewing a rate application unnecessarily difficult, especially with a large 10 utility such as AWC, reduces burdensome pro forma adjustments, and reduces rate case expense. 11 (See Ex. S-4 at 12.) Mr. Olea added that the OSFF tariff treatment of CIAC in regard to rate base is 12 consistent with recent Commission decisions considering the subject. (Tr. at 122.)

# 13 **VII.** Discussion and Resolution

14 140. The Settlement Agreement entered into by the parties was, by all accounts, the product 15 of a robust, open, and inclusive negotiation process in which all of the parties actively participated in 16 good faith and during which all of the parties made compromises as to their pre-settlement positions 17 so as to reach an agreement that would resolve all of the disputed issues in this matter. The 18 Commission appreciates the parties' efforts in this regard, particularly considering this case's rocky 19 start.

141. As is acknowledged in the Settlement Agreement, the Commission is not bound by the
terms of the Settlement Agreement and must independently consider and evaluate the terms of the
Settlement Agreement to ensure that they are in the public interest. (*See* Ex. S-5 at 6-7, §§ 8.3, 8.8.)

142. Based on our consideration of the complete evidentiary record in this proceeding,
 including the level of cooperation and compromise exhibited by the parties and most significantly the
 benefits to be derived by AWC and its customers, we find that the Settlement Agreement is in the

<sup>27 &</sup>lt;sup>34</sup> Ex. S-4 at 11-12 (footnote omitted); Tr. at 121-22. Mr. Olea acknowledged at hearing that AWC has requested approval of a DSIC mechanism in its Eastern Group rate case filed in a different docket, and that its request therein is not a violation of the Settlement Agreement in this case. (Tr. at 117-18.)

1 public interest and should be adopted, with one minor modification, described below.

2 143. In § 7.4 of the Settlement Agreement, the parties agree that Decision No. 71845 3 authorized AWC to continue to defer its costs associated with implementing and performing 4 additional BMPs for recovery in a future general rate case and that AWC should record such deferral 5 of costs. (Ex. S-5 at 6, § 7.4.) We disagree with the parties' interpretation of Decision No. 71845 in 6 this regard, because Decision No. 71845 expressly authorized AWC to "request cost recovery of 7 actual costs associated with the BMPs implemented in its next rate case." (Decision No. 71845 at 78, 8 94.) As this matter is the "next rate case" for AWC's Western Group, and we must give the language 9 of Decision No. 71845 its plain meaning, we find that Decision No. 71845 authorized AWC to 10 request cost recovery of actual costs associated with its additional BMPs for the Western Group in 11 this case, not to continue deferring its costs associated with the additional BMPs for recovery in any 12 other future rate case. Thus, we will not adopt § 7.4 of the Settlement Agreement. However, because 13 we find that AWC should be granted the authority to defer its actual costs associated with 14 implementing and performing additional BMPs for recovery in a future general rate case, and that 15 AWC should record such deferral of costs, we will grant AWC such authority herein. We find this 16 modification to be technically necessary and do not intend for it to be, or for any party to determine 17 that it is, a substantive change to a material term of the Settlement Agreement as adopted by the 18 Commission.

19 144. In determining that the Settlement Agreement is in the public interest, while we have 20 considered all of the parties' testimony in support of the Settlement Agreement, we are particularly 21 persuaded by the rate design that promotes water conservation and will allow customers more control 22 over their own bills; the adoption of Staff's recommended cost of equity; the requirement for the test 23 year for AWC's next Western Group (or Western Group system) rate case to include 12 months of 24 actual data under existing rates; the reduced rates for the residential customers of the Ajo system, 25 who use relatively little water; and the more appropriate rate design for the residential customers of 26 the White Tank system, who use relatively more water.

27 145. Based on the totality of the circumstances presented in this case, we find that the
28 Settlement Agreement, with the modification described in Findings of Fact No. 143, is just and

reasonable and that its adoption by the Commission is in the public interest. Thus, the Settlement
 Agreement as so modified, including all of its attachments, is approved.

3 146. We find the following to be just and reasonable and in the public interest, for purposes
4 of setting rates for the Pinal Valley system (including the fully consolidated Casa Grande, Coolidge,
5 and Stanfield systems):

Э	and Stanfield systems):		
6	Pinal Valley System	1	
7	TY Operating Revenues:	\$16,544,087	
7	TY Operating Expenses:	\$14,249,542	
8	TY Operating Income:	\$2,294,545	
0	OCRB/FVRB:	\$46,638,551	
9	TY Rate of Return:	4.92%	
10	Required Operating Income:	\$3,937,827	
	Operating Income Deficiency:	\$1,643,282	
11	Gross Revenue Conversion Factor	1.6585	
12	<b>Required Revenue Increase:</b>	\$2,725,357	
	<b>Required Revenue Increase %:</b>	16.47%	
13	Required Operating Revenues:	\$19,269,444	
14	<b>Required Rate of Return:</b>	8.44%	
15	147. We find the following to be just and rea	sonable and in the public interest, for p	ourposes
16	of setting rates for the White Tank system:		
17	White Tank Systen	1	
18	TY Operating Revenues:	\$1,584,472	
1.0	TY Operating Expenses:	\$1,414,248	
19	TY Operating Income:	\$170,224	
20	OCRB/FVRB:	\$5,609,221	
	TY Rate of Return:	3.03%	
21	Required Operating Income:	\$473,603	
22	Operating Income Deficiency:	\$303,379	
<i></i>	Gross Revenue Conversion Factor	1.6526	
23	Required Revenue Increase:	\$501,373	
24	Required Revenue Increase %:	31.65%	
2-1	Required Operating Revenues:	\$2,085,845	
25	<b>Required Rate of Return:</b>	8.44%	
26			
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1 148. We find the following to be just and reasonable and in the public interest, for purposes 2 setting rates for the Aio system. ۰f

2	of setting rates for the Ajo system	n:				
3		Ajo System				
	TY Operating Revenues	S:	\$509,594			
4	TY Operating Expenses	s:	\$424,903			
5	TY Operating Income:		\$84,691			
6	OCRB/FVRB:		\$986,437			
6	TY Rate of Return:		8.59%			
7	Required Operating Inc		\$83,288			
0	Operating Income Defic		-\$1,404			
8	Gross Revenue Convers		1.6573			
9	Required Revenue Inc Required Revenue Inc		-\$2,326 -0.43%			
10	Required Operating Rev		\$507,268			
10	Required Rate of Retu		8.44%			
11			0.777/0			
12	149. AWC currently re	eports information suc	ch as water loss, water use, and plant data			
13	separately for each individual sy	ystem, by public water	system, in its annual reports and intends to			
14	continue doing so in the future.	(Tr. at 86.) We find	that Decision No. 71845 required AWC, in			
15	future annual reports and rate filings, to continue reporting information (including but not limited to					
16	water use and plant description data) separately for each of its public water systems, as defined by					
17	ADEQ, and that this requirement remains in effect. (Decision No. 71845 at 93.)					
18	150. AWC testified th	at it has no objection	to reporting on its BMPs by public water			
19	system. (Tr. at 86-87.) We find t	that it is reasonable and	d appropriate for it to do so.			
20		CONCLUSIONS	OF LAW			
21	1. AWC is a public s	service corporation wit	hin the meaning of Article XV of the Arizona			
22	Constitution and A.R.S. §§ 40-25	50, 40-251, and 40-367.				
23	2. The Commission	has jurisdiction over A	AWC and the subject matter of its Amended			
24	Application.					
25	3. Notice of the Ame	ended Application was	provided in accordance with the law.			
26	4. Adoption of the S	Settlement Agreement,	as discussed and modified herein, is just and			
27	reasonable and in the public inter	est.				
28	5. It is just and reaso	onable and in the public	e interest to modify the Settlement Agreement			
		42	DECISION NO 73144			

1 as described in Findings of Fact No. 143 and to grant AWC the authority described therein.

2 6. The fair value rate bases of AWC's Pinal Valley system, White Tank system, and Ajo
3 system are as set forth in Findings of Fact Nos. 146 through 148.

4 7. The rates, charges, and conditions of service established herein are just and reasonable
5 and in the public interest.

6

#### <u>ORDER</u>

7 IT IS THEREFORE ORDERED that the Settlement Agreement filed in this Docket on
8 February 15, 2012, and attached to this Decision as Exhibit B, is hereby approved as discussed
9 herein.

IT IS FURTHER ORDERED that Arizona Water Company is hereby directed to file with the
 Commission, on or before April 30, 2012, revised schedules of its rates and charges consistent with
 Exhibit B and the findings herein.

IT IS FURTHER ORDERED that the rates and charges and conditions of service adopted
herein shall be effective for all services rendered on and after May 1, 2012.

15 IT IS FURTHER ORDERED that Arizona Water Company shall notify its affected customers 16 of the revised schedules of rates and charges authorized herein by means of an insert in its next 17 regularly scheduled billing, and by posting a notice on its website, in a form acceptable to the 18 Commission's Utilities Division Staff.

IT IS FURTHER ORDERED that Arizona Water Company shall implement and comply with
 the terms of the Settlement Agreement as discussed herein and that any failure to comply with the
 Settlement Agreement adopted herein shall be deemed a failure to comply with this Decision.

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1 IT IS FURTHER ORDERED that Arizona Water Company is authorized to defer its actual 2 costs associated with implementing and performing Best Management Practices in its Western Group 3 systems, for recovery in a future general rate case. 4 IT IS FURTHER ORDERED that this Decision shall become effective immediately. 5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION. 6 7 COMMISSIONER CF 8 ÍER COMMISSIONER 11 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, 12 Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the 13 Commission to be affixed at the Capitol, in the City of Phoenix, this 154 day of MAV 2012. 14 15 16 ERNEST G. JOHNSON **EXECUTIVE DIRECTOR** 17 18 DISSENT 19 20 DISSENT \_\_\_\_\_ 21 22 23 24 25 26 27 28

#### 1 SERVICE LIST FOR:

#### ARIZONA WATER COMPANY

2 DOCKET NO .:

W-01445A-10-0517

3

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- 17 Janice Alward, Chief Counsel
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- 20 Steven M. Olea, Director Utilities Division 21 ARIZONA CORPORATION COMMISSION 1200 West Washington Street
- Phoenix, AZ 85007 22
- 23

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PINALCASA GRANDE & COOLIDGE					
	Current	AWC App.	AWC Rebuttal		
Monthly Minimum Charges					
Residential, Commercial,					
Construction Water, Sales for					
Resale					
5/8" x <sup>3</sup> / <sub>4</sub> " Meter	\$ 15.79	\$ 21.75	\$ 21.61		
1" Meter	39.47	54.38	54.03		
1 ½" Meter	N/A	108.75	108.05		
2" Meter	126.29	174.00	172.88		
3" Meter	252.59	348.00	345.76		
4" Meter	394.67	543.75	540.25		
6" Meter	789.33	1,087.50	1,080.50		
8" Meter	1,262.93	1,740.00	1,728.80		
10" Meter	1,815.47	2,501.25	2,485.15		
Industrial					
5/8" x ¾" Meter	\$ 9.59	<u>\$ 10.00</u>	\$ 10.00		
1" Meter	23.98	25.00	25.00		
1 ½" Meter	N/A	50.00	50.00		
2" Meter	76.73	80.00	80.00		
3" Meter	153.46	160.00	160.00		
4" Meter	239.77	250.00	250.00		
6" Meter	479.55	500.00	500.00		
8" Meter	767.28	800.00	800.00		
10" Meter	1,102.96	1,150.00	1,150.00		
Private Fire					
All Sizes	\$22.88	\$25.00	\$25.00		
Commodity Rates					
Residential					
5/8" x <sup>3</sup> / <sub>4</sub> " Meter					
1 to 3,000 gallons	\$ 1.3700	\$ 1.7111	\$ 1.7123		
3,001 to 10,000 gallons	1.7123	2.1389	2.1404		
Over 10,000 gallons	2.1406	2.6736	2.6755		
1" Meter					
1 to 10,000 gallons	1.7123				
Over 10,000 gallons	2.1406				
1 to 40,000 gallons		2.1389	2.1404		
Over 40,000 gallons		2.6736	2.6755		
1 ½" Meter					
1 to 75,000 gallons		2.1389	2.1404		
Over 75,000 gallons	N/A	2.6736	2.6755		
2" Meter		1			
1 to 125,000 gallons	1.7123	2.1389	2.1404		
Over 125,000 gallons	2.1406	2.6736	2.6755		
3" Meter					
1 to 299,000 gallons	1.7123				
Over 299,000 gallons	2.1406				

Over 300,000 gallons		2.6736	2.6755
4" Meter			
1 to 494,000 gallons	1.7123		
Over 494,000 gallons	2.1406		
1 to 500,000 gallons		2.1389	2.1404
Over 500,000 gallons	_	2.6736	2.6755
6" Meter			2.0100
1 to 925,000 gallons	1.7123		
Over 925,000 gallons	2.1406		
1 to 1,000,000 gallons		2.1389	2.1404
Over 1,000,000 gallons		2.6736	2.6755
8" Meter			
1 to 1,500,000 gallons	1.7123	2.1389	2.1404
Over 1,500,000 gallons	2.1406	2.6736	2.6755
10" Meter			
1 to 2,264,000 gallons	1.7123		
Over 2,264,000 gallons	2.1406		
1 to 2,300,000 gallons	2.1400	2.1389	2.1404
Over 2,300,000 gallons		2.6736	2.6755
Commercial			
$\frac{1}{5/8^{\circ} \times \frac{3}{4^{\circ}}}$ Meter			
1 to 10,000 gallons	\$ 1.7123	\$ 2.1389	\$ 2.1404
Over 10,000 gallons	2.1406	2.6736	2.6755
1" Meter	2.1400	2.0750	2.0755
1 to 40,000 gallons	1.7123	2.1389	2.1404
Over 40,000 gallons	2.1406	2.6736	2.6755
1 ½" Meter	2.1400	2.0750	2.0700
1 to 75,000 gallons	N/A	2.1389	2.1404
Over 75,000 gallons	N/A	2.6736	2.6755
2" Meter		2.0750	
1 to 125,000 gallons	1.7123	2.1389	2.1404
Over 125,000 gallons	2.1406	2.6736	2.6755
3" Meter	2.1100	2.0750	
1 to 299,000 gallons	1.7123		
Over 299,000 gallons	2.1406		
1 to 300,000 gallons	2.1400	2.1389	2.1404
Over 300,000 gallons		2.6736	2.6755
4" Meter		2.0750	
1 to 494,000 gallons	1.7123	<u></u>	
Over 494,000 gallons	2.1406		
1 to 500,000 gallons	2.1400	2.1389	2.1404
Over 500,000 gallons		2.6736	2.6755
6" Meter		2.0750	2.0755
1 to 925,000 gallons	1.7123		
Over 925,000 gallons	2.1406		
1 to 1,000,000 gallons	2.1700	2.1389	2.1404
Over 1,000,000 gallons		2.6736	2.6755
8" Meter		2.0750	2.0755
1 to 1,500,000 gallons	1.7123	2.1389	2.1404
Over 1,500,000 gallons	2.1406	2.6736	2.6755
10" Meter		2.0750	2.0133
		L	L

		<u> </u>	
1 to 2,264,000 gallons	1.7123		
Over 2,264,000 gallons	2.1406		
1 to 2,300,000 gallons		2.1389	2.1404
Over 2,300,000 gallons		2.6736	2.6755
Industrial			
All meters & all gallons	\$1.5036	\$1.5500	\$1.5500
Coin Machine			
Gallons per Quarter (\$0.25)	132.99	107	107
Construction Water			
2" Meter			
1 to 125,000 gallons	\$ 1.7123	\$ 2.1389	\$ 2.1404
Over 125,000 gallons	2.1406	2.6736	2.6755
3" Meter			
1 to 299,000 gallons	1.7123		
Over 299,000 gallons	2.1406		
1 to 300,000 gallons		2.1389	2.1404
Over 300,000 gallons		2.6736	2.6755
4" Meter			
1 to 494,000 gallons	1.7123		
Over 494,000 gallons	2.1406		
1 to 500,000 gallons		2.1389	2.1404
Over 500,000 gallons		2.6736	2.6755
Sales for Resale			
All meters & all gallons	\$1.5036	\$2.1389	\$2.1404
		1	

PINAL-STANFIELD				
	Current AWC App.		AWC Rebuttal	
Monthly Minimum Charges				
Residential, Commercial,				
Construction Water, Sales for				
Resale				
$5/8'' \times \frac{3}{4}''$ Meter	\$ 15.79	\$ 21.75	<u>\$</u> 21.61	
1" Meter	39.47	54.38	54.03	
1 ½" Meter	N/A	108.75	108.05	
2" Meter	126.29	174.00	172.88	
3" Meter	252.59	348.00	345.76	
4" Meter	394.67	543.75	540.25	
6" Meter	789.33	1,087.50	1,080.50	
8" Meter	1,262.93	1,740.00	1,728.80	
10" Meter	1,815.47	2,501.25	2,485.15	
Industrial				
$5/8" \times \frac{3}{4}"$ Meter	\$ 9.59	\$ 10.00	\$ 10.00	
1" Meter	40.00	25.00	25.00	
1 <sup>1</sup> / <sub>2</sub> " Meter	N/A	50.00	50.00	
2" Meter	200.00	80.00	80.00	
3" Meter	153.46	160.00	160.00	
4" Meter	239.77	250.00	250.00	
6" Meter	479.55	500.00	500.00	
8" Meter	767.28	800.00	800.00	

10" Meter	1,102.96	1,150.00	1,150.00
Private Fire			
All Sizes	\$22.88	\$25.00	\$25.00
Commodity Rates		1	
Residential			
5/8" x <sup>3</sup> /4" Meter			
1 to 3,000 gallons	\$ 2.4379	\$ 1.7111	\$ 1.7123
3,001 to 10,000 gallons	3.0476	2.1389	2.1404
Over 10,000 gallons	3.8097	2.6736	2.6755
1" Meter			
1 to 10,000 gallons	3.0476		
Over 10,000 gallons	3.8097		
1 to 40,000 gallons		2.1389	2.1404
Over 40,000 gallons		2.6736	2.6755
1 ½" Meter			
1 to 75,000 gallons	N/A	2.1389	2.1404
Over 75,000 gallons	N/A	2.6736	2.6755
2" Meter			
1 to 122,000 gallons	3.0476		
Over 122,000 gallons	3.8097		
1 to 125,000 gallons		2.1389	2.1404
Over 125,000 gallons		2.6736	2.6755
3" Meter			
1 to 286,000 gallons	3.0476		
Over 286,000 gallons	3.8097		
1 to 300,000 gallons		2.1389	2.1404
Over 300,000 gallons		2.6736	2.6755
4" Meter			
1 to 471,000 gallons	3.0476		
Over 471,000 gallons	3.8097		
1 to 500,000 gallons		2.1389	2.1404
Over 500,000 gallons		2.6736	2.6755
6" Meter			
1 to 925,000 gallons	3.0476		
Over 925,000 gallons	3.8097	2 1 2 2 2	
1 to 1,000,000 gallons		2.1389	2.1404
Over 1,000,000 gallons		2.6736	2.6755
8" Meter		2 1200	21404
1 to 1,500,000 gallons	3.0476	2.1389	2.1404
Over 1,500,000 gallons	3.8097	2.6736	2.6755
10" Meter	2 0476		
1 to 2,223,000 gallons	3.0476		
Over 2,223,000 gallons 1 to 2,300,000 gallons		2.1389	2.1404
Over 2,300,000 gallons		2.1389	2.1404
Commercial		2.0730	2.0733
$5/8^{\circ} \times \frac{3}{4}^{\circ}$ Meter	<u> </u>		
1 to 10,000 gallons	\$ 3.0476	\$ 2.1389	\$ 2.1404
Over 10,000 gallons	3.8097	2.6736	2.6755
1" Meter		2.0750	2.0755

1  to  40,000  gallons	3.0476	2.1389	2.1404
1 to 40,000 gallons	3.8097	2.6736	2.6755
Over 40,000 gallons	5.0097	2.0730	2.0733
1 to 75,000 gallons	N/A	2.1389	2.1404
Over 75,000 gallons	N/A N/A	2.6736	2.6755
Over 75,000 gallons 2" Meter		2.0730	2.0733
	3.0476	2.1389	2.1404
1 to 125,000 gallons	3.8097	2.6736	2.6755
Over 125,000 gallons 3" Meter	5.8097	2.0730	2.0755
	3.0476		
1 to 289,000 gallons	3.8097		
Over 289,000 gallons	5.8097	2.1389	2 1 4 0 4
1 to 300,000 gallons		2.1389	2.1404 2.6755
Over 300,000 gallons		2.0730	2.0755
4" Meter	2.0476		
1 to 474,000 gallons	3.0476		
Over 474,000 gallons	3.8097	0 1290	21404
1 to 500,000 gallons		2.1389	2.1404
Over 500,000 gallons		2.6736	2.6755
6" Meter	2.0476		
1 to 925,000 gallons	3.0476		
Over 925,000 gallons	3.8097		
1 to 1,000,000 gallons		2.1389	2.1404
Over 1,000,000 gallons		2.6736	2.6755
8" Meter	2.0.17	0 1000	2.1.40.4
1 to 1,500,000 gallons	3.0476	2.1389	2.1404
Over 1,500,000 gallons	3.8097	2.6736	2.6755
10" Meter	2.0476		
1 to 2,223,000 gallons	3.0476		
Over 2,223,000 gallons	3.8097	- 1200	2 1 10 1
1 to 2,300,000 gallons		2.1389	2.1404
Over 2,300,000 gallons		2.6736	2.6755
Industrial			<u> </u>
All meters & all gallons	\$3.0476	\$1.5500	\$1.5500
Coin Machine			
Gallons per Quarter (\$0.25)	74.72	107	107
Construction Water			
2" Meter			
1 to 125,000 gallons	\$ 3.0476	\$ 2.1389	\$ 2.1404
Over 125,000 gallons	3.8097	2.6736	2.6755
3" Meter			
1 to 289,000 gallons	3.0476		
Over 289,000 gallons	3.8097		
1 to 300,000 gallons		2.1389	2.1404
Over 300,000 gallons		2.6736	2.6755
4" Meter			
1 to 474,000 gallons	3.0476		
Over 474,000 gallons	3.8097		
1 to 500,000 gallons		2.1389	2.1404
Over 500,000 gallons		2.6736	2.6755
Sales for Resale			
All meters & all gallons	\$3.0476	\$2.1389	\$2.1404

WHITE TANK			
	Current	AWC App.	AWC Rebuttal
Monthly Minimum Charges	I		
Residential, Commercial,			
Construction Water, Sales for			
Resale			
5/8" x <sup>3</sup> / <sub>4</sub> " Meter	\$ 22.72	\$ 21.75	\$ 21.61
1" Meter	56.80	54.38	54.03
1 ½" Meter	N/A	108.75	108.05
2" Meter	181.76	174.00	172.88
3" Meter	363.51	348.00	345.76
4" Meter	567.99	543.75	540.25
6" Meter	1,135.98	1,087.50	1,080.50
8" Meter	1,817.56	1,740.00	1,728.80
10" Meter	2,612.75	2,501.25	2,485.15
Industrial	<u> </u>	<b></b>	<b>A</b> 10 <b>C</b> 1
5/8" x <sup>3</sup> /4" Meter	\$ 18.54	\$ 18.54	\$ 18.54
1" Meter	46.34	46.35	46.35
1 ½" Meter	N/A	92.70	92.70
2" Meter	148.28	148.32	148.32
3" Meter 4" Meter	296.56	296.64	296.64
6" Meter	463.38 926.75	463.50 927.00	463.50 927.00
8" Meter		1,483.20	
10" Meter	1,482.81	2,132.10	1,483.20 2,132.10
Private Fire	2,131.34	2,152.10	2,132.10
All Sizes	\$22.69	\$25.00	\$25.00
	\$22.09	\$25.00	\$25.00
Commodity Rates		[	<u> </u>
Residential			
$5/8$ " x $\frac{3}{4}$ " Meter			
1 to 3,000 gallons	\$ 1.6493	\$ 1.7111	\$ 1.7123
3,001 to 10,000 gallons	2.0614	2.1389	2.1404
Over 10,000 gallons	2.5769	2.6736	2.6755
1" Meter			
1 to 10,000 gallons	2.0614		
Over 10,000 gallons	2.5769		
1 to 40,000 gallons		2.1389	2.1404
Over 40,000 gallons		2.6736	2.6755
1 <sup>1</sup> / <sub>2</sub> " Meter			
1 to 75,000 gallons	N/A	2.1389	2.1404
Over 75,000 gallons	N/A	2.6736	2.6755
2" Meter			
1 to 185,000 gallons	2.0614		
Over 185,000 gallons	2.5769		
1 to 125,000 gallons		2.1389	2.1404
Over 125,000 gallons		2.6736	2.6755
3" Meter			l

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1 to 400,000 gallons	2.0614		
Over 400,000 gallons	2.5769		
1 to 300,000 gallons		2.1389	2.1404
Over 300,000 gallons		2.6736	2.6755
4" Meter			
1 to 795,000 gallons	2.0614		
Over 795,000 gallons	2.5769		
1 to 500,000 gallons		2.1389	2.1404
Over 500,000 gallons		2.6736	2.6755
6" Meter			
1 to 1,895,000 gallons	2.0614		
Over 1,895,000 gallons	2.5769		
1 to 1,000,000 gallons		2.1389	2.1404
Over 1,000,000 gallons		2.6736	2.6755
8" Meter			
1 to 2,500,000 gallons	2.0614		
Over 2,500,000 gallons	2.5769		
1 to 1,500,000 gallons		2.1389	2.1404
Over 1,500,000 gallons		2.6736	2.6755
10" Meter			
1 to 5,024,000 gallons	2.0614		
Over 5,024,000 gallons	2.5769		
1 to 2,300,000 gallons		2.1389	2.1404
Over 2,300,000 gallons		2.6736	2.6755
Commercial			
$5/8" \times 3/4"$ Meter			
1 to 10,000 gallons	\$ 2.0614	\$ 2.1389	\$ 2.1404
Over 10,000 gallons	2.5769	2.6736	2.6755
1" Meter			
1 to 75,000 gallons	2.0614		
Over 75,000 gallons	2.5769		
Over 75,000 gallons 1 to 40,000 gallons		2.1389	2.1404
Over 40,000 gallons		2.6736	2.6755
1 ½" Meter			
1 to 75,000 gallons	N/A	2.1389	2.1404
Over 75,000 gallons	N/A	2.6736	2.6755
2" Meter			
1 to 316,000 gallons	2.0614		
Over 316,000 gallons	2.5769		
1 to 125,000 gallons		2.1389	2.1404
Over 125,000 gallons		2.6736	2.6755
3" Meter			
1 to 667,000 gallons	2.0614		
Over 667,000 gallons	2.5769		
1 to 300,000 gallons		2.1389	2.1404
Over 300,000 gallons		2.6736	2.6755
4" Meter			
1 to 1,062,000 gallons	2.0614		
Over 1,062,000 gallons	2.5769		
1 to 500,000 gallons		2.1389	2.1404
Over 500,000 gallons		2.6736	2.6755

6" Meter			]
1 to 2,162,000 gallons	2.0614		
Over 2,162,000 gallons	2.5769		
1 to 1,000,000 gallons		2.1389	2.1404
Over 1,000,000 gallons		2.6736	2.6755
8" Meter			
1 to 3,483,000 gallons	2.0614		
Over 3,483,000 gallons	2.5769		
1 to 1,500,000 gallons		2.1389	2.1404
Over 1,500,000 gallons		2.6736	2.6755
10" Meter			
1 to 5,024,000 gallons	2.0614	······································	
Over 5,024,000 gallons	2.5769		
1 to 2,300,000 gallons		2.1389	2.1404
Over 2,300,000 gallons		2.6736	2.6755
Industrial			
All meters & all gallons	\$4.6274	\$4.6200	\$4.6200
Coin Machine			
Gallons per Quarter (\$0.25)	N/A	N/A	N/A
Construction Water			
2" Meter			
1 to 316,000 gallons	\$ 2.0614		
Over 316,000 gallons	2.5769		
1 to 125,000 gallons		\$ 2.1389	\$ 2.1404
Over 125,000 gallons		2.6736	2.6755
3" Meter			
1 to 667,000 gallons	2.0614		
Over 667,000 gallons	2.5769		
1 to 300,000 gallons		2.1389	2.1404
Over 300,000 gallons		2.6736	2.6755
4" Meter			
1 to 1,062,000 gallons	2.0614		
Over 1,062,000 gallons	2.5769		
1 to 500,000 gallons		2.1389	2.1404
Over 500,000 gallons		2.6736	2.6755
Sales for Resale			
All meters & all gallons	\$4.6274	\$2.1389	\$2.1404

AJO					gle state
	Cur	rent	AV Ar	WC op.	VC buttal
Monthly Minimum Charges					 
Residential, Commercial,					
Construction Water, Sales for					
Resale					
5/8" x <sup>3</sup> /4" Meter	\$	25.16	\$	29.20	\$ 29.20
1" Meter		62.90		73.00	73.00
1 ½" Meter		N/A		146.00	146.00

201.27 402.54 628.97 257.94 012.70 893.25 25.16 65.60 N/A 201.27 402.54 628.97 257.94	$\begin{array}{r} 233.60 \\ 467.20 \\ 730.00 \\ 1,460.00 \\ 2,336.00 \\ 3,358.00 \\ \hline \\ \$ 29.20 \\ 73.00 \\ 146.00 \\ 233.60 \\ 467.20 \\ \end{array}$	233.60 467.20 730.00 1,460.00 2,336.00 3,358.00 \$ 29.20 73.00 146.00 233.60
628.97 257.94 012.70 893.25 25.16 65.60 N/A 201.27 402.54 628.97	730.00 1,460.00 2,336.00 3,358.00 \$ 29.20 73.00 146.00 233.60	730.00 1,460.00 2,336.00 3,358.00 \$ 29.20 73.00 146.00
257.94 012.70 893.25 25.16 65.60 N/A 201.27 402.54 628.97	$ \begin{array}{r} 1,460.00\\2,336.00\\3,358.00\\\hline\\\$ 29.20\\73.00\\146.00\\233.60\\\end{array} $	1,460.00 2,336.00 3,358.00 \$ 29.20 73.00 146.00
012.70 893.25 25.16 65.60 N/A 201.27 402.54 628.97	2,336.00 3,358.00 \$ 29.20 73.00 146.00 233.60	2,336.00 3,358.00 \$ 29.20 73.00 146.00
893.25 25.16 65.60 N/A 201.27 402.54 628.97	3,358.00 \$ 29.20 73.00 146.00 233.60	3,358.00 \$ 29.20 73.00 146.00
25.16 65.60 N/A 201.27 402.54 628.97	\$ 29.20 73.00 146.00 233.60	\$ 29.20 73.00 146.00
65.60 N/A 201.27 402.54 628.97	73.00 146.00 233.60	73.00 146.00
65.60 N/A 201.27 402.54 628.97	73.00 146.00 233.60	73.00 146.00
N/A 201.27 402.54 628.97	146.00 233.60	146.00
201.27 402.54 628.97	233.60	
402.54 628.97		
628.97	TU /	467.20
	730.00	730.00
/ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	1,460.00	1,460.00
012.70	2,336.00	2,336.00
893.25	3,358.00	3,358.00
075.25	5,550.00	5,550.00
\$24.19	\$25.00	\$25.00
Ψ2-1.17	\$25.00	φ23.00
	I	L, , , , , , , , , , , , , , , , ,
4 8189	\$ 4 6070	\$ 4.6348
		5.7935
		7.2419
1.5272	7.1704	1.241)
6.0236		
7 5292		
1.0272	5 7588	5.7935
		7.2419
	7.1301	7.2.119
N/A	5.7588	5.7935
N/A		7.2419
1011		
6.0236		
	5.7588	5.7935
	7,1984	7.2419
6.0236		<u> </u>
	5.7588	5.7935
		7.2419
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	5 7588	5.7935
		7.2419
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7.5292		1
	\$24.19 4.8189 6.0236 7.5292 6.0236 7.5292 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	4.8189       \$ 4.6070         6.0236       5.7588         7.5292       7.1984         6.0236       -         7.5292       5.7588         7.1984       -         6.0236       -         7.5292       5.7588         7.1984       -         6.0236       -         7.5292       -         5.7588       -         7.1984       -         6.0236       -         7.5292       -         5.7588       -         7.1984       -         6.0236       -         7.5292       -         5.7588       -         7.1984       -         6.0236       -         7.5292       -         5.7588       -         7.1984       -         6.0236       -         7.5292       -         5.7588       -         7.1984       -         6.0236       -         7.1984       -

1 to 950,000 gallons		5.7588	5.7935
Over 950,000 ganons		7.1984	7.2419
8" Meter		7.1704	7.2419
1 to 1,200,000 gallons	6.0236		···· · · · · · · ·
Over 1,200,000 gallons	7.5292		
1 to 1,500,000 gallons	1.3292	5.7588	5.7935
Over 1,500,000 gallons		7.1984	7.2419
10" Meter		/.1904	7.2419
1 to 1,783,000 gallons	6.0236		
Over 1,783,000 gallons	7.5292		
1 to 2,200,000 gallons	1.3292	5.7588	5.7935
Over 2,200,000 gallons		7.1984	7.2419
Commercial		7.1904	7.2419
5/8" x <sup>3</sup> /4" Meter			
1 to 10,000 gallons	\$ 6.0236	\$ 5.7588	\$ 5.7935
Over 10,000 gallons	7.5292	7.1984	7.2419
1" Meter	1.5292	/.1984	/.2419
1 to 30,000 gallons	6.0236	5.7588	5.7935
	7.5292		7.2419
Over 30,000 gallons 1 <sup>1</sup> / <sub>2</sub> " Meter	1.3292	7.1984	7.2419
		5 7500	5 7025
1 to 75,000 gallons	N/A N/A	5.7588	5.7935
Over 75,000 gallons 2" Meter	N/A	7.1984	7.2419
	( 022(		
1 to 100,000 gallons	6.0236		
Over 100,000 gallons	7.5292	5 7500	5 7025
1 to 125,000 gallons		5.7588	5.7935
Over 125,000 gallons 3" Meter		7.1984	7.2419
	( 022(		
1 to 200,000 gallons	6.0236		
Over 200,000 gallons	7.5292	5 7 500	5 7025
1 to 275,000 gallons		5.7588	5.7935
Over 275,000 gallons		7.1984	7.2419
4" Meter	( 0000		
1 to 325,000 gallons	6.0236		
Over 325,000 gallons	7.5292	5 5 500	5 7025
1 to 450,000 gallons		5.7588	5.7935
Over 450,000 gallons		7.1984	7.2419
6" Meter			
1 to 725,000 gallons	6.0236		
Over 725,000 gallons	7.5292	<u> </u>	5 5005
1 to 950,000 gallons		5.7588	5.7935
Over 950,000 gallons		7.1984	7.2419
8" Meter			
1 to 1,200,000 gallons	6.0236		
Over 1,200,000 gallons	7.5292		
1 to 1,500,000 gallons		5.7588	5.7935
Over 1,500,000 gallons		7.1984	7.2419
10" Meter			
1 to 1,783,000 gallons	6.0236		
Over 1,783,000 gallons	7.5292		
1 to 2,200,000 gallons		5.7588	5.7935

Over 2,200,000 gallons		7.1984	7.2419
Industrial			
All meters & all gallons	\$6.0236	\$5.7588	\$5.7935
Coin Machine			
Gallons per Quarter (\$0.25)	37.81	40	39
Construction Water			
2" Meter			
1 to 100,000 gallons	6.0236		
Over 100,000 gallons	7.5292		
1 to 125,000 gallons		5.7588	5.7935
Over 125,000 gallons		7.1984	7.2419
3" Meter			
1 to 200,000 gallons	6.0236		
Over 200,000 gallons	7.5292		
1 to 275,000 gallons		5.7588	5.7935
Over 275,000 gallons		7.1984	7.2419
4" Meter			
1 to 325,000 gallons	6.0236		
Over 325,000 gallons	7.5292		
1 to 450,000 gallons		5.7588	5.7935
Over 450,000 gallons		7.1984	7.2419
Sales for Resale			
All meters & all gallons	\$6.0236	\$5.7588	\$5.7935

<b>ALL WESTERN</b>	GROUPS	SYSTEM	S			
Service Line and	<b>Meter Ins</b>	tallation	Charges			
	Current			Amended	Applicat	ion
Meter Size	Service	Meter	Total	<u>Service</u>	Meter	Total
	Line			Line*		
5/8" Meter	\$ 445	\$ 155	\$ 600	\$ 445	\$ 155	\$ 600
1" Meter	495	315	810	495	315	810
2" Turbine	830	1,045	1,875	830	1,045	1,875
2" Compound	830	1,890	2,720	830	1,890	2,720
3" Turbine	1,045	1,670	2,715	Cost	Cost	Cost
3" Compound	1,165	2,545	3,710	Cost	Cost	Cost
4" Turbine	1,490	2,670	4,160	Cost	Cost	Cost
4" Compound	1,670	3,645	5,315	Cost	Cost	Cost
6" Turbine	2,210	5,025	7,235	Cost	Cost	Cost
6" Compound	2,330	6,920	9,250	Cost	Cost	Cost
8" Turbine	2,210	5,025	7,235	Cost	Cost	Cost
8" Compound	2,330	6,920	9,250	Cost	Cost	Cost
10" Turbine	2,210	5,025	7,235	Cost	Cost	Cost
10" Compound	2,330	6,920	9,250	Cost	Cost	Cost
<ul> <li>* Actual cost</li> </ul>	t of service	line if bo	ring under	roadway is	required.	

Actual cost of service line if boring under roadway is required.

ALL WESTERN GROUP	SYSTEMS		
<b>Miscellaneous Service Cha</b>	arges		
	Current	AWC App.	Staff
			<b>Recommended &amp;</b>

			Accepted by AWC on Rebuttal
Service Charges			
Establishment	\$16.00	\$30.00	\$32.00
Guarantee Deposit	*	*	*
Reconnection for Delinquency	\$16.00	\$30.00	\$32.00
Re-Establishment	**	**	**
Service Call Out, Regular Hours	No Charge	\$30.00	No Charge
Service Call Out, After Hours <sup>A</sup>	\$35.00	\$45.00	
Returned Check	\$25.00	N/A	N/A
Returned Payment for Insufficient		\$25.00	\$25.00
Funds			
Meter Re-Read, Regular Hours	No Charge	\$15.00	\$25.00
Meter Re-Read, After Hours <sup>A</sup>	\$35.00	\$45.00	\$25.00
Meter Test	***	***	****
Late Charge, after 15 days	1.5%	1.5%	1.5%
After Hours Service Charge <sup>A</sup>		N/A	\$35.00

Residential maximum: Two times average customer class bill Non-residential maximum: Two and one-half times that customer's estimated maximum monthly bill

\*\* Eight times the customer's monthly minimum charge, or payment of the minimums since disconnection, whichever is less.

\*\*\* No charge for the first test; for the second test for the same customer within a 12-month period, \$50.00 or actual time and material, whichever is greater

\*\*\*\* No charge for the first test; for the second test for the same customer within a 12-month period, \$25.00 or actual time and material, whichever is greater.

<sup>A</sup> After Hours means after regular working hours, on Saturday or Sunday, or on a holiday.

#### EXHIBIT B

# ARIZONA WATER COMPANY

# WESTERN GROUP GENERAL RATE CASE

# PROPOSED SETTLEMENT AGREEMENT

Docket No. W-01445A-10-0517

#### SETTLEMENT AGREEMENT

#### AND

#### LIST OF SIGNATORY PARTIES

The purpose of this Settlement Agreement ("Agreement") is to settle identified disputed issues related to Docket No. W-01445A-10-0517, Arizona Water Company's ("AWC" or "Company") application to increase rates for its Western Group of systems as identified in its December 29, 2010 application, as amended on May 9, 2011 ("Rate Case"). This Agreement is entered into by the following entities, which together comprise the entirety of the parties to this proceeding, including all intervenors:

Arizona Water Company Arizona Corporation Commission Utilities Division ("Staff") Residential Utility Consumer Office ("RUCO") Abbott Laboratories ("Abbott") The Water Utility Association of Arizona ("WUAA")

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These entities shall be referred to collectively as the "Signatory Parties."

#### TERMS AND CONDITIONS

In consideration of the promises and agreements contained in this Agreement, the Signatory Parties agree that the following numbered sections and subsections, including attached exhibits and schedules, comprise the Signatory Parties' Agreement.

1.0 RECITALS

1.1 Docket No. W-01445A-10-0517 was commenced by the filing of a rate application by AWC on December 29, 2010. AWC filed an amendment to its application on May 9, 2011. AWC's amended application ("Application") requested a total proposed revenue increase of \$4,564,110, or approximately 24.45%, and a Fair Value Rate Base ("FVRB") of \$54,072,795.

1.2 Following a sufficiency finding by Staff on June 8, 2011, RUCO filed an Application to Intervene on June 15, 2011. Abbott filed an Application to Intervene on September 13, 2011. WUAA filed an Application to Intervene on October 3, 2011.

1.3 The Administrative Law Judge granted the applications to intervene filed by RUCO, Abbott and WUAA ("Intervenors"). No other persons or entities have intervened in this proceeding.

1.4 The Administrative Law Judge scheduled an evidentiary hearing on the Application to commence on February 21, 2012.

1.5 The parties' litigation positions for hearing associated with the total proposed revenue increase and FVRB, together with the amount proposed in settlement<sup>1</sup>, are as follows:

Agreement	\$3,224,403	17.30%	\$53,234,209
RUCO	\$3,147,980	16.89%	\$53,439,157
Staff	\$2,520,496	13.52%	\$53,538,325
Company	\$4,535,587	24.34%	\$53,798,510
	Revenue Increase	% Increase	FVRB

1.6 Staff filed a notice of settlement discussions on January 24, 2012, noting that AWC had approached Staff concerning the possibility of settling some or all of the issues in the Rate Case, and that Staff believed settlement of the Rate Case might be possible. The Signatory Parties were notified of the settlement discussion process, were encouraged to participate in the negotiations, and were provided with an equal opportunity to participate. Pursuant to a notice of scheduling of settlement conference docketed by the Company on January 25, 2012, formal settlement discussions between the Signatory Parties began on January 31, 2012, at the

<sup>&</sup>lt;sup>1</sup> WUAA and Abbott did not advocate for a particular amount of revenue increase or FVRB, but rather focused on issues specific to their interests, the resolution of which are set forth in other sections of this Agreement.

Commission's offices, and resumed on February 2, 2012, at which point they were concluded, with a settlement reached on all issues in the Rate Case by the Signatory Parties.

1.7 The Signatory Parties agree that the negotiation process undertaken in this matter was open, transparent and inclusive of all Signatory Parties, with each such party having an equal opportunity to participate. All Signatory Parties, including their counsel and principal witnesses and representatives, attended and actively participated in all phases of the settlement discussions. This Agreement is a result of those meetings and the Signatory Parties' good faith efforts to settle all of the issues presented in this Rate Case. A material consideration by AWC in compromising its positions is the ability to quickly move its Application to final determination by the Commission, so that the new rates as set forth in this Agreement and ordered by the Commission may be implemented at the earliest possible date. To this end, the Signatory Parties agree to expedite their efforts in advancing this matter before the Commission consistent with the Procedural Orders made in the Rate Case and Commission Rules.

1.8 The purpose of this Agreement is to settle all issues presented in the Rate Case in a manner that will promote the public interest, provide for a prompt resolution of the issues, and allow expeditious implementation of the new rates as ordered by the Commission.

1.9 The Signatory Parties agree that the terms of this Agreement will serve the public interest by providing a just and reasonable resolution of the issues presented by the Rate Case, establishing just and reasonable rates for AWC's customers, and promoting the health, welfare and safety of AWC's customers. Commission approval of this Agreement will further serve the public interest by allowing the Signatory Parties to avoid the expense and delay associated with continued litigation.

1.10 The Signatory Parties agree to ask the Commission to (1) find that the terms and conditions of this Agreement are just and reasonable and in the public interest, along with all other necessary findings, and (2) approve the Agreement and order that the Agreement and the rates contained therein shall become effective at the earliest practicable date.

# 2.0 REVENUE REQUIREMENT, RATE BASE, INCOME STATEMENTS AND ADJUSTMENTS TO SAME

2.1 For ratemaking purposes and for the purposes of this Agreement, the Signatory Parties agree that:

2.2 AWC will receive an annual increase in revenues of \$3,224,403 for an annual revenue requirement of \$21,862,556;

2.3 The FVRB, which is determined based on the Original Cost Less Depreciation Rate Base for purposes of this Rate Case, is \$53,234,209.

2.4 The breakdown of test year revenues of the Western Group among the Pinal Valley (Casa Grande, Coolidge, Stanfield), White Tank and Ajo systems is set forth in Schedule A-1 attached and incorporated into the Agreement by this reference.

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2.5 The breakdown of FVRB of the Western Group among the Pinal Valley (Casa Grande, Coolidge, Stanfield), White Tank and Ajo systems is set forth in Schedule B-1 attached and incorporated into the Agreement by this reference.

2.6 The Pro Forma Adjustments applicable to FVRB for the Western Group and the breakdown of such adjustments among the Pinal Valley (Casa Grande, Coolidge, Stanfield), White Tank and Ajo systems and the Phoenix Office and Meter Shop are set forth in Schedule B-2, including its appendix attached, which are incorporated into the Agreement by this reference.

2.7 The Adjusted Test Year Operating Income applicable to the Western Group and the breakdown of same among the Pinal Valley (Casa Grande, Coolidge, Stanfield), White Tank and Ajo systems are set forth in Schedule C-1 attached and incorporated into the Agreement by this reference.

2.8 The Income Statement Pro Forma Adjustments applicable to the Western Group and the breakdown of such adjustments among the Pinal Valley (Casa Grande, Coolidge, Stanfield), White Tank and Ajo systems are set forth in Schedule C-2, including its appendix attached, which are incorporated into the Agreement by this reference.

2.9 The computation of the Gross Revenue Conversion Factor applicable to the Western Group and the breakdown of such factor among the Pinal Valley (Casa Grande, Coolidge, Stanfield), White Tank and Ajo systems are set forth in Schedule C-3 attached and incorporated into the Agreement by this reference.

3.0 COST OF CAPITAL

3.1 For ratemaking purposes and for the purposes of this Agreement, the Signatory Parties agree that an appropriate return on common equity shall be 10.0%, an appropriate cost of long-term debt shall be 6.82%, and that a capital structure comprised of 49.03% long-term debt and 50.97% common equity shall be adopted, which equates to a weighted cost of debt of 3.34%, a weighted cost of common equity of 5.10%, and an overall Weighted Average Cost of Capital of 8.44%, as set forth in Schedule D-1 attached and incorporated into the Agreement by this reference.

4.0 RATE DESIGN

4.1 For ratemaking purposes and for the purposes of this Agreement, the Signatory Parties agree that:

4.2 The summary of revenues by customer classification for the Western Group and the breakdown of such revenues by classification among the Pinal Valley (Casa Grande, Coolidge, Stanfield), White Tank and Ajo systems shall be as set forth in Schedule H-1 attached and incorporated into the Agreement by this reference.

4.3 The specific revenues by customer classification for the Western Group and the breakdown of such specific revenues by classification among the Pinal Valley (Casa Grande, Coolidge, Stanfield), White Tank and Ajo systems are set forth in Schedule H-2 attached and incorporated into the Agreement by this reference.

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4.4 The summary of changes in representative rate schedules by customer classification for the Pinal Valley (Casa Grande/Coolidge), Pinal Valley (Stanfield), White Tank and Ajo systems is set forth in Schedule H-3 attached and incorporated into the Agreement by this reference.

4.5 The summary of a typical bill analysis, showing impact on bills from the settlement set forth in this Agreement for the Pinal Valley (Casa Grande/Coolidge), Pinal Valley (Stanfield), White Tank and Ajo systems is set forth in Schedule H-4 attached and incorporated into the Agreement by this reference.

#### 5.0 RATE CONSOLIDATION

5.1 The Signatory Parties spent a significant portion of their settlement discussions on the topic of rate consolidation of the Company's Western Group systems, specifically regarding AWC's, Staff's and RUCO's separate positions regarding system consolidation, the Commission's comments regarding consolidation in the last AWC rate case (Docket No. W-01445A-08-0440, Decision No. 71845, August 25, 2010), and the Company's consolidation study docketed in that case. Without waiving their respective positions regarding rate consolidation for future cases, the Signatory Parties agree that the Stanfield system should be fully consolidated with the Pinal Valley system. In Decision No. 71845, the Commission partially consolidated the Stanfield system with the other Pinal Valley (Casa Grande and Coolidge) systems by authorizing a common monthly service charge, but different commodity rates. Under this Agreement, the White Tank and Ajo systems will remain separate and unconsolidated.

#### 6.0 DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC")

6.1 The Signatory Parties also spent significant time and effort in discussing the appropriateness of implementing a DSIC mechanism in this Rate Case. Both Staff and RUCO opposed a DSIC in their testimony. Without waiving its position for future cases that a DSIC is in the public interest, AWC withdraws its request for a DSIC in this Rate Case.

#### 7.0 OTHER SETTLEMENT ISSUES

7.1 The Signatory Parties agree on AWC's Off-site Facilities Fee as proposed in its Application and on the Company's Off-site Facilities Fee Tariff Schedule in the form set forth on Exhibit 1 attached and incorporated into the Agreement by this reference.

7.2 The Signatory Parties agree on AWC's proposal to continue its Arsenic Cost Recovery Mechanism ("ACRM"). AWC's General Service Tariff shall be amended to provide limited exceptions to the ACRM surcharge to exclude Industrial class customers that do not receive water from the potable water distribution system from the surcharge.

7.3 The Signatory Parties agree that AWC's Central Arizona Project ("CAP") hookup fee for the Company's Casa Grande, Coolidge and White Tank systems should be continued, without change, but that the name of this fee should be changed to "CAP M&I Fees," as this

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more accurately describes the charges being imposed and avoids confusion with other hook-up fee tariffs.

7.4 The Signatory Parties agree that Decision No. 71845 authorizes AWC to continue to defer its costs associated with implementing and performing additional Best Management Practices for recovery in a future general rate case, and that AWC should record such deferral of costs.

7.5 The Signatory Parties agree that AWC should be allowed to accrue Allowance for Funds Used During Construction on land purchased for the Arizona City water storage tank and booster pump station.

7.6 AWC's next Western Group general rate case filing, or rate case filed for any individual system of the Western Group, shall use a test year including at least twelve months of actual experience with the rates approved in this Rate Case.

8.0 COMMISSION EVALUATION OF PROPOSED SETTLEMENT

8.1 This Agreement shall serve as a procedural device by which the Signatory Parties will submit their proposed settlement of AWC's Rate Case Docket No. W-01445A-10-0517 to the Commission.

8.2 All currently-filed testimony and exhibits, as well as the testimony in support of this Agreement anticipated by the Commission's January 31, 2012 Procedural Order, shall be offered into the Commission's record as evidence. All Signatory Parties waive the filing and submission of surrebuttal testimony and exhibits from Staff and Intervenors, and the filing and submission of rejoinder testimony and exhibits from AWC.

8.3 The Signatory Parties recognize that the Commission will independently consider and evaluate the terms of this Agreement.

8.4 If the Commission issues an order adopting all material terms of this Agreement, such action shall constitute Commission approval of the Agreement. Thereafter, the Signatory Parties shall abide by the terms as approved by the Commission.

8.5 The Signatory Parties agree to support and defend this Agreement, including filing testimony in support of the Agreement and presenting evidence in support of the Agreement at the hearing scheduled to begin on March 1, 2012, and will not oppose any provision of the Agreement in pre-filed or live testimony. The parties agree to waive their rights to appeal a Commission Decision approving the same, provided that the Commission approves all material provisions of the Agreement. The Signatory Parties shall take reasonable steps to expedite consideration of the settlement, entry of a Decision adopting the settlement, and implementation of the rates anticipated in this Agreement and shall not seek any delay in the schedules set for consideration of the settlement embodied in the Agreement. If the Commission adopts an order approving all material terms of this Agreement, the Signatory Parties will

support and defend the Commission's order before any court or regulatory agency in which it may be at issue.

8.6 Consistent with any order of the Commission, AWC shall file compliance tariffs for Staff review and approval. Such compliance tariffs, however, will become effective upon the effective date of the rate increase stated in the Commission's Order.

8.7 If the Commission fails to issue an order adopting all material terms of this Agreement or adds new or different material terms to this Agreement, any or all of the Signatory Parties may withdraw from this Agreement, and such Signatory Party or Parties may pursue without prejudice their respective remedies at law. For the purposes of this Agreement, whether a term is material shall be left to the discretion of the Signatory Party choosing to withdraw from the Agreement, so long as such discretion is reasonable. If a Signatory Party files an application for rehearing before the Commission, Staff shall not be obligated to file any document or take any position regarding the withdrawing Signatory Party's application for rehearing.

8.8 The Signatory parties recognize that Staff does not have the power to bind the Commission. For purposes of proposing a settlement agreement, Staff acts in the same manner as any party to a Commission proceeding.

#### 9.0 MISCELLANEOUS PROVISIONS

9.1 The provisions set forth in the Agreement are made for purposes of settlement only and shall not be construed as admissions against interest or waivers of litigation positions of the Signatory parties in this Rate Case or related to other or future rate cases.

9.2 This Agreement represents the Signatory Parties' mutual desire to settle disputed issues in a manner consistent with the public interest. None of the positions taken in this Agreement by any of the Signatory Parties may be referred to, cited, or relied upon as precedent in any proceeding before the Commission, any other regulatory agency, or any court for any purpose except in furtherance of this Agreement.

9.3 This case presents a unique set of circumstances and to achieve consensus for settlement, participants may be accepting positions that, in other circumstances, they would be unwilling to accept. They are doing so because the Agreement, as a whole, with its various provisions for settling the unique issues presented by this case, is consistent with their long-term interests and with the broad public interest. The acceptance by any Signatory Party of a specific element of this Agreement shall not be considered as precedent for acceptance of that element in any other context.

9.4 No Signatory Party is bound by any position asserted in negotiations, except as expressly stated otherwise in this Agreement. No Signatory Party shall offer evidence of conduct or statements made in the course of negotiating this Agreement before this Commission, or any other regulatory agency, or any court.

9.5 Each of the terms and conditions of the Agreement is in consideration and support of all other terms. Accordingly, the terms are not severable.

9.6 The Signatory Parties warrant and represent that each person whose signature appears below is fully authorized and empowered to execute this Agreement.

9.7 The Signatory Parties acknowledge that they are represented by competent legal counsel and that they understand all of the terms of this Agreement and have had an opportunity to participate in the drafting of this Agreement and to fully review it with their counsel before signing, and that they execute this Agreement with full knowledge of the terms of the Agreement.

9.8 This Agreement may be executed in any number of counterparts and by each individual Signatory Party on separate counterparts, each of which when so executed and delivered shall be deemed an original and all of which taken together shall constitute one and the same instrument. This Agreement may also be executed electronically or by facsimile.

9.9 To the extent any provision of this Agreement is inconsistent with any existing Commission order, rule or regulation, this Agreement shall control.

9.10 Nothing in this Agreement shall prevent AWC from requesting a change to its rates in the event of conditions or circumstances that constitute an emergency. For purposes of this Agreement, the term "emergency" is limited to an extraordinary event that, in the Commission's judgment, requires rate relief in order to protect the public interest. This provision is not intended to preclude Staff or any Intervenor from opposing an application for rate relief filed by AWC pursuant to this paragraph. Nothing in this Agreement is intended to limit the Commission's ability to change rates at any time pursuant to its lawful authority.

Executed this 15<sup>TH</sup> day of February, 2012.

ARIZONA WATER COMPANY

By: William M. Gavfield Name: William M. Gavfield Its: President and Chief Operating Officer

ARIZONA CORPORATION COMMISSION UTILITIES DIVISION

for By: SMD. Anepoes. Name: Steve M. Diea. Its: Arizong. Corp. Commission Director Utilities Division

# RESIDENTIAL UTILITY CONSUMER OFFICE

erch By Name: RUCO Its: irector

# ABBOTT LABORATORIES

By: Starling Name: giwcening Manager Its: Pla

AWC Western Group Settlement Agreement - 706861.05

2/15/2012

# 73144 02/15/2012CISION NO. (GMT-05:00)

# THE WATER UTILITY ASSOCIATION OF ARIZONA

By:\_ Name: WUNG DIRECTOR Its:\_\_

# **EXHIBIT NO. 1**

Page 1

## **TARIFF SCHEDULE**

UTILITY: Arizona Water Company (Pinal Valley & Stanfield systems) DOCKET NO. W-01445A-10-0517

DECISION NO. \_\_\_\_\_ EFFECTIVE DATE:

#### **OFF-SITE FACILITIES FEE (WATER)**

#### I. Purpose and Applicability

The purpose of the off-site facilities fees payable to Arizona Water Company ("the Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities necessary to provide water production, treatment, delivery, storage and pressure among all new service connections. These charges are applicable to all new service connections established after the effective date of this tariff undertaken via Main Extension Agreements or requests for service not requiring a Main Extension Agreement. The charges are one-time charges and are payable as a condition to Company's establishment of service, as more particularly provided below.

#### II. <u>Definitions</u>

Unless the context otherwise requires, the definitions set forth in R-14-2-401 of the Arizona Corporation Commission's ("Commission") rules and regulations governing water utilities shall apply in interpreting this tariff schedule.

"Applicant" means any party entering into an agreement with Company for the installation of water facilities to serve new service connections, including Developers and/or Builders of new residential subdivisions and/or commercial and industrial properties.

"CAP Water" means water from the Central Arizona Project provided directly or indirectly to the Company.

"Company" means Arizona Water Company.

"Main Extension Agreement" means any agreement whereby an Applicant agrees to advance the costs of the installation of water facilities necessary for the Company to serve new service connections within a development, or installs such water facilities necessary to serve new service connections and transfer ownership of such water facilities to the Company, which agreement shall require the approval of the Commission pursuant to A.A.C. R-14-2-406, and shall have the same meaning as "Water Facilities Agreement" or "Line Extension Agreement."

"Off-site Facilities" means water treatment facilities, including treatment of CAP Water and other available water supplies, storage tanks and related appurtenances and equipment necessary for proper operation of such water treatment facilities, including engineering and design costs. Off-site facilities may also include booster pumps, wells for recovery of stored CAP water or

other groundwater supplies, pressure tanks, transmission mains and related appurtenances and equipment necessary for proper operation of such facilities if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

"Service Connection" means and includes all service connections for single-family residential or commercial, industrial other uses, regardless of meter size.

#### III. Off-Site Water Facilities Fee

For each new service connection, the Company shall collect an off-site facilities fee derived from the following table:

OFF-SITE FACILITIES FEE TABLE			
Meter Size	Size Factor	Total Fee	
5/8" x 3/4 "	1	\$3,500	
3/4"	1.5	\$5,250	
1"	2.5	\$8,750	
1-1/2 "	5	\$17,500	
2"	8	\$28,000	
3"	16	\$56,000	
4"	25	\$87,500	
6" or larger	50	\$175,000	

#### IV. Terms and Conditions

(A) <u>Assessment of One Time Off-Site Facilities Fee</u>: The off-site facilities fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge). These charges are not applicable to additional service connections that are established as back-up connections, under the condition that these service connections are not to be used at the same time.

(B) <u>Use of Off-Site Facilities Fee</u>: Off-site facilities fees may only be used to pay for capital items of off-site facilities or for repayment of loans obtained to fund the cost of installation of off-site facilities. Off-site facilities fees shall not be used to cover repairs, maintenance, or operational costs. The Company shall record amounts collected under tariff as Contributions in Aid of Construction ("CIAC"); however, such amounts shall not be deducted from rate base until such amounts have been expended for utility plant.

#### (C) Time of Payment:

- For those requiring a Main Extension Agreement: In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements or construct such improvements in order to extend service in accordance with R-14-2-406(B), payment of the off-site facilities fees required hereunder shall be made by the Applicant no later than 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).
- For those connecting to an existing main: In the event that the Applicant is not required to enter into a Main Extension Agreement, the off-site facilities fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.

(D) <u>Off-Site Facilities Construction By Developer</u>: Company and Applicant may agree to construction of off-site facilities necessary to serve a particular development by Applicant, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site facilities fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant and conveyed to Company is less than the applicable off-site facilities fees under this Tariff, Applicant shall pay the remaining amount of off-site facilities fees owed hereunder. If the total cost of the off-site facilities fees under this more than the applicable off-site facilities fees under the difference upon acceptance of the off-site facilities by the Company.

(E) <u>Failure to Pay Charges; Delinquent Payments</u>: The Company will not be obligated to make an advance commitment to provide or actually provide water service to any Applicant in the event that the Applicant has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment due hereunder has not been paid.

(F) <u>Large Subdivision and/or Development Projects</u>: In the event that the Applicant is engaged in the development of a residential subdivision and/or development containing more than 150 lots, the Company may, in its discretion, agree to payment of off-site facilities fees in installments. Such installments may be based on the residential subdivision and/or development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Applicant's construction schedule and water service requirements. In the alternative, the Applicant shall post an irrevocable letter of credit in favor of the Company in a commercially reasonable form, which may be drawn by the Company consistent with the actual or planned construction and hook up schedule for the subdivision and/or development.

(G) <u>Off-Site Facilities Fees Non-refundable</u>: The amounts collected by the Company as offsite facilities fees shall be non-refundable contributions in aid of construction.

#### DOCKET NO. W-01445A-10-0517

Page 4

(H) <u>Use of Off-Site Facilities Fees Received</u>: All funds collected by the Company as off-site facilities fees shall be deposited into a separate interest bearing bank account and used solely for the purposes of paying for the costs of installation of off-site facilities, including repayment of loans obtained for the installation of off-site facilities that will benefit the entire water system.

(I) <u>Off-Site Facilities Fee in Addition to On-site Facilities</u>: The off-site facilities fee shall be in addition to any costs associated with the construction of on-site facilities under a Main Extension Agreement.

(J) <u>Disposition of Excess Funds</u>: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to this tariff, or if the off-site facilities fee tariff has been terminated by order of the Arizona Corporation Commission, any funds remaining in the bank account shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(K) <u>Fire Flow Requirements</u>: In the event the Applicant for service has fire flow requirements that require additional facilities not covered by this tariff, such additional facilities shall be constructed under a separate Main Extension Agreement as a non- refundable contribution and shall be in addition to the off-site facilities fees.

(L) <u>Status Reporting Requirements to the Commission</u>: The Company shall submit a calendar year off-site facilities fee status report each January 31<sup>st</sup> to Docket Control for the prior twelve (12) month period, beginning January 31, 2013, until the off-site facilities fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the off-site facilities fee, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

ARIZONA W. .. ER COMPANY Test Year Ended December 31, 2010 Computation of Increase in Gross Revenue Requirement

				Western Group		
Line No.	Description		[A]	[8]	[]	<u>[</u>
- 0				Settlement	x	
<b>ω</b> 4 ι	Adjusted Rate Base	\$	53,234,209			
1 0 0	Adjusted Operating Income	¢	2,549,460			
~ ∞ (	Current Rate of Return (Ln. 6 + Ln. 4)		4.79%			
° 6 ;	Required Operating Income (Ln. 4 X Ln. 12)	\$9	4,494,718			
- 22 9	Required Rate of Return		8.44%			
2 7 1	Operating Income Deficiency (Ln. 10 - Ln. 6)	\$	1,945,258			
<u>5</u> 6;	Gross Revenue Conversion Factor		1.6576			
58 6 8	Required Increase in Gross Revenue (Ln. 14 X Ln. 16)	\$	3,224,403			
2 2 8	Add: Consolidated Revenue Adjustment <sup>1</sup>	\$	3			
2 2 2 2 2	Proposed increase in Gross Revenues	↔	3,224,403			
28 29 29	Customer Classification		Revenue - Present Rates	Revenue - Settlement <u>Rates</u>	Dollar Increase	Percent Increase
28						
33 33 34	Residential Commercial Industrial	\$	12,151,216 4,419,455 937,053	<pre>\$ 13,916,986 5,699,855 1,061,432</pre>	\$ 1,765,770 1,280,400 124,380	14.53% 28.97% 13.27%
35 35	Private Fire Service Other Water Revenues		102,252 268,754	111,700 313,117	9,448 44,363	9.24% 16.51%
37 37	Total Water Revenues	ω	17,878,729	\$ 21,103,091	\$ 3,224,361	18.03%
884	Miscellaneous Revenues		759,466	759,466		
<del>1</del> 4 8	Total Operating Revenues	ω	18,638,195	\$ 21,862,556	\$ 3,224,361	17.30%
848						
<b>4</b> 6 <b>4</b> 7						
4 8 4 6 4						
5 5 1 5 7						
5 53	<sup>1</sup> Consolidated Revenue Adjustment represents the increase/(decrease) in revenue requirement		,			
55	resulting from proposed rate consolidation.					

Supporting Schedules: B-1 Settlement, C-1 Settlement, H-1 Settlement

Recap Schedules:

Computation of Increase in Gross Revenue Requirement ARIZONA Washer COMPANY Test Year Ended December 31, 2010

 $\langle$ 

Schedule A-1 Settlement Page 2 of 3 Witness: Reiker

Exhibit

			Pinal Valley	(Casa Grande,	Pinal Valley (Casa Grande, Coolidge, Stanfield)	eld)		
No.	Description		[A]	[8]	<u>0</u>	6		_
- N				Settlement	H			
ся 4 и	Adjusted Rate Base	ŝ	46,638,551				69 69	5
n un t	Adjusted Operating Income	ŝ	2,294,545				÷	•
~ 00 (	Current Rate of Return (Ln. 6 + Ln. 4)		4.92%					
" <del>5</del> 5	Required Operating Income (Ln. 4 X Ln. 12)	θ	3,937,827				67	
5 6 8	Required Rate of Return		8.44%					
14 1	Operating Income Deficiency (Ln. 10 - Ln. 6)	↔	1,643,282				69	
5 <del>6</del> 5	Gross Revenue Conversion Factor		1.6585					
2 8 9 8 2 8 9 8	Required Increase in Gross Revenue (Ln. 14 X Ln. 16)	69	2,725,357				69	
2 2 2	Add: Consolidated Revenue Adjustment <sup>1</sup>	ŝ	ı				Ś	
2 2 2	Proposed Increase in Gross Revenues	÷	2,725,357				\$	
25 25								
26		_	Revenue -	Revenue -		turner	Rev	2.5
8 6 8	Customer Classification		Rates	Settleriterit	Uollar Increase	Increase	<u> </u>	Ξ M L
9 2	Residential	÷	10,454,403	\$ 11,878,933	\$ 1,424,530	13.63%	\$	-
88	Commercial Industrial		4,124,957 911,893	5,275,058 1.035.703	1,150,101 123.809	27.88% 13.58%		
882	Private Fire Service		100,237	109,525	9,288	9.27% 7 06%		
8 8 I		6	Z 10,000	5	c I	2000-1	6	
38 3	lotal Water Revenues	0	7201010101	202'000 ¢	111'021'2 \$	0/ +7/	-	-
40 39	Miscellaneous Revenues		734,234	734,234				
4 4 2	Total Operating Revenues	69	\$ 16,544,326	\$ 19,269,443	\$ 2,725,117	16.47%	69	-
4 4 4 4 4 5 4								
6 4 <b>8</b>								
50 51 51								
23 23	<sup>1</sup> Consolidated Revenue Adjustment represents							
54 55	the increase/(decrease) in revenue requirement resulting from proposed rate consolidation.							

Q White Tank Settlement E 3.03% ,609,221 170,224 Ξ

Ξ

8.44% 303,379 1.6526 473,603

501,373

501,373 ,

Dollar Increase Revenue -Settlement <u>Rates</u> evenue -Present <u>Rates</u>

Percent Increase

27.09% 68.00% 2.27% 10.18% 56.87% 32.08% 356,749 116,995 571 139 27,002 501,455 \$ 1,673,608 \$
289,058
25,730
1,500
74,486 ,562,926 \$ 2,064,382 \$ 1,316,859 172,063 25,159 1,361 47,484

21,463 21,463

,584,389 \$ 2,085,845 \$ 501,455

31.65%

DOCKET NO. W-01445A-10-0517

73144

DECISION NO.

Recap Schedules:

ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Computation of Increase in Gross Revenue Requirement

Exhibit Schedule A-1 Settlement Page 3 of 3 Writness: Reiker

	[C] [D]												Dollar Percent Increase Increase	(15,509) -4.08% 13,305 10.87% - 0.00% 22 3.35%			<u>(2,211)</u> -0.43%	
Aio		Settlement											Revenue - Settlement [ <u>Rates [n</u>	\$ 364,445 \$ 135,739 675	\$ 503,500 \$	3,768	\$ 507,269 \$	
	M		986,437	84,691	8.59%	83,288	8.44%	(1,404)	1.6573	(2,326)	•.	(2,326)	Revenue - Present <u>Rates</u>	379,953 122,434 653	505,711	3,768	509,480	
	I	ļ	69	69		12) \$		, б) \$		\$	<del>69</del>	↔		<del>69</del>	-   <del>S</del>	I	မ	ts Tent
	Description		Adjusted Rate Base	Adjusted Operating Income	Current Rate of Return (Ln. 6 + Ln. 4)	Required Operating Income (Ln. 4 X Ln. 12)	Required Rate of Return	Operating Income Deficiency (Ln. 10 - Ln. 6)	Gross Revenue Conversion Factor	Required Increase in Gross Revenue (Ln. 14 X Ln. 16)	Add: Consolidated Revenue Adjustment <sup>1</sup>	Proposed Increase in Gross Revenues	Customer Classification	Residentiat Commercial Industriat Private Fire Service	Utilet water revenues Total Water Revenues	Miscellaneous Revenues	Total Operating Revenues	<sup>1</sup> Consolidated Revenue Adjustment represents the increase/(decrease) in revenue requirement

Recap Schedules:

Supporting Schedules: B-1 Settlement, C-1 Settlement, H-1 Settlement

73144

a 2 4 No.

Exhibit Schedule B-1 Settlement Page 1 of 3 Witness: Reiker

		[Y]		[B]	[C]
	O.C	O.C. Rate Base - <u>Company - As Filed</u>		Settlement <u>Adjustments</u>	O.C. Rate Base <u>Settlement</u>
Gross Plant in Service	÷	166,694,053	69	(196,090) \$	166,497,963
Less: Accumulated Depreciation		33,280,458		334,468	33,614,925
Net Plant in Service	θ	133,413,595	ф	(530,558) \$	132,883,037
Less: Advances in Aid of Construction Contributions in Aid of Construction:		53,463,817		·	53,463,817
Gross Accumulated Amortization		21,508,932 (3,699,158)		1 5	21,508,932 (3,699,158)
Net Contributions in Aid of Construction	Ś	17,809,774	ŝ	ю ,	17,809,774
Deferred Income Tax Customer Deposits		9,644,941 357,699			9,644,941 357,699
Add: Working Capital Net Regulatory Asset / (Liability)		1,462,431 473,000		(308,027)	1,154,404 473,000
Total Rate Base	<del>69</del>	54,072,795	69	(838,585) \$	53,234,209

DECISION NO.

DOCKET NO. W-01445A-10-0517

Recap Schedules: A-1 Settlement

Supporting Schedules: B-2 Settlement, B-5 Settlement

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Summary Original Cost Rate Base

Line 1

		Pinal Valley (C	Pinal Valley (Casa Grande, Coolidge, Stanfield)	anfield)			White Tank	
		[A]	[8]	[2]		[\]	[B]	[0]
	O EO	O.C. Rate Base - company - As Filed	Settlement <u>Adjustments</u>	O.C. Rate Base <u>Settlement</u>	O.O.	O.C. Rate Base - <u>Company - As Filed</u>	Settlement Adjustments	O.C. Rate Base Settlement
Gross Plant in Service	÷	145,686,165 \$	(201,996) \$	145,484,169	÷	18,693,007	\$ 5,876 \$	18,698,883
Less: Accumulated Depreciation	÷	29,456,880 116 770 785 \$	290,128	29,747,008 115,737,160	~	2,856,989 15,836,018 \$	44,245 5 (38,369) \$	2,901,234 15,797,649
iver Flain, in Service Less: Advances in Aid of Construction	•			45,465,736	•		,	7,891,919
Contributions in Aid of Construction: Gross		19,589,664	,	19,589,664		1,831,118		1,831,118
Accumulated Amortization Net Contributions in Aid of Construction	θ	(3,428,365) 16,161,299 \$	· ·	(3,428,365) 16,161,299	÷	(250,616) 1,580,502 1	· ·	(250,616) 1,580,502
Deferred Income Tax Customer Deposits		8,683,491 327,277	<b>1 1</b>	8,683,491 327,277		771,189 22,494	<b>1 1</b>	771,189 22,494
Add: Working Capital Net Regulatory Asset / (Liability)		1,333,549 473,000	(267,355)	1,066,194 473,000		112,351 -	(34,674) -	77,677 -
Total Rate Base	ю	47,398,030 \$	(759,479) \$	46,638,551	Ś	5,682,264	\$ (73,043) \$	5,609,221

Recap Schedules: A-1 Settlement

#### 73144 DECISION NO.

Supporting Schedules: B-2 Settlement, B-5 Settlement

ARIZONA Warner K COMPANY Test Year Ended December 31, 2010 Summary Original Cost Rate Base

s o

Exhibit Schedule B-1 Settlement Page 3 of 3 Witness: Reiker

Ajo [B] [C]	e - Settlement O.C. Rate Base iled <u>Adjustments</u> <u>Settlement</u>	2,314,881 \$ 30 \$ 2,314,911	98 95	3,293 \$ (65) \$ 1,348,228	106,162 - 106,162	88,150 - 88,150 (20,177) - (20,177)	\$ •	190,261 - 190,261 7,929 - 7,929	16,531 (5,998) 10,533	<u>992,500 \$ (6,063) \$ 986,437</u>
[A]	O.C. Rate Base - Company - As Filed	\$ 2,314		\$ 1,348	106	88	\$ 67	190	Ð	\$
		Gross Plant in Service	Less: Accumulated Depreciation Mut Prove is Construct	Net Plant in Service	Less: Advances in Aid of Construction Contributions in Aid of Construction:	Gross Accumulated Amortization	Net Contributions in Aid of Construction	Deferred Income Tax Customer Deposits	Add: Working Capital Net Regulatory Asset / (Liability)	Total Rate Base

DOCKET NO. W-01445A-10-0517

Recap Schedules: A-1 Settlement

N:2011\_Rate\_Case\Settlement(Western Group2011 AWC Rate Case Mode) Settlement-WG v4 FINAL\B1 Processing Date: 2/14/2012 4:19 PM

Supporting Schedules: B-2 Settlement, B-5 Settlemen

73144

Exhibit Schedule B-2 Settlement Page 1 of 6 Witness: Reiker	[K] [L] Total Adjusted Settlement Test Year - Adjustments Settlement	- \$ 1,556,046 - \$ 8,633,691 9,532 10,987,338 (63) 10,814,984 (207,903) 10,814,984 2,343 157,737,874 2,343 157,690 (196,090) \$ 166,497,963 334,468 33,614,925 (530,558) \$ 132,883,037	- 53,463,817 - 21,508,932 - 3,1580,774 - \$ 17,809,774 - 9,644,941 - 357,699	DOCKET NO. W-01445A-10-0517
	[J] Settlement Sr Adi RB-5 Ad	6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	· · · · · ·	₩ 99 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	[]] BLANK	, , , , , , , , , , , , , , , , , , ,		м
	djustments Settlement Adi. RB-4	\$ (258,409) (258,409) \$ (258,409) \$ (258,409)	н. стра на Ф	) \$ (258.409)
	Western Group [F] [G] [H] Settlement Rate Base Adjustments lement Settlement Settlem RB-2 Adi, RB-3 Adi RI	کوری 88 06 22 کوری 88 06 22 مرب ا	· · · · ·	(308,027) 25 \$ (308,027)
	Sett	- \$ - - \$ - - 9,532 (63) \$ 9,532 (63) \$ 60,038 (63) \$ 60,038 (333,310) \$ 59,025	· · · · · · · · ·	333,310) \$ 59,025
	] [E] Settlement NK Adi RB-1	(333 8 8 8 8 333 9 333	· · · ·	· · · · · · · · · · · · · · · · · · ·
	[C] [D] Adjusted Test Year - BLANK	1,556,046 \$ 8,633,691 8,633,691 10,977,806 127,945,777 6,765,687 127,945,777 6,765,687 127,94,053 166,694,053 33,280,458 33,280,458 33,280,458 33,280,458 33,280,458 33,280,558 34,5777 54,5777 54,57777 54,57777 55,57777 55,57777 55,57777 55,57777 55,57777 55,57777 55,57777 55,57777 55,577777 55,577777 55,577777 55,577777 55,57777777 55,577777777	53,463,817 21,508,932 ( <u>3,699,158)</u> 17,809,774 \$ 9,644,941 357,699	
	[B] Total Ac Pro Forma Tes Adjustments A	3,478 \$ 3,478 \$ 30 154,865 1 1,138,354 12 2,682,471 \$ 16 3,979,977 \$ 16 3,339,851 \$ 13 3,339,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,330,851 \$ 3 3,350 \$ 3	5 5 5 5 	473,000 (5,832,090) \$ 5
	[Å] Actual End of Test Year A	\$ 1,552,568 \$ 8,633,660 10,822,941 10,814,267 10,814,267 126,807,423 4,0837,423 4,0837,423 4,0837,412 \$ 162,714,076 \$ 32,640,331 \$ 162,714,076 \$	53,463,817 53,463,817 21,508,932 (3,699,158) \$ 17,809,774 \$ 357,699	1,462,431 1,462,431 2,004,885 59,904,885 59,904,885 59,904,885 59,904,885 59,904,885 59,904,885 59,904,885 50,004
ARIZONA W.J. COMPANY Test Year Ended December 31, 2010 Original Cost Rate Base Pro Forma Adjustments		y Plant I Plant Distribution Plant Plant in Service	in Aid of Construction ions in Aid of Construction: ulated Amortization ibutions in Aid of Construction Income Tax	posits ry Asset / (Liability)
ARIZONA W	Line <u>No.</u>	Les Pla	Ľ	Ad T

## O. W-01445A-10-0517

N:2011\_Rate\_Case\SettlementWestern Group2011 AWC Rate Case Model Settlement-WG v4 FINAL\B2 Processing Date: 2/14/2012 4:19 PM

Supporting Schedules:

Recap Schedules: B-1 Settlement

ARIZONA W., <i>ER. COMPANY</i> Test Year Ended December 31, 2010 Original Cost Rate Base Pro Forma Adjustments											Sch	Exhibit Schedule B-2 Settlement Page 2 of 6 Wftness: Reiker
	[A] Actual End of <u>Test Year</u>	[B] Total Pro Forma <u>Adjustments</u>	[C] Adjusted Test Year - <u>As Filed</u>	[D] BLANK	Pinal Vall [E] Settlement Adj. RB-1	Pinal Valley (Casa Grande, Coolidge, Stanfield) [E] [F] [G] Settlement Rate Base Adjustme tement Settlement Settlement Sett .RB-1 Adi. RB-2 Adi. RB-3 Adi	sa Grande, Coolidge, Stanfield) [F] [G] [H] Settlement Rate Base Adjustments lement Settlement Settlement .RB-2 Adj. RB-3 Adj. RJ	nfield) [H] ustments Settlement Adi, RB-4	[] BLANK	[J] Settlement Adl. RB-5	[K] Total Settlement Adjustments	[L] Adjusted Test Year - Settlement
Plant Classification Intrangible Plant Source of Supply Plant Pumping Plant Water Treatment Plant Transmission & Distribution Plant General Plant Total Gross Plant in Service	<ul> <li>\$ 1,533,974</li> <li>\$ 1,533,974</li> <li>7,110,689</li> <li>9,110,796</li> <li>9,119,376</li> <li>111,483,305</li> <li>3,731,834</li> <li>\$ 142,089,974</li> </ul>	\$ 3,131 \$ 27 27 154,865 702 1,022,395 2,415,071 \$ 3,596,191 3	<ul> <li>\$ 1,537,106</li> <li>7,110,716</li> <li>9,265,661</li> <li>9,120,077</li> <li>112,505,699</li> <li>6,146,905</li> <li>\$ 145,686,165</li> </ul>	,	, 	\$ 9,532 9,532 44,771 \$ 54,303		\$ - - (258,409) \$ (258,409) \$	1	\$ \$ 2,110 2,110 2,110	\$ 9,532 9,532 (213,638) 2,110 \$ (201,996)	<ul> <li>\$ 1,537,106</li> <li>7,110,716</li> <li>9,275,193</li> <li>9,120,077</li> <li>112,292,061</li> <li>6,149,015</li> <li>\$ 145,484,169</li> </ul>
Less: Accumulated Depreciation Net Plant in Service Less:	28,880,112 \$ 113,209,862	576,768 \$ 3,019,422	29,456,880 \$ 116,229,285 \$	,	288,979 \$ (288,979)	961 \$ 53,341	۰ ب	- \$ (258,409) \$		187 \$ 1,923	290,128 \$ (492,124)	29,747,008 \$ 115,737,160
Advances in Aid of Construction Contributions in Aid of Construction: Gross Amortization Net Contributions in Aid of Construction Deferred Income Tax	45,465,/36 19,589,664 (3,428,365) \$ 16,161,299	\$ 8.683.491	45,405,756 19,589,664 (3,428,365) \$ 16,161,299 \$ 683,491	, 	ج	ω	<u>ب</u>	<del>ب</del>	1	، ، ج	· · · · ·	19,589,664 (3,428,365) (3,428,365) (3,428,365) (3,428,365) (3,428,365) (3,421) (3,633,491)
Customer Deposits Add: Working Capital Net Regulatory Asset / (Liability)	327,277 1,333,549 -	473,000	327,277 1,333,549 473,000				(267,355)				- (267,355)	327,277 1,066,194 473,000
Total Rate Base	\$ 52,589,100	\$ (5,191,069) \$	47,398,030		\$ (288,979)	\$ 53,341	\$ (267,355)	\$ (258,409) \$	-	\$ 1,923	\$ (759,479)	\$ 46,638,551
												CKET NO. W-01445A
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Supporting Schedules:

Recap Schedules: B-1 Settlement

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ARIZONA WAIFER COMPANY Test Year Ended December 31, 2010 Original Cost Rate Base Pro Forma Adjustments												Sched	Exhibit Schedule B-2 Settlement Page 3 of 6
						White Tank	. ' ×						vviness. Keiker
	[A] Actual	[B] Total	[C] Adiusted	<u>a</u>	E	[F] Settlement F	[F] [G] [H] Settlement Rate Base Adjustments	[H] Istments	Ξ	[r]		[K] Total	[L] Adiusted
	End of Test Year	Pro Forma <u>Adjustments</u>	Test Year - <u>As Filed</u>	BLANK	Settlement <u>Adi. RB-1</u>	Settlement Adj. RB-2	Settlement Adi. RB-3	Settlement <u>Adi. RB-4</u>	BLANK	Settlement Adj. RB-5	1	Settlement Adjustments	Test Year - Settlement
Plant Classification Intangible Plant	\$ 14,082	\$ 278 \$	14,360	، ب	с, с,	۰ ب				, 87	¢	₩ '	14,360
Source of Supply Plant Pumping Plant	1,511,948 1 622 914	- 2	1,511,950 1 622 914	1.1									1,511,950 1.622.914
Water Treatment Plant	1,690,602	62	1,690,664	I	(47)					ı		(47)	1,690,617
Transmission & Distribution Plant General Plant	13,304,456 218 266	115,913 214 485	13,420,369 432 750	1 1	• • •	5,735				. #	- 187	5,735 187	13,426,104 432,938
Total Gross Plant in Service	\$ 18,362,266	÷	18,693,007	5	\$ (47) \$	\$ 2,735 \$	•.		•	\$	187 \$	5,876 \$	18,698,883
Less:		100 11				ŭ					2	340 44	2 001 231
Accumulated Depreciation Net Plant in Service	2,805,964 \$ 15,556,307	\$ 279.716 \$	2,856,989	5	\$ (44,224)	\$ 5.684 \$	.		, S	\$	171 \$	(38,369) \$	15,797,649
Less:													
Advances in Aid of Construction Contributions in Aid of Construction:	7,891,919	'	7,891,919									,	7,891,919
Gross Accumulated Amortization	1,831,118		1,831,118 (250,616)										1,831,118 (250,616)
Net Contributions in Aid of Construction	\$ 1,580,502	<del>69</del>	1,580,502		ч •	\$ - \$		۰ ه	\$	، ب	÷	φ '	1,580,502
Deferred Income Tax Customer Deposits	22,494	771,189 -	771,189 22,494										771,189 22,494
Add: Mentine Control	110 011		110 361				(34 674)					(34 674)	77 677
working Capital Net Regulatory Asset / (Liability)							(+10'+0)					-	
Total Rate Base	\$ 6,173,738	\$ (491,473) \$	5,682,264	\$ *	\$ (44,224) \$	\$ 5,684 \$	(34,674)	•	÷	\$	71 \$	(73,043) \$	5,609,221
													DOCKET
													NO

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O. W-01445A-10-0517

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Recap Schedules: B-1 Settlement

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Supporting Schedules:

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ARIZONA WATER COMPAN	Test Year Ended December 31, 2010	Original Cost Rate Base Pro Forma Adjustments
ARI	Test	Origin

Exhibit Schedule B-2 Settlement Page 4 of 6 Witness: Reiker

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I est Year Ended December 31, 2010 Original Cost Rate Base Pro Forma Adjustments	
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			19					- [							
	[A] Actuat	_	[5] Total	[℃] Adiretad	<u>-</u>		ב	[r] Sattlamor	[F] [G] [G] [H] Settlement Date Base Adjustments	[H] diretmente	Ξ		2	Σ. <sup>1</sup>	[L] Adicatod
Ū	End of		Pro Forma	Test Year -		Ň	Settlement	Settlement	Settlement	Settlement		- Se	Settlement	Settlement	Test Year -
. <u>.</u>	Test Year		Adjustments	As Filed	BLANK		Adi. RB-1	Adj. RB-2	Adj. RB-3	Adj. RB-4	BLANK		Adj. RB-5	Adjustments	Settlement
Plant Classification															
Intangible Plant	4 <del>,</del>	4,512 \$	69	\$ 4,580	\$	ε γ	, , , , , , , , , , , , , , , , , , ,	۰ د				69	99 1	,	\$ 4.580
Source of Supply Plant	1	11.024	***	11,024		•	i	•				•		•	
Pumping Plant	85	89,231	•	89.231			ı	,					•		89.231
Water Treatment Plant	4	4,290	15	4,305		,	(16)	•					ı	(16)	4.289
Transmission & Distribution Plant	2,019,663	3,663	45	2,019,708				ı					ı	<u>,</u>	2.019.708
General Plant		133,117	52,916	186,032		,		,					46	46	186,079
Total Gross Plant in Service	\$ 2,261,836	1,836 \$	53,046	\$ 2,314,881	s	€ <del>)</del>	(16)	•	، چ	\$	s	\$	1	\$ 30	\$ 2,314,911
Less: Accumulated Depreciation	954	954,255	12,333	966,588			9						ব	95	966,683
Net Plant in Service	\$ 1,307,580	7,580 \$	40,713	\$ 1,348,293	\$	69 1	(107)		69	י א	ŝ	ся -	42 \$	(65)	\$ 1,348,228
Less:															
Advances in Aid of Construction Contributions in Aid of Construction:	106	106,162	ı	106,162										•	106,162
Gross	88	88,150	,	88,150										ı	88,150
Accumulated Amortization		(20,177)	,	(20,177)						-				•	(20,177)
Net Contributions in Aid of Construction	\$ 67	67,973 \$	•	\$ 67,973	\$	6 <del>9</del> 1		۰ ج	' Э	\$	ŝ	\$	ч Ч	•	\$ 67,973
Deferred Income Tax	٢	- - -	190,261	190,261 7 829										ı	190,261 7 826
	-	676'1		270'1	_									I	676'1
Add: Working Capital	16	16 531		16.531					(5,998)					(5 998)	10 533
Net Regulatory Asset / (Liability)			•	•										-	
Totai Rate Base	\$ 1,142	1,142,048 \$	(149,548) \$	\$ 992,500	÷	ч <del>у</del>	(107) \$	•	\$ (5,998)	, \$	69	\$	42 \$	(6,063) \$	986,437
															D

L BOCKET NO. W-01445A-10-0517

Recap Schedules: B-1 Settlement

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Supporting Schedules:

DECISION NO. 73144

IZONA WALER COMPANY	t Year Ended December 31, 2010	nal Cost Rate Base Pro Forma Adjustments
ARIZO	Test Yea	Original (

Exhibit Schedule B-2 Settlement Page 5 of 6 Witness: Reiker

DockEtt NO. W-01445A-10-0517 Manual Manual								Phoenix I	Office						
Table         Entronic         Semention         Sem	Table in the control of the		[A] Actual		[C] Adjusted	<u>6</u>		[F] Settlemen	[G] t Rate Base Adj	[H] ustments	E	Ξ	[K] Total	[L] Adjusted	
Manual Balanciano Companyanc	Main Binding Main Plant Main Pla		End of Test Year		Test Year - <u>As Filed</u>	BLANK	Settlement Adj. RB-1	Settlement Adi. RB-2	Settlement Adj. RB-3	Settlement <u>Adj. RB-4</u>	BLANK	Settlement <u>Adi. RB-5</u>	Settlement <u>Adjustments</u>	Test Year - Settlement	
uno 65 keby Fluit <ul> <li>uno 65 keby Fluit</li> <li>un</li></ul>	Markel Participant         Markel Participant         Markel Participant         Markel Participant         Markel Participant           Georgi Participant         1         680 (49)         1         3         680 (49)         1         4         1           Georgi Participant         1         680 (49)         1         3         680 (49)         1         4         1           Georgi Participant         1         680 (49)         1         3         680 (49)         1         4         1         1         4         1         1         4         1         1         4         1         1         1         1         1         1         1         1         1<	ant Classification Intangible Plant		\$ (9,148)				, \$				,	، ھ	, 8	
Methodization       Second       Secon	Mathematical Sector         1	Source of Supply Plant		· ·				•				•	,	•	
Antificitor black ment services	Immunication $\frac{882,04}{1000}$ $\frac{882,04}{1000}$ $\frac{882,04}{1000}$ $\frac{882,04}{1000}$ $\frac{882,04}{1000}$ $\frac{882,04}{1000}$ $\frac{882,04}{1000}$ $\frac{882,04}{1000}$ $\frac{882,04}{10000}$ $\frac{882,04}{100000}$ $\frac{882,04}{10000000000}$ $\frac{882,04}{100000000000000000000000000000000000$	Pumping Plant Water Treatment Plant			1 1										
Trail forms from the first solution $\frac{1}{3}$ ( $\frac{332}{3}$ ( $\frac{33}{3}$ ( $\frac{33}{3}$ ) $\frac{1}{3}$ ( $\frac{337}{3}$ ( $\frac{333}{3}$ ) $\frac{1}{3}$ ( $\frac{333}{3}$ ( $\frac{333}{3}$ ( $\frac{3333}{3}$ ) $\frac{1}{3}$ ( $\frac{333}{3}$ ( $\frac{333}{3}$ ( $\frac{3333}{3}$ ) $\frac{1}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ) $\frac{1}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ) $\frac{1}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ( $\frac{33333}{3}$ ( $\frac{3333}{3}$ ( $\frac{33333}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ( $\frac{33333}{3}$ ( $\frac{3333}{3}$ ( $\frac{3333}{3}$ ( $\frac{33333}{3}$ ( $$	Train for the Manuta         1         5/300/100         1         5/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1         6/300/100         1	Transmission & Distribution Plant General Plant	- 6 883 048	-				- 6 163				- (6 163)		•	
Induction         I (37) (48) (47) (38)         I (37) (48) (48)         I (38) (48) (48) <thi (38)="" (48)<br="">(48)         <thi (38)="" (48)<="" th=""> <thi< td=""><td>Induction Methantion         I (327, 466) (330, 723)         I (327, 72) (330, 723)         I (327, 72) (320, 72, 72)         I (327, 72) (320, 72, 73)         I (327, 72) (320, 72, 72)         I (327, 72) (320, 72)         <thi (327,="" 72)<="" th="">         I (327, 72) (320, 72)<!--</td--><td>Total Gross Plant in Service</td><td></td><td>\$ (6,892,196)</td><td></td><td></td><td></td><td></td><td></td><td>' \$</td><td></td><td>(6,163)</td><td></td><td>\$</td></thi></td></thi<></thi></thi>	Induction Methantion         I (327, 466) (330, 723)         I (327, 72) (330, 723)         I (327, 72) (320, 72, 72)         I (327, 72) (320, 72, 73)         I (327, 72) (320, 72, 72)         I (327, 72) (320, 72) <thi (327,="" 72)<="" th="">         I (327, 72) (320, 72)<!--</td--><td>Total Gross Plant in Service</td><td></td><td>\$ (6,892,196)</td><td></td><td></td><td></td><td></td><td></td><td>' \$</td><td></td><td>(6,163)</td><td></td><td>\$</td></thi>	Total Gross Plant in Service		\$ (6,892,196)						' \$		(6,163)		\$	
Model Partin Savoue         5         5.304,778         5.304,778         5.304,778         5.304,778         5.304,778         5.304,778         5.304,778         7         8         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         (5.01)         3         3         (5.01)         3         3         1         9         1<	Met Pant In Savioa         5 (534) (78)         5 (334) (78)         5 (334) (78)         5 (334) (78)         5 (334) (78)         5 (334) (78)         5 (334) (78)         5 (334) (78)         5 (334) (78)         5 (334) (78)         5 (334) (78)         5 (341) (78)         6 (351) (78)         6 (351) (78)         7 (78)         6 (351) (78)         7 (78)          7 (78) <th 7<="" td=""><td>sss: Accumulated Depreciation</td><td></td><td></td><td>ı</td><td></td><td></td><td>547</td><td></td><td></td><td></td><td>(547)</td><td>ı</td><td>r</td></th>	<td>sss: Accumulated Depreciation</td> <td></td> <td></td> <td>ı</td> <td></td> <td></td> <td>547</td> <td></td> <td></td> <td></td> <td>(547)</td> <td>ı</td> <td>r</td>	sss: Accumulated Depreciation			ı			547				(547)	ı	r
Accontraction <ul> <li></li></ul>	wresh h do Contraction <ul> <li></li></ul>	Net Plant in Service		\$ (5,304,728)			•		۰ چ	' \$	4	(5,617)	5		
Accountient of Construction Construction for Actor Construction Constructio Constructio Construction Construction Construction Constructio	Accounted of controlling         Account	SS: Advancer in Aid of Construction													
Accuration         Image: second	Accumulated Amontaciantin Contributionanti Additionanti attimuted Amontaciantin attimuted Amontaciantin	Contributions in Aid of Construction:		I	•							•	•	,	
I Contributions in Aid of Construction 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	I di cuntuluinari in Ad of Constructiona 3 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	Gross Accumulated Amortization		+ I									<b>،</b> ،	, ,	
Infert Income Tax         25.980.03         (23.980.03)         -           Infert Income Tax         25.980.03         (23.980.03)         -           Infert Income Tax         -         -         -           Infert Income Tax         -         -         -         -           Infert Income Tax         -         -         -         -         -           Infert Income         -         -         -         -         -         -         -           Infert Capital         -	affered Income Tax         35.386.073         (55.386.073)         .           affered Income Tax         .         .         .         .         .         .           affered Income Tax         .         .         .         .         .         .         .           affered Income Tax         .         <	Net Contributions in Aid of Construction	\$							•			۰ ج	\$	
King Capital	Raja Gapital 1 Raja Base Raja S 20,083,346 S - S - S - S - S - S - S - S - S - S	Deferred Income Tax Customer Deposits	25,368,073		r •									, ,	
	Malance ( (lambility)														
*       2       1       2	2       1       2	working Capital Net Regulatory Asset / (Liability)			••							1 1	• •		
DOCKET NO. W-01445A-10-0517	DOCKET NO. w-01445A-10-0317	otal Rate Base		1 1		\$	, \$		۰ ج	-		(5,617)	,		
OCKET NO. W-01445A-10-0517	OCKET NO. W-01445A-10-0517														
KET NO. W-01445A-10-0517	KET NO. W-01445A-10-0517														
ET NO. W-01445A-10-0517	ET NO. W-01445A-10-0517														
NO. W-01445A-10-0517	NO. W-U1445A-10-0517														
). W-01445A-10-051/	). W-UI443A-10-0317														
w-01443A-10-031/	w-01443A-10-0317														
01443A-10-0317	01443A-10-0317														
43A-10-0317	43A-10-0317														
A-10-031/	A-10-031/														
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## DOCKET NO. W-01445A-10-0517

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Recap Schedules: B-1 Settlement

DECISION NO.

73144

Supporting Schedules:

ARIZONA WAIER COMPANY Test Year Ended December 31, 2010 Original Cost Rate Base Pro Forma Adjustments

Exhibit Schedule B-2 Settlement Page 6 of 6 Witness: Reiker

Additational         Additational<		[A] Actual End of		[B] Total Pro Forma	[C] Adjusted Test Year -		[E] Settlement	[F] Settleme Settlement	[F] [G] [H] Settlement Rate Base Adjustments lement Settlement Settlerr	[H] justments Settlement		E .	[I] [J] - Settlement	
Classification and Plant and Completent and Shaft         S <th< th=""><th></th><th>Test Ye</th><th></th><th>liustments</th><th>As Filed</th><th>BLANK</th><th>Adj. RB-1</th><th>Adi. RB-2</th><th>Adj. RB-3</th><th>Adj. RB-4</th><th>BLANK</th><th>' <b>x</b>I</th><th></th><th>Adi. RB-5</th></th<>		Test Ye		liustments	As Filed	BLANK	Adj. RB-1	Adi. RB-2	Adj. RB-3	Adj. RB-4	BLANK	' <b>x</b> I		Adi. RB-5
Constraint         Constra	Plant Classification	ť	¥	e '	I	ť		64						6
Mind Balk mind Park and Park	Source of Supply Plant	•			1 1	, , 9		, 1 7						• •
Reference         Example of the information that in services         Example of the information that informatin that information that inform that information that info	Pumping Plant Water Treatment Dlant	v	- 1050	- 10 0501	,									
Total discrete and discrete fund discrete fund discrete fund discrete minimate l'Enercicialion         Total discrete (discrete fund fund fund fund fund fund fund fund	Transmission & Distribution Plant		),066	(6,066)		t	•							
Communication (In Flact In Service)         56,00, (Construction (In Service)         56,00, (Construction (In Service)         56,00, (Construction (In Service)         56,00, (Construction)         5         56,00, (Construction)         5         56,00, (Construction)         5         56,00, (Construction)         5	General Plant Total Gross Plant in Service						۰ ج	۰ ج	, \$			1		
Martial Depreciation mittation by and mittation by and mittatin by and mittation by and mittation by and mittation by a	Less:													
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	lotal Male Dase			- 11	-	- ₽	1 1	e.	0	- e	-	0	•	•

Supporting Schedules:

ARIZONA WATLAR COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-1 Accept RUCO Rate Base Adjustment No. 1

alley [B]	Adjstmť to Depreciation	Expense	e	• •		6	•		ı	•		, ↔		•	•		e.	•	•	•		\$		•	•	•	•			- - -				1		•	, ,		·	•	' ھ		÷	\$ 288,979		\$ (288,979)					
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Pinal Valley

Recap Schedules:

73144

ARIZONA WATLAK COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-1 (Continued) Accept RUCO Rate Base Adjustment No. 1

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Recap Schedules:

DOCKET NO. W-01445A-10-0517

Exhibit Schedule B-2 Settlement Appendix Page 2 of 17 Witness: Reiker

 ARIZONA WATEK COMPANY	Test Year Ended December 31, 2010	Settlement Rate Base Adjustment RB-1 (Continued)	Accept RUCO Rate Base Adjustment No. 1
ARIZON	Test Year	Settlemer	Accept R <sup>1</sup>

Adjstmt to Depreciation Expense	φ φ φ φ (0) (10) (10) (10) (10) (0) (0) (0) (0) (0) (0) (0) (
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Recap Schedules:

Supporting Schedules:

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Exhibit Schedule B-2 Settlement Appendix Page 3 of 17 Witness: Reiker

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ARIZONA WATER COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 True-up Post-Test Year Plant to Reflect Actual Costs

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Exhibit Schedule B-2 Settlement Appendix Page 4 of 17 Witness: Reiker

Recap Schedules:

ARIZONA WATEK COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

Pinal Valley (Continued)

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Schedule B-2 Settlement Appendix Page 5 of 17 Witness: Reiker

Exhibit

Recap Schedules:

73144

ARIZONA WA. COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

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				Intangible Plant	Organization	Franchises	Other Intangibles	Subtotal Intangible Plant	310.1 Water Rights	310.3 Other Source of Supply Land	310.4 Wells - Other	Wells	Subtotal Source of Sup. Plant	Pumping Plant	Pumping Frank Carlo Pumping Plant Struct & Improv	Electric Pumping Equipment	Gas Engine Equipment	Subtotal Pumping Plant	Water Treatment Plant	Water Treatment Plant Land	Water Trtmt. Struct. & Improv.	Vvater Treatment Equipment Subtotal Water Trimit Diant	Transmission & Distribution Plant	Trans, and Dist. Land	Storage Tanks	Trans. & Dist. Mains	Fire Sprinkler Taps	Services	ivielers Hvdrants	Subtotal Trans. & Dist.	General Plant	General Plant Land	General Plant Structures	Leasehold Improvements	Office Furniture & Equipment	Tools Shon & Garade Eduin	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Subtotal General Plant	Total Utility Plant		Accumulated Depreciation (1/2-Year Convention)	Net Plant						
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Pinal Valley (Continued)

Recap Schedules:

73144

ARIZONA WA. COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

Pinal Valley (Continued)

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Exhibit Schedule B-2 Settlement Appendix Page 7 of 17 Witness: Reiker

Recap Schedules:

ARIZONA WA, .... COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

Exhibit Schedule B-2 Settlement Appendix Page 8 of 17 Witness: Reiker

Recap Schedules:

73144

ARIZONA WAJ COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

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l'v1 1-4803 Increase / Decrease)			(2,056)	(2,056) - -		(359)	(2.415)
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	Intangible Plant 1 Organization 2 Franchises	<ul> <li>303 Other Intangibles</li> <li>Subtotal Intangible Plant</li> <li>Source of Supply Plant</li> <li>310.1 Water Rights</li> <li>310.3 Other Source of Supply Land</li> <li>310.4 Wells - Other</li> </ul>	<ul> <li>Wells</li> <li>Subtotal Source of Sup. Plant</li> <li>Pumping Plant</li> <li>Pumping Plant Land</li> <li>Pumping Plant Struct. &amp; Improv.</li> <li>Electric Pumping Equipment</li> </ul>	<ul> <li>Gas Engine Equipment</li> <li>Subtotal Pumping Plant</li> <li>Water Treatment Plant</li> <li>Water Treatment Plant Land</li> <li>Water Trimt. Struct. &amp; Improv.</li> </ul>	Water Treatment Equipment Subtotal Water Trtmr. Plant Transmission & Distribution Plant Trans. and Dist. Land Storage Tanks Trans. & Dist. Mains Trans. & Dist. Mains Fre Spinkler Taps Services Hvdrants Hvdrants	Subtotal Trans. & Dist. General Plant General Plant Land General Plant Structures 1 Lassehold Improvements Marehouse Equipment 7 Tools, Shop & Garage Equipment Eaboratory Equipment 2 Power Operated Equipment 2 Communication Equipment 2 Communication Equipment	Total Utility Plant Total Utility Plant Accumulated Depreciation (1/2-Year Convention) Net Plant
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Recap Schedules:

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ARIZONA WA. COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

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Adjstmť to Depreciation Expense

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Pinal Valley (Continued)

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Recap Schedules:

73144

ARIZONA WAL.... COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

Exhibit Schedule B-2 Settlement Appendix Page 11 of 17 Witness: Reiker

[0]	A dictmt' to	Depreciation	Expellee	ب م	•	,	۰ ج				¢ 1	69		ŀ		141	\$ 140		ı	,		י א		•						\$			,	•		•	•				•	\$ 140	\$		\$ 2,314						
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			Participation Diant	Organization	Franchises	Other Intangibles	Subtotal Intangible Plant	Source of Supply Plant	Water Rights	Other Source of Supply Land	Vvells - Other	VVEIIS Subtotal Source of Sun Dlant	Pumping Plant	Pumping Plant Land	Pumping Plant Struct. & Improv.	Electric Pumping Equipment	Gas Engine Equipment Subtotal Dimping Diant	Water Treatment Plant	Water Treatment Plant Land	Water Trtmt. Struct. & Improv.	Water Treatment Equipment	Subtotal Water Trimt. Plant	Transmission & Distribution Plant	Trans. and Dist. Land	Storage Tanks	l rans. & Dist. Mains Eiro Swinklor Tono	rite opinimer taps Services	Meters	Hydrants	Subtotal Trans. & Dist.	General Plant	General Plant Land	Concear Frank On actures Leasehold Improvements	Office Furniture & Equipment	Varehouse Equipment	rools, Shop & Garage Equip.	aboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellarieous Equipriteri. Subtotal Canaral Diant		Total Utility Plant	Accumulated Depreciation /1/2-Xear Convention)		Net Plant						
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Recap Schedules:

ARIZONA WALL COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

[D] Total	Adjstmť to Depreciation	Expense	G	, , >	,	\$		•	•			•	,	3	560	5 C		•	•	1	۰ ج			(28)	(/60'1)	2 260			\$ 1,362			J		•	,	•				• •	\$ 1,923	\$ 961		\$ 53,341					
Pinal Valley - Total [C] on	Total Increase /	Decrease)				.			ŀ	٠	•	ı		•	9,532	0 637	200'8	•		•	,		•	(1,381)	(61,263)	- 94 958		12,457	44,771		·	•				,	I	•	•	•	54,303								
Pinal Va [B] Work Authorization		Cost (Dec	÷	<del>0</del> 1 1	,	\$				•		<del>)</del>		ŀ	164,397			,	•	r	\$			31,958	858,800	- 154 343		19,988	1,065,089 \$		ı	•	, ,		,	٠		,	,	<del>م</del> ۱	1,229,486 \$								
	Total As	-		↔ , ,	•	<del>63</del>		ı		1		9 1	1	ı	154,865	- T	¢ cog'tc!				\$		ı	33,339	920,063	50 385		7,531	1,020,318 \$		ı			,	,		,	·	' '	<del>ب</del> ۲	1,175,183 \$								
	Denreciation	Rate		0.00% \$	e/u	69		0.00%	0.00%	n/a	3.13%	₽	0.00%	2.86%	5.88%	4.00%	•	0.00%	2.50%	2.86%	\$		0.00%	2.00%	1.79%	2.00%	4.55%	1.82%	ю		0.00%	%nc.7	n/a 6.67%	5.00%	4.00%	5.00%	6.67%	6.67%	3.33%	Э	<del>6</del> 9	ion)							
	ne L										1	Ĕ																														-Year Convent							
			Intangible Plant	Organization Eranchises	Other Intancibles	Subtotal Intangle Plant	Source of Supply Plant	310.1 Water Rights	Other Source of Supply Land	310.4 Wells - Other	Wells	Suptotal Source of Sup. Plant Primning Plant	Pumping Plant Land	Pumping Plant Struct. & Improv.	Electtric Pumping Equipment	Gas Engine Equipment	Subtotal Pumping Plant Weter Treatment Plant	Water Treatment Plant Land	Water Tritmt, Struct, & Improv.	Water Treatment Equipment	Subtotal Water Trtmt. Plant	Transmission & Distribution Plant	Trans. and Dist. Land	Storage Tanks	Trans. & Dist. Mains	Fire Sprinkler Laps	Meters	Hydrants	Subtotal Trans. & Dist.	General Plant	General Plant Land	General Plant Structures	L Leasehold Improvements Office Furniture & Equipment	Warehouse Equipment	Tools, Shop & Garage Equip.	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Subtotal General Plant	Total Utility Plant	Accumulated Depreciation (1/2-Year Convention)		Net Plant					
	eri		Int Int	301	303		ຮິ	7 310.1	3 310.3		10 314	ם 1	13 320	14 321	15 325	16 328	17 01	19 330	20 331							2/ 344 28 345			31				35 390.1 36 391.1			39 395	40 396		42 398	22 Y	<b>5</b>	46 47	8	49	51 51	52	នេះ	54	2

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Exhibit Schedule B-2 Settlement Appendix Page 12 of 17 Witness: Reiker

ARIZONA WA1. .. COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs

[0]		Adjstmt' to Depreciation	Expense	e e	• •	ł	, ↔				•	, 89		•	•		\$		•	·		' \$			103		,		¢ 103			•	•	•	•	•			\$		\$ 103	\$ 51		\$ 5,684				
White Tank [B] [C]	zation	0 -	Cost (Decrease)		. ।		- <del>\$</del> - <del>\$</del>				•	- <del>S</del> - <del>S</del>		ı	,		, , ,					, w			9 121.464 5.735		•	•	9 & 121,464 & 3/35							•		,	۰ ۰		9 \$ 121,464 \$ 5,735							
[A]		ion L	Rate Filed	70000	n/a	n/a	\$		0.00%	n/a	3.13%	\$	-	0.00%	2.86%	%99.C	5		0.00%	2.50%	2.86%	۰ ج		2 00%	1.79% 115.729	2.38%	4.55%	1.82%		0 00%	2.50%	n/a	6.67%	5.00%	4.00%	3.00% 6.67%	0.01% 6.67%	3.33%	÷		\$ 115,729	ition)						
		- Del		Intanglole Plant 301 Orrenization			Subtotal Intangible Plant	Source of Supply Plant	310.1 Vvater Kignts 310.3 Other Source of Sunniv Land	310.4 Wells - Other		Subtotal Source of Sup. Plant	5			325 Electric Pumping Equipment		Water Treatment Plant	-	-	332 Water Treatment Equipment	Subtotal Water Tritmt. Plant	I ransmission & Distribution Plant					348 Hydrants	Suptotal Irans, & Dist. General Plant	General Flant   and		390.1 Leasehold Improvements	- ·	, .	394 I DOIS, Shop & Garage Equip.						Total Utility Plant	Accumulated Depreciation (1/2-Year Convention)		Net Plant				
		Line	<u>N</u> ,	, , ,	10	4	S	، ق	~ α	, ., , ,	6	11		<u>د</u> :		0 4 0 4		18		20		52	62 72					83	30			35 3			89 68 89 68					4	45 46	47	<b>4</b> 8	49 70	51	52	53	22 7

Recap Schedules:

73144

ARIZONA WALL, COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-2 (Continued) True-up Post-Test Year Plant to Reflect Actual Costs Phoenix Office

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				ζ	Work A	uthorization			5
			<b>)</b>	1-4823	-	1-4823	1	23	Adjstmt
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<u>i</u>	<u>Int</u>	Intanoible Plant			4				
2	301	Organization	0.00%				\$	I	\$
<i>т</i> о	302	Franchises	n/a					ı	
4 4	303	Other Intangibles Subtotol Interceible Diret	<u>1</u> 2						e.
n u	Ŭ.	Source of Supply Plant		- -	€		•		•
~	310.1	310.1 Water Rights	%00.0					I	
80	310.3	310.3 Other Source of Supply Land	0.00%					1	
თ	310.4	310.4 Wells - Other	n/a						
10	314	Wells	3.13%						
11		Subtotal Source of Sup. Plant		Ф	<del>сэ</del>	•	\$	•	ю
12	ณี	Pumping Plant							
13	320	Pumping Plant Land	0.00%						
14	321	Pumping Plant Struct. & Improv.	2.86%					•	
15	325	Electtric Pumping Equipment	5.88%						
16	328	Gas Engine Equipment	4.00%		6			•	e
1				A	<del>0</del>	•	<del>,</del>	,	•
8	5 000	water I reatment Plant							
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8	331	Water Trimt. Struct. & Improv.	%D9.7					•	
21	332	Water Treatment Equipment	7.80%		e		6	.	e
22	I	Subtotal Vvater I rtmt. Plant		A	, ,	T	<del>9</del>	•	7
23	= <u>;</u>	Transmission & Distribution Plant	7000 0						
24	340	Trans. and Dist. Land	0.00%						
25	342	Storage Tanks	2.00%					,	
26	343	Trans. & Dist. Mains	1.79%					1	
27	344	Fire Sprinkler Taps	2.00%					•	
28	345	Services	2.38%					•	
29	346	Meters	4.55%						
30	348	Hydrants	1.82%						1
31		Subtotal Trans. & Dist.		Ф	69 1	•	\$		69
32	U	General Plant							
33	389	General Plant Land	0.00%					•	
34	390	General Plant Structures	2.50%					,	
35	390.1	_	n/a					,	
36	391	Office Furniture & Equipment	6.67%					ı	
37	393	Warehouse Equipment	5.00%						
38	394	Tools, Shop & Garage Equip.	4.00%	25,564	564		÷	(25,564)	)
39	395	Laboratory Equipment	5.00%						
40	396	Power Operated Equipment	6.67%					•	
41	397	Communication Equipment	6.67%			31,727		31,727	
42	398	Miscellaneous Equipment	3.33%		- 1				
<b>t</b>		Subtotal General Plant		\$ 25,564	564 \$	31,727	\$	6,163	\$
4			1			202 10	e	0.463	6
4		Total Utility Plant	1	\$ 25,564	564 \$	31,727	\$	6,163	Ð
9 f		Accumulated Descretion (1/2 Veer Convention)	antion)						<del>6</del>
4 4									•
4		Net Plant							ŝ
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Recap Schedules:

73144

ARTZONA WA'L..... COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-3 Update Working Cash to reflect Settlement Operating Expenses and Remove Cost of Equity Component (Accept Staff Rate Base Adjustment No. 2 & RUCO Rate Base Adjustment No. 6)

Exhibit Schedule B-2 Settlement Appendix Page 15 of 17 Witness: Reiker

No.		ا∢ ن ≤ ۲	Company Working Capital - <u>As Filed</u>	Revised Working Capital - Settlement	Revised Working Capital - Settlement	to V Rat	Adjustment to Working Capital / <u>Rate Base</u>
-0644	Pinal Valley White Tank Ajo	\$	1,333,549 112,351 16,531	\$ 1,0	1,066,194 77,677 10,533	69	(267,355) (34,674) (5,998)
с 9 <b>г</b> 8		67	1,462,431	\$ 1,1	1,154,404	\$	(308,027)
665							
1 2 2 4							
15 16							
: <del>8</del> 6 9							
222							
24 24							
26 27							
28 29							
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5 <del>2</del> 2							
55 57 53							

Supporting Schedules:

73144

DECISION NO.

Recap Schedules:

ARTZONA WAS. . COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-4 Accept Staff Rate Base Adjustment No. 1 - Remove Arizona City Water Campus land site from Rate Base

Supporting Schedules:

	[D] Total	Adjstmť to	Depreciation	Expense	•	•		۰ ۶		•	ŧ	•		• ₽				. 1	, w	•	I		•	۰ ه			ŀ		I	•	•	'   	•	•	ı	•		•	•			,	•	۰ ج	ŧ	- -	، ج		\$ (258,409)
Pinal Valley	[0]	Total	Increase /	(Decrease)	, 9	;	,	, Э		,	J	3		• •					1	٠	,	,		-		(258,409)	ı	I		ſ	•		(AN4/0CZ) ¢		. r	1	ŀ		,		,	ł	ı	\$	(001 020) <del>4</del>	\$ (258,409)			
	[A] [B]	F	ion	<u>Rate</u>	0.00% \$		n/a -	۰ ب		- %00.0	- %00.0		3.13%	•	/100 0	2 B6%	5.00% 5.88%	4 00%		•	- " "	2.50% -	2.86% -	\$		0.00% 258,409	2.00% -	1.79% -	2.00% -	2.38% -	4.55% -		\$ Z30,4US	- %000	250% -	- n/a	6.67% -	5.00% -	4.00% -	5.00% -	6.67% -	6.67% -	3.33% -			\$ 238,409	(u		
			Depre	Internație Blant	Organization	Franchises	Other Intangibles	Subtotal Intangible Plant	Source of Supply Plant	310.1 Water Rights		Wells - Other	Wells Subtatal Parimo of Sum Plont	outiotal ooulde of oup. Flatit	Pumping Plant	Pumping Plant Cano Dumping Diant Struct & Immory	Flacthric Dimning Editionant	Gas Fhoine Fourinment	Subtotal Pumping Plant	Water Treatment Plant	Water Treatment Plant I and	Water Trimt Struct & Improv	Water Treatment Equipment	Subtotal Water Trimt. Plant	Transmission & Distribution Plant	Trans. and Dist. Land	Storage Tanks	Trans. & Dist. Mains	Fire Sprinkler Taps	Services	Meters		Suptotal Itaris, & Dist. General Plant	General Plant I and	General Plant Structures	Leasehold Improvements	Office Furniture & Equipment	Warehouse Equipment	Tools, Shop & Garage Equip.	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Subtotal General Plant	Total Hilling Marrie	I otal Utility Flant	Accumulated Depreciation (1/2-Year Convention)		Net Plant
			Line	No. 1	2 301		4 303	5	6 Sou			4	10 314	- 5			15 325	16 328	17	18 Wa	330	331		22	23 Tra	340	25 342	26 343			29 346 20 248	30 348		389	390		36 391	37 393	38 394	39 395	40 396	41 397	42 398	43	44	45	47	48	49

73144

ARIZONA WA..... COMPANY Test Year Ended December 31, 2010 Settlement Rate Base Adjustment RB-5 Allocate Phoenix Office & Meter Shop Settlement Rate Base Adjustments

		[A]	S [8]	lestern (	Western Group [B] [C] Allocated	be be	[0]
No Re		Rebuttal - <u>Adjusted</u>	Pinal Valley	alley	White Tank	뷥	<u>Aie</u>
- ~ ~	3-Factor Allocation Ratio		0.3423	ŝ	0.0304	-+	0.0075
ი <del>4</del> ო	Phoenix Office Plant Classification						
9 09 1	Intangible Plant	، ج	в	,	€9	<del>6</del> 9	ŀ
× ۵	Source of Supply Plant	•••		, ,		. ,	
ით	Vater Treatment Plant	. 1					
<b>e</b> :	Transmission & Distribution Plant			, ,			
5 5	General Plant Total Gross Plant in Service	\$ 6,163	\$	2,110	\$	187 \$	46
13	Less:						
15	Accumulated Depreciation Net Plant in Service	547 \$ 5617	69	1923	69	17 171 \$	42
16	Less:		•	i.			
¢	Deferred Income Tax	е . 5.	4	- 1 0.72	4	- 171 &	-
<u> </u>			*	3	-		
2 2 3							
5 5							
28	Meter Snop Diant Classification						
540	Internation	, 65	69		69	69	1
25	Source of Supply Plant	•		,			•
26	Pumping Plant	1		,		1	•
27	Water Treatment Plant	,		ı		ı	'
88	Transmission & Distribution Plant	•		•		ı	•
52	General Plant	'	e	,		,   e	•
8.5	lotal Gross Plant in Service	۰ ۶۶	÷	1	÷	<del>م</del> ۱	•
5 8	Acclimitated Denreciation			,		,	,
3 8	Net Plant in Service	\$	÷		\$	69 1	
34			•				1
8	I otal Rate Base	ч Ф	≁	-	8	•	-
8 E							
88	Total Phoenix Office & Meter Shop						
39	Plant Classification						
4	Intangible Plant	' \$	\$	ı	\$	φ <del>γ</del>	1
41	Source of Supply Plant	•		٠		,	•
5 5	Pumping Plant	•		ŀ			•
43	Water Treatment Plant	•		,		,	•
4 4 4 1	Iransmission & Distribution Plant			, ,		107	
64 44	General Plant Total Gross Plant in Service	¢ 6 163		2,110		187 \$	40
÷ 4	Less:		•	2	•		f
48	Accumulated Depreciation	\$ 547		187		17	4
<del>6</del>			\$	1,923	¢9	171 \$	42
5 2 2	Less: Deferred Income Tax	,		1			ι
52	Total Rate Base	\$ 5,61	7 \$	1,923	\$	171 \$	42
ខ្ល							
25							
55							

Recap Schedules:

73144

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Computation of Working Capital

Exhibit Schedule B-5 Settlement Page 1 of 4 Witness: Reiker

	[4]	Western Group	
Line <u>No.</u>	رسا Company - As Filed <u>Working Capital</u>	Settlement <u>Adjustments</u>	Working Capital - Settlement
Working Cash Requirement (Sch. B-5 Appendix)	\$ 254,562 \$	(308,027) \$	(53,466)
Material and Supplies Inventories <sup>1</sup>	128,714	•	128,714
Required Bank Balances <sup>1</sup>	826,817	I	826,817
Prepayments & Special Deposits <sup>1</sup>	252,338	ı	252,338
Total Working Capital Allowance	\$ 1,462,431 \$	\$ (308,027) \$	1,154,404
<sup>1</sup> 13-month average balances			

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ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Computation of Working Capital

Exhibit Schedule B-5 Settlement Page 2 of 4 Witness: Reiker

		Pinal Valley (C	Pinal Valley (Casa Grande, Coolidge, Stanfield)	Stanfield)
Line <u>No</u> .	Compan <u>Workin</u>	[A] Company - As Filed <u>Working Capital</u>	[B] Settlement <u>Adjustments</u>	[C] Working Capital - <u>Settlement</u>
2 Working Cash Requirement 3 (Sch. B-5 Appendix)	÷	235,550 \$	(267,355)	\$ (31,805)
5 Material and Supplies Inventories	ţ.S	126,149		126,149
7 Required Bank Balances <sup>1</sup>		744,601	,	744,601
9 Prepayments & Special Deposits <sup>1</sup>	ົນ	227,249	·	227,249
11 Total Working Capital Allowance 12 14 15		1,333,549 \$	(267,355)	\$ 1,066,194
12				
2 22 23				
24 25 22				
8 8 8 8 3 <del>3</del> 8				
33 33 35 25 25 25 25 25 25 25 25 25 25 25 25 25				
36 337 38				
44 44 43 43				
44 46 46				
4 4 4 8 5 0 5 0				
5 2 2 3 2 3 2 3 2 3 2 3 2 3 2 3 2 3 2 3				
<sup>1</sup> 13-month average balances				

Recap Schedules: B-1 Settlement

73144

ARIZONA Wass ER COMPANY Test Year Ended December 31, 2010 Computation of Working Capital

			White Tank	
Line <u>No</u>		[A] Company - As Filed <u>Working Capital</u>	[B] Settlement <u>Adjustments</u>	[C] Working Capital - <u>Settlement</u>
- 0 m	Working Cash Requirement (Sch. B-5 Appendix)	\$ 24,222 \$	(34,674) \$	\$ (10,451)
4 vo	Material and Supplies Inventories <sup>1</sup>	2,057	ı	2,057
9 ~	Required Bank Balances <sup>1</sup>	65,947	ı	65,947
യത	Prepayments & Special Deposits <sup>1</sup>	20,124		20,124
e = 8	Total Working Capital Allowance	\$ 112,351 \$	(34,674)	\$ 77,677
<u>4</u> 6 4				
<u>, 10 1</u>				
0 1 9				
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8 2				
5 2 2				
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26 27				
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; <del>1</del>				
44				
4 :				
<del>6</del> 4				
47 48				
<del>6</del> 4				
50 51				
23				
54				
55	13-month average balances			

Exhibit Schedule B-5 Settlement Page 3 of 4 Witness: Reiker

ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Computation of Working Capital

Exhibit Schedule B-5 Settlement Page 4 of 4 Witness: Reiker

				Ajo	
		[A]		[8]	[0]
Line		Company - As Filed	Filed	Settlement	Working Capital -
<u>9</u> -		Working Capital	<u>vital</u>	Adjustments	Settlement
2	Working Cash Requirement				
3	(Sch. B-5 Appendix)	\$	(5,211) \$	(2,998)	\$ (11,209)
4					
с С	Material and Supplies Inventories <sup>1</sup>		507	•	507
9					
7	Required Bank Balances <sup>1</sup>		16,270		16,270
œ					
თ	Prepayments & Special Deposits <sup>1</sup>		4,965	•	4,965
6					
11	Total Working Capital Allowance	ŝ	16,531 \$	(5,998) \$	\$ 10,533
12					

DOCKET NO. W-01445A-10-0517

<sup>1</sup>13-month average balances

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ARIZONA V. JER COMPANY Test Year Ended December 31, 2010 Computation of Working Cash Requirement

Exhibit Schedule B-5 Settlement Appendix Page 1 of 3 Wrtness: Reiker

					141	Pinal Val	lley (Casa Grande,	Pinal Valley (Casa Grande, Coolidge, Stanfield)	5	Ξ	83	K	11
		[A]	[8]	5	i.	<u>.</u>	<b>1</b> 1	2	Ξ		E		
l ine				Company -	- As Filed					Settlement			Marking Cash
ġ.		Adjusted Results -	Revenue	Expense	Net Lag Days	Lead / Lag / Factor	Working Cash Requirement	Adjusted Results -	Revenue	Expense	Ņ	5	Requirement
- ര		As Filed	Lag Days <sup>1</sup>	Lag Days <sup>2</sup>	<u>[] - C]</u>	[ <u>D + 365]</u>	IAXE	Rebuttal	Lag Days <sup>1</sup>	Lag Days <sup>4</sup>	<u>п-н</u>	[ <u>] + 365</u> ]	GXK
ຕຸ <del>,</del>	Operating Expenses	\$ 1.783.602	30,10	30.87	(0.77)	(0.0021)	\$ (3,758)	\$ 1,771,173	30.10	30.87	(0.77)	(0.0021) \$	(3,732)
+ vo	Payroll		30,10	14.00	16.10	0.0441	128,988	2,924,079	30.10	14.00	16.10 95.11	0.0441	128,950
S CO	Purchased Water	445,372	30.10	(55.31) (18.11)	85.41 48.21	0.2340	104,218 31.348	421,913 237,329	30.10 30.10	(18.11)	48.21	0.1321	31,348
~ 0	Chemicals Dronerty & Lishility Insurance	189.650	30.10	(45.27)	75.37	0.2065	39,162	189,650	30.10	(45.27)	75.37	0.2065	39,162 0,100
0 01	Workman's Compensation Insurance	43,376	30.10	(46.50)	76.60	0.2099	9,103	43,376	30.10	(46.50)	76.60 30.02	0.2099	9,103 57 657
6	Health Insurance	539,321	30.10	(8.92) (0.27)	39.02 30.37	0.1069 0.1079	57,657 314 311	539,321 2.735,356	30.10 30.10	(0.32) (9.27)	39.37	0.1079	295,051
÷ ;	Other O&M (Excluding Rate Case Expense)	2,913,906	30.10	37.00	(06.9)	(0.0189)	(28,465)	1,224,661	30.10	37.00	(06:9)	(0.0189)	(23,148)
2 <u>5</u>	State Income Taxes	331,752	30.10	37.00	(06.9)	(0.0189)	(6,271)	269,782	30.10	37.00	(6.90) 16.10	(0.0189) 0.0441	(5,099) 9 664
5 1	FICA Taxes	219,076	30.10	14.00	16.10	0.0441	9,664	219,076	30.10	14.00 83 10	(53.00)	0.1452)	(985)
15	FUTA & SUTA Taxes	6,783	30.10	83.10	(53.00)	(0.145Z) (0.4984)	(965) (455 896)	942.318	30.10 30.10	212.00	(181.90)	(0.4984)	(469,608)
<del>6</del> t	Property Taxes Devictration Sun Contracts & Misc Fees	914,804 182.839	30.10 30.10	(98.83)	128.93	0.3532	64,585	182,839	30.10	(98.83)	128.93	0.3532	64,585
≍ 8	Retirement Annuities (401k)	276,469	30.10	34.72	(4.62)	(0.0127)	(3,499)	276,469	30.10	34.72	(4.62)	(1710.0)	(0,433)
19													
2 2	Subtotal	\$ 12,514,327					\$ 260,163	\$ 11,990,184				\$	229,635
ដ									01.00	10.10	(04 4E)	(0 16763)	(064 440)
54	Interest Expense	1,585,957 2 023 355	30.10	91.25 -	(61.15) 30.10	(0.16753) 0.08247	(265,698) 241.085	1,50U,544	30.10 30.10		30.10	0.08247	-
25 26	Cost of Equity	5,020,020	20.00	I				1					
57	Subtotal	\$ 4,509,311					\$ (24,613)	\$ 1,560,544					\$ (261,440)
20 20 20													¢ (31 805)
8	Total	17,023,638					\$ 235,550	13,550,728					
31													
33.5													
34 35													
36 37													
88													
84													
42													
<b>4</b> 3													
4 4 7													
46 1													
- 49 f													
5 2 4	<sup>1</sup> 2010 Actual lag days per AWC billing system. <sup>2</sup> Dec. No. 64282 as amended by Dec. Nos. 66849												
22 22	& 68302. Purchased power and purchased water lag days per Dec. No. 71845.												
55													

### DOCKET NO. W-01445A-10-0517

Recap Schedules: B-5 Settlement

ARIZONA WALER COMPANY	Test Year Ended December 31, 2010	Computation of Working Cash Requirement
<b>ARIZONA</b> V	Test Year Ender	Computation of

Schedule B-5 Settlement Appendix Page 2 of 3 Witness: Reiker

Lead / Lag Working Cash Factor Requirement

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## DOCKET NO. W-01445A-10-0517

(30,789)

(10,451)

(30,789)

(0.16405) 0.08595

20,338

69

201 13,961 (1,868) 2,483 3,537 3,537 3,537 3,537 3,537 3,537 3,537 1,053 (5,271) (5,27

0.0014 0.0288) 0.0476 0.0288) 0.1356 0.2134 0.2134 0.2134 0.2134 0.0154) 0.0476 0.01549 0.0478 0.0478 0.0478 0.0478 0.0478 0.0478 0.0478 0.0478 0.0478 0.0052 0.0092

### DECISION NO.

N:2011\_Rate\_Case\SettlementWestern Group/2011 AWC Rate Case Model Settlement-WG v4 FINALIB5.1 Processing Date: 2/14/2012 4:19 PM

73144

# DOCKET NO. W-01445A-10-0517

Recap Schedules: B-5 Settlement

Exhibit Schedule B-5 Settlement Appendix Page 3 of 3 Witness: Reiker

				Operating Expenses	Pavroll	Purchased Water	Chemicals	Pronerty & Liability Insurance	Workman's Compensation Insurance	Health insurance	Other O&M (Excluding Rate Case Expense)	Federal Income Taxes	State Income Taxes	FICA Taxes	FUTA & SUTA Taxes	Property Taxes	Registration, SVC. Contracts, & Misc. Fees Retirement Annuities (401k)		Subfotal	Interest Expense	Cost of Equity	Suptotal	Total						<sup>1</sup> 2010 Actual lan dave ner AMIC killing evetam	2010 Actual tay uays per Awo Dilling system. <sup>2</sup> Dec. No. 64282 as amended by Dec. Nos. 66849 & 68302 Durchased nower and nurchased	w decore. In division power and purchased water lag days per Dec. No. 71845.
-		Adjusted Results -	As Filed	6	~1	1471	1.146	41	Ē	14.0	52.754	31,5	6,5	5,6	·	24,461	7,4		\$ 3/9,364	33,209	61,214	\$ 94,424	473,788								
<u>-</u>		Beinen		2000													4,006 20.93 7,203 28.95		364		214 28.95	424	788								
5	Company -	Fynanca	Lag Days <sup>2</sup>				-			(8.92)							(30.02) 34.72			91.25	I										
5		ş	[B - C]		14.95	(10.03)	47.06	74.22	75.45	37.87	38.22	(8.06)	(8.06)	14.95	(54.16)	(183.06)	(5.78)			(62.31)	28.95										
Ī		Lead / Lag V Factor	5	4 (D063) ¢		(0.0275)	0.1289	0.2033	0.2067	0.1037	0.1047	(0.0221)	(0.0221)	0.0409	(0.1484)	0.5015)	0.0158)		<del>0</del>	(0.1707)	0.0793	\$	\$								
		Working Cash Requirement	<u>A X El</u>		3.113	(4.043)	148	845	196	1,458	5,523	(969)	(153)	233	(25)	(12,268)	(114)			(2,669)	4,854	(814)	(2,11)								
5		Adjusted Results -	Rebuttal	\$ 003		147,188	1.146	4.155	9 <del>2</del> 0	14.052	49,160	25,902	5,706	5,695	167	26,363	7,203	010 10L0	\$ 210,133	33,007	•	\$ 33,007	403,806								
-		Revenue	- 1	78 OF													28.95			28.95	C6.87										
5	Settlement	Fynense	81	20.07	14 00	38.97	(18.11)	(45.27)	(46.50)	(8.92)	(9.27)	37.00	37.00	14.00	83.10	212.00	34.72			91.25	•										
Ē		let Davs	<u>[H - 1]</u>	(1 02)	14.95	(10.03)	47.06	74.22	75.45	37.87	38.22	(8.06)	(8.06)	14.95	(54.16)	(183.06)	(5.78)			(62.31)	28.82										
	1	Lead / Lag W Factor R		(0 00E2) ¢		(0.0275)	0.1289	0.2033	0.2067	0.1037	0.1047	(0.0221)	(0.0221)	0.0409	(0.1484)	(0.5015) 0.3501	(0.0158)	6	\$	(0.1707)	0.0/33	ω.	\$								
ĩ		Working Cash Requirement		(16)	3.113	(4.043)	148	845	196	1,458	5,147	(572)	(126)	233	(25)	(13,222)	(114)	15 5751	(cicic)	(5,634)	ı	(5,634)	(11,209)								

DECISION NO.

ARIZONA W... ER COMPANY Test Year Ended December 31, 2010 Adjusted Test Year Income Statement

					>	Western Group			
			[A]	[8]	5	[0]	[E]	E	[6]
Line	ð	F	Test Year Ended	Pro Forma Adjustments -	Adjusted Test Year -	Settlement	Adjusted Test Year -	Required Increase -	Adjstď w/ Increase -
No.		÷	12/31/2010	As Filed	As Filed	Adjustments	Settlement	Settlement	Settlement
- 0	Operating Revenues Residential	<del>v</del> i	12 691 964	\$ (540 880)	\$ 12 151 084	•	\$ 12 151 084		
10	Commercial	•		(100,784)			14		
4	Industrial		1,209,938	(244,923)	965,015	(27,962)	937,053		
с,	Private Fire Service		56,746	45,506	102,252	'	102,252		
9				11,271	268,786		268,786		
- α	Total Water Revenues	9	18,736,459	\$ (829,809)	\$ 17,906,650	\$ (27,962)	\$ 11,8/8/688		
0 00	Miscellaneous		832.174	(72.708)	759,466	•	759,466		
2	Total Operating Revenues	ŝ			\$ 18,666,115	\$ (27,962)	\$ 18,638,153	\$ 3,224,403	\$ 21,862,557
5 5	Operating Expenses								
i tī	Source of Supply Expenses:								
14	Purchased Water		618,095	39,359	657,454	(17,399)	640,055	•	640,055
15			82,779	3,162	85,941	(591)	85,350	•	85,350
16	Pumping Expenses:								
17			1,901,110	32,913	1,934,023	(13,632)	1,920,391	١	1,920,391
18			927	•	927	•	921	•	126
19			643,730	159,766	803,496	(31,091)	772,405	•	772,405
20			1,107,608	108,937	1,216,545	(2,484)	1,214,061	•	1,214,061
21			1,729,209	596,996	2,326,205	(115,312)	2,210,893	•	2,210,893
52			1,300,821	59,488	1,360,309	(16,442)	1,343,867	1	1,343,867
52	Vales Expense		- 730 487	351 801	- 2 582 308	(140 188)	2 442 119		2 442 119
7 7	Total C	e.	1		\$ 10 967 208	\$ (337 140)	\$ 10.630.068		\$ 10.630.068
26.5		•		3-1-1-300-1				•	
27	Depreciation & Amortization Expenses		3,586,696	213,761	3,800,457	(27,066)	3,773,390	•	3,773,390
87 02	Taxes								
3 6			693 433	(395 280)	298 153	97 598	395.751	1 002 102	1.397.853
31			78,335	(12,655)	65,680	21,500	87,180	220,754	307,935
32			723,110	209,821	932,931	55,750	988,681	56,289	1,044,970
88		6		(1,911,404)	213,622	- 474 040	213,622		213,622
45 45	I OTAL LAXES	A	3,019,904		100°1010'1 \$	4 1/4,040		\$ 1,2/9,140	
		ф	16,821,366	\$ (543,315)	\$ 16,278,051	1_	\$ 16,088,693	\$ 1,279,146	\$ 17,367,839
	Operating Income			(359,203)		161,396	2,549,460		
s s CIS	đ.								
	<u>lu</u>								
	Long-Term		1,856,723	(47,426)	1,809,297	(28,059)	1,781,238	ı	1,781,238
			42,802	(42,802)	'	ı	•	•	۰
	Other Tatal Interest	6	(114,557) 1 784 060	114,55/	4 1 8/0 207	¢ /28 0501	4 781 738		- - 1 781 738
		8		24,323				•	
	Other (Income) - Net		(74,481)	74,481	·		<b>a</b> -	,	1 ·
	Total Other (Income) & Deductions	÷	1,710,487	\$ 98,810	\$ 1,809,297	\$ (28,059)	\$ 1,781,238	•	\$ 1,781,238
	Net Income	б	1,036,780	\$ (458,013) \$	\$ 578.767	\$ 189.455	\$ 768,222	\$ 1,945,258	\$ 2,713,480
ភទ [ <b>4</b> 4			1						

N:CD11\_Rate\_Case\Settiement(Western Group/2011 A/WC Rate Case Model Settiement-WS v4 FINAL\C1 Processing Date: 2/14/2012 4:19 PM

DOCKET NO. W-01445A-10-0517

Supporting Schedules: C-2 Settlement

ARIZONA WAATER COMPANY Test Year Ended December 31, 2010 Adjusted Test Year Income Statement

					Pinal Vallev (Casa Grande, Coolidge, Stanfield)	asa Gra	nde. Coolida	e, Stanfield)			
			[A]	[8]	[C]		0	E	E	ច	<u>س</u>
Line. No.			Test Year Ended 12/31/2010	Pro Forma Adjustments - <u>As Filed</u>	Adjusted Test Year - <u>As Filed</u>	Set <u>Adi</u> t	Settlement Adjustments	Adjusted Test Year - <u>Settlement</u>	Required Increase - Settlement	Adjstď w/ Increase - <u>Settlement</u>	d'w/ ase - ment
- 0 0 4 0	Operating Revenues Residential Commercial Industrial Private Fire Service	<del>69</del>		<ul> <li>(441,824)</li> <li>(84,136)</li> <li>(245,277)</li> <li>44,606</li> </ul>	\$ 4 4	↔	- - (27,962) -	\$ 10,454,087 4,124,997 911,893 100,237			
9 ~	Other Water Revenues Totai Water Revenues	¢	207,551 16,553,359	11,087 \$ (715,545)	) \$ 15,837,815	69	(27,962) \$	218,638 \$ 15,809,853			
8 9 <del>0</del>	Miscellaneous Total Operating Revenues	\$	805,141 17,358,501	(70,907) \$ (786,452)	) 734,234 !) \$ 16,572,049	\$	- (27,962) \$	734,234 \$ 16,544,087	\$ 2,725,357	\$ 19,269,444	69,444
1213 1313 1313 1313 1314 1314 1314 1314	Operating Expenses Source of Supply Expenses: Purchased Water Other		445,372 67,345	- 2.693	445,372 70,038		(17,399) (541)	427,973 69,497		4	427,973 69,497
19 1	Pumping Expenses: Pturchased Power		1,758,865	24,737	7 1,783,602	~	(12,429)	1,771,173	•	1,7	1,771,173
18	Purchased Gas		927	'		~		927	ı	u	927 618 101
19	Other		500,924 995 347	145,411 110.334	1 646,335 4 1.105.676		(28,234) (2,526)	1,103,150		-	1,103,150
3 5	Transmission & Distribution Expenses		1,562,011	534,339		0	(104,251)	1,992,099	ı	÷.	1,992,099
23	Customer Accounting Expenses		1,177,556	53,664 -	4 1,231,220	0	(15,130) -	1,216,090		<b>v</b>	-
2 23 27	Sales Expense Administrative & General Expenses		2,028,410							- 1	2,220,079
25	Total Operations & Maintenance Expense	\$	8,536,752	\$ 1,190,157	7 \$ 9,726,909	<del>ശ</del> ത	(307,820)	\$ 9,419,089	, 57	ית ת א	9,419,039
27	Depreciation & Amortization Expenses		3,104,883	208,518	8 3,313,401	<b>*</b> -	(27,209)	3,286,192	I	ε Έ	3,286,192
5 7 7 7	Taxes Eadaral Income Taves		612.128	(324.838)	8) 287,290	0	90,832	378,122	846,539	1,2	1,224,661
31	State Income Taxes		69,150	(5,863)		7	20,009	83,297	186,485		269,782
32	Property Taxes		656,118 1 954 315	191,833 /1 764 741)	3 847,951 1) 189.574	~ 4	45,317 -	893,268 189,574	49,050		942,318 189,574
88	Total Taxes	÷	3,291,711	\$ (1,903,609)	\$	5	156,159	\$ 1,544,261	\$ 1,082,075	\$ 2,6	2,626,335
35 36 37	Total Operating Expenses Operating Income	မလ	14,933,346 2,425,155	\$ (504,934) \$ (281,517)	4) \$ 14,428,412 7) \$ 2,143,637	2 \$ 7 \$	(178,870) 150,908	\$ 14,249,542 \$ 2,294,545	\$ 1,082,075 \$ 1,643,282	\$ 15, 3,5	15,331,616 3,937,827
38 39	Other Income & Deductions:										
<del>5</del> 5	Interest: 1 and Term Deht		1 629 974	(44 017)	7) 1.585.957	7	(25,412)	1,560,544	,	1,	1,560,544
42	Short-Term Debt		37,575	(37,575)			. '	. <b>.</b>	•		1
43 44	Other Total Interest	69	(100,567) 1,566,982	100,567 <b>\$</b> 18,975	7 5 <b>\$ 1,585,957</b>	7 \$	(25,412)	\$ 1,560,544	· ·	\$ 1,	1,560,544
45 46	Other (Income) - Net		(67,057)	67,057	- 2		,	ı	ı		•
48	Total Other (Income) & Deductions	မာ	1,499,925	\$ 86,032	2 \$ 1,585,957	7 \$	(25,412)	\$ 1,560,544	, \$	\$ 1,	1,560,544
50 50	Net Income	ŝ	925,230	\$ (367,549)	9) \$ 557,680	\$	176,321	\$ 734,001	\$ 1,643,282	\$ 2	2,377,283
51 52											

N:2011\_Rate\_Case\SettlementUvestern Group2011 AUVC Rate Case Model Settlement-WG v4 FINAL\C1 Processing Date: 2/14/2012 4:19 PM

ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Adjusted Test Year Income Statement

							White Tank	ank	Į	Ŀ		101
		,	[A]	_	[B]	[]	<u>[</u> ]		ij	Ξ		5
		F	Taet Vear	Dro	Pro Forma	Adjusted			Adjusted	Required	Ā	Adjstd' w/
Line		-	Ended	Adjus		Test Year -	Settlement	nent	Test Year -	increase -	ڻ <u>-</u>	Increase - Sattlement
Ś		뛰	12/31/2010	As	As Filed	As Filed	Adjustments	Jens	OCIICIICII	Octional	51	
<del></del> (	Operating Revenues	÷	1 409 477	69	(92,533) \$	1,316,944	\$	69 1	<b>4</b>			
NO	Commercial	•	188.379						172,061			
0 -			24,805		354	25,159			25,159			
t 1	Private Fire Service		702		659	1,361		,	1,361			
ה ע	Other Water Revenues		47,244		238	47,483		,	47,483			
~	Total Water Revenues	÷	1,670,608	¢	(107,599) \$	1,563,009	¢	<del>رم</del> ۱				
8			23.016		(1.553)	21.463		,	21,463		- 1	
6	Miscellaneous	e	1 603 674	e	(109 152) \$	-	67	\$ ,	-	\$ 501,373	ი ფ	2,085,845
6 5	Total Operating Kevenues	9	120,000,1	•								
12	Operating Expenses											
<del>ب</del>	Source of Supply Expenses:				000000	64 004			64.894	'		64,894
44	Purchased Water		25,535		00,000 070	15 136		(39)	15,397	'		15,397
15	Other		15,158		017							
16	Pumping Expenses:				3210	117 228		(1 203)	146.135	'		146,135
17	Purchased Power		139,162		0,170			· · ·	•	'		'
18	Purchased Gas					115 067		(2 445)	143.417	'		143,417
19	Other		133,387		0/0/11	100,011		1001	102 614	'		102,614
20	Water Treatment Expenses		104,242		(929'1)	102,714			161 QU2	'		161,902
5	Transmission & Distribution Expenses		123,225		47,016	1/0,241		(2010)	06,101			96,969
3	Customer Accounting Expenses		93,431		4,703	98,134		(1, 100)		•		•
33	Sales Expense		'						170.681			170.681
54	Administrative & General Expenses		155,077						1		e	002 000
52	Total Operations & Maintenance Expense	φ	789,817	Ś	135,297	\$ 925,114	ŝ	(23,105)	\$ 202'002	• Æ		202,202
26			200.001		3 848	434 755		135	434,890	·		434,890
27	Depreciation & Amortization Expenses		400,301		0400							
38												
R S	l axes Eadaral Income Tayas		57.907		(72,356)	(14,449	(	5,453	(8,996)		86	147,290
85	Ctate Income Tayes		6,542		(9,725)	(3,183	(	1,201	(1,982)	.,	87	32,447
5 6	Propedv Taxes		45,778		15,057	60,835		8,175	69,010	1,279	6/	10,203
3 8	Other		133,257		_		- 1					775 343
3 \$	Total Taxes	\$	243,484	÷	(180,964)	\$ 62,520	\$	14,829	\$ (1,349	tee, 181 4		0+0'0 V
35				1	1010 111	1			\$ 1414248		1	1.612.242
36	Total Operating Expenses	မရှိမ	1,464,208 229,416	<del>م</del> م	(67,334)	\$ 1,422,303 \$ 162,083	**	8,141	11	\$	\$ 62	473,603
20				1								
8 8	Other Income & Deductions:											
40	Interest:				100 11	100 131		(2 444)	187,687			187,687
41	Long-Term Debt		191,352		(177'1)	130,131	_		-			•
42	Short-Term Debt		4,411 (11 808)		11 806			,	'			
ta 1	Other	6	183 957		6 174	\$ 190.131	\$.	(2,444)	\$ 187,687	\$	\$	187,687
44 7	lotal interest	•	200'001									
4 <del>4</del>	Other (Income) - Net		(5,955)	(6	5,955	•						
4 / 4/	Total Other (Income) & Deductions	\$	178,002	\$	12,129	\$ 190,131	\$	(2,444)	\$ 187,687	÷	ч сэ	187,687
<b>4</b> 9		e.	51 414	\$	(79.463)	\$ (28.048)	3) \$	10,585	\$ (17,463) \$	) \$ 303,379	\$ 62	285,916
5 51	Net income	•		n			IF .					-
52												
20												

Schedule C-1 Settlement Page 3 of 4 Witness: Reiker Exhibit

Recap Schedules: A-1 Settlement

55 55 52 54 52

Supporting Schedules: C-2 Settlement

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Adjusted Test Year Income Statement

Tarking biology memory formed inte		•		[A]	[8]		<u>[</u> ]	<u>[</u> ]		<u> </u>	Ē	<b>-</b>	0
Openand Belleting Freement Free Free Free Free Free Free Free Fre	Line. <u>No.</u>		1 <u>1</u>	est Year Ended /31/2010	Pro Forma Adjustments <u>As Filed</u>	F	Adjusted ēst Year - <u>As Filed</u>	Settlemen Adjustmen		Adjusted Fest Year - Settlement	Required Increase - Settlement	Adjs Incre <u>Setti</u>	ttď w/ ease - ement
Transition Construction Transition         Transition transition         Transition         Transition transition         Transition         Transition <thtransition< th="">         Transition         &lt;</thtransition<>	-00	Operating Revenues Residential Commercial	ŝ	386,577 122,784			380,053 122,455	↔	\$	380,053 122,455			
Train Networks         Train Networks <thtrain networks<="" th="">         Train Ne</thtrain>	4 00 0	Industrial Private Fire Service		412	24	Ξź	- 653 0.001	• •		- 653 2001			
Indecidences         4/16         2/16         2/16         3/16	9 ~ 0	Other Water Kevenues Total Water Revenues	க	2,/19 512,492	(6,6		505,826			505,826			
Total Operating Favoruss       5       516,506       5       6(514)       5       509,564       5       2,3250       5         Total Spresses:       Untrased Valar       147,186       147,176       10,817       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,186       147,196	ით	Miscellaneous		4,016		- 1	3,768			3,768			
Conference Formand Conference Concentration Conce	5 5	Total Operating Revenues	÷	516,508			509,594			509,594		÷	507,268
1     4     147,188     -1     147,188     -1     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     147,188     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     308     -     -     308     -     308     -     -     308     -     -     308     -     -     308     -     -     308     -     -     -     308     -     -     -     -     308     -      -     -     -	- 6 6	Operating Expenses Source of Supply Expenses:								s.			
Priming Expense:         3.083         5.460         1.1259         (112)         3.083         5.811           Purivaset Power         2.481         1.121         3.083         1.125         2.491         1.233         3.691         2.491           Purivaset Power         3.083         8.11         5.156         1.123         3.683         2.491         1.123         3.681         2.491         2.412 <td< td=""><td><b>4</b> t</td><td>Purchased Water</td><td></td><td>147,188 276</td><td>, <del>(</del></td><td>5</td><td>147,188 467</td><td></td><td>11)</td><td>147,188 456</td><td></td><td></td><td>147,188 456</td></td<>	<b>4</b> t	Purchased Water		147,188 276	, <del>(</del>	5	147,188 467		11)	147,188 456			147,188 456
Turthasel Power         3.08         -         3.08         1.08         1.08         <	5 6	Pumping Expenses:		) 1	2	•			Ì				
International Differences         B (1) (1,1)         C (1,1) (1,2)         C (1,1) (1,2)         C (1,2) (1,2)         C (1,2) (1,2)         C (1,2) (2,2)         C (1,2)         C (1,2) <thc (1,2)<="" th=""> <thc (1,2)<="" th=""> <thc (1,2)<<="" td=""><td>17 8</td><td>Purchased Power</td><td></td><td>3,083</td><td></td><td></td><td>3,083</td><td></td><td></td><td>3,083 -</td><td></td><td></td><td>3,083</td></thc></thc></thc>	17 8	Purchased Power		3,083			3,083			3,083 -			3,083
2         Mater Treatment Expenses         8         13         15         13         15         14         8         15         14         8         15         14         8         15         14         8         15         14         8         15         14         8         15         14         8         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         14         15         15         16         16         17         30	<u>5</u> 6	Other		8,819	2,48	õ	11,299	4)	12)	10,887	•		10,887
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	20	Water Treatment Expenses		8,024	13	Ξ	8,155	- !	42	8,297	ı		8,297
2       Class for the contraction of the contractin of the contraction of the contraction of the contract	23	Transmission & Distribution Expenses		43,973	15,64		59,614	(2,7	33) 7	56,891	•		56,891 20 000
Administrative & General Expenses         47,000         7,423         54,423         (3,06)         (1,39	2 2	Customer Accounting Expenses Sales Expense		- 23,834	7, ·	_		י ב	(1+	ono'nc			, ,
25       Total Operations & Maintenance Expense       5       286,197       5       26,506       1,394       52,300       8       52,306       -       5         26       Taxes       50,906       1,394       52,300       8       52,306       -       5         28       Federal Income Taxes       26,906       1,394       25,312       1,313       26,625       (72)         30       Federal Income Taxes       2,643       5       26,445       23,326       4,731       -       -       -         31       Taxes       2,643       5       5,576       2,890       5,625       (23)       (40)       -         31       Other       2,744       2,932       5,4731       5       2,4731       5       (40)       -	2 2	Administrative & General Expenses		47,000	7,42	33	54,423			51,360			51,360
27       Depreciation & Amortization Expenses       50,906       1,394       52,300       8       52,306       -         283       Taxes       23,398       1,914       25,312       1,313       26,625       (72)         31       Foteeral Income Taxes       2,932       5,576       2,843       2,932       5,576       2,843       (49)         31       Foteerun Taxes       2,124       2,932       5,576       2,843       5,576       5,643       (40)         32       Other       2,124       2,932       5,576       2,343       5       6,4613       (40)         33       Other       2,124       2,323       4,731       2,566       5       (1,403)       5         33       Other Income & Deductions:       1       2,445       3,2,304       5       3,646       5       3,646       5       3,625       5       (1,403)       5         33       Other Income & Deductions:       Interest:       2,344       2,334       5       2,347       5       4,493       5       (1,403)       5       (1,404)       5       (1,404)       5       (1,404)       5       (1,404)       5       (1,404)       5       5       <	25 25	Total Operations & Maintenance Expense	ф	288,197	N		315,185			308,970	• \$		308,970
Tares         Tares         23,388         1,914         25,312         1,313         26,825         (723)           31         Federal Income Taxes         2,814         2,831         2,131         26,825         (733)           32         Federal Income Taxes         2,314         2,531         1,313         26,825         (733)           33         Other         37,444         2,323         24,146         2,256         6,405         (73)           33         Other         37,444         2,3233         5,974         5         3,731         -         4,731         -           33         Other Taxes         37,444         (32,733)         4,731         -         4,731         -         -         4,731         -         -         4,731         -         -         4,731         -	8 12 8	Depreciation & Amortization Expenses		50,906	1,39	4	52,300		æ	52,308	•		52,308
30       Federal Income Taxes       23,398       1914       25,312       1313       26,625       (723)         31       Fropery Taxes       2,443       2,933       2,171       2,865       (73)         32       Propery Taxes       2,1214       2,933       2,171       2,865       (73)         33       Other       37,454       2,933       2,171       2,865       (73)       (4)         33       Other       37,454       2,933       2,171       2,665       (73)       (4)         33       Other       37,445       2,933       2,473       5,9,764       5,9,65       (92)       5         33       Other       37       0,974       5,3,65       5,923       5       (92)       5         33       Other Income & Deductions:       1       10,322)       8,27,260       5,234       5,3,655       5,923       5       (92)       5         33       Other       Income & Deductions:       1       1       1       2,344       5,3,655       5,923       5       (92)       5       (92)       5       (92)       5       (92)       5       (92)       5       (92)       5       (92) <td< td=""><td>8 8</td><td>Taxes</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	8 8	Taxes											
Description       Current races $7.244$ $2.922$ $24,146$ $2.288$ $26,403$ $(10)$ Tobert/Taxes       Detert Taxes $2.743$ $2.932$ $24,146$ $2.288$ $26,403$ $(10)$ Total Taxes $37,454$ $(32,723)$ $4,731$ $2.934$ $59,764$ $5,365$ $6,403$ $(10)$ 36       Total Taxes $37,454$ $(32,723)$ $4,731$ $2.9436$ $6,365$ $6,903$ $(10)$ 38       Total Taxes $37,454$ $(32,723)$ $4,731$ $2.9436$ $6,365$ $6,903$ $(10)$ 38       Other Income & Deductions: $114162$ $2.347$ $5,8456$ $6,3656$ $6,903$ $(10,40)$ $5$ 39       Other Income & Deductions: $114162$ $2.184$ $3.209$ $(203)$ $33,007$ $5$ $5$ 41       Long-Term Dett $(1,469)$ $1,469$ $2.184$ $3.3,209$ $(203)$ $33,007$ $5$ $5$ 42       Total Unter(Income) & Deductions $3.3,209$ $(203)$ $33,007$ $5$ $5$ <	8 5	Federal Income Taxes		23,398 7 643	1,91	40	25,312 5 576	1.3 C,L	13	26,625 5 865	(723)		25,902 5 706
33       Other $37,454$ $(22,723)$ $4,731$ - $4,731$ $4,74$ $5,320$ $5,3,731$ $5,3,207$ $5,3,107$ $5,3,107$ $5,3,107$ $5,3,107$ $5,3,107$ $5,3,107$ $5,1,403$ $5,3,107$ $5,1,4,$	32	Property Taxes		21,214	2,93	2 24	3,3/6 24,146	20	28	26,403	(04)		26,363
And Index       Solution and takes       Solution and take	ខ្លួ	Other		37,454		- 1	4,731			4,731			4,731
36       Total Operating Expenses       5       423,812       5       3,438       5       427,250       5       (2,347)       5       424,903       5       (1404)       5         38       Operating Income & Deductions: Interest.       1       0.007       5       22,347       5       33,007       5       37,007       5       42,591       5       (10,352)       5       33,007       5       (1404)       5         40       Interest.       35,397       (2,184)       33,209       (2,03)       33,007       5<	8 8	l otal l axes	\$	84,709			59,764			63,625			62,702
38       Other Income & Deductions:         40       Long-Term Debt       35,397       (2,188)       33,209       (203)       33,007       -         41       Long-Term Debt       816       (816)       -       4 <td>36 37</td> <td></td> <td>မမ</td> <td>423,812 92,696</td> <td></td> <td>1 1 1</td> <td>427,250 82,344</td> <td></td> <td></td> <td>424,903 84,691</td> <td>5</td> <td></td> <td>423,981 83,288</td>	36 37		မမ	423,812 92,696		1 1 1	427,250 82,344			424,903 84,691	5		423,981 83,288
1       Long-Term Dett Short-Term Dett       35,397       (2,188)       33,209       (203)       33,007       - <td>8 8 9</td> <td>Other Income &amp; Deductions:</td> <td></td>	8 8 9	Other Income & Deductions:											
42       Short-Term Debt       816       (816)       -       5       -       \$       45       -       5 <td><del>5</del> <del>1</del></td> <td>-Term</td> <td></td> <td>35,397</td> <td>(2,18</td> <td>(8)</td> <td>33,209</td> <td>(2)</td> <td>03)</td> <td>33,007</td> <td></td> <td></td> <td>33,007</td>	<del>5</del> <del>1</del>	-Term		35,397	(2,18	(8)	33,209	(2)	03)	33,007			33,007
43       Other       43       Other         44       Total Interest       \$ 34,029       \$ (20)       \$ 33,209       \$ (203)       \$ 33,007       \$ - \$       \$ - \$         46       Other (Income) - Net       (1,469)       1,469               \$ - \$ <td>42</td> <td>Term</td> <td></td> <td>816</td> <td>(81</td> <td>) ()</td> <td>,</td> <td>'</td> <td></td> <td>. 1</td> <td>١</td> <td></td> <td>1</td>	42	Term		816	(81	) ()	,	'		. 1	١		1
45       Other (Income) - Net       (1,469)       1,469       -	<del>4</del>	Other Total Interest	ŝ	(2,184) 34,029	2	-	33,209			33,007	į	\$	33,007
48       Total Other (Income) & Deductions       \$ 32,560 \$ 649 \$ 33,209 \$ (203) \$ 33,007 \$ - \$         49       49       51,685 \$ (1404) \$ - \$         40       50       Net Income       \$ 60,136 \$ (11,001) \$ 49,135 \$ 2,550 \$ 51,685 \$ (1404) \$         51       53       54       \$ 2,550 \$ 51,685 \$ (1404) \$         53       54       \$ 2,550 \$ 51,685 \$ (1404) \$	4 4 i	Other (Income) - Net		(1,469)	1,46	ŋ	ı	,		ı	ı		ı
45     50     Net Income     \$     60,136     \$     (11,001)     \$     49,135     \$     51,685     \$     (1,404)     \$       52     53     54     54     55     2,550     \$     51,685     \$     (1,404)     \$		Total Other (Income) & Deductions	÷	32,560			33,209					÷	33,007
		Net Income	φ	1 1		- I - I	49,135		1 1	11		Ś	50,281
	12												

Recap Schedules: A-1 Settlement

Adil. IS-5     Adil. IS-6       Adil. IS-5     Adil. IS-6       27, 962)     5     -       27, 962)     5     -       27, 962)     5     -       2     2     -       2     5     -       2     5     -       2     5     -       2     5     -       2     5     -       2     5     -       2     5     -       2     5     -       2     5     -       2     5     -       2     5     11,925       2     5     11,925	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	Settleme	[G] [H] Settlement Income Statement Adjustments	[H] ent Adiustments	Ξ	[r]	K
$ \begin{array}{l l l l l l l l l l l l l l l l l l l $	$ \begin{array}{llllllllllllllllllllllllllllllllllll$	Settlemer Adi. IS-2	settlement Set Adj. IS-3 <u>Ac</u>	ttlement S	ettlement Adi. 1S-5		Settlement Adj. IS-7
$ \  \  \  \  \  \  \  \  \  \  \  \  \ $	Image         4,50,291         (10,78)         4,19,514         -           utrinical         1,277         244,953         665,015         -         -           utrinical         56,746         5,7455         5,005,605         -         -         -           utrinical         5,936         50,241,009         7,1706,605         -         -         -         -           water Revenues         5,13,566,633         5,002,511         5,18,666,115         5         -	1		<del>ب</del>	<del>63</del> '		ı
Marke Review         270 AG         420 AG         4	Mater Revenues         1,271         1,271         267,514         1,271         267,660         5         5         5         759,466         5         5         759,466         5         5         759,466         5         5         759,466         5         5         759,466         5         5         759,466         5	·	ı	1	-		
Witter Ferentination         Zist/sit         Li Zit/sit         Zist/sit         Li Zit/sit         Zist/sit         Zist/sit <thzist sist<="" th="">         Zist/sit         Zist/</thzist>	Instructure $227,514$ $11,271$ $228,766$ $-$ Water Revenues $8,32,174$ $(1,27)$ $228,560$ $17,906,650$ $ -$ Water Revenues $8,32,174$ $(1,27)$ $28,766$ $ -$ Water Revenues $8,32,174$ $(1,27,08)$ $7,906,650$ $ -$ Water Revenues $8,32,174$ $(1,2,708)$ $3,162$ $65,441$ $ -$ Rechanses $8,3,359$ $65,441$ $   -$ Rechanses $9,01,110$ $32,913$ $1,934,023$ $  -$ Rechanses $1,901,600$ $59,486$ $1,360,309$ $  -$ Rechanses $1,901,000$ $213,025$ $     -$ Rechanses $1,900,0021$ $5,913$ $    -$ Rechanses $1,900,0021$ $5,122,009$ $ -$ <td></td> <td>•••</td> <td></td> <td></td> <td></td> <td></td>		•••				
Wite Revenues         3         13         73         643         5         73         665         5         5         5         5         7         5         7         75 <th< td=""><td>Water Revenues         \$ 18,736,456         \$ (22,506)         \$ 17,906,650         \$ -         \$           Becellaneous         822,174         (72,708)         \$ 719,066,517         \$ 19,666,115         \$ -         \$           G Expenses         822,174         (72,708)         759,466         -         \$</td><td>-</td><td></td><td>1</td><td>- 1</td><td>1</td><td>-</td></th<>	Water Revenues         \$ 18,736,456         \$ (22,506)         \$ 17,906,650         \$ -         \$           Becellaneous         822,174         (72,708)         \$ 719,066,517         \$ 19,666,115         \$ -         \$           G Expenses         822,174         (72,708)         759,466         -         \$	-		1	- 1	1	-
recentioned         resolutioned         resolutioned </td <td>scellareous         <math>822,174</math> <math>(72,708)</math> <math>759,466</math>         -         -         S           g Expenses         g Expenses         618,053         \$         902,517)         \$         18,666,115         \$         -         \$           g Expenses         col Supply Expenses:         857,454         -         \$         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -</td> <td>•</td> <td>¢<del>γ</del></td> <td><del>φ</del></td> <td></td> <td>•<del>•</del></td> <td>•</td>	scellareous $822,174$ $(72,708)$ $759,466$ -         -         S           g Expenses         g Expenses         618,053         \$         902,517)         \$         18,666,115         \$         -         \$           g Expenses         col Supply Expenses:         857,454         -         \$         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -	•	¢ <del>γ</del>	<del>φ</del>		• <del>•</del>	•
C Entense	G Expenses         S 5 941         -		<del>ب</del>	6 <del>7</del> 1 1		<del>به</del> ۱	• • •
International contribution transmission         6106         33.36         67,44         .         (1730)         (14)         .	File         3,162         3,359         65,444         -           reinsed Water         82,773         3,162         65,441         -           reinsed Water         82,773         3,162         65,941         -           reinsed Water         82,773         159,766         803,496         -           reinsed Water         1,007,600         159,766         803,496         -           her         1,707,600         159,766         803,496         -           Treatment Expenses         1,707,600         59,66,966         2,366,303         -           mission & Distribution Expenses         1,300,821         59,614,766         \$         1,300,67,206         -           mission & Distribution Expenses         2,300,487         3,800,457         -         -         -           mistrative & General Expenses         3,566,696         2,13,761         3,800,457         -         -         -           Annotization Expenses         3,566,696         2,13,761         3,800,457         -         -         -           at Income Taxes         73,310         1,352,442         1,0567,208         -         -         -           notice & General Expenses         3,5142         3,800,457<						
Intermediation $22739$ $3,162$ $66,941$ $ (415)$ $ (415)$ $  -$	Ref $82,779$ $3,162$ $85,941$ -           ing Estentses:         1,901,110         32,913         1,934,023         -           ing Estent Power         927         927         -         -           ind Estent Expenses         1,601,100         32,913         1,934,023         -           ind Estent Expenses         1,613,700         193,761         927         -           interant Expenses         1,729,209         566,996         2,226,205         -           intrative & General Expenses         1,729,208         5,260,208         -         -           intrative & General Expenses         2,230,487         3,500,457         -         -           intrative & General Expenses         2,230,487         3,500,457         -         -           intrative & General Expenses         2,13,761         3,800,457         -         -           intertive & General Expenses         2,230,696         2,13,761         3,800,457         -         -           into X         Amortization Expenses         3,566,696         2,13,761         3,800,457         -         5           into X         Amortization Expenses         7,323,416         3,800,457         -         5		ı		ı	ı	. !
$ \begin{array}{l l l l l l l l l l l l l l l l l l l $	Indication Expenses         1,901,110         32,913         1,934,023         -           Chasted Power         927         927         927         -           Chasted Cover         927,008         193,766         803,466         -         -           Firetiment Expenses         1,07,068         1093,766         803,466         -         -           Treatment Expenses         1,00,200         556,996         2,256,205         -         -           mer Accounting Expenses         1,729,208         5,360,309         2,356,506         2,13,761         3,800,457         -         -           Rightative & Ceneral Expenses         2,230,417         351,521         2,582,308         -	(415)	ı	·	•	•	(176)
Transmit construction         0.01         0.02	Inclustant Transact Transa	,	·	,	,	•	(13,632)
$ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \$	her         643,730         159,766         803,496         -           Treatment Expenses         1,107,608         108,937         1,216,545         -           mission & Distribution Expenses         1,707,608         108,937         1,216,545         -           mission & Distribution Expenses         1,700,821         596,896         2,325,205         -         -           mission & Maintenance Expenses         2,300,821         351,821         2,352,308         -         5           Struct ation Expenses         2,356,696         213,761         3,800,457         -         -         -           all income Taxes         3,586,696         213,761         3,800,457         -         5         -         5           right areas         3,586,696         213,761         3,800,457         -         -         -         -         -         -         -         5         -         5         -         5         -         5         -         5         -         5         -         5         -         5         5         -         5         5         -         5         5         -         5         5         5         -         5         -         5	ı	1	,	,	,	
	Treatment Expenses         1,107,608         108,937         1,216,545         -         -           mission & Distribution Expenses         1,729,209         568,996         2,326,205         -	(4,197)	ı		,	,	(8,59
Instant all premises         1778,208         56,966         2.36,206         -         -         (13,103)         -<	mission & Distribution Expenses         1,729,209         566,996         2,326,205         -           mission & Maintenance Expenses         1,300,821         59,488         1,360,309         -         -           mission & Maintenance Expenses         2,230,487         351,821         2,582,308         -         -           nistrative & General Expenses         2,230,487         351,821         2,582,308         -         -           nistrative & General Expenses         3,586,696         213,761         3,800,457         -         5           n & Amortization Expenses         3,586,696         213,761         3,800,457         -         5           n & Amortization Expenses         78,335         (12,655)         65,680         -         5           n Come Taxes         78,315         51,10         208,213         51,503         -         5           n come         78,315         51,03621         51,613,31         5         5         5         5           n come         7         2,109,517         5         1,510,387         5         5         5           n come         2,1352         5         1,510,387         5         5         5         5           n come	(1,303)	·	·		ı	(1,181)
The rest is a constraint between the rest is a constrand between the rest is a constraint between the rest i	mer Accounting Expenses         1,300,821         59,488         1,360,309         -           Expense         2,230,487         351,821         2,582,308         -         -           Intrative & General Expenses         2,230,487         351,821         2,582,308         -         -           Amortization Expenses         3,566,696         213,761         3,800,457         -         -         -           A Amortization Expenses         3,566,696         213,761         3,800,457         -         -         -           at Income Taxes         78,335         (12,655)         65,680         213,622         -	(13,703)	•	•	·	ı	N9,62)
Internation Expenses         2.200,467         361,821         2.802,006         5         7	Expense intrative & dions & Maintenance Expenses         2,230,487         351,821         2,582,308         -         5           n & Amortization Expenses         3,566,696         213,761         3,800,457         -         5           n & Amortization Expenses         3,566,696         213,761         3,800,457         -         5           n & Amortization Expenses         3,566,696         213,761         3,800,457         -         5           all Income Taxes         178,335         (12,655)         65,680         -         2         -         5           income Taxes         72,3,110         20,821         33,623         33,523         -         5         5         -         5           intig Expenses         2,159,904         \$ (2,109,517)         \$ 1,510,387         \$ -         \$ 5         -         \$ 5           intig Expenses         \$ 3,619,904         \$ (2,109,517)         \$ 1,510,387         \$ -         \$ 5         -         \$ 5           intig Expenses         \$ 3,619,904         \$ (2,109,517)         \$ 1,510,387         \$ -         \$ 5           intig Expenses         \$ 3,619,904         \$ (2,109,517)         \$ 1,510,387         \$ -         \$ 5           intig Expenses	(+60,0)		• •	, ,	¢т	
Itime is Maintenance Expense         5         614,786         1,352,442         5         1036,720         5         1(1,325)         5         1(1,326)         1(1	tions & Maintenance Expenses 5 9,614,766 \$ 1,352,442 \$ 10,967,208 \$ - \$ A Amortization Expenses 3,586,696 213,761 3,800,457 - al Income Taxes 5,3,613,994 \$ (2,109,517) \$ 1,510,387 \$ - \$ 12,15,094 \$ (2,109,517) \$ 1,510,387 \$ - \$ \$ 3,613,994 \$ (2,109,517) \$ 1,510,387 \$ - \$ \$ 1,602,51 \$ 16,220,30 \$ 2,388,064 \$ - \$ \$ 1,710,487 \$ 114,557 \$ - \$ ferm Debt \$ 1,710,487 \$ 98,810 \$ 1,809,297 \$ - \$ forcome) . Net (Income) & Deductions \$ 1,710,487 \$ 98,810 \$ 1,809,297 \$ - \$ \$ 1,710,480 \$ - \$ \$ 1,809,297 \$ - \$ \$ 1,800,297 \$ - \$ \$ 1,800,207 \$ - \$ \$ 1,800,207 \$ - \$ \$ 1,800,207 \$ - \$ \$ 1,800,2	(1.340)		(10.664)		(11.925)	(9.19
n & Amortization Expenses         3,586,686         213,761         3,800,457         -         -         (29,506)         -	n & Amortization Expenses       3,586,696       213,761       3,800,457       -         ral Income Taxes       5,580       298,153       -       -         rhoome Taxes       78,335       (12,655)       65,680       -       -         rhoome Taxes       78,335       (12,655)       65,680       -       -       -         rhoome Taxes       72,3,10       2125,010       298,153       -       -       -         rho ome       2,723,10       5,109,217       5,15,10       213,622       -       -       -         ting Expenses       2,125,024       5,109,517       5,15,165       5,109,517       5,15,165       5,15,165       5,15,165       5,15,165       5,15,165       5,15,165       5,15,165       5,15,165       5,15,165       5,15,10,387       5,15,10,317       5,15,10,317       5,15,10,317       5,15,10,317       5,15,10,317	) \$ (24,652)	6 <del>7</del>	(10,664) \$	6 <del>9</del>	-	(69,127)
al Income Taxes 693,433 (395,280) 296,153	al Income Taxes     633,433     (395,280)     298,153     -       income Taxes     723,110     209,821     932,931     -       inty Taxes     2,125,026     (1,911,404)     213,622     -       inty Expenses     5,1619,904     \$ (2,109,517)     \$ 1,510,387     \$ -     \$ -       inty Expenses     5,1619,904     \$ (2,109,517)     \$ 1,510,387     \$ -     \$ -       inty Expenses     5,1747,267     \$ (3,43,315)     \$ 1,510,387     \$ -     \$ -       inty Expenses     5,2747,267     \$ (3,59,203)     \$ 2,368,064     \$ -     \$ -       int Debt     42,802     (14,426)     1,809,297     -     -       iferent     1,866,723     (14,426)     1,809,297     -     -       iferent     7,743,968     \$ 2,4,329     \$ 1,809,297     -     -       iferent     74,481     74,481     -     -     -       iff comme) - Net     (114,557     1,441     -     -     -       iff comme) - Net     74,481     7		(29,506)		3		•
rel Income Taxes         633,433         (335,260)         294,153         c           Introme         2         2/13/5         16/21/36/5         16/21/36/5         16/21/36/5         16/21/36/5         17/399         2/13/36/5         2/13/36/5         2/13/36/5         2/13/36/5         2/13/36/5         2/21/36/5         2/21/36/5         2/21/36/5         2/21/36/5         2/21/36/5         2/21/36/5 <td>al Income Taxes     693,433     (395,280)     298,153     -       Income Taxes     78,335     (12,655)     65,680     -       rthy Taxes     733,110     209,821     932,931     -       rthy Taxes     733,110     209,821     932,931     -       rthy Taxes     2,125,026     (1,911,404)     213,622     -     \$       s     3,619,904     \$ (2,100,517)     \$ 1,510,387     \$     -     \$       iting Expenses     5     16,821,366     \$ (2,100,517)     \$ 1,510,387     \$     -       iting Expenses     5     16,821,366     \$ (2,100,517)     \$ 1,510,387     \$     -     \$       iting Expenses     5     16,821,366     \$ (2,100,517)     \$ 1,510,387     \$     -     \$       iting Expenses     5     16,827,315     \$ 1,47,426     1,809,297     \$     -     \$       item Debt     1,14,557     114,557     114,557     -     -     -     -     \$       iterest     (114,557)     114,557     -     -     -     -     -     -       iterest     (14,481)     74,481     74,481     -     -     -     -     -       iterest     (14,481)     74,481</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	al Income Taxes     693,433     (395,280)     298,153     -       Income Taxes     78,335     (12,655)     65,680     -       rthy Taxes     733,110     209,821     932,931     -       rthy Taxes     733,110     209,821     932,931     -       rthy Taxes     2,125,026     (1,911,404)     213,622     -     \$       s     3,619,904     \$ (2,100,517)     \$ 1,510,387     \$     -     \$       iting Expenses     5     16,821,366     \$ (2,100,517)     \$ 1,510,387     \$     -       iting Expenses     5     16,821,366     \$ (2,100,517)     \$ 1,510,387     \$     -     \$       iting Expenses     5     16,821,366     \$ (2,100,517)     \$ 1,510,387     \$     -     \$       iting Expenses     5     16,827,315     \$ 1,47,426     1,809,297     \$     -     \$       item Debt     1,14,557     114,557     114,557     -     -     -     -     \$       iterest     (114,557)     114,557     -     -     -     -     -     -       iterest     (14,481)     74,481     74,481     -     -     -     -     -       iterest     (14,481)     74,481						
Income Taxes         78,335         (12,655)         65,690         - <th< td=""><td>Income Taxes         78,335         (12,655)         65,680         -           rty Taxes         723,110         229,821         932,931         -           rty Taxes         2,155,026         (1,911,40)         213,622         -           rty Taxes         2,155,026         (5,109,517)         \$ 1,510,387         5         -         \$           rty Taxes         2,155,026         \$ (2,109,517)         \$ 1,510,387         \$         -         \$           rty Taxes         3,619,904         \$ (2,109,517)         \$ 1,510,387         \$         -         \$           rty accounce         \$ 3,619,904         \$ (2,109,517)         \$ 1,510,387         \$         -         \$           rty accounce         \$ 2,137,031         \$ 1,510,387         \$         -         \$         \$         -         \$           re &amp; Deductions:         1         16,820,203         \$ 2,368,064         \$         -         \$         -         \$         5         -         \$         \$         -         \$         5         -         \$         \$         -         \$         5         5         5         5         5         5         5         5         5         5</td><td></td><td></td><td>ı</td><td>ı</td><td>a</td><td>ı</td></th<>	Income Taxes         78,335         (12,655)         65,680         -           rty Taxes         723,110         229,821         932,931         -           rty Taxes         2,155,026         (1,911,40)         213,622         -           rty Taxes         2,155,026         (5,109,517)         \$ 1,510,387         5         -         \$           rty Taxes         2,155,026         \$ (2,109,517)         \$ 1,510,387         \$         -         \$           rty Taxes         3,619,904         \$ (2,109,517)         \$ 1,510,387         \$         -         \$           rty accounce         \$ 3,619,904         \$ (2,109,517)         \$ 1,510,387         \$         -         \$           rty accounce         \$ 2,137,031         \$ 1,510,387         \$         -         \$         \$         -         \$           re & Deductions:         1         16,820,203         \$ 2,368,064         \$         -         \$         -         \$         5         -         \$         \$         -         \$         5         -         \$         \$         -         \$         5         5         5         5         5         5         5         5         5         5			ı	ı	a	ı
inty Taxes       723,110       209,871       932,931       - <th< td=""><td>rify Taxes 723,110 209,821 932,931 - 723,110 209,821 932,931 - 10,000 209,821 932,931 - 20,000 209,821 932,931 - 20,000 2</td><td>•</td><td></td><td></td><td>•</td><td>•</td><td>1</td></th<>	rify Taxes 723,110 209,821 932,931 - 723,110 209,821 932,931 - 10,000 209,821 932,931 - 20,000 209,821 932,931 - 20,000 2	•			•	•	1
triation:       5       5       1,23,004       5       1,510,387       5       1       2,255       5       1       1,255       1       1,255       1       1,1325       1       1       1       2       1       1       1       2       1       1       2       1       2       1       2       1       2       1       2       2       2       5       1       2       5       1       2       2       2       5       1       2       2       3       1       3       3 </td <td>ting Expenses \$ 3,619,904 \$ (2,109,517) \$ 1,510,387 \$ - \$ \$ 3,619,904 \$ (2,109,517) \$ 1,510,387 \$ - \$ \$ 3,619,904 \$ (2,109,517) \$ 1,510,387 \$ - \$ \$ 2,747,267 \$ (359,203) \$ 2,368,064 \$ - \$ a &amp; Deductions: a &amp; Deductions &amp; Deductions a &amp; Deductions &amp; Deduct</td> <td>•</td> <td></td> <td>1</td> <td>1</td> <td>• 1</td> <td>• •</td>	ting Expenses \$ 3,619,904 \$ (2,109,517) \$ 1,510,387 \$ - \$ \$ 3,619,904 \$ (2,109,517) \$ 1,510,387 \$ - \$ \$ 3,619,904 \$ (2,109,517) \$ 1,510,387 \$ - \$ \$ 2,747,267 \$ (359,203) \$ 2,368,064 \$ - \$ a & Deductions: a & Deductions & Deductions a & Deductions & Deduct	•		1	1	• 1	• •
Introductions:         5         16.821,366         5         6.43,315         5         6.23,605         5         (10,664)         5         -         5         (11,925)           noome         3         2,747,267         3         539,203)         5         23,650         5         (10,664)         5         -         5         (11,925)           ne & Deductions:         1         1         866,723         (47,426)         1,809,297         -         5         1,1325         1,1325           Term Debt         1         866,723         (47,426)         1,809,297         - <t< td=""><td>ting Expenses 5 2,747,267 \$ (543,315) \$ 16,278,051 \$ - \$ 5 2,747,267 \$ (359,203) \$ 2,388,064 \$ - \$ 1,856,723 (47,426) 1,809,297 - Term Debt 1,856,723 (47,426) 1,809,297 Term Debt 1,84,957 114,557 terest 1,784,968 \$ 2,4,329 \$ 1,809,297 \$ - \$ 1,74,481 74,481 1,74,481 74,481 1,4,481 74,481 1,4,481 74,481 1,4,481 74,481 74,481 1,609,297 \$ - \$ 1,000,297 \$ - \$ 1,000,207 \$ - \$ 1,000,207 \$ - \$ 1,000,207 \$ - \$ 1,000,207 \$ - \$ 1</td><td>1</td><td></td><td>\$</td><td></td><td>\$</td><td>1</td></t<>	ting Expenses 5 2,747,267 \$ (543,315) \$ 16,278,051 \$ - \$ 5 2,747,267 \$ (359,203) \$ 2,388,064 \$ - \$ 1,856,723 (47,426) 1,809,297 - Term Debt 1,856,723 (47,426) 1,809,297 Term Debt 1,84,957 114,557 terest 1,784,968 \$ 2,4,329 \$ 1,809,297 \$ - \$ 1,74,481 74,481 1,74,481 74,481 1,4,481 74,481 1,4,481 74,481 1,4,481 74,481 74,481 1,609,297 \$ - \$ 1,000,297 \$ - \$ 1,000,207 \$ - \$ 1,000,207 \$ - \$ 1,000,207 \$ - \$ 1,000,207 \$ - \$ 1	1		\$		\$	1
nome       5       2,747,267       5       (359,203)       5       2,388,064       5       5       17,339       5       24,652       5       29,506       5       10,664       5       71,925       71,939       5       71,939       5       24,652       5       29,506       5       10,664       5       71,925       71,925         Term Debt       1,866,723       (47,426)       1,809,297       -	Term Debt     \$ 2,747,267     \$ (359,203)     \$ 2,388,064     \$ - \$       re & Deductions:     1,856,723     (47,426)     1,809,297     -       Term Debt     42,862     1,809,297     -     -       Term Debt     42,862     141,557     -     -       Term Debt     714,557     114,557     -     -       terest     \$ 1,704,968     \$ 24,329     \$ 1,809,297     -       terest     \$ 7,744,968     \$ 24,329     \$ 1,809,297     -     -       toome) - Net     (74,481)     74,481     -     -     -       ncome) & M Deductions     \$ 1,710,487     \$ 98,810     \$ 1,809,297     \$ -     \$ -	\$ (24.652)	506)		\$ 		(69.12
re & Deductions: Term Debt Term Debt Term Debt (14,567) 1(4,567)	ne & Deductions: Term Debt 1,809,297 - Term Debt 42,802 (47,426) 1,809,297 - Term Debt 1,856,723 (42,802) - Term Debt 1,14,557) 114,557 - terest 74,481) 74,481 - ncome) - Net (74,481) 74,481 - terest 74,481 - terest 74,687 - 5109,297 - 510 - 1,710,487 - 510,527 - 510 - 1,710,487 - 170,510 - 510,527 - 510 - 1,710,510 - 510,520 - 510,527 - 510,510 - 1,710,510 - 510,520 - 510,550 - 51	\$ 24,652	206	1 11	,962)	1 11	69,127
Term Debt       1,856,723       (47,426)       1,809,297       -	Term Debt         1,856,723         (47,426)         1,809,297         -           - Term Debt         42,802         (42,802)         -         -         -           - Term Debt         42,802         14,557         -         -         -         -           - Term Debt         (114,557)         114,557         -         -         -         -         -         -           - terest         \$ 1,784,968         \$ 24,329         \$ 1,809,297         \$ -         \$ \$         -         \$ \$         -         -         -         -         -         -         -         -         -         -         -         -         -         -         \$         -         \$ \$         -         \$ \$         -         \$         -         \$ \$         -         \$         -         \$         -         \$         -         \$         -         \$         -         \$         \$         -         \$         -         \$         -         \$         -         \$         -         \$         \$         -         \$         \$         -         \$         \$         -         \$         \$         \$         \$         \$         \$ <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td></td<>						
Term Debt       1,000,123       (41,457)       1,000,237       -	. Term Debt 1, 200, 123 (41, 420) 1, 009, 237					I	
(114,557)       114,557       -	(114,557)     (14,557)     (14,557)     -       terest     \$ 1,789,568     \$ 24,329     \$ 1,809,297     -     \$       ncome) - Net     (74,481)     74,481     -     -     \$       (Income) & Deductions     \$ 1,710,487     \$ 98,810     \$ 1,809,297     \$     -     \$	: 1				•	,
terest \$ 1,784,968 \$ 24,329 \$ 1,809,297 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	terest \$ 1,784,968 \$ 24,329 \$ 1,809,297 \$ - \$ ncome) - Net (74,481) 74,481 (Income) & Deductions \$ 1,710,487 \$ 98,810 \$ 1,809,297 \$ - \$	'		1	1	,	•
rcome) - Net (74,481) 74,481	rcome) - Net (74,481) 74,481	1	• <del>•</del>	•	<del>ه</del>	<del>ب</del>	,
(Income) & Deductions \$ 1,710,487 \$ 98,810 \$ 1,809,297 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	(Income) & Deductions \$ 1,710,487 \$ 98,810 \$ 1,809,297 \$ - \$		·	ı	•	•	ı
\$ 1,036,780 \$ (458,013) \$ 578,767 \$ - \$ 17,399 \$ 24,652 \$ 29,506 \$ 10,664 \$ (27,962) \$ 11,925	0 1 005 700 0 1150 010) 0 570 0 0 1 005 700 0 1150 010) 0 570 0	-		\$			'
		¢ 24.652			_ I		R0 127
		700 <sup>1</sup> 7	8	ł		1	

# DOCKET NO. W-01445A-10-0517

N:C011\_Rate\_Case\Settlement\Western Group/2011 A/WC Rate Case Model Settlement-WG v4 FINAL\C2 Processing Date: 2/14/2012 4:19 PM

Supporting Schedules:

Recap Schedules: C-1 Settlement

Exhibit Schedule C-2 Settlement Page 1 of 8 Witness: Reiker

ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Income Statement Pro Forma Adjustments

DECISION NO. 731

73144

American (and solution)         American (and	Answer         Answer<		[1]	[W]	[N] Settlement Inc	[N] [O] [P] Settlement Income Statement Adjustments	[P] tt Adjustments				[S] Total	[T] Adjusted	[U] Required	
Community Indexisting Community Fragmenticip Fr	Contraction Contrac	Line <u>No.</u> 1 Oneratinn Revenues	Settlement Adj. IS-8	Adi. IS-9	BLANK	Adj. IS-10	Settlement Adj. IS-11	Settlemen Adj. IS-1;			sement Adjustments	lest year - Settlement	Increase - Settlement	
Continue	Contraction for the formation for white Resonance (Workbackmanners)         Contraction (Contraction (Contraction)         Contraction (Contraction)         Contraction)         Contraction	Residential	ı		•		, \$					•		
Image in the former inverse free constants         Image in the former interval in	Image from the protocol of some from the protoc	Commercial	•		• •		• •	- •		•	- (77 962)	4,419,514 037 053		
Turbus         3         - <td>Turn Vinite frame         Turn Vinite frame     &lt;</td> <td>5 Private Fire Service</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>(200,12)</td> <td>102,252</td> <td></td> <td></td>	Turn Vinite frame         Turn Vinite frame     <	5 Private Fire Service									(200,12)	102,252		
Total Mark Revolution         3         -         3	Train like information         3         -         3	i	F	-	-					-				
Interface         Interface <thinterface< th=""> <thinterface< th=""> <thi< td=""><td>Indextension         Indextension         Indextension&lt;</td><td>Total Water Revenues</td><td>ı</td><td>·</td><td>1</td><td></td><td>۰ ه</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></thi<></thinterface<></thinterface<>	Indextension         Indextension<	Total Water Revenues	ı	·	1		۰ ه							
Tatal Operating Flowmer         5         -         5         -         5         -         5         0.234,403         5         0.234,403         5         0.234,403         5         0.234,403         5         0.234,403         0.0056	Traid Opending Revenues         5         6         5         7				,		ſ	·	,	,		759,466		- 1
Contract Contract           Source of the formation Contract Vector         Contract Contract         Contract C	Cuality Functional Expension Expension Functional		•	•	1	۰ ب	י ج	÷	<del>6</del> Э	<del>ب</del>		18,638,153	3,224,403	<b>21,862,557</b>
Purple of the standard	Purple operations Purple operating Purple operations Purple operations Purple operations Purple o													
Unitation         Notice         Noti	Prime         Prim         Prime         Prime				1			·		,	(17 399)	640 055		
Puring Extensi: Unratiant Extensi: Fundamed Extensi: Fundamed Extension Fundamed Extension Fundamed Extension Fundamed Expenses         I (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	Purplication Fundament Generation Chramert		,		,	ı	ı	•	L		(201)	85,350		
Purdased Fower Fundased Fower         Fundased Fower         Fundamed Fower	Transmer Power Purdament Power         Transmer Power         Transmer Power         Transmer Purdament Power         Transmer Power	Ъu												
Open class         Open clas         Open clas         Open clas	Turdates Lis         (13.01)		·	ı	ı	ı	ı			•	(13,632)	1,920,391		1,920,391
Were nationality formation         Transition (Expension         Transition	Warmer         Warmer         Constrained         Constraine <thconstrained< th=""> <thconstr< td=""><td></td><td><b>1</b></td><td>,18 303)</td><td></td><td></td><td></td><td>•</td><td></td><td></td><td>(31 091)</td><td>772 AN5</td><td></td><td></td></thconstr<></thconstrained<>		<b>1</b>	,18 303)				•			(31 091)	772 AN5		
Tarentication Expension         (16,31)         (210,38)         (16,31)         (210,38)         (21,31)         (210,38)         (21,31)         (210,38)         (21,31)         (210,38)         (21,31)         (210,38)         (21,31)         (210,38)         (21,31)         (21,32)	Transmission & Demension Sectorements         · (14,31)         <		۶ 1	- -							(2,484)	1.214,061		÷
Customers         Customers <thcustomers< th=""> <thcustomers< th=""> <thc< td=""><td>Customer Accounting Expenses         (11/) (960)         (11/)</td><td></td><td>•</td><td>(18,009)</td><td>ı</td><td>'</td><td>1</td><td>•</td><td></td><td></td><td>(115,312)</td><td>2,210,893</td><td></td><td>2,210,893</td></thc<></thcustomers<></thcustomers<>	Customer Accounting Expenses         (11/) (960)         (11/)		•	(18,009)	ı	'	1	•			(115,312)	2,210,893		2,210,893
Atministrations         (107,660)         S	State         Commistrative         (107) (60)         Commistrative		•	. <b>'</b>	٠	ı	,				(16,442)	1,343,867		1,343,867
Takes       1 (U.U.DU)       -       -       2 440       -	Transmissions       7 (10,100)       5 (10,100)		-	r	I	ı	•			۰.	- 110 100/	-		c
Derectation & Amortization Expenses         -         -         2,440         -         -         (77,066)         3,773,300           Tares         Feteral Income Taxes         -         -         -         -         97,598         36,751         1,002,102           Feteral Income Taxes         -         -         -         -         -         97,598         36,751         1,002,102           Feteral Income Taxes         -         -         -         -         -         -         -         1,440         1,002,102           Feteral Income Taxes         - <td< td=""><td>Deprendation &amp; Annotration Expenses         Image: Factor and a factor and a</td><td></td><td>(107,060)</td><td>(96,313)</td><td>•</td><td></td><td>, , \$</td><td></td><td></td><td></td><td>1</td><td>1</td><td>,</td><td></td></td<>	Deprendation & Annotration Expenses         Image: Factor and a		(107,060)	(96,313)	•		, , \$				1	1	,	
Taxes         Taxes         97,558         97,558         97,558         35,751         1002,102         1           Federal Income Taxes         -	Tates         Tates           Tates         -         <		<b>1</b>	•	,	2.440	•	,			(27.066)	3.773.390		e
Taxes           Taxes           Taxes         State income Taxes         S1,500         S3,511         5,520         S1,300         S1,500         S1,500         S1,500         S1,500         S1,500         S1,500         S3,513         S1,230         S1,302         S1,302 </td <td>Tases           Tases           Tases         Tases         States         SG,751         1000,102         1           Federal Income Tases         21,500</td> <td></td> <td></td> <td></td> <td></td> <td>ī</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Tases           Tases           Tases         Tases         States         SG,751         1000,102         1           Federal Income Tases         21,500					ī								
Total Taxes $2$ $3$ $2$ $3$ <t< td=""><td>Total Taxes         Total Cherating Expension         Total Cherating</td><td>Ta</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>201 100</td><td>100</td><td>001 000 1</td><td></td></t<>	Total Taxes         Total Cherating Expension         Total Cherating	Ta									201 100	100	001 000 1	
Properiy Taxes         E         5         1        <	Properivasion         Endination         Endi			, ,	• •	• •				1,500	97,500 21,500	390,/51 87 180	1,002,102	-
Other         Conditiones         2         5         1 <th1< th="">         1         1</th1<>	Cher         Cher <td></td> <td>,</td> <td>•</td> <td>•</td> <td>,</td> <td>•</td> <td>55,7</td> <td></td> <td></td> <td>55,750</td> <td>988,681</td> <td>56,289</td> <td>, <del>,</del></td>		,	•	•	,	•	55,7			55,750	988,681	56,289	, <del>,</del>
Total Taxes         3         -         3         -         5 <th< td=""><td>Total Taxes       3       -       3       -       5       -       5       55,750       5       119,038       5       1,78,146       5       1,273,146       5         Total Derating Expenses       5       5       5       5       5       5       119,038       5       1,61,396       5       1,63,536       5       1,273,146       5         Operating Expenses       5       5       5       5       5       5       119,038       5       1,61,396       5       1,296       5       1,273,146       5         Operating Income       2       9       0,10       5       9       5       5       5       5       5       1,10,038       5       1,296       5       1,291,146       5       1</td><td></td><td>,</td><td></td><td>T</td><td></td><td>,</td><td></td><td></td><td>- 1</td><td>T</td><td>1</td><td>1</td><td></td></th<>	Total Taxes       3       -       3       -       5       -       5       55,750       5       119,038       5       1,78,146       5       1,273,146       5         Total Derating Expenses       5       5       5       5       5       5       119,038       5       1,61,396       5       1,63,536       5       1,273,146       5         Operating Expenses       5       5       5       5       5       5       119,038       5       1,61,396       5       1,296       5       1,273,146       5         Operating Income       2       9       0,10       5       9       5       5       5       5       5       1,10,038       5       1,296       5       1,291,146       5       1		,		T		,			- 1	T	1	1	
Total Operating Expenses         \$ (107,060) \$ (96,313) \$ 1         \$ 5         \$ 55,750 \$ (19,098) \$ (61,306) \$ 5         \$ (107,060) \$ 1,545,558 \$ 1,249         \$ 1,249,528 \$ 1,249         \$ 1,249,528 \$ 1,249         \$ 1,249,528 \$ 1,249         \$ 1,249,528 \$ 1,249         \$ 1,249,528 \$ 1,249,58 \$ 1,2	Total Operating Expenses         5         (107,060)         5         (24,0)         5         2,440         5         5         5         6,088,693         5         1,273,146         5         1,273,146         5         1,273,146         5         1,273,146         5         1,273,146         5         1,273,146         5         1,273,146         5         1,243,156         5         1,243,156         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,241,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5         1,781,236         5 <th< td=""><td></td><td>•</td><td>69</td><td>•</td><td></td><td>, Ф</td><td></td><td>ŝ</td><td></td><td></td><td>1,685,235</td><td>1,279,146</td><td></td></th<>		•	69	•		, Ф		ŝ			1,685,235	1,279,146	
Operating Income & Deductions:         \$ 107,060 \$ 96,313 \$ - \$ (2,440) \$ - \$ (2,6,05) \$ (110,090) \$ 161,396 \$ 2,549,60 \$ 1,781,238           Other Income & Deductions:         Interest:         Component & Deductions:         Component & Deductions:           Interest:         Long-Term Debt         -	Operating Income & Deductions: Interest.         3         107,060         5         96,313         5         5,440)         5         5,5750)         5         151,396         5         2,549,460         5         1,781,238           Other Income & Deductions: Interest.         Long-Term Debt         -		(107,060)	(96,313)			1 1		÷	1 1		16,088,693	1,279,146	11
Other Income & Deductions:       Interest:	Other Income & Deductions: Interest: Long-Term Debt       -       -       -       -       -       -       -       -       -       -       1,781,238         Long-Term Debt       - <td></td> <td></td> <td></td> <td>-</td> <td></td> <td></td> <td></td> <td>69</td> <td>_</td> <td></td> <td>2,549,460</td> <td>1,945,258</td> <td></td>				-				69	_		2,549,460	1,945,258	
Interest: Long-Term Debt Short-Term Debt Short-Term Debt Othor Term Debt Short-Term Debt Short-Term Debt Total Interest Total	Interest: Long-Term Debt Super-Term Debt Super													
Long-Term Debt       -       (28,059)       -       (28,059)       1,781,238         Short-Term Debt       -       -       -       (28,059)       1,781,238         Short-Term Debt       -       -       -       -       -       -         Other       -       -       5       -       5       -       -       -         Other       -       -       5       5	Long-Term Debt       -       -       (28,059)       -       -       (28,059)       1,781,238         Short-Term Debt       -													
Other       Other <th< td=""><td>Other       Other       <th< td=""><td></td><td></td><td>•</td><td>·</td><td>,</td><td>(28,059</td><td></td><td></td><td>•</td><td>(28,059)</td><td>1,781,238</td><td>·</td><td>-</td></th<></td></th<>	Other       Other <th< td=""><td></td><td></td><td>•</td><td>·</td><td>,</td><td>(28,059</td><td></td><td></td><td>•</td><td>(28,059)</td><td>1,781,238</td><td>·</td><td>-</td></th<>			•	·	,	(28,059			•	(28,059)	1,781,238	·	-
Total interest       \$       -       \$       1       7       8       -       \$       1       2       1       2       1       2       1       3       1       3       1	Total Interest       \$       -       \$       1       2											•••		
Other (Income) - Net       -       -       -       -       -       -       -       -       -       -       -       *       -       *	Other (Income) - Net       -        -		1	.				\$			1_	1,781,238	1	
Total Other (Income) & Deductions   \$ - \$ - \$ - \$ - \$ 28,059) \$ - \$ - \$ (28,059) \$ 1,781,238 \$ - \$ * 4 * * * * * * * * * * * * * * * * *	Total Other (Income) & Deductions <b>3 - \$ - \$ - \$ - \$ - \$ - \$ (28,059) \$ - \$ (28,059) \$ 1</b> ,781,238 <b>\$ - \$</b> Net Income <b>3 107,060 \$ 96,313 \$ - \$ (2,440) \$ 28,059 \$ (55,750) \$ (119,099) \$ 189,455 \$ 788,222 \$ 1,945,258 \$</b>			·			,			,				
Total Other (Income) & Deductions \$ - \$ - \$ - \$ - \$ - \$ 28,059) \$ - \$ - \$ (28,059) \$ 1,781,238 \$ - \$	Total Other (Income) & Deductions <b>3</b> - <b>\$</b> (28,059) <b>\$</b> - <b>\$</b> (28,059) <b>\$</b> 1,781,238 <b>\$</b> - <b>\$</b> Net Income <b>3</b> 107,060 <b>\$</b> 96,313 <b>\$</b> - <b>\$</b> (2,440) <b>\$</b> 28,059 <b>\$</b> (55,750) <b>\$</b> (119,099) <b>\$</b> 189,455 <b>\$</b> 768,222 <b>\$</b> 1,945,258 <b>\$</b>													
Net Income	Net Income		•						so.			1,781,238	1	
			107.060				69	ω	69	- I -		768.222	1.945.258	
				1						11	1			Į.

Exhibit Schedule C-2 Settlement Page 2 of 8 Wftness: Reiker

ARIZONA W. A.IER COMPANY Test Year Ended December 31, 2010 Income Statement Pro Forma Adjustments

DOCKET NO. W-01445A-10-0517

Recap Schedules: C-1 Settlement

N:2011\_Rale\_Case\SettlementWestern Group2011 AWC Rate Case Model Settlement-WG v4 FINAL\C2 Processing Date: 2/14/2012 4:19 PM

Supporting Schedules:

Pinal Valley (Casa Grande, Coolidge, Stanfield)	[B] [C] [D] [E] Pro Forma Adjusted	Adjustments - Test Year - Settlement Settlement As Filed As Filed BLANK Adi. IS-1 Adi. IS-2	010 \$ (441 824) \$ 10 454 087	(84,136) 4	185,133 (245,277) 939,855 55,631 44,606 100,237	11,087 \$ (715,545) \$ 15	(70,907) 734,234 e (706,407) 6 4 6 4 6 4 6 4 6 4 6 4 6 4 6 4 6 4 6	- <del>6</del> - 6 - 6 - 6 - 6 - 6 - 6 - 6 - 7,1048 - 6 - 6 - 6 - 7,1048 - 6 - 7,1048 - 7,104	- 445,372 (17,399)	67,345 2,693 70,038 (373)	24,737 1	92/ - 92/ - 92/ 500.924 145,411 646.335 (3.778)	110,334 1	53,664 1,231,220	318,979 2,347,389 (1,207)	752 \$ 1,190,157 \$ 9,726,909 \$ - \$ (17,399) \$ (22,194) \$ - \$ (9,757)	883 208,518 3,313,401 (29,506)		612,128 (324,838) 287,290 69.150 /5.823, 53.787		\$ (1,903,609) \$ 1	346 \$ (504,934) \$ 14,428,412 \$ - \$ (17,399) \$ (22,194) \$ (29,506) \$ (9,757) 155 \$ (281,517) \$ 2,143,637 \$ - \$ 17,399 \$ 22,194 \$ 29,506 \$ 9,757			567) 100.567 - 5 - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	(67,057) 67,057 -	925 \$ 86,032 \$ 1,585,957 \$ - \$ - \$ - \$ - \$ - \$	925,230 \$ (367,549) \$ 557,680 \$ - \$ 17,399 \$ 22,194 \$ 29,506 \$ 9,757	
ARIZONA WER COMPANY Test Year Ended December 31, 2010 Income Statement Pro Forma Adjustments	[A] Actual	F	1 Operating Revenues	Commercial	4 Industrial 1,18 5 Private Fire Service 5	Other Water Revenues Total Water Revenues	Miscellaneous	I otal Operating Revenues	xpenses Supply Expenses: ased Water	Other		18 Purchased Gas 19 Other 50	Water Treatment Expenses	Litansmission & Lisunoution Expenses Customer Accounting Expenses	23 Sales Expense 24 Administrative & General Expenses 2,028,410	Total Operations & Maintenance Expense \$	27 Depreciation & Amortization Expenses 3,104,883	Taxes	30 Federal Income Taxes 61 31 State Income Taxes 61	Property Taxes	34 Total Taxes 0.101 \$ 3,291,711	35 Total Operating Expenses 37 Operating Income \$ 14,933,346 37 Operating Income	38 39 Other Income & Deductions: 40 (interest:	Long-Term Debt Short-Term Debt	43 Other (100.567) 44 Total Interest \$ 1,566,982	45 Other (Income) - Net (6)	48 Total Other (Income) & Deductions \$ 1,499,925	Net Income	5 4 5 5 4 5 7

# Exhibit Schedule C-2 Settlement Page 3 of 8 Witness: Reiker

DOCKET NO. W-01445A-10-0517

# N:2011\_Rate\_Case\Settlement\Western Group/2011 AWC Rate Case Model Settlement-WG v4 FINAL\C2 Processing Date: 2/14/2012 4:19 PM

Recap Schedules: C-1 Settlement

Supporting Schedules:

	[1]	[M]	[N] Settlement Incc	[N] [O] [P] Settlement Income Statement Adjustments	[P] Adjustments		r inter variety (variate variation) [Q] [R] 11 115 T	[S] Total	[T] Adjusted	[U] Required	[V] Adjstď w/
	Settlement Adi. IS-8	Settlement Adj. IS-9	BLANK	Settlement <u>Adj. IS-10</u>	Settlement Adj. IS-11	Settlement <u>Adi. IS-12</u>	Settlement Adj. IS-13	Settlement <u>Adjustments</u>	Test Year - Settlement	Increase - Settlement	Increase - Settlement
Operating Revenues Residential Commercial Industrial Private Fire Service								\$ (27,962)	\$		
Other Water Revenues Total Water Revenues	<del>6</del>	φ ,	\$	1	۰ ج	67	, ю	\$ (27,962)	\$ 15,809,853	·	
Miscellaneous Total Operating Revenues	\$ ' \$	\$	ι 		۰ ب	۰ ب	۰ ه	<u>,</u> \$ (27,962)	734,234 \$ 16,544,087	\$ 2,725,357	\$ 19,269,444
Operating Expenses Source of Supply Expenses: Purchased Water Other								(17,399) (541)	427,973 69,497		427,973 69,497
Pumping Expenses: Purchased Power								(12,429) -	1,771,173 927		1,771,173 927
Purchased Gas Other		(17,417)						(28,234) (2,526)	618 1.103		618,101 1.103,150
Water Treatment Expenses Transmission & Distribution Expenses Customer Accounting Expenses		(69,905)						(15,130) (15,130)			1,216,090
Sales Expense Administrative & General Expenses Total Operations & Maintenance Expense	(99,442) \$ (99,442) 3	\$ (87,322) \$	1	1		\$	۰ ب	(127,310) \$ (307,820)	2,220,079 \$ 9,419,089	۰ ج	2,220,079 \$ 9,419,089
Depreciation & Amortization Expenses				2,297				(27,209)	3,286,192		3,286,192
Taxes Federal Income Taxes State Income Taxes Property Taxes Other	e	4		,		45,317 \$ 45,317	90,832 20,009 8110,841	90,832 20,009 45,317 - -	378,122 83,297 893,268 189,574 \$ 1,544,261	846,539 186,485 49,050 \$ 1,082,075	1,224,661 269,782 942,318 189,574 \$ 2,626,335
roan raxes Total Operating Expenses Operating Income	(99,442) 99,442	(87,322) 87,322		2.297 (2.297)	' ' କ କ			\$	\$\$ \$\$	မာမာ	\$ 15,331,616 \$ 3,937,827
Other Income & Deductions: Interest: Long-Term Debt Short-Term Debt					(25,412)			(25,412)	1,560,544		1,560,544 - -
Omer Total Interest Otther (Income) - Net	с, , ,	ю ,		, ,	\$ (25,412)	•	ч Ф	\$ (25,412)	1,560,544	69	\$ 1,560,544
Total Other (Income) & Deductions	ю •	69 1	1	۰ ه	\$ (25,412)	\$	\$	\$ (25,412)	\$ 1,560,544	، ب	\$ 1,560,544
Net Income	\$ 99,442 \$	\$ 87,322 \$		\$ (2.297)	\$ 25,412	\$ (45,317)	)\$ (110,841)	) \$ 176,321	\$ 734,001	\$ 1,643,282	\$ 2,377,283

# DOCKET NO. W-01445A-10-0517

Exhibit Schedule C-2 Settlement Page 4 of 8 Witness: Reiker

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Income Statement Pro Forma Adjustments

Supporting Schedules:

N:2011\_Rale\_Case\SettlementiWestern Group2011 AWC Rate Case Model Settlement-WG v4 FINAL\C2 Processing Date: 2/14/2012 4:19 PM

					,			
[K] Settlement Adi. IS-7		(9)	(1,203) (1,535) 4 (1,246)	(870) (540) (5,396)		(5,396) 5,396	•	5,396
[J] Settlement Adi. IS-6	ю ю ' '			(3,500) (3,500) \$		(3,500) \$ 3,500 \$	ب ب	3 200 <del>&amp;</del>
II) s Settlement Se Adi. IS-5 A	ю ю , ,			<del>ب</del>	ø. '	ю <mark>ю</mark>	<del>نه</del>	φ φ 1 1
<u>Justments</u>	<del>с</del> , с,			(671) (671) \$	ب ۱	(671) \$ 671 \$	<del>ю</del> 1	- <del>6</del> 71 %
[H] Statement Adju: Settlement Adj. IS-4	<del>ю</del> ю			\$	φ	69 69	ω	φ, φ,
IK [G] [H] Settlement Income Statement Adjustments it Settlement Settlement S Adj. IS-3 Adj. IS-4 /	ч , ,				, Ф	, , ,	'	н н Ө Ө
White Tank [F] Settle Settlement Adi. IS-2		(33)	(336) (104) (1096)			(1,971) 1,971		- 1,971
E] Settlement Adi. IS-1	φ φ '	•		<del>69</del>	<del>ب</del> ۱	ନ <del>ମ</del>	ю '	<del>6</del> э 69 '
	<i>с</i> , с,			<del>ب</del>	<del>ю</del>	ю , ,	⇔	69 <b>69</b> 1 1
I         [D]           tade         [D]           ear         -           ear         -           6.944         BLANK           5.159         1,361           1,361         1,361	009 \$ 463 \$ 172 \$		338 362 141	134 195 114 \$	'55 149) 183) 183 250 \$	24 883 \$		31 \$ 48) \$
÷ ۲ ج	) \$ 1,563,009 ) 21,463 ) \$ 1,584,472		147,338 - 145,862 102,714	σ	434,755           (14,449)           (3,183)           (3,183)           (6,835)           (19,317)           () \$ 62,520	) \$ 1,422,389 ) \$ 162,083 162,083	φ	\$ 190,131
[B] Pro Forma Adjustments - <u>As Filed</u> \$ (92,533) 354 354 238 238	\$ (107,599) (1,553) \$ (109,152)		8,176 - 11,875 (1,528) 47.016	4,703 25,418 \$ 135,297	3,848 3,848 (72,356) (9,725) 15,057 (113,940) \$ (180,964)	\$ (41,819) \$ (67,334) (1 221)	(1,221) (4,411) (4,51)	<b>\$</b> 12,129 <b>\$</b> (79,463)
[A] Actual End of <u>Test Year</u> 1,409,477 24,805 24,805 24,805 24,805	1,670,608 23,016 1,693,624	25,535 15,158	139,162 - 133,987 104,242	93,431 - 155,077 789,817	430,907 57,907 6,542 45,778 1133,257 243,484	1,464,208 229,416 191 357		178,002 \$ 51,414 \$
ф. Ф	မာ မာ		enses	s ses anse \$	w w	မာ	69	69 69
Operating Revenues Residential Commercial Industrial Privice Fire Service Other Wate Revenues	Total Water Revenues Miscellaneous Total Operating Revenues	Operating Expenses Source of Supply Expenses: Purchased Water Other	Pumping Expenses: Purchased Power Purchased Gas Other Water Treatment Expenses Transmission & Distribution Expenses	Customer Accounting Expenses Sales Expense Administrative & General Expenses Total Operations & Maintenance Expense	Depreciation & Amortization Expenses Taxes Federal Income Taxes State Income Taxes Property Taxes Other Total Taxes	Total Operating Expenses Operating Income Other Income & Deductions: Interest Interest	Short-Term Debt Other Total Interest Other (Income) - Net	Total Other (Income) & Deductions Net Income
o o 4 a a 7 De	0 Total	ō	2 2 3 9 8 7 3 8	Total (		35 Total O 36 Total O 37 Operati 38 Other Ir 39 Other Ir 40 Inte		

Supporting Schedules:

DOCKET NO. W-01445A-10-0517

Recap Schedules: C-1 Settlement

Exhibit Schedule C-2 Settlement Page 5 of 8 Witness: Reiker

ARIZONA WAFER COMPANY Test Year Ended December 31, 2010 Income Statement Pro Forma Adjustments

	[L] Settlement	[M] Settlement	[N] Settlement Ir	[N] [O] Settlement Income Statement Settlement	t Adjustments Settlement	[Q] Settlement	[K] Settlement	[o] Total Settlement	LLJ Adjusted Test Year -	[U] Required Increase -	م
Operating Revenues Residential Commercial Industrial Private Fire Service	Adi. 15-8	Adj. IS-9	BLANK		Adj. IS-11	Adi. IS-12	Adi. 15-13	Adjustments \$	<del>လ</del> - လ	Settlement	
Other Water Revenues Total Water Revenues	۰ ه	67 1	, \$	\$	\$	۰ دب	69	69	47,483 \$ 1,563,009	سام	
Miscellaneous Total Operating Revenues	ج	۰ ج	۰ ج	\$	۰ ج	۰ ب	۰ چ	ι ·	21,463 \$ 1,584,472	s 2 \$ 501,373	\$
Operating Expenses Source of Supply Expenses: Purchased Water Other								(38)	64,894 15,397	<b>44</b> N	
Pumping Expenses: Purchased Power								(1,203)	3) 146,135	10	
Purchased Gas Other Water Treatment Expenses		(574)						(2,445) (100)			
Transmission & Distribution Expenses Customer Accounting Expenses Sales Expense	Ø	(5,997)						(8,339) (1,165) -			
Administrative & General Expenses Total Operations & Maintenance Expense	(4,997) \$ (4,997)	\$ (6,571)	•	م	، ب	, ب	\$	(9,814) \$ (23,105)	4) 170,681 5) \$ 902,009		\$
Depreciation & Amortization Expenses				135				135	5 434,890	6	
Taxes Federal Income Taxes State Income Taxes Storepetty Taxes						8,175	5,453	5,453 1,201 8,175		5) 156,286 2) 34,428 7,279	~ ~ ~ ~
Uther Total Taxes	\$	, , ,	, \$	۰ ج	۰ \$	\$ 8,175	\$ 6,654	\$ 14,829	9 \$ 77,349	9 \$ 197,994	\$
Total Operating Expenses Operating Income	\$ (4,997) \$ 4,997	\$ (6,571) \$ 6,571	· ·	\$ 135 \$ (135)	· ·	\$ 8,175 \$ (8,175)	s \$ 6,654	\$ (8,141) ) \$ 8,141	1) \$ 1,414,248 1 \$ 170,224	8 <b>\$</b> 197,994 4 <b>\$</b> 303,379	\$
Other Income & Deductions: Interest: Long-Term Debt Short-Term Debt					(2,444) ,			(2,444) -	4) 187,687 -	~	
Total Interest Other (income) - Net	۰ ج	ۍ ۲	۰ ه	u es	\$ (2,444)	ч Ф	۰ ج	\$ (2,444) -	4) \$ 187,687 -	- \$ 2	\$
Total Other (Income) & Deductions	\$	\$		، ب	\$ (2,444)	\$	\$	\$ (2,444)	4) \$ 187,687	- \$ 2	\$
Net Income	\$ 4,997	\$ 6,571 \$	، ج	\$ (135)	\$ 2,444	\$ (8,175)	) \$ (6,654)	) \$ 10,585	5 \$ (17,463)	3) \$ 303,379	\$

\_\_\_\_\_

Exhibit Schedule C-2 Settlement Page 6 of 8 Witness: Reiker

ARIZONA WwitER COMPANY Test Year Ended December 31, 2010 Income Statement Pro Forma Adjustments DOCKET NO. W-01445A-10-0517

Recap Schedules: C-1 Settlement

N:2011\_Rate\_Case\Settlement\Western Group/2011 AWC Rate Case Model Settlement-WG v4 FINAL\C2 Processing Date: 2/14/2012 4:19 PM

Supporting Schedules:

73144

ARIZONA W....ER COMPANY Test Year Ended December 31, 2010 Income Statement Pro Forma Adjustments Recap Schedules: C-1 Settlement

Supporting Schedules:

Settlement         Settlement           Adi. IS-8         Adi. IS-9           \$         -         \$	BLANK         Settlement         Settlement           BLANK         Adi. IS-10         Adi. IS-10           Adi. IS-10         Adi. IS-10         Adi. IS-11           *         \$         *         \$           *         \$         *         \$           *         \$         *         \$           *         \$         *         \$           *         \$         *         \$	- Settlement 10 Adi. IS-11	Settlement Add IS-12 6 6 7 7 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	Settlement Settlement Settlement Settlement Settlement Set	Adjustment Te Adjustments Se 1 * * *	Test Year - Settlement 380,053 122,455 653 2,665 505,826	Increase - Settlement	Increase - Settlement
ce anues <u>\$ - \$ -</u> \$ - \$ - (312) penses: ribution Expenses (2,621) \$ (2,420) nance Expenses <u>\$ (2,621) \$ (2,420)</u>		<i>ф</i>			Ê	380,053 122,455 - 653 2,665 505,826		
ce enues <u>\$ - \$ -</u> enues <u>\$ - \$ -</u> penses: r penses: ribution Expenses (2,621) \$ (2,420) nance Expenses <u>\$ (2,621) \$ (2,420)</u>		<del>6</del> у 69			£	- 653 2,665 505,826		
r penses: r (312) penses ribution Expenses g Expenses nance Expenses s (2,621) \$ (2,420)		<i>ф</i>	· · · · · · · · · · · · · · · · · · ·			505,826		
\$         \$         -         \$         -	, ,	ø	1					
(312) anses (2,108) ses (2,621) \$ (2,420) tse \$ (2,621) \$ (2,420)					- (11)	3,768 509,594 \$	(2,326)	\$ 507,268
(312) anses (2,108) es (2,621) \$ (2,420) rse \$ (2,621) \$ (2,420)					(11)	147,188		147,188
(312) anses (2,108) ses (2,621) \$ (2,420) nse \$ (2,621) \$ (2,420)						456		456
(312) enses (2,108) es (2,621) \$ (2,420) rse \$ (2,621) \$ (2,420)						3,083 -		3,083 -
(2,108) ees (2,621) \$ (2,420)	1				(412) 142	10,887 8 297		10,887 8.297
ses (2,621) hse \$ (2,621) \$ (2,420)	,				(2,723)	56,891		56,891 30 808
ses (2,621) see \$ (2,621) \$ (2,420)	9				(141) - 13 064)	51.360		51.360
		,	\$ •	\$ '	(6,215) \$	308,970 \$		\$ 308,970
Depreciation & Amortization Expenses		œ			80	52,308		52,308
Taxes Federal Income Taxes State Income Taxes Property Taxes			2,258	1,313 289	1,313 289 2,258	26,625 5,865 26,403	(723) (159) (40)	25,902 5,706 26,363
Other Start Taxes Start	\$ \$	, 69	\$ 2,258 \$	1,603 \$	3,860 \$	63,625	\$ (922)	\$ 62,702
Total Operating Expenses         \$         (2,621)         \$         (2,420)         \$           Operating Income         \$         2,621         \$         2,420         \$		8 \$ - (8) \$ -	\$ 2,258 \$ \$ (2,258) \$	1,603 \$ (1,603) \$	(2,347) \$ 2,347 \$	424,903 \$ 84,691 \$	(922) (1,404)	\$         423,981           \$         83,288
Other Income & Deductions: Interest: Long-Term Debt Schort Term Debt		(203)			(203)	33,007 -		33,007 -
	<del>ب</del>	- \$ (203)	\$ <del>\$</del> '	¢ <del>7</del>	- (203) \$	33,007 \$		\$ 33,007
Other (Income) - Net						ı		
Total Other (Income) & Deductions	\$	- \$ (203)	\$	\$	(203) \$	33,007 \$	- -	\$ 33,007
Net Income \$ 2,621 \$ 2,420	\$ -	(8) \$ 203	\$ (2,258) \$	(1,603) \$	2,550 \$	51,685 \$	\$ (1,404)	\$ 50,281

Exhibit Schedule C-2 Settlement Page 8 of 8 Witness: Reiker

ARIZONA V. JER COMPANY Test Year Ended December 31, 2010 Income Statement Pro Forma Adjustments

Supporting Schedules:

DOCKET NO. W-01445A-10-0517

Recap Schedules: C-1 Settlement

DECISION NO.

73144

Exhibit

Schedule C-2 Settlement Appendix Page 1 of 19 Witness: Reiker

ARIZONA Wネ・ CR COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-1 Accept Staff Income Statement Adjustment No. 2 - Reduce Over-Amortization of CAP M&I Charges

Increase / (Decrease) \$ (17,399)	\$ (17,399)						
Line <u>No.</u> 2 Pinal Valley 3 White Tank 4 Ajo	Total Western Group						

Supporting Schedules:

ARIZONA WA. ... COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-2 Accept Staff Income Statement Adjustment No.

pense Water Pumping Treatment
pt Staff Income Statement Adjustment No. 3 - Friedt Fuel Expense Source of Supply Pumping

1000

Total Increase / (Decrease)	(22,194) (1,971) (487)	(24,652)
Autiminstative & General Expenses - Increase / (Decrease)	(1,207) \$ (107) (26)	(1,340) \$
Customer Au Accounting 8 Expenses - E Increase / I (Decrease) (0	(3,326) <b>\$</b> (295) (73)	(3,694) \$
k Distribution & Distribution Expenses - Increase / (Decrease)	(12,337) \$ (1,096) (270)	(13,703) \$
vvater vater Treatment & Expenses - Increase / (Decrease)	: (1,173) \$ (104) (26)	(1,303) \$
Pumping Expenses - Increase / (Decrease)	(3.778) \$ (336) (83)	s (4,197) \$
Source of Supply Expenses - Increase / (Decrease)	(373) (33) (9)	(415)
	\$	\$
0	Pinal Valley White Tank Ajo	Total Western Group

3 2 1 <u>No.</u>

Supporting Schedules:

73144

DECISION NO.

Recap Schedules:

 ARIZONA W., -R COMPANY

 Test Year Ended December 31, 2010
 Settlement Income Statement Adjustment IS-3

 Accept Staff Income Statement Adjustment No. 7 - Depreciation Expense (Amortization of Regulatory Asset - Double Counted)

Exhibit Schedule C-2 Settlement Appendix Page 3 of 19 Witness: Reiker

Depreciation & Amortization Expense - Increase / (Decrease)	(29,506) -	
	\$	

(29,506)

Total Western Group

10

Pinal Valley White Tank Ajo

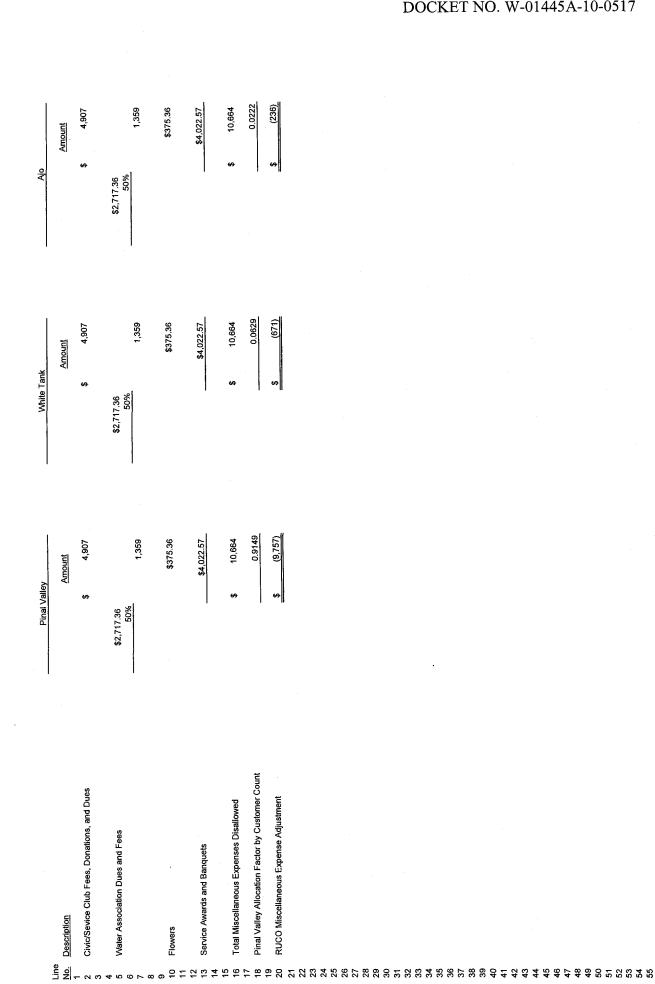
Line No.

Supporting Schedules:

Recap Schedules:

73144 DECISION NO.

Exhibit Schedule C-2 Settlement Appendix Page 4 of 19 Witness: Reiker



Recap Schedules:

Exhibit

Schedule C-2 Settlement Appendix Page 5 of 19 Witness: Reiker

ARIZONA WA . LR COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-5 Adjust Pinal Valley Industrial Revenues to Reflect Known & Measurable Post-Test Year Reduction in Usage

Total

Total

	Increase /	(Decrease)	n Revenues		(488)	3,742	,	1,648	1	3,815	(33,971)	(2,708)	,		(27,962)
	Incre	(Deci	in Rev		÷	ŝ	۰ ج	ŝ	69	\$	¢	÷	÷		÷
	Т.Ү.	Rate	Per 1,000 Gals		1.5036	1.5036	1.5036	1.5036	1.5036	1.5036	1.5036	1.5036	1.5036	-	
			ଣ		\$	ŝ	÷	ŝ	÷	69	\$	\$	ŝ		
	Increase /	(Decrease)	in Usage		(324.7)	2,488.8	•	1,096.1	•	2,537.0	(22,592.9	(1,801.0)	,		(18,596.7)
Industrial	Usage -	(M Gals)	2011		398.0	11,378.2	ł	11,586.6	1	42.327.0	486,411.0	26,006.4	•		578,107.2
Industrial	Usage -	(M Gals)	T.Y. 2010		722.7	8,889.4	,	10,490.5		39.790.0	509,003.9	27,807.4	•		596.703.9
			Description	Pinal Valley	Industrial 5/8 x 3/4 -inch	Industrial 1-inch	Industrial 1.5-inch	Industrial 2-inch	Industrial 3-inch	Industrial 4-inch	Industrial 6-inch	Industrial 8-inch	Industrial 10-inch		
		Line	Ś	_,						_	0	. <del></del>	2	3	4

Recap Schedules:

DECISION NO.

Supporting Schedules:

Exhibit Schedule C-2 Settlement Appendix Page 6 of 19 Witness: Reiker

Increase / (Decrease) Settlement	(8,425 (3,500	(11,925										
= 0 01	<del>69</del>	69										
Company Proposed BMP Expense - <u>As Filed</u>	8,425 3,500 `	11,925										
Соп Ргор <u>As I</u>	÷	φ									·	
<u>Description</u>	Pinal Valley White Tank Ajo											
No.	-01074	9 ~ 8	9 12 1 1 0 13 1 1 0	15 15 15 16 17 15 17	19 22 22	23 25 26 26	23 30 30 30 30 30 30	33333	60 33 33 36 33 38 38 39 39	4 7 4 7 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	50 48 50 48 51 50	52 54 55

(11,925)

(8,425) (3,500)

Supporting Schedules:

73144

DECISION NO.

Recap Schedules:

ARIZONA W: \_\_\_R COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-7 Accept portion of Staff Income Statement Adjustment No. 1 related to unbilled operating expenses

Exhibit Schedule C-2 Settlement Appendix Page 7 of 19 Witness: Reiker

Totals	63,281 5,396 450	69,127	(69,127)	
	∯ നറററ	\$	ଚ	
Administrative & General - <u>As Filed</u>	8,479 540 180	9,199	(9,199)	
Ad	\$	ф	\$	
Customer Accounting - <u>As Filed</u>	11,804 870 74	12,748	(12.748)	
4	\$	÷	<del>به</del>	
Transmission & Distribution - <u>As Filed</u>	22,009 1,246 345	23,600	(23,600) \$	
' ×0	€ 8 8	\$	\$ \$	
Water Treatment - <u>As Filed</u>	1,353 (4) (168)	1,181	(1.181)	
	\$ <del>)</del>	\$	9 -	
Other Pumping - <u>As Filed</u>	7,039 1,535 17	8,591	(8.591)	
_	\$	67	<i>м</i>	
Purchased Power Pumping - <u>As Filed</u>	12,429 1,203	13,632	(13,532)	
<u>а</u> ц	\$	69	⇔	
<b></b>	168 6 2	176	(176) \$	
Source of Supply - <u>As Filed</u>				
	\$	\$	↔	
			(əs	
		iled	ecrea	
Description	Pinal Valley White Tank Ajo	Total - As Filed	Increase/(Decrease)	
D No.			8 6 7 7 7 7 7 7 7 7 9 7 9 9 0 7 7 7 7 7 7 9 7 9	2 2 2 3 5 3 5 4 4 4 4 4 4 5 5 8 5 8 5 8 5 8 5 8 5 8

Supporting Schedules:

Recap Schedules:

DECISION NO. \_\_\_\_73144

ARIZONA W-. \_ R COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-8 Rate Case Expense Settlement - Adopt RUCO recommended rate case expense of \$304,975 recovered over 3-years

	ncrease /	crease	(99,442)	(4,997)	(2,621)	(107,060)
	<u>e</u>	മ്	\$9			÷
Normalization	Ē	Years	e	ę	e	
		lifference	(298,327)	(14,990)	(7,864)	304,975 \$ (321,181)
			ŝ			÷
rgreed Upon Rate Case	- asuada	ettlement	274,574	24,385	6,016	304,975
Ag Ag	ш	ŝ	ŝ			s
Company Proposed Rate Case	xpense -	As Filed	572,901	39,375	13,880	626,156 \$
Ο¢ά	w		ь			÷
	Allocation	8	90.03%	8.00%	1.97%	100%
	3-Factor	Ratio	0.3423	0.0304	0.0075	0.3802
		Description	Pinal Valley	White Tank	Ajo	Total
	Line	ÖN -	2	e	4 v	9

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ø ω Supporting Schedules:

73144

DECISION NO.

Recap Schedules:

ARIZONA WA, LR COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-9 Adjust Pumping & T&D Maintenance Expense/Partially accept Staff Income Statement Adjustment No. 4

Normalized         Normalized           T&D         T&D           T&D         T&D           Maintenance         Maintenance           Expense -         Expense -           Pinal Valley         \$ 1,215,264 \$ 1,145,359 \$ (69,905)           Write Tank         89,157 \$ 83,160 \$ (5,997)           Ajo         33,631 \$ 31,523 \$ (69,905)           Total         \$ 1,338,052 \$ 1,260,043 \$ (78,009)				_	_	_	
Normalized Nor T 3.0 Maintenance Main Expense - Exp As Filed Set 33,631 33,631 \$ 1,338,052 \$		Increase /	Decrease	(69,905)	(2,997)	(2,108)	(500)
Normalized Nor T 3.0 Maintenance Main Expense - Exp As Filed Set 33,631 33,631 \$ 1,338,052 \$				÷			÷
Normalized T&D Maintenance Expense - <u>As Filed</u> \$ 1,215,264 \$ 89,157 33,631 \$ 1,338,052 \$	vormalized T&D laintenance	Expense -	Settlement	1,145,359	83,160	31,523	1,260,043
Norm 17 7 As As As	~ 2		•//	⇔			ŝ
6 6 6	Vormalized T&D Maintenance	Expense -	<u>As Filed</u>	1,215,264	89,157	33,631	1,338,052
lescription inal valley vhite Tank jo Total	~ 2			\$			69
			escription	inal Valley	white Tank	oį	Total

Exhibit Schedule C-2 Settlement Appendix Page 9 of 19 Witness: Reiker
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(87,322) (6,571) (2,420)

(17,417) (574) (312)

195,428 14,807 3,596

212,845 15,381 3,908

69

¥.

ю

69

Total Increase / Decrease

Increase / <u>Decrease</u>

Normalized Pumping Maintenance Expense -<u>Settlement</u>

Normalized Pumping Maintenance

Expense -<u>As Filed</u>

(96,313)

60

(18,303)

213,831

232,134 \$

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Recap Schedules:

73144

DECISION NO.

Supporting Schedules:

Exhibit Schedule C-2 Settlement Appendix Page 10 of 19 Witness: Reiker

Fest Year Ended December 31, 2010

2

10

12 Ξ

ARIZONA WALL'R COMPANY

560 (28) (1,097) 2,260 (350) 560 227 724 374 2,297 C+D+E+F 2,297 . (Decrease) Increase / Total 0 (3-factor Alloc.) 0.3423 (Decrease) Meter Shop Increase / E (350) (Decrease) Phoenix Office (3-factor Alloc.) <u>0.3423</u> 374 374 724 Increase / Ξ (1,097) (28) 560 560 2,260 227 1,923 Pinal Valley Increase / (Decrease) Depr. Exp. , õ nole\_1 Acct. 302 - Franchises amortized over 25 years. Acct. 303 - Other intangibles amortized over 15 & 20 Years. Acct. 310.4 - Wells - Other amortized over 24 years. Accumulated Amortization booked to Acct. 111 - Amort. Of Ltd. Term Investments. note\_2 Acct. 330.1 - Leasehold Improvements amortized over the remaining life of the associated lease. 9,532 9,532 (1,381) (61,263) 94,958 12,457 44,771 54,303 Adjustments -P.T.Y.P. Rate Base Settlement ũ (258,409) (258,409) (258,409) Settlement Rate Base Adjustments -Direct Plant ΞĒ Depreciation note\_1 3.13% 0.00% 0.00% 0.00% 2.86% 5.88% 4.00% 0.00% 2.50% 2.86% 0.00% 2.00% 2.00% 2.00% 2.38% 4.55% 1.82% note\_2 6.67% 5.00% 4.00% 5.00% 6.67% 6.67% 3.33% 0.00% 0.00% 2.00% note 1 Rate note Z Total Increase/(Decrease) in Depreciation & Amortization Expense - Settlement Settlement Income Statement Adjustment IS-10 Adjust Depreciation Expense to Reflect Settlement Plant Adjustments Net Regulatory Assets/(Liabilities) (Sch. B-2 Rebuttal Appndx.) Subtotal Transmission & Distribution Plant Water Treatment Structures & Improvements Pumping Plant Structures & Improvements Subtotal Source of Supply Plant Subtotal Water Treatment Plant Fransmission and Distribution Land ransmission & Distribution Mains ools, Shop & Garage Equipment Less: Contributions in Aid of Construction Total Depreciation Expense - Utility Plant Other Source of Supply Land Electtric Pumping Equipment Fransmission & Distribution Plant Office Furniture & Equipment Subtotal Intangible Plant Water Treatment Equipment Water Treatment Plant Land Subtotal Pumping Plant <sup>2</sup>ower Operated Equipment Communication Equipment Subtotal General Plant easehold Improvements Miscellaneous Equipment General Plant Structures Gas Engine Equipment Warehouse Equipment aboratory Equipment Pumping Plant Land General Plant Land Source of Supply Plant Fire Sprinkler Taps Water Treatment Plant Other Intangibles Storage Tanks Water Rights Wells - Other Organization Intangible Plant Franchises Pumping Plant General Plant Hydrants Services Meters Wells 310.3 310.4 310.1 Acct. 301 302 303 314 320 321 325 328 330 331 332 390. 389 390 <u>8</u> 396 397 398 394 395 39, No.

N:2011\_Rate\_Case\Settlement\Westlern Group/2011 A\WC Rate Case Model Settlement-WG v4 FINAL\C2.1 Processing Date: 2/14/2012 4:19 PM

Recap Schedules:

**84 64 0**3 **4**4

55 55 55 55

86 64 44

Exhibit Schedule C-2 Settlement Appendix Page 11 of 19 Wftness: Reiker

ARIZ Test Y	ZON ear	<b>ARIZONA WA, באל COMPANY</b> Test Year Ended December 31, 2010									
Settler Adjust	t Dep	Settlement Income Statement Adjustment IS-10 (Continued) Adjust Depreciation Expense to Reflect Settlement Plant Adjustments					Mhite Tant				
			[A]	[8]	[0]			E	E		[0]
				Settlement	Settlement	ment		Increase / (Decrease)	Increase / (Decrease)		Total
			:	Rate Base	Rate Base		Increase /	Phoenix Office			Increase /
No C	Act.		Depreciation Rafe	Adjustments - Direct Plant	P.T.Y.P.		(Uecrease) Depr. Exp.	(3-factor Alloc.) 0.0304	(3-factor Alloc.) 0.0304		(Uecrease) JC + D + E + F)
		Intangible Plant									1
2	301		0.00%	، ج	÷	ер ,	ł	' \$	' \$	\$	ı
	302		note_1			,	•	•	•		ı
et u	303	u D	note_1	•	6	, ,	-				
n u		Subrota Intanglore Fiant Source of Sumby Plant		• •	÷	<b>→</b>	,	•	÷	•	I
	310.1	1 Water Rights	0.00%	•		,	ı	,	,		
. co	310.3		0.00%	ŗ		4	I	ſ	•		,
6	310.4		note_1	1		ŗ	ŗ	ı	•		ı
	314	Wel	3.13%	1	•	,		-			
: ;		Subtotal Source of Supply Plant		۱ نه	\$	•	ı	' *	, A	<b>A</b>	ı
	320		0.00%	•		,	·				
	321		2.86%	1		,	•	•	•		ł
15	325		5.88%	,		,	,	,	I		•
	328	Gas	4.00%	t		,	1	•		_	
17		Subtotal Pumping Plant		' ج	67	<del>ده</del> ۱	•	, \$	۰ ه	6 <del>9</del>	
	000	Wat	2000 0								
	221	vvater i reatment Strintings & Immovements	2 50%				• •	. 1	,		
	332		2.86%		(47)	,	(1)	'			(1)
			•	\$ \$	(47) \$	\$	(1)	' \$	\$	\$	(1)
23		Tran									
24	340		0.00%	,			'	1	•		·
290	343	Transmission & Distribution Mains	1.79%			5.735	103				- 103
	344		2.00%	I		1		ł			1
	345		2.38%	I		,	ı	'			ı
	346		4.55%	1			•	•	1		ı
85	348	Hyd	1.82%	•	6	5735 ¢	103				103
5 6		Subjocal italismission & Uismburon Plant General Plant		• A	9		501	•	÷	<b>₽</b>	501
3 8	389		0.00%			,	'	ı			
	390		2.50%	'		ı	·	•	•		,
	390.1		note_2	'		•	•	•	•		1
	391		6.67%	I		,	•	'	•		•
5 8	394	Vvarenouse Equipment Tools Shon & Garana Eminment	2.00%				• •	- (31)			- (31)
	395		5.00%	'			,				· ·
	396		6.67%	,		ŀ	'	ı	•		ı
	397		6.67%	1		•	•	64			64
	398	Misc	3.33%	•		-					-
43		Subtotal General Plant		' \$	\$	ю '	'	33	- 	\$	33
<b>4</b> 5	Tote	Total Depreciation Expense - Utility Plant	,	\$	(47) \$	5,735 \$	101	\$ 33	\$	s	135
46		•			·						
	Net Re Less:	Net Regutatory Assets/(Liabilities) (Sch. B-2 Rebuttal Appndx.) Less: Contributions in Aid of Construction	2.00%								1 1
2 2 2 2 2 2 2 2	-	Total Increase/(Decrease) in Depreciation & Amortization Expense - Settlement	Ħ							\$	135
52											
53	2	note_1 Acct. 302 - Franchises amortized over 25 years. Acct. 303 - Other intangibles amortized over 15 & 20 Years. Acrt 310 4 - Malls. Other amortized over 24 vears. Accumulated Amortization booked to Acrt 111 - Amort 761 to T	gibles amortize	d over 15 & 20	Years. Amort Of Ltd	Tarm Investr	nante				
55	0 C	the 2 Acct. 390.1 - Leasehold Improvements amortized over the remaining life	tof the associa	ted lease.							

Recap Schedules:

73144

Exhibit Schedule C-2 Settlement Appendix Page 12 of 19 Witness: Reiker

12101									
Test Ye Settlern Adjust [	Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-10 (Continued) Adjust Depreciation Expense to Reflect Settlement Plant Adjustments				Aio				
		[A]	[8]	[0]	[0]	[E] Increase /	[F] Increase /	[0]	
			Settlement	Settlement	onserod	(Decrease) Dhooniy Office	~ 4	Total	
Line A	Acct. No	Depreciation Rate	Adjustments - Direct Plant	Adjustments -	(Decrease) (Decrease) Depr. Exp.	(3-factor Alloc.) 0.0075	(3	ິ <u>ບ</u>	se) + Fi
	Intangible Plant								1
		0.00%	' \$		، ج	' \$	, \$	€⁄>	
€ Ω Ω	302 Franchises 303 Other Intanoibles	note_1 note_1			•••		. 1		
		I	۰ ج	' \$	۰ ج	\$	- \$	¢	
، ۱ و	Source of Supply Plant	2000 0			1		1		,
~ ∞	310.1 Water Rights 310.3 Other Source of Supply Land	0.00%				,	1		,
		note_1	•		·	,	F		T
	314 Wells	3.13%	,		'	•		6	
<del>2</del> 5	Subtotal Source of Supply Plant		, ø	, \$	1 20	• *	â	A	
	320 Pumping Plant Land	0.00%	ŀ		,	•	•		,
		2.86%	1		•	1	1		•
		5.88%	ł		·	'	•		
16	328 Gas Engine Equipment Subtotal Dumning Plant	4.00%			· ·	,	\$	69	
- 81	Water Treatment Plant		•						
		0.00%	,		•	,	•		ı
	331 Water Treatment Structures & Improvements	2.50%				,			, 6
	Wat	2.85%		6	( <u>)</u>			u	00
22 22	Subtotal Water I reatment Plant Transmission & Distribution Plant		(oi) ¢	، ۹			⇒	•	ē
	340 Transmission and Distribution Land	0.00%	ı		,	3	•		,
		2.00%	1		ı	,			ī
20 20	343 Transmission & Distribution Mains	7.79%				, ,			
	344 FIE Spiringer Laps 345 Services	2.38%	, ,				•		r
		4.55%	,		ļ	,	1		
	348 Hydrants	1.82%	•		•		• 1		·
			\$	\$	•	, \$	\$	ю	
	General Plant						•		
8 <del>8</del>	300 General Plant Structures	2.50%					•		ī
	**	note_2	•		,	ı	•		
36		6.67%	I		1	1	•		ı
	393 Vvarenouse Equipment 394 Trods Shon & Garage Equipment	3.00% 4.00%				, ``	(8)		(8)
		5.00%	,		ı	, I	,		
		6.67%	,		,		•		,
		6.67%	·		٠	-	16 -		16
	398 Miscellaneous Equipment	3.33%	•			•		÷	۵ ۱
54 54 74	Subtotal General Plant		÷	, A	• <del>•</del>	<del>A</del>		9	D
•	Total Deprectation Expense - Utility Plant		\$ (16)	\$	(0) \$	\$	8 8	ь	80
46 47 48	Net Regulatory Assets/(Liabilities) (Sch. B-2 Rebuttal Appndx.) Ass. Contributions in Aid of Construction	2 00%							
								e	6
50 51	Total Increase/(Decrease) in Depreciation & Amortization Expense - Settlement	ement						\$	χ
52 53	note_1 Acct. 302 - Franchises amortized over 25 years. Acct. 303 - Other intangibles amortized over 15 & 20 Years.	intangibles amortiz	ed over 15 & 20 Ye:	ars.					
54	Acct. 310.4 - Wells - Other amortized over 24 years. Accumulated Amortization booked to Acct. 111 - Amort. Of Ltd. Term Investments.	Amortization booke	ed to Acct. 111 - Am	ort. Of Ltd. Term In	vestments.				
20	note_2 Acct. 390.1 - Leasenoid improvements amornzed over une remain	ig life of the associa	ated lease.						

Recap Schedules:

Exhibit Schedule C-2 Settlement Appendix Page 13 of 19 Witness: Reiker

		[0]	Increase /	(Decrease) Depr. Exp.		• • •		' \$	r		, ,	\$	,	,		, S			,	\$			ł	•			, 99	,	·	ı	τ Ι	(1,023)		2,116		\$ 1,094	\$ 1,094		\$ 1,094			Ø	
e			Settlement Rate Base	Adjustments - P.T.Y.P.		۰, ۱	-	' ↔	ı			•		1	,		•		,	,		• •	ŀ	۲		•	•	•	ı	I		(25,564)	•••	31,727		\$ 6,163	\$ 6,163					ars. ort. Of Ltd. Term Investment.	
		[8]	Settlement Rate Base	Adjustments - Direct Plant				۰ ج				, \$				5	•			\$							•									\$ <del>9</del>	s					ted to Acct. 111 - Am	tated lease.
		[A]		Depreciation Rate		0.00%	note_1		0.00%	0.00%	note_1 3.13%		%UU U	2.86%	5.88%	4.00%		0.00% 2.50%	2.86%		70000	2.00%	1.79%	2.00%	4.55%	1.82%		0.00%	2.50%	note_2	5.00%	4.00%	5.00% 6.67%	6.67%	3.33%				Settlement		:	ted Amortization book	aining life of the assoc
	ARIZONA WA・LA COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-10 (Continued) Adjust Depreciation Expense to Reflect Settlement Plant Adjustments				Intar	Organization Eremotises	other Intangibles	Subtotal intangible Plant	outree of supply Fram. 1 Water Rights		.4 Wells - Other Wells	Subtotal Source of Supply Plant	Pumping Plant Dumning Plant I and			Gas Engine Equipment Subtotal Purmuing Plant	Water Treatment Plant		water reaurent orroutes « miprovenens Water Treatment Fourioment		Tran	I ransmission and Discretion Land Storage Tanks		_	Services Meters	Hyd	Subtotal Transmission & Distribution Plant		Ū	<del></del>	Office Furniture & Equipment Warehouse Equipment	Tools, Shop & Garage Equipment	Laboratory Equipment Dower Operated Equipment	Communication Equipment		Subtotal General Plant	Total Depreciation Expense - Utility Plant Net Benutation, Assets(/ jabilities) (Sch. B.2 Debruttel Amondy.)	regulatory reserves teletamined your the recorder of the	Total Increase/(Decrease) in Depreciation & Amortization Expense - Settlement			nove_i Avxt. 302 - Franknises aniorized over 25 years. Avxt. 303 - Outer intaligibles aniorized over 13 & 20 rears. Acct. 310.4 - Vells - Other amortized over 24 years. Accumulated Amortization booked to Acct. 111.4 Amort. Of Ldt. Term Investments.	le_Z Acct. 390.1 - Leasenoid improvements amoritzed over ure rerita
	RIZON, st Year E titlement just Depr			Line Acct. No. No.		301	303		310.1	310.3	310.4 314		320			328	**	330				+ 342			346 346			389			393		9 395 306			<b></b>							
	Ad ⊣ Ad			Line. No.	:  <del>~</del>	~ ~	4	ເດເ	~	80	6 <del>6</del>	1	5 ¢	5 4	15	1 1 1 1	: #	19	3 2	22	23	55 7	26	27	287	8	က်က်	3 8	ų	35	3.5	38	33	5 <del>4</del>	42	43	44	44	48	<b>6 7</b>	338 11	3 <b>3</b> 5 1 <b>4</b>	ด้

# DOCKET NO. W-01445A-10-0517

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DECISION NO.

Recap Schedules:

ARIZONA WALLER COMPANY

Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-10 (Continued) Adjust Depreciation Expense to Reflect Settlement Plant Adjustments

Main     Dependention     Main       No.     No.     No.       No.     Sub franking/ble Plant     Constrained       No.     Sub franking/ble Plant     Sub franking/ble Plant       Sub franking/ble Plant     Sub franking/ble Plant     Constrained       Sub franking/ble Plant     Sub franking     Constrained       Sub franking     Sub franking     Constrained     Constrained       Sub franking     Constrained     Constrained     Constrained       Sub franking     Sub franking     Constrained     Constrained <th>Adjustments - Adjustments - Direct Plant P.T.Y.P.</th> <th>ч. С</th> <th>ч ч н ч ч</th> <th>· · ·</th> <th>s - s</th>	Adjustments - Adjustments - Direct Plant P.T.Y.P.	ч. С	ч ч н ч ч	· · ·	s - s
Line Acct. No. 1 1 1 1 1 1 1 1 1 1 1 1 1 1		note_1 \$	0.00% 5.88% 5.88% 5.88% 5.88% 5.88% 5.88% 5.88% 5.86% 5.86%	0.00% 0.00% 1.79% 2.00% 4.55% 1.82% 1.82% 5.00% 5.00% 5.00%	- Settlement - Settlement - Settlement - Settlement - Settlement - Settlement - Settlement
	Intar	nog	Wate 1	Transmi: Transmi: Stor Sen Hydd General General Offici	334       Tools, Shop & Garage Equipment       4.00%         335       Laboratory Equipment       5.00%         336       Power Operated Equipment       6.67%         338       Miscellameous Equipment       6.67%         398       Miscellameous Equipment       6.67%         398       Miscellameous Equipment       6.67%         309       Miscellameous Equipment       6.67%         308       Miscellameous Equipment       5.00%         309       Niscellameous Equipment       3.33%         308       Niscellameous Equipment       3.33%         309       Niscellameous Equipment       3.33%         301       Subtotal General Plant       3.33%         Total Depreciation Expense - Utility Plant       3.33%         Net Regulatory Assets/(Liabilities) (Sch. B-2 Rebuttal Appndx.)       5       5       5       -         Total Increase/(Decrease) in Depreciation & Amortization Expense - Settlement       5       -       \$       -         Total Increase/(Decrease) in Depreciation & Amortization Expense - Settlement       5       -       \$       -         Total Increase/(Decrease) in Depreciation & Amortization Expense - Settlement       5       -       \$       -       \$         Intal Increase
	a v - N C	4 v o ≻ ∞ o *	5 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	3 3 3 3 3 3 3 8 5 8 5 8 5 5 5 5 5 5 5 5	2 2 2 2 2 2 4 4 4 4 4 4 4 7 3 3 3 3 3 3 3 3 3 3 3 3

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note\_1 Acct. 302 - Franchises amortized over 25 years. Acct. 303 - Other intangibles amortized over 15 & 20 Years. Acct. 310.4 - Wells - Other amortized over 24 years. Accumulated Amortization booked to Acct. 111 - Amort. Of Ltd. Term Investments. note\_2 Acct. 390.1 - Leasehold Improvements amortized over the remaining life of the associated lease.

Recap Schedules:

(Decrease) <u>Depr. Exp.</u> Increase /

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Meter Shop <u>ত</u>

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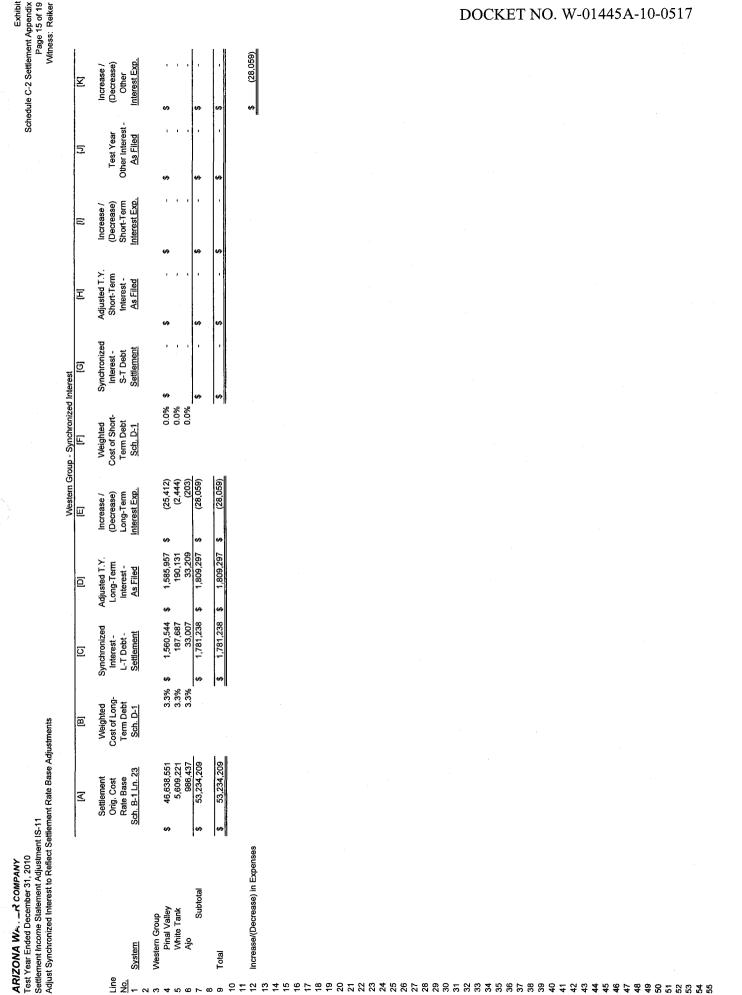
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Supporting Schedules:



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Supporting Schedules:

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Exhibit Schedule C-2 Settlement Appendix Page 16 of 19 Witness: Reiker

<b>AR</b> Test Sett Adju	<b>ARIZONA WÀ : ER COMPANY</b> Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-12 Adjust Property Taxes			Schedul
		Pinal Valley [A] [B]	While Tank [C] [D]	Ajo [E] [F]
Line No.	0	T.Y. Adjstd' - Settlement Settlement w/ Increase	T.Y. Adjstd' - Settlement Settlement w/ Increase	T.Y. Adjstd" - Settlement Settlement <u>w/ Increase</u>
-064	Adjusted Revenues - Settlement Adjusted Revenues - Settlement Adjusted Revenues - Settlement / Proposed Revenues	\$ 16,544,087 \$ 16,544,087 16,544,087 16,544,087 16,544,087 19,269,444	\$ 1,584,472 \$ 1,584,472 1,584,472 1,584,472 1,584,472 2,085,845	\$ 509,594 \$ 509,594 509,594 509,594 509,594 507,268
ιο οι	Average Revenue	\$ 16,544,087 \$ 17,452,539	\$ 1,584,472 \$ 1,751,596	\$ 509,594 \$ 508,819
r 80 c	Average Revenue Multiplied by 2	\$ 33,088,174 \$ 34,905,079	\$ 3,168,944 \$ 3,503,192	\$ 1,019,189 \$ 1,017,638
3 1 1 9 3 7 1 9				
14 15 16 17	Deduct: Net Book Value of Transportation Equipment	5 <del>7</del>	\$ \$	69
18 19 19	Full Cash Value	\$ 33,088,174 \$ 34,905,079	\$ 3,168,944 \$ 3,503,192	\$ 1,019,189 \$ 1,017,638
2 2 2	Assessment Ratio	21.0% 21.0%	21.0% 21.0%	21.0% 21.0%
នន	Assessed Value	6,948,517 7,330,067	665,478 735,670	214,030 213,704
75 57 75	Property Tax Rate <sup>1</sup>	12.86% 12.86%	10.37% 10.37%	12.34% 12.34%
27 27 28	Property Tax	893,268 942,318	69,010 76,289	26,403 26,363
388	Tax on Parcels		•	
8 8 8	Total Property Taxes - Calculated	\$ 893,268 \$ 942,318	\$ 69,010 \$ 76,289	\$ 26,403 \$ 26,363
33.8	Adjusted Property Taxes - As filed	847,951	60,835	24,146
¥ 88 8	Increase / (Decrease) in Property Taxes - Settlement	\$ 45.317	\$ 8,175	\$ 2,258
37.0	Adjusted Property Taxes - Settlement	893,268	69.010	26,403
888	Inc. / (Dec.) in Property Taxes at Proposed Rates - Settlement	\$ 49,050	\$ 7.279	\$ (40)
6 4 4 4 <b>4</b>	As % of Change in Revenue Requirement	1.80%	1.45%	1.73%
45 46 47				
<b>4</b> 6 6 6 6				
5 6 6 A A				
54 55	<sup>1</sup> Property Tax rates updated to reflect current known & measurable rates.			

Recap Schedules:

73144

ARIZONA WA I ER COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-12 (Continued) Adjust Property Taxes

18,638,153 18,638,153 21,862,557

Exhibit

Schedule C-2 Settlement Appendix Page 17 of 19 Witness: Reiker

			Western Group	0 D	di
			[A]	<pre></pre>	[B] Adiustad
	Line No.		T.Y. Adjstd' - <u>Settlement</u>	S ON N	Settlement w/increase
	- 0 0 4	Adjusted Revenues - Settlement Adjusted Revenues - Settlement Adjusted Revenues - Settlement / Proposed Revenues	\$ 18,638,153 18,638,153 18,638,153	в	18,638,153 18,638,153 21,862,557
	e e	Average Revenue	\$ 18,638,153	÷	19,712,955
	~ 8	Average Revenue Multiplied by 2	\$ 37,276,307	\$	39,425,909
	9 10				
	5 5 <del>6</del>				
	12 15 15 15	Deduct: Net Book Value of Transportation Equipment	, 9	ŝ	
	17/ 19	Fuil Cash Value	\$ 37,276,307	\$9	39,425,909
	212	Assessment Ratio	21.0%		21.0%
	3 23	Assessed Value	7,828,024		8,279,441
	25	Property Tax Rate <sup>1</sup>	12.63%		12.63%
	27	Property Tax	988,681		1,044,970
	8 6 8	Tax on Parcels	ı		•
	3 30	Total Property Taxes - Calculated	\$ 988,681	\$	1,044,970
	33 33	Adjusted Property Taxes - As filed	932,931		
	35 35	Increase / (Decrease) in Property Taxes - Settlement	\$ 55,750		
DE	37	Adjusted Property Taxes - Settlement			988,681
CIS	8 8	Inc. / (Dec.) in Property Taxes at Proposed Rates - Settlement		⇔	56,289
SIO	4 <del>1</del> 4	As % of Change in Revenue Requirement	·		1.75%
N N	4 <b>4</b> 4 <b>4</b>				
0.	42 46				
,	47 48				
7314	5 5 6 7 6				
14	52 53				
	54 55	<sup>1</sup> Property Tax rates updated to reflect current known & measurable rates.			

21.0%

8,279,441

12.63%

1,044,970

56,289 1.75%

DECISION NO.

Recap Schedules:

Exhibit Schedule C-2 Settlement Appendix Page 18 of 19 Witness: Reiker

Schedule C-2 Set	Ajo [E] [F] Adjusted - T.Y. Adjusted - Settlement Settlement	\$         117,182         \$         114,896           33,007         33,007         33,007           \$         84,175         \$         81,890           \$         5,865         \$         5,706	\$         84,175         \$         81,890           5,865         5,706         5,706           \$         78,310         \$         76,184	26,625	26,625 \$	\$ 32,491 \$ 31,608 38.60% 38.60%	6.97% 6.97% 31.63% 31.63%	\$         25,312           \$         1,313           \$         5,576           \$         289	\$ 26,625 \$ (723)	\$ 5.865 5 (159)
	White Tank     [C]       [C]     [D]       Adjusted -     Adjusted -       T.Y. Adjusted -     Settlement       Settlement     w/increase	\$         159,246         \$         653,339           187,687         187,687           \$         (28,441)         \$         465,653           \$         (1,982)         \$         32,447	\$ (28,441) \$ 465,653 (1,982) 32,447 \$ (26,459) \$ 433,206	(966'8)	¢	\$ (10.978) \$ 179,737 38.60% 38.60%	6.97% 6.97% 31.63% 31.63%	\$         (14,449)           \$         5,453           \$         (3,183)           \$         (1,201)	\$ (8,996) \$ 156,286	<mark>\$ (1,982)</mark> <b>\$ 34,428</b>
tevenues	Pinal Valley [A] [B] Adjusted - T.Y. Adjusted - Settlement <u>Settlement</u> w/ increase	\$         2,755,964         \$         5,432,270           1,560,544         1,560,544           \$         1,195,419         \$         3,871,726           \$         83,297         \$         269,782	\$ 1,195,419 \$ 3,871,726 83,297 269,782 \$ 1,112,123 \$ 3,601,944	- - 378,122	\$ 378,122 \$ 1.224,661	\$ 461,418 \$ 1,494,443 38.60% 38.60%	6.97% 6.97% 31.63% 31.63%	\$ 287,290 \$ 90,832 \$ 63,287 \$ 20,009	\$ 378,122 \$ 846,539	\$ 83,297 \$ 186,485
ARIZONA WA LER COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-13 Adjust Income Taxes to Reflect Adjusted Test Year Results & Proposed Revenues	Line 1	<ul> <li>2</li> <li>3 Operating Income Before Inc. Taxes</li> <li>4 Interest Expense</li> <li>5 Arizona Taxable Income (Ln. 3 + Ln. 4)</li> <li>6 Less Arizona Income Tax (Ln. 5 X Ln. 7)</li> <li>8 Arizona Income Tax Rate = 6.968%</li> </ul>	9 10 Federal Income Before Taxes (Ln. 5) 11 Less Arizona Income Taxes (Ln. 7) 12 Federal Taxable Income (Ln. 10 - Ln. 11)	<ol> <li>tederal income Taxes:</li> <li>Federal income Taxes:</li> <li>15% Bracket from \$10,000</li> <li>25% Bracket from \$50,001 to \$75,000</li> <li>34% Bracket from \$50,001 to \$100,000</li> <li>39% Bracket from \$100,001 to \$335,000</li> <li>34% Bracket over \$335,000</li> </ol>	21 Federal Income Taxes: 22 23	24 Total Income Tax (Ln. 11 + Ln. 21) 25 Tax Rate (Ln. 24 + Ln. 5) 27	28 Effective income Tax Rates 29 State (Ln. 7 + Ln. 5) 30 Federal (Ln. 21 + Ln. 5) 31	<ul> <li>Test Year Federal Income Taxes - As Filed (Sch. C-2, Ln. 30)</li> <li>Test Year Federal Income Taxes - As Filed (Sch. C-2, Ln. 33)</li> <li>Increase / (Decrease) in Federal Income Taxes (Ln. 21 - Ln. 33)</li> <li>Test Year State Income Taxes - As filed (Sch. C-2, Ln. 31)</li> <li>Increase / (Decrease) in State Income Taxes (Ln. 11 - Ln. 36)</li> </ul>	<ol> <li>Test Year Federal Income Taxes - Settlement</li> <li>Increase / (Decrease) in Federal Income Taxes (Ln. 21 - Ln. 39)</li> </ol>	<ul> <li>41</li> <li>42 Test Year State Income Taxes - Settlement</li> <li>43 Increase / (Decrease) in State Income Taxes (Ln. 11 - Ln. 42)</li> <li>45</li> <li>46</li> <li>48</li> <li>49</li> <li>50</li> <li>53</li> <li>53</li> <li>54</li> <li>55</li> </ul>

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Recap Schedules:

Supporting Schedules:

73144

ARIZONA WA LER COMPANY Test Year Ended December 31, 2010 Settlement Income Statement Adjustment IS-13 (Continued) Adjust Income Taxes to Reflect Adjusted Test Year Results & Proposed Revenues

Western Group           [A]         [B]           Adjusted -         T.Y. Adjusted -           T.Y. Adjusted -         Settlement           Settlement         W/Increase           \$ 3,032,391         \$ 6,200,506           \$ 1,751,154         \$ 4,419,288	\$         87,180         \$         307,935           \$         1,251,154         \$         4,419,268           \$         1,123,180         307,935           \$         1,163,973         \$         4,111,334		\$         482,031         \$         1.705,788           38.60%         38.60%         38.60%           6.97%         6.97%         6.97%	30) <b>\$</b> 298,153 .n. 33) <b>\$</b> 97,598 ) <b>\$</b> 65,680 36) <b>\$</b> 21,500 <b>1</b> . 39) <b>\$</b> 395,751 <b>3</b> 1,002,102	42) <b>8</b> 7.180 <b>(3) (3)</b>
Line No. 3 Operating Income Before Inc. Taxes 4 Interest Expense 5 Arizona Taxable Income (Ln. 3 + Ln. 4)	Less Arizona Income Tax (Ln. 5 X Ln. 7) Arizona Income Tax Rate = 6.968% Federal Income Before Taxes (Ln. 5) Less Arizona Income Taxes (Ln. 7) Federal Taxable Income (Ln. 10 - Ln. 11)	Federal Income Taxes: 15% Bracket from \$1 to \$50,000 25% Bracket from \$50,001 to \$75,000 34% Bracket from \$75,001 to \$75,000 39% Bracket from \$75,001 to \$335,000 34% Bracket over \$335,000 Federal Income Taxes:	Total Income Tax (Ln. 11 + Ln. 21) Tax Rate (Ln. 24 + Ln. 5) Effective Income Tax Rates State (Ln. 7 + Ln. 5) Federal (Ln. 21 + Ln. 5)	Test Year Federal Income Taxes - As Filed (Sch. C-2, Ln. 30) Increase / (Decrease) in Federal Income Taxes (Ln. 21 - Ln. 33) Test Year State Income Taxes - As filed (Sch. C-2, Ln. 31) Increase / (Decrease) in State Income Taxes (Ln. 11 - Ln. 36) Test Year Federal Income Taxes - Settlement Increase / (Decrease) in Federal Income Taxes (Ln. 21 - Ln. 39)	Test Year State Income Taxes - Settlement Increase / (Decrease) in State Income Taxes (Ln. 11 - Ln. 42)

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DECISION NO.

Supporting Schedules:

Recap Schedules:

Exhibit Schedule C-2 Settlement Appendix Page 19 of 19 Witness: Reiker

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Computation of Gross Revenue Conversion Factor

Western Group [A] Percentage of	Incremental Gross Revenues	31.63%	6.97%	38.60%	61.40%	1.75%	1.07%	39.67%	60.33%	1.6576
	Line <u>No.</u> <u>Description</u> 1	Federal Income Taxes	3 State Income Taxes	5 Total Federal & State Income Tax Percentage	7 B Operating Income % = 100% - Tax Percentage	9 10 Property Tax Factor (Sch. C-2 Appdx.)	11 Effective Property Tax Factor (Ln. 8 x Ln. 10)	13 Combined Federal & State Income & Property Tax Rate	15 Operating Income % = 100% - Tax Percentage 17 19 20	21 1 = Gross Revenue Conversion Factor 22 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2

Supporting Schedules:

Recap Schedules: A-1 Settlement

ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Computation of Gross Revenue Conversion Fac

2 1 <u>No.</u> 2

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	Pinal Valley		
	(Casa oriante, Coolidge, Stanfield) [A]	White Tank [B]	Ajo [C]
Description	Percentage of Incremental Gross Revenues	Percentage of Incremental Gross Revenues	Percentage of Incremental Gross Revenues
Federal Income Taxes	31.63%	31.63%	31.63%
State Income Taxes	6.97%	6.97%	6.97%
Total Federal & State Income Tax Percentage	38.60%	38.60%	38.60%
Operating Income % = 100% - Tax Percentage	61.40%	61.40%	61.40%
Property Tax Factor (Sch. C-2 Appdx.)	1.80%	1.45%	1.73%
Effective Property Tax Factor (Ln. 8 x Ln. 10)	1.11%	0.89%	1.06%
Combined Federal & State Income & Property Tax Rate	39.70%	39.49%	39.66%
Operating Income % = 100% - Tax Percentage	60.30%	60.51%	60.34%
			•
1 = Gross Revenue Conversion Factor Operating Income %	1.6585	1.6526	1.6573

Exhibit Schedule C-3 Settlement Page 2 of 2 Witness: Reiker

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Recap Schedules: A-1 Settlement

DECISION NO. 73

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Supporting Schedules

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Summary Cost of Capital

Recap Schedules:

Supporting Schedules:

DECISION NO.

ARIZONA W. A. I.E.R. COMPANY Test Year Ended December 31, 2010 Summary of Revenues by Customer Classification - Present & Proposed Rates

Schedule H-1 Settlement Page 1 of 4 Witness: Reiker

Exhibit

[0]	ase //	70 14.53% 00 28.97% 80 13.27% 48 9.24% 63 16.51%	61 18.03%	61 17.30%		
[0]	Settlement Proposed Increase <u>Amount</u>	\$ 1,765,770 1,280,400 124,380 9,448 44,363	\$ 3,224,361	\$ 3,224,361		
Western Group [B]	Proposed Rates Sch H-2 Col I	<ul> <li>\$ 13,916,986</li> <li>5,699,855</li> <li>1,061,432</li> <li>111,700</li> <li>313,117</li> </ul>	\$ 21,103,091	759,466 \$21,862,556	21,862,557 \$ (0) \$ 0.00%	
[A]	Test Year Rates S <del>ch. H-2 Col. E</del>	<ul> <li>\$ 12,151,216</li> <li>4,419,455</li> <li>937,053</li> <li>102,252</li> <li>268,754</li> </ul>	\$ 17,878,729	759,466 \$ 18,638,195		
	Customer Classification	Residential Commercial Industriat Private Fire Service Other Water Revenues	Total Water Revenues	Miscellaneous Revenues Total Operating Revenues	Target Revenue Requirement (Sch. C-1, Ln. 10) Difference (Ln. 14 - Ln. 17) Less: Consolidated Revenue Adjustment <sup>1</sup> Over/(Short) %	<sup>1</sup> Consolidated Revenue Adjustment represents the increase/(decrease) in revenue requirement

Recap Schedules: A-1 Settlement

Supporting Schedules: H-2 Settlement

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ARIZONA W. A. ER COMPANY Test Year Ended December 31, 2010 Summary of Revenues by Customer Classification - Present & Proposed Rates

Schedule H-1 Settlement Page 2 of 4 Witness: Reiker

Exhibit

		Pinal Valley (Casa Grande, Coolidge, Stanfield)	olidge, Stanfield)	, e	
	[A]	[8]	<u>[</u> ]	<u>6</u>	
	Test Year Pates	Proposed Rates	Settlement Pronosed Increase		
Customer Classification	Sch. H-2 Col. E	Sch. H-2 Col. I	Amount	%	
Residential Commercial Industrial Private Fire Service Other Water Revenues	<ol> <li>10,454,403</li> <li>4,124,957</li> <li>911,893</li> <li>100,237</li> <li>218,600</li> </ol>	<ol> <li>11,878,933</li> <li>5,275,058</li> <li>1,035,703</li> <li>109,525</li> <li>235,990</li> </ol>	\$ 1,424,530 1,150,101 123,809 9,288 17,390	13.63% 27.88% 13.58% 9.27% 7.96%	
Total Water Revenues	\$ 15,810,092	\$ 18,535,209	\$ 2,725,117	17.24%	
Miscellaneous Revenues	734,234	734,234			
Total Operating Revenues	\$ 16,544,326	\$ 19,269,443	\$ 2,725,117	16.47%	
Target Revenue Requirement (Sch. C-1, Ln. 17) Difference (Ln. 14 - Ln. 17) Less: Consolidated Revenue Adjustment <sup>1</sup> Over/(Short) %		19.269.444 (0) (0) (0) (0) (0) (0) (0) (0)			
Cunsolingated revenue Adjustment represents the increase/(decrease) in revenue requirement resulting from proposed rate consolidation.					

DOCKET NO. W-01445A-10-0517

Recap Schedules: A-1 Settlement

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ARIZONA W.J.J.ER COMPANY Test Year Ended December 31, 2010 Summary of Revenues by Customer Classification - Present & Proposed Rates

<u>[</u> ]	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	27.09% 68.00% 2.27% 10.18% 56.87%	32.08%	31.65%		
[0]	Settlement Proposed Increase <u>Amount</u>	\$ 356,749 116,995 571 139 27,002	\$ 501,455	\$ 501,455		
White Tank [B]	Proposed Rates Sch. H-2 Col. I	\$ 1,673,608 289,058 25,730 1,500 74,486	\$ 2,064,382	21,463 \$2,085,845	2,085,845 (0) 5 0,00%	
[A]	Test Year Rates <u>Sch. H-2 Col. E</u>	<ol> <li>1,316,859</li> <li>172,063</li> <li>25,159</li> <li>1,361</li> <li>47,484</li> </ol>	\$ 1,562,926	21,463 \$ 1,584,389		
	<u>Customer Classification</u>	Residential Commercial Industrial Private Fire Service Other Water Revenues	Total Water Revenues	Miscellaneous Revenues Total Operating Revenues	Target Revenue Requirement (Sch. C-1, Ln. 10) Difference (Ln. 14 - Ln. 17) Less: Consolidated Revenue Adjustment <sup>1</sup> Over(Short) %	<sup>1</sup> Consolidated Revenue Adjustment represents the increase/(decrease) in revenue requirement resulting from proposed rate consolidation.
	Line No.	1 C	80 G	2 7 6 6 7 6	222222222222222222222222222222222222222	55 55 55

Supporting Schedules: H-2 Settlement

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DECISION NO.

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Recap Schedules: A-1 Settlement

ARIZONA WATER COMPANY Test Year Ended December 31, 2010 Summary of Revenues by Customer Classification - Present & Proposed Rates

Ē	5		প্ল	-4.08% 10.87%	0.00% 3.35% -1.08%	-0.44%			-0.43%		
0	Σ	Settlement	Proposed Increase <u>Amount</u>	\$ (15,509) 13,305	22	<b>\$</b> (2,211)			\$ (2,211)		
Ajo	0		Proposed Rates Sch. H-2 Col. I	\$ 364,445 135 739	675 5 642	\$ 503,500		3,768	\$ 507,269	507,268 507,268 507,00 5	
[V]	[A]		Test Year Rates <u>Sch. H-2 Col. E</u>	\$ 379,953 122 434	- 653 2 671	<b>\$</b> 505.711		3,768	\$ 509,480		
			<u>Customer Classification</u>	Residential	Industrial Private Fire Service	Other verter Revenues Tryal Mater Revenues		Miscellaneous Revenues	Total Operating Revenues	Target Revenue Requirement (Sch. C-1, Ln. 10) Difference (Ln. 14 - Ln. 17) Less: Consolidated Revenue Adjustment <sup>1</sup> Over/(Short) %	the increase/(decrease) in revenue requirement resulting from proposed rate consolidation.
			1 No.	0 0 v	1 00 00 1	~ 00 0	, e :	12;	0 <del>1</del> 1	2 2 2 2 8 8 7 8 8 7 8 3 8 3 8 8 8 8 8 8 8 8 9 7 7 9 7 9 7 8 2 8 2 8 2 8 2 8 2 8 2 8 2 8 2 8 2 8	54 55

Schedule H-1 Settlement Page 4 of 4 Witness: Reiker Exhibit

Recap Schedules: A-1 Settlement

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ARIZONA W.... ER COMPANY Test Year Ended December 31, 2010 Detail Analysis of Revenue by Class

Indext         Index         Index         Index <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th>Western Group</th> <th></th> <th></th> <th></th>							Western Group			
Amon Anticipation (Michael Scheme         Amon Anticipation (Michael Schem         Amon Anticipation (Michael Schem <th></th> <th></th> <th>[A]</th> <th>[8]</th> <th><u>5</u></th> <th>[0]</th> <th>٩</th> <th>E</th> <th>6</th> <th>ĹŦ,</th>			[A]	[8]	<u>5</u>	[0]	٩	E	6	ĹŦ,
Mumeries							Bill Count Wa	ater Revenues		
Bits         Amonto         Amonto         Termine         T.Y. Rais         Propertial         Propertial           Reformult 5 (A)         2723         2010         113         21         2010         1102         2010         1102         2010         1102         2010         1102         2010         1102         2010         1102         2010         1102         2010         2010         1102         2010			Average			Reconciling/	Adjusted		Settlement	
Restortial SR XM +tadi         27.28 21         7.28 21         7.28 21         7.28 21         7.080 51 21         7.180 51 21 <th7.180 51<="" th="">         7.180 51 21         7</th7.180>	čö		Number of Customers	Average <u>Consumption</u>	Test Year <u>Rates</u>	Revenue <u>Adjustments</u>	T.Y. Rates [C + D]	Proposed <u>Rates</u>	Increase [F - E]	প্ল
Residential :+intial         012         17.268         786.64         1,475         800.140         918.391         118.351           Residential :+intial         1         7         653.173         118.351         118.351         118.351           Residential :+intial         1         7         653.173         41.355         800.140         918.391         118.351           Residential :+intial         1         7         653.173         41.355         800.140         918.391         118.351           Residential :+intial         1         7         653.70         91.075         118.275         388.375		Residential 5/8 x 3/4 -inch	27,238	8,745		(4,835)				13.28%
Restering 1.5-(n)         1         15.12         4.18.12		Residential 1-inch	812	17,288	798,664	1,475	800,140	918,391	118,251	14.78%
Residential S-trining         17         165.12         4.16.12		Residential 1.5-inch				•				0.00%
Restering Static Restering Restering Restering Re		Residential 2-inch	-11	163,172	413,673	(304)	413,369	180,555	139,/28	33.8U%
Restering is into the second		Residential 3-inch	7	406,313	84,981	(111)	84,863	114,780	29,923	0/07.05
Resterints Frich Resterints Frich Resterints Direction         B         Cacho (1)		Residential 4-inch	4 (	885,251	94,678	(131)	140,42	132,120	30,173	10.014 10.004
Resterint chan         -		Residential 6-inch	œ	628,570	180,709	(797)	160,457	2151,612	34,002	%77.61 V 00%
Continuential (SY 44)         Sol (SY 74)         Sol (SY 74)<		Residential 8-inch	•		•		1	•	•	%00.0
Commercial Function         517         2,430         5,234         62,106         75,100         17,264           Commercial Function         512         11,406         2,770,01         7,562         2,843,55         75,450         75,450         75,450           Commercial Function         512         11,406         2,770,010         7,7862         2,843,55         862,106         76,400         17,244           Commercial Function         25         599,55         45,500         27,335         742,100         11,122           Commercial Function         3         20,017         3,342         4,004         356,52         446,537         240,566         75,100         10,101           Commercial Function         3         2,014         1,422         446,537         241,666         5,210         11,122           Commercial Function         3         2,014         1,648         35,652         44,653         8,975           Commercial Function         1         2,317,353         5,019         (2,176)         43,311         5,016         71,468           Commercial Function         1         2,317,353         5,019         (2,176)         43,311         5,616         71,468           Commercial Fu	0,	Residential 10-inch						- 175 025	- 01 070	200000 2007 0C
Contractal Article         Contrac	- 1	Commercial 5/8 X 3/4 -inch	940	8,449	391,393 699 699	2,034 5 703	333,300 270 116	705 410	010,00	76.63%
Contractal stand and stand Connectal stand Connectal Connectan Connectal Connectal Connectal Connectal Connectal Conn	NO	Commercial 1-Incn	/10	21,930	022,033	C07'C	011'070	014,001	+ez' 101	0,000%
Commental struct         Sig         Hold Sig	<b>.</b>				- 170 619	- 17 92.7	2 188 A75	7 RA3 R04	555 419	20.00%
Commercial structure         25         555,20         456,20         456,00         651,30         450,00         651,30         650,66         660,66         660,66         660,66         660,66         660,66         660,66         660,66         660,66         660,66         660,66         660,66         660,66         661,30         71,10         117,10 <t< td=""><td>t u</td><td>Continencial 2-Inch</td><td>710</td><td>114,030</td><td>210,013</td><td>11,002</td><td>21200172</td><td>348,820</td><td>76.433</td><td>28.06%</td></t<>	t u	Continencial 2-Inch	710	114,030	210,013	11,002	21200172	348,820	76.433	28.06%
Commercial F-Hold         Commerci-Hold         Commercial F-Hold         <	n a		5	190,001	2/0,001	2,000	100,212	070'020 630 653	160.066	36.63%
Commentation         Total state         Configuration         Total state         Total state <thtotal state<="" th=""></thtotal>	0 h		07	240,000	400,921	4,000	385 538	492 710	107,181	27.80%
Continential 1-bind         Description         Description <thdescription< td="" th<=""><td>- c</td><td></td><td>Ū d</td><td>000 677</td><td>47C'10C</td><td>4,004</td><td>303,320 80 375</td><td>112 504</td><td>23 120</td><td>25 88%</td></thdescription<>	- c		Ū d	000 677	47C'10C	4,004	303,320 80 375	112 504	23 120	25 88%
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	χ		n	308,677	66,403	C/R	0/0'20			0.00%
Industrial - Inch     7     1.307 </td <td>ກ່</td> <td>Commercial TU-Incn</td> <td>,</td> <td></td> <td>- 127</td> <td>-</td> <td>-</td> <td>2 105</td> <td>1 162</td> <td>123 12%</td>	ກ່	Commercial TU-Incn	,		- 127	-	-	2 105	1 162	123 12%
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$			9 6	112 067	15 237	3 742	18 979	24 189	5 210	27.45%
	- 0		~ '	106,011						0,00%
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	4 00		12	82.355	34.014	1.648	35,662	44,638	8,975	25.17%
Industrial 4-inci         3         1/105/278         66,460         3815         72.275         1/46,41         32.37           Industrial 4-inci         1         2,317,283         51,019         (2,3)91         76,083         827,396         66,51           Industrial 6-inci         2         1         2,317,283         51,019         (2,3)91         76,083         827,396         66,51           Private Free services         372         -         102,252         -         102,252         111,700         9,448           Private Free services         372         -         19,746         -         19,746         -         103,556           Other Water 2-inch         1         8,133         4,377         -         103,556         241,366         47           Construction Water 2-inch         1         8,133         4,377         -         103,556         24,366         47           Construction Water 2-inch         1         8,133         4,377         -         14,470         36           Sales for Presale 1-inch         -         -         -         -         -         -         -         -         -         -         -         -         -         - <t< td=""><td>. 4</td><td></td><td><u>!</u> ,</td><td>-</td><td></td><td></td><td>. '</td><td>. 1</td><td></td><td>0.00%</td></t<>	. 4		<u>!</u> ,	-			. '	. 1		0.00%
Industrial 6-inch         3         13,428,539         754,853         65,15         66,515         74,85         73,33         51,019         (2,708)         48,311         58,461         10,151 <t< td=""><td>ю</td><td></td><td>e</td><td>1,105,278</td><td>68,460</td><td>3,815</td><td>72,275</td><td>104,641</td><td>32,367</td><td>44.78%</td></t<>	ю		e	1,105,278	68,460	3,815	72,275	104,641	32,367	44.78%
Industrial Function         1         2,317,283         51,019         (2,708)         48,311         58,461         10,151           Private Fire Service         372         -         102,252         111,700         9,448           Private Fire Service         372         -         102,252         111,700         9,448           Public Fire Herenues         -         -         19,746         -         19,746         -           Construction Water Zunch         37         8,203         193,568         -         193,746         -         19,746           Construction Water Zunch         37         8,2283         193,568         -         193,746         -         -         -           Construction Water Zunch         -         -         19,746         -         193,568         241,359         47,790         93           Construction Water Zunch         - </td <td>6</td> <td>Industrial</td> <td>e</td> <td>13,428,539</td> <td>794,853</td> <td>(33,971)</td> <td>760,883</td> <td>827,398</td> <td>66,515</td> <td>8.74%</td>	6	Industrial	e	13,428,539	794,853	(33,971)	760,883	827,398	66,515	8.74%
Triductiral Privatiral Privater Reserves       372       102,252       102,252       111,700       9,448         Public Fire Nydart Contraction Water Z-Inch       -       19,746       -       19,746       14,811       (4,835)         Construction Water Z-Inch       -       -       19,746       -       19,746       1,811       (4,835)         Construction Water Z-Inch       -       -       19,746       -       193,568       -       193,568       47,790         Construction Water Z-Inch       -       -       -       19,746       -       14,811       (4,835)         Construction Water Z-Inch       -       -       -       19,568       -       193,568       47,790         Sales for Resale 5/6 x 3/4-Inch       -       -       -       -       193,568       714         Sales for Resale 2-Inch       -	~	-	-	2,317,283	51,019	(2,708)	48,311	58,461	10,151	21.01%
Private File Serice       372       -       102,252       -       102,252       111,700       9,448         Private File Serice       37       -       19,746       -       19,746       14,811       (4,955)         Coin Machine       -       -       19,746       -       19,746       14,811       (4,955)         Coin Machine       -       -       19,746       -       19,746       14,811       (4,955)         Coin Machine       -       -       19,746       -       19,746       14,811       (4,955)         Coinstruction Water 3-Inch       -       1       8,133       4,377       -       4,470       93         Construction Water 3-Inch       -	m			•		,	·	•		0.00%
Other Water Revenues       Other Water Revenues         Drin Frihm       -       19,746       -       19,746       14,811       (4,935)         Construction Water 2-inch       -       -       19,746       -       19,746       14,811       (4,935)         Construction Water 4-inch       -       -       19,746       -       19,746       14,811       (4,935)         Construction Water 4-inch       -       -       -       19,746       -       19,746       14,811       (4,935)         Construction Water 4-inch       -       -       -       19,746       -       14,811       (4,935)       93         Sales for Resale 15-inch       -<	~		372	ı	102,252	,	102,252	111,700	9,448	9.24%
Public Fire Hydrant19,74614,811(4.335)Construction Water 2-Inch19,74614,811(4.335)Construction Water 2-Inch193,568241,35847,790Construction Water 2-Inch8,5233193,568241,35847,79093Construction Water 2-Inch8,1334,3774,47093Construction Water 3-Inch133,56824,7794,47093Sales for Resale 5/8 x 3/4inchSales for Resale 1-InchSales for Resale 3-Inch11,144,66725,389.25,67426,388714.Sales for Resale 3-InchSales for Resale 3-Inch <t< td=""><td>0</td><td>_</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	0	_								
Coin Machine       -       19,746       -       19,746       14,811       (4,335)         Construction Water 2-Inch       37       85,233       193,568       -       193,568       241,356       477790         Construction Water 4-Inch       1       8,133       4,377       -       193,568       241,356       477790         Construction Water 4-Inch       1       8,133       4,377       -	_		•	r		•	•	•	•	%00.0
Construction Water 2-Inch       7       85.283       133.568       241.356       241.356       47.790         Construction Water 4-Inch       1       8,133       4,377       -       133.568       241.356       241.356         Sales for Resale Linch       -       -       -       -       4,377       -       1,93         Sales for Resale Linch       - <td>~</td> <td></td> <td>,</td> <td>,</td> <td>19,746</td> <td></td> <td>19,746</td> <td>14,811</td> <td>(4,935)</td> <td>-24.99%</td>	~		,	,	19,746		19,746	14,811	(4,935)	-24.99%
Construction Water 3-Inch       37       85,293       133,568       -       133,568       241,398       47,70       93         Sales for Resale 5/8 x 34-Inch       -	~			•	•	ı		, ,	•	0.00%
Construction Water 4-Inch       1       8,133       4,377       -       4,377       4,470       93         Sales for Resale 5/8 x 34-Inch       - <td>-</td> <td></td> <td></td> <td>85,293</td> <td>193,568</td> <td>ı</td> <td>193,568</td> <td>241,358</td> <td>47,790</td> <td>24.69%</td>	-			85,293	193,568	ı	193,568	241,358	47,790	24.69%
Sales for Resale 5/8 × 34-Inch       -       <	0		-	8,133	4,377	•	4,377	4,470	56	2.13%
Sales for Resale 1-Inch       - <td>ú I</td> <td></td> <td></td> <td>,</td> <td>•</td> <td>•</td> <td>F</td> <td>•</td> <td>•</td> <td>0.00%</td>	ú I			,	•	•	F	•	•	0.00%
Sales for Resale 1.5-Inch       3       390,317       25,674       26,388       714         Sales for Resale 3-Inch       -       -       25,674       26,388       714         Sales for Resale 3-Inch       -       -       -       -       -       -       -         Sales for Resale 3-Inch       -       1       1,144,657       25,389       26,091       701         Sales for Resale 4-Inch       -       -       -       25,389       26,091       701         Sales for Resale 6-Inch       -       -       -       25,389       26,091       701         Sales for Resale 8-Inch       - <td>~</td> <td></td> <td>•</td> <td>1</td> <td>J</td> <td></td> <td>,</td> <td>ſ</td> <td>•</td> <td>0.00%</td>	~		•	1	J		,	ſ	•	0.00%
Sales for Resale 2-Inch       3       30(31)       25,614       -       25,614       25,388       14         Sales for Resale 3-Inch       1       1,144,667       25,389       -       25,389       26,091       701         Sales for Resale 4-Inch       -       1       1,144,667       25,389       -       26,091       701         Sales for Resale 4-Inch       -       -       -       25,389       26,091       701         Sales for Resale 6-Inch       -       -       -       25,389       26,091       701         Sales for Resale 8-Inch       -       -       -       -       -       -       -       -       -         Sales for Resale 8-Inch       -	00		,	1 0		ſ				0.0U%
Sales for Resale 3-Indri       1       1,144,667       25,389       26,091       701         Sales for Resale 6-Indri       -       -       -       -       -       -       -         Sales for Resale 6-Indri       -			n	390,317	25,674	•	25,6/4	26,388	/14	2.78%
Totals       Totals       1,144,001       20,003       0,001       0,01         Sales for Resale Antoh       -	۰.	Sales for Resale 3-Inch Sales for Boards 4 (mak	• <del>•</del>			•		- 101 ac	- 101	0.00%
Sales for Resale Brinch       - <td>- 0</td> <td>Sales for Desale 4-Inch Sales for Desale &amp; Inch</td> <td>-</td> <td>1,144,001</td> <td>80C'C7</td> <td></td> <td>600'07</td> <td>100,02</td> <td>5</td> <td>0.00%</td>	- 0	Sales for Desale 4-Inch Sales for Desale & Inch	-	1,144,001	80C'C7		600'07	100,02	5	0.00%
Totals Totals 3.224,361 1		Cales for Decale 2-Inch Sales for Decale 2-Inch	•			•				000%
Totals 3,0,636 14,594 \$ 17,873,094 \$ 5,635 \$ 17,878,729 \$ 21,103,091 \$ 3,224,361		Sales for Resale 10-Inch					,	,		0,00%
Totals 30,636 14,594 \$ 17,873,094 \$ 5,635 \$ 17,878,729 \$ 21,103,091 \$ 3,224,361										
		Totals	30,636	14,594	17				<b></b>	18.03%
	~ ~ ~ ~ ~ ~									
	4 10									

Recap Schedules: H-1 Settlement

ARIZONA WALLER COMPANY Test Year Ended December 31, 2010 Summary Analysis of Revenue by Class

Exhibit Schedule H-2 Settlement Page 2 of 8 Witness: Reiker

E		%	70 14.53% 20 28.97% 30 13.27% 48 9.24% 53 16.51%	<u>51</u> 18.03%	61 17.30%		
[6]		Settlement Increase [F - E]	B6         \$         1,765,770           55         1,280,400           32         124,380           00         9,448           01         44,363	91 \$ 3,224,361	66 56 \$ 3,224,361	<u>57</u> (0)	- ( <u>0</u> ) %00.0
	Bill Count Water Revenues	Proposed Rates	16         \$         13,916,986           55         5,699,855         5           53         1,061,432         111,700           52         111,700         313,117	29 \$ 21,103,091	<u>56 759,466</u> 35 \$ 21,862,556	21,862,557 \$ (0	φ 
Western Group [E]		ig/ Adjusted T.Y. Rates tts [C + D]	(4,164) \$ 12,151,216 37,762 4,419,455 (27,962) 937,053 102,252 - 268,754	5,635 \$ 17,878,729	- 759,466 \$ 18,638,195		
ē		Reconciling/ ear Revenue <u>es Adjustments</u>	12,155,380 \$ (4, 4,381,693 37, 965,015 (27, 102,252 268,754	17,873,094 \$ 5,	759,466		
[B] [C]		Average Test Year <u>Consumption</u> <u>Rates</u>	9,808 \$ 12,11 56,482 4,31 1,742,306 91 1,742,306 11 131,291 21	14,594 \$ 17,8			
[A]		Average Number of A <u>Customers Cor</u>	28,146 2,047 29 372 42	30,636	1		
		Summary Class of Service	Total Residential Total Commercial Total Industrial Total Private Fire Total Other Water Revenues	Totals	Miscellaneous Revenues Total Revenue Generated	Target Rev. Rqmt. (Sch. C-1) Difference	Over/(Short) % %
		No.	- 0 6 4 5 9	<b>⊳</b> 8			5 2 2 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5

Supporting Schedules:

73144

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Detail Analysis of Revenue by Class

Memory Instruction         Memory Instruction         Among Instruction         Test Vision         Electronic Resonance         Electronic Instruction         Instruction         Electronic Instruction         Instruction         Instruction         Instruction <thinstruction< t<="" th=""><th></th><th>[A]</th><th>۲ ۵</th><th>Σ</th><th>5</th><th>1</th><th>-</th><th>2</th><th></th></thinstruction<>		[A]	۲ ۵	Σ	5	1	-	2	
Mutual constant         Mutual constant         Terminal constant         Mutual						Bill Count Wa	ter Revenues		
Particity         Amentantial		Average	1		Reconciling/	Adjusted		Settlement	
Resterting 569, 34, 444         25, 100         5, 200         5         11, 11, 200         11, 21, 200         21, 21, 210         21, 21, 210         21, 21, 210         21, 21, 210         21, 21, 210         21, 210	Line No. Detail Class of Service	Number of Customers	Average Consumption	Test Year <u>Rates</u>	Revenue Adjustments	T.Y. Rates [C + D]	Proposed <u>Rates</u>	Increase [F - E]	<u>%</u>
Resterior         42         2.7.36         6.0.34         6.69         50.051         50.056         7.9.76           Resterior         7         4.693         34.66         (17)         36.051         150.451         12.3           Resterior         7         4.693         34.66         (17)         36.051         150.451         12.3           Resterior         7         4.693         30.056         7.9.75         36.055         150.451         12.3           Resterior         8         2.570         30.056         7.9.75         36.055         36.055           Resterior         8         2.570         30.056         7.9.75         36.055         36.055           Resterior         8         2.500         30.056         7.9.75         36.055         36.055           Resterior         9         2.051         30.056         7.9.75         36.055         36.055           Resterior         3         112.71         2.060.05         9.32         36.055         37.05         37.05           Resterior         3         112.60         2.7.20         36.05         112.206         27.126         37.15           Resterior         3         111	Residential 5/8 x 3/4 -inch	25.100	8.520		(11.452)				12.19%
Restantial 1: From second frame 1: From second fr	Residential 1-inch	492	22,736		(668)		580,366	79,785	15.94%
Restleming 2-rule         7         100,001         200,001         100,001	Kesidential 1.5-inch	. 5			, [				00.0
Restleminal 3-rol Restleminal 3-rol Restleminal 3-rol Restleminal 4-rol Restleminal 4-rol Restleminal 4-rol Restleminal 10/rol Restleminal 10/rol Restlemina 10/rol	Residential 2-inch	15	158,940	390,495	(4/4)	390,021	510,431	120,411	30.879
Residential 4-trict         8         22,31         94,71         72,129         34,531         72,129         34,632           Residential 4-trict         8         22,32         34,013         (13)         34,531         72,129         34,632           Residential 15-trict         9         2,32         33,018         5,122         35,018         25,52         35,018         25,52         35,018         25,52         35,018         25,52         35,016         36,51         36,52	Residential 3-inch	2	406,313	84,981	(117)	84,863	114,/86	29,923	35.26%
Accountered and field (1)         B         C25.70         180.70         C25.11         C15.13         C15.13 <thc15.13< th="">         C15.13         C15.13</thc15.13<>	Residentiat 4-inch	4	885,251	94,678	(131)	94,547	132,720	38,173	40.37%
Readering 1-nch         -	Residential 6-inch	80	628,570	180,709	(252)	180,457	215,139	34,682	19.22%
Restanding 1/cm/ Commental 3/cm/ Commental 2/cm/ Commental 2/cm/ Commen	Residential 8-inch	•	•	•	'	ı	,1	ı	0.00
Commental Fanch         B67         8.20         3.31,06         3.34,216         3.39,334         46,31           Commental 15,10th         48         112,74         2,06,115         19,555         2,54,406         57,324         65,315           Commental 15,10th         34         112,74         2,06,115         19,658         2,64,406         57,324         65,125           Commental 2,10th         34         112,74         2,06,115         19,658         2,64,406         57,324           Commental 3,10th         3         2,015         3,83,524         46,00         33,315         12,744         2,06,116           Commental 4,10th         3         2,015         38,523         4,004         33,523         4,2170         2,112           Commental 5,10th         3         2,015         1,327         3,72         3,53         2,106         5,126           Commental 7,10th         3         2,015         1,1367         1,1367         1,126         2,116         1,126           Commental 4,10th         3         2,101         2,372         3,722         1,0441         3,231           Commental 6,10th         1         2,3473         3,6101         3,611         2,106         3		•	ı	•	•	,	1	•	0.00
Commercial 1-inch         40         27/50         530.03         5,152         535,190         675,534         140,643           Commercial 2-inch         33         11,774         2,06,015         95,655         2,644,006         575,534         140,643           Commercial 2-inch         33         11,774         2,06,015         95,635         2,944,006         573,534         140,643           Commercial 4-inch         35         956,577         345,927         460         355,550         316,516         572,550           Commercial 6-inch         3         96,677         88,003         973         89,375         112,504         231,125           Commercial 7-inch         3         2,0055         1,432         (48)         93         2,105         112,64         231,125           Commercial 7-inch         3         2,005         1,432         34,51         34,51         34,51         34,51         34,51         34,51         34,51         34,51         34,51         34,51         34,51         34,51         34,51         36,51         36,51         36,51         36,51         36,51         36,51         36,51         36,51         36,51         36,51         36,51         36,51         36,51 <td>Commercial 5/8 x 3/4 -ir</td> <td>867</td> <td>8,203</td> <td>331,608</td> <td>2,608</td> <td>334,216</td> <td>399,534</td> <td>65,318</td> <td>19.54</td>	Commercial 5/8 x 3/4 -ir	867	8,203	331,608	2,608	334,216	399,534	65,318	19.54
43         112/14         2046 015         19538         2055 554         244406         57324           24         191/76         2066 015         2758         233407         318115         55506         5554         5554         5554         5554         5554         5550         5550         5550         5554         5506         5758         233407         31524         23125         112,504         23125         112,504         23125         112,504         23125         111,204         23126         2312         2410         35526         101,017181         2312         2316         2316         2316         2316         2316         2316         2316         2316         2316         2316         2316         2316         2316         2316         2316         2316         2317         2317         2317         2317         2317         2316         2316         2316         2316         2316         2316         <	Commercial 1-inch	480	27,502	530,038	5,152	535,190	675,834	140,643	26.28
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Commercial 1.5-inch	ı	•			•	•	,	00.00
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Commercial 2-inch	493	112,714	2,046,015	19,638	2,065,654	2,644,908	579,254	28.04%
15         5 969 542         456 207         456 205         450 205         55 200         9000         9000         9000         9000         9000         9000         9000         9000         9000         9000         9000         9000         9000         9000         9000         9000         9000         90000         90000         90000         90000	Commercial 3-inch	34	191,776	250,649	2,758	253,407	318,916	65,509	25.85
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Commercial 4-inch	25	599,542	456,927	4,660	461,587	630,653	169,066	36.63
not         3         906 677         88,403         973         89,375         112,504         23,128           7         7         113,967         1,432         (48)         944         2105         1,162           7         7         113,967         1,527         3,742         18,979         24,189         5,210           7         111         73,473         25,902         1,648         27,550         36,550         9,000           1         7         13,967         16,327         3,742         18,979         24,189         5,210           1         7         16,278         68,460         3,815         72,275         10,4641         32,557           2         1         2,377,073         177,407         (33,971)         74,385         80,9756         65,520           3         1,105,278         58,460         3,815         72,275         100,237         109,235         9,286           att         2         16         10,151         23,770         23,44         10,151           att         2         1         18,977         16,4302         16,4303         17,4353           att         2         1	Commercial 6-inch	15	746,105	381,524	4,004	385,528	492,710	107,181	27.80
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Commerciat 8-inch	'n	908,677	88,403	973	89,375	112,504	23,129	25.68
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Commercial 10-inch	ı			-	• •			
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Industrial 5/8 x 3/4 -inch	က ၊	20,075	1,432	(488)	944	GOL 'Z	1,152	21.021
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Industrial 1-inch	7	113,967	15,237	3,742	18,979	24,189	012'9	24.12
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Industrial 1.5-inch	' :					- 26 EEN	- 000	20.0
3       1,105,278       68,460       3,815       7,2275       104,641       32,367         2       19,577,073       777,807       (33,971)       74,3856       69,756       65,920         365       -       100,237       100,237       100,237       100,237       100,525       9,288         and       -       -       18,977       18,977       100,237       100,255       9,288         and       -       -       18,977       18,977       14,642       16,432         and       -       -       18,977       146,422       167,341       20,849         and       -       -       18,977       146,422       167,341       20,849         and       -       -       18,977       146,422       167,341       20,849         and       -       -       -       18,977       146,422       167,341       20,849         and       -	Industrial 2-inch	<b>L</b> L .	19,413	ZU8,62	040'1	ncc' 17	00000	2,000	000
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$		'	- 101 1			10 01		-	0.00
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Industrial 4-inch	<b>ю</b> (	1,105,278	68,46U	3,815	G/7/7/	104,541	32,30/	44./0 000
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Industrial o-Inch Industrial o inch	N <del>1</del>	010,110,81	100,111	(1)2'2(1)	143,030	003'100 ED 461	10,520	0.00
365       - $100,237$ $100,237$ $100,525$ $9,288$ int       -       - $18,977$ 16,054 $(4,923)$ int       -       - $18,977$ 16,054 $(4,923)$ int 2-Inch       -       - $18,977$ $16,422$ $16,422$ $16,422$ $16,734$ $(4,923)$ int 2-Inch       -       - $11,000$ $2,068$ $146,422$ $16,734$ $20,849$ $416,422$ $16,734$ $20,849$ $416,724$ $20,669$ $2,116$ $48$ $86,8341$ nch       -       -       -       -       -       -       -       -       -       - $40,64$ $5,674$ $20,688$ $2,116$ $48$ $714$ $1-1$ nch       - <t< td=""><td>Industrial 0-Juci Industrial 10-inch</td><td>-</td><td></td><td>2010</td><td>(00,1,2)</td><td></td><td></td><td></td><td>000</td></t<>	Industrial 0-Juci Industrial 10-inch	-		2010	(00,1,2)				000
List       List <thlist< th="">       List       List</thlist<>	Drivete Fire Certure	365		100 237		100 237	109 525	9.288	70 D
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Other Water Revenues	222		104,001					ļ
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Public Fire Hydrant		,	·		,			0.00
32       68,799       146,492       16,492       16,7,341       20,849         1nch       2       2,068       2,116       48         3       390,317       25,674       26,388       714         3       390,317       25,674       26,388       714         1       1,144,667       25,389       26,091       701         2       2       25,674       26,691       701         2       1       1,144,667       25,389       26,091       701         2       2       2       2       2       2       2         1       1,144,667       25,389       26,091       701       2         2       2       2       2       2       2       2         1       1,144,667       25,389       26,091       701       2         2       2       2       2       2       2       2       2         2       2       2       2       2       2       2       2       2       2         2       2       2       2       2       2       2       2       2       2       2         2 <td< td=""><td>Coin Machine</td><td></td><td>,</td><td>18 977</td><td></td><td>18 977</td><td>14.054</td><td>(4.923)</td><td>-25.94</td></td<>	Coin Machine		,	18 977		18 977	14.054	(4.923)	-25.94
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Construction Water 2-Inch	, ,	•				-	-	00.0
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Construction Water 3-Inch	32	68.799	146.492		146.492	167.341	20.849	14.23
-Inch - 26,674 25,674 26,388 714 - 26,388 714 - 26,388 714 - 26,389 714 - 26,389 714 - 26,389 714 - 26,389 714 - 26,389 714 - 26,389 714 - 26,389 714 - 28,091 701 - 28,091 701 - 28,090 14,726 $3$ 15,811,355 $3$ (1,263) $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,811,355 $3$ (1,263) $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,811,355 $3$ (1,263) $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,811,355 $3$ (1,263) $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,811,355 $3$ (1,263) $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,811,355 $3$ (1,263) $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,811,355 $3$ (1,263) $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,811,355 $3$ (1,263) $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,810,092 $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,810,092 $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,810,092 $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,810,092 $3$ 15,810,092 $3$ 18,535,209 $3$ 2,725,117 - 28,030 14,726 $3$ 15,810,092 $3$	Construction Water 4-Inch	, <b>o</b>	11.000	2.068		2.068	2,116	48	2.33
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Sates for Resale 5/8 x 3/4-Inch	•	1	•		'			0.00
3       390,317       25,674       25,674       26,388       714         1       1,144,667       25,389       25,389       26,091       701         2       1       1,144,667       25,389       26,091       701         2       2       2       2       26,091       701         2       2       2       2       2       2         2       2       2       2       2       2         2       2       2       2       2       2         2       2       2       2       2       2       2         2       2       2       2       2       2       2       2         2       2       2       2       2       2       2       2       2         2 <td< td=""><td></td><td>•</td><td>•</td><td>ı</td><td></td><td>,</td><td></td><td>,</td><td>0.0</td></td<>		•	•	ı		,		,	0.0
3       390,317       25,674       25,674       26,388       714         1       1,144,667       25,389       25,389       26,091       701         2       1       1       1       1       1       1       1         2       1	Sales for Resale 1.5-Inch	•	,	ı		•	1	,	0.0
1         1,144,667         25,389         26,091         701           2         1,144,667         25,389         26,091         701           2         1,145	Sales for Resale 2-Inch	e	390,317	25,674		25,674	26,388	714	2.78
1       1,144,667       25,389       26,031       701         - <td>Sales for Resale 3-Inch</td> <td>•</td> <td>•</td> <td></td> <td></td> <td>. 1</td> <td>·</td> <td>•</td> <td>0.00%</td>	Sales for Resale 3-Inch	•	•			. 1	·	•	0.00%
28,030 14,726 \$ 15,811,355 \$ (1,263) \$ 15,810,092 \$ 18,535,209 \$ 2,725,117	Sales for Resale 4-Inch	<b>*-</b>	1,144,667	25,389		25,389	26,091	701	2.76%
28,030 14,726 \$ 15,811,355 \$ (1,263) \$ 15,810,092 \$ 16,535,209 \$ 2,725,117	Sales for Resale 6-Inch	•	•	•		'	•	ı	0.00%
28,030 14,726 \$ 15,811,355 \$ (1,263) \$ 15,810,092 \$ 18,535,209 \$ 2,725,117	Sales for Resale 8-Inch	•	,	'			•	•	00'0
28,030 14,726 \$ 15,811,355 \$ (1,263) \$ 15,810,092 \$ 18,535,209 \$ 2,725,117	Sales for Resale 10-Inch	ı	•			ı	ı	•	0.00%
28,030 14,726 \$ 15,811,355 \$ (1,263) \$ 15,810,092 \$ 18,535,209 \$ 2,725,117						1	- 1		
	Totals	28,030	14,726			11			17.24

Recap Schedules: H-1 Settlement

73144

ARIZONA Ward ER COMPANY Test Year Ended December 31, 2010 Summary Analysis of Revenue by Class

Exhibit Schedule H-2 Settlement Page 4 of 8 Witness: Reiker

E	<u>।</u> %	13.63% 27.88% 9.27% 7.96%	17.24%	16.47%													
[6]	Settlement Increase [F - E]	1,424,530 1,150,101 123,809 9,288 17,390	2,725,117	2,725,117													
anfield) [F]		<pre>\$ 11,878,933 \$ 5,275,058 1,035,703 109,525 235,990</pre>	\$ 18,535,209 \$	734,234 \$ 19,269,443 \$	19,269,444 \$ (0)	(0) \$00000											
ide, Coolidge, Sta [E]	Bill Count Water Revenues           Adjusted           T.Y. Rates         Propose           [C + D]         Rates	<pre>\$ 10,454,403 4,124,957 911,893 100,237 218,600</pre>	\$ 15,810,092	734,234 \$ 16,544,326													
Pinal Valley (Casa Grande, Coolidge, Stanfield) {D}	Reconciling/ Revenue Adjustments	(13,095) \$ 39,793 (27,962) -	(1,263)														
[C]	Test Year <u>Rates</u>	10,467,498 \$ 4,085,164 939,855 100,237 218,600	15,811,355 \$	734,234													
[8]	Average Consumption	9,664 \$ 57,558 1,864,700 123,915	14,726 \$	5													
(A)	Average Number of Customers	25,686 1,916 27 365 37	28,030														
	Summary Class of Service	Total Residential Total Commercial Total Industrial Total Private Fire Total Other Water Revenues	Totals	Miscellaneous Revenues Total Revenue Generated	Target Rev. Rqmt. (Sch. C-1) Difference	Less: Consolidated Revenue Adj. Over/(Short) %											
	- <u>No</u>	-004500	r 80 (	°5£3	2 6 4 4	5 9 7 8	49 20 21	5 23 23	58 58 58	3 3 3 4	8 8 8 8	37 37 38 38 38 98	37 38 39	4 4 4 4 4 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	6448	52 <b>5</b> 6	5 24 25

DOCKET NO. W-01445A-10-0517

Supporting Schedules:

73144

ARIZONA Www.ER COMPANY Test Year Ended December 31, 2010 Detail Analysis of Revenue by Class

Image: Control of the contro	Average Lattices         Average According         Text Vers According         Reconcluing Adjusted         Bill Contribution Adjusted         Bill Contribution Adjusted         Section Adjusted         Reset Adjusted         Section Adjusted         Reset Adjusted         Section Adjusted         Sectin Adjusted         Sectin Adjusted				5	5	Ī	5		-		
Munities (not service)         Munities (not service)         Munities (not service)         Text van service (not service)         Text van service (not service)         Munities (not service)         Munitie	Martine Instrumental Ballicitasis of Service Sectionary Martine Resenting Formation Resenting Formation Reserves Reserv						Bill Count	t Water Revenues				
Electronic all control of where of	Contraction         Amountant         Amountant         Amountant         Initial status         Initial status <thinitial status<="" th="">         Initial status</thinitial>		Average			Reconciling/	Adjusted		Settlement			
Restertial (6 x, 34, 44)         (5 x)         (3	Resentation         15.9         13.80         3         7.400         7.700         7.700         7.700         7.700         7.700         7.700         7.700         7.700         7.700         7.700         7.700         7.700         7.700         7.700		Number of Customers	Average <u>Consumption</u>	Test Year <u>Rates</u>	Revenue <u>Adjustments</u>	T.Y. Rates [ <u>C</u> + D]	Proposed <u>Rates</u>	Increase [F - E]	প্ল		
Randominial (+inc)         312         6.56         2.167         2.89         33         32/163         35.504           Randominial (+inc)         2         2.32/54         2.317         7.167         2.3348         2.565         19.317           Randominial (+inc)         2         2.32/54         2.317         7.167         2.3348         2.566         19.317           Randominial (+inc)         2         2.32/54         2.317         100         2.3348         4.2666         19.317           Randominial (+inc)         17         2.32/54         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.141         2.111         1.111         2.121         1.111         2.121         1.111         2.121         1.111         2.121         1.111         2.121         1.111         2.121         1.111         2.111         2.111         2.111         2.111         2.111         2.111         2.111         2.111         2.111         2.111         2.111         2.111         2.111         2.111         2.1	Readement         1:         5:         2:         5:         2:         5:         2:         5:	Residential 5/8 x 3/4 -inch	1.549	13,906			÷	\$ 1,303,305		29.76		
Residential (1-ph/d)         2         222 kit         231 kit         100         2344         42 ke6         103 kit           Residential (1-ph/d)         1         2         222 kit         231 kit         100         2344         42 ke6         103 kit           Residential (1-ph/d)         1         2         25 kit         231 kit         23 kit         100 kit	Restantial 5-holds         2         32.754         32.178         170         2.346         42.665         19.317           Restantial 5-holds         -	Residential 1-inch	312	8,955	286,966	2,167		327,637	38,504	13.32		
Residential 3-rich Residential 3-rich Residentia 3-rich Residential 3-rich Residential 3-rich Residentia	Restering S-ref         2         22.21.54         2.7.19         1.0         2.3.46         4.2.06         19.31 /           Restering S-ref         2         22.21.54         2.3.19         1.0         2.3.46         4.2.06         19.31 /           Restering S-ref         2         22.12.64         2.3.19         1.0         2.3.46         4.2.06         19.31 /           Restering S-ref         2         2.12.55         19.32         1.49.16         2.3.44         4.3.77         16.30           Connected S-ref         2         2.18.55         19.32         1.49.16         2.3.44         4.3.77         16.30         2.4.165         10.324           Connected S-ref         2         2.18.55         19.322         11.325         10.324         2.3.46         10.324           Connected S-ref         1         1.14.166         8.112         8.112         8.00         2.3.66           Connected S-ref         1         1         1.4.66         8.112         8.00         2.3.66         2.3.66           Connected S-ref         1         1         1.4.66         8.112         8.00         1.0.02         2.3.66         2.4.66         2.4.66         2.4.66         2.4.66         2.4	Residential 1.5-inch	,	, ,	. !	, İ				00.0		
Restential 4-rm     Restential 4-rm       Restential 4-rm     11     2,253     2,124     (402)     2,043     85,718     (4,878)       Restential 5-rm     Restential 5-rm     17     36,104     27,234     (402)     20,443     85,718     (4,878)       Commercial 7-rm     Commercial 7-rm     17     36,104     27,234     (402)     20,443     85,718     (4,878)       Commercial 7-rm     1     1     2     14,825     (102)     20,443     15,743     16,535       Commercial 7-rm     1     1     1     2     14,825     (142)     20,443     15,953       Commercial 7-rm     1     1     1     1     1     1     1     1     1       Commercial 7-rm     1     1     1     1     1     1     1     1     1       Commercial 7-rm     1     1     1     1     1     1     1     1     1       Commercial 7-rm     1     1     1     1     1     1     1     1     1       Commercial 7-rm     1     1     1     1     1     1     1     1     1       Commercial 7-rm     1     1     1     1     1	Resterind Res	Residential 2-inch	2	322,754	23,179	3/1		42,666	19,317	82./4		
Residential Full	Resterial Function         Function <td>Residential J-Inch</td> <td>1</td> <td>,</td> <td>r</td> <td>1</td> <td></td> <td>•</td> <td>,</td> <td></td>	Residential J-Inch	1	,	r	1		•	,			
Residential chance         1         2.5:39         2.1.2.4         (400)         2.5.34         4.5.75         4.4.575           Commercial i chance         1         3.5.10         11         3.5.10         14.575         3.5.10         14.575           Commercial i chance         1         3.5.10         10.5.263         2.2.24         (400)         2.5.353         3.5.10         14.575           Commercial i chance         1         1         3.5.10         10.5.76         (13.00)         10.5.263         3.5.10         14.575           Commercial i chance         2         2.14.25         19.352         (13.00)         10.5.26         10.5.264         10.5.264           Commercial i chance         2         2.14.25         19.352         11.2.500         10.5.26         10.5.264         10.5.264         10.5.264         10.5.264         10.5.264         10.5.264         10.5.265         10.5.265         10.5.265         10.5.265         10.5.264         10.5.264         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.265         10.5.565         10.5.265         10.5.565	Residential Animality Formersian Ford         Image: Ford         Ford </td <td></td> <td>•</td> <td>1</td> <td>•</td> <td>•</td> <td>•</td> <td>•</td> <td></td> <td>00.0</td>		•	1	•	•	•	•		00.0		
Residential Control         1         3.2.333         2.1.2.44         4.000         2.0.443         3.5.716         1.4.5.55           Commendial Factor         1         7         3.0.233         3.5.714         4.3.535           Commendial Factor         1         7         3.0.234         (500)         2.7.444         4.3.737         14.355           Commendial Factor         1         7         3.0.235         19.352         (572)         18.900         10.0244           Commendial Factor         1         11         10.2124         (500)         10.4256         14.815           Commendial Factor         1         1         14.615         19.352         (372)         18.900         10.924           Commendial Factor         1         1         14.050         8.112         8.112         8.004         10.924           Commendial Factor         1         1         11.060         8.112         8.004         10.924           Commendial Factor         1         1         11.060         8.112         8.004         10.924           Commendial Factor         1         1         11.111         11.112         8.065         11.360         13.365           Commendial	Restering Land, Commensite Land, State (or Result Cand), State for Result Cand, Commensite Land, State for Result Cand, State for Result Cand, State for Result Cand, Commensite Land, State for Result Cand, State for Result Cand, Commensite Land, State for Result Cand, State for Result Cand, Commensite Land, State for Result Cand, Commensite Land, Commensite	Kesidential b-inch	•	1	•	•	•		•			
Restand Unit         1         2,539         2,124         (40)         2,033         3,714         14,576           Commercial Funct         1         3,510         1,17         3,510         1,4576         1,4576           Commercial Funct         1         3,510         2,1244         (40)         2,930         3,711         1,4576           Commercial Funct         2         2,4855         1,932         (1)4,856         7,441         4,371         1,535           Commercial Funct         2         2,1855         1,352         (1)4,856         2,341         4,371         1,535           Commercial Funct         2         2         2,124         (10)         2,141         3,571         1,536         2,441           Commercial Funct         2         2         2,142         1,322         3,571         1,536         2,441           Commercial Funct         1         1<1,100         8,112         8,112         8,112         8,125           Commercial Funct         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1	Continuental Privation         1         3.2.39         2.1.2.4         (4.0)         2.0.43         35.7.16         14.8.7.6           Continuental Privation         17         30.104         27.324         (510)         27.44         (42)         35.7.16         14.8.7.6           Continuental Privation         17         30.104         27.324         (510)         27.44         (42)         35.7.16         14.8.7.6           Continuental Privation         2         14.8.25         19.3.22         (13.90)         11.4.266         17.4.31         45.7.97         16.3.35           Continuental Privation         2         2         14.8.25         19.3.22         (13.90)         11.4.266         17.4.3         47.377         16.3.35           Continuental Privation         2         2         14.0.56         11.4.266         14.8.7.67         15.3.34         46.7.47         17.4.47         17.4.47         17.4.47         17.4.47         17.4.47         17.4.47         17.4.47         17.4.47         17.4.47         17.6.42         5.6.5.4         46.7.47         17.6.42         5.6.5.4         46.7.47         17.6.42         5.6.5.4         46.7.47         17.6.47         17.6.47         17.6.47         17.6.47         17.6.42	Residential 8-inch	•	•	•	•	•	•	ſ	0.0		
Commercial (5) x x 4 - inch         17         3.5.36         1.2.44         (4.0)         2.044         4.375         1.4.355           Commercial (5) x x 4 - inch         17         3.2.539         2.1.2.44         (610)         2.7.444         4.375         1.4.355           Commercial (5) x x 4 - inch         16         16.9.55         19.352         (917)         2.4.4.85         7.4.81           Commercial (5) x x 4 - inch         2         2.4.8.25         19.352         (372)         18.9.60         7.4.81           Commercial (5) x x 4 - inch         2         2         14.8.55         2.4.8.55         7.4.81         2.8.9.64         10.9.24           Commercial (5) x x 4 - inch         1         1         14.0.60         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.112         8.11         10.924         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145         3.145	Commercial 54 x 44 -rich         17         3.5.36         2.1.244         (4.0)         2.0.843         3.5.718         14.375           Commercial 54 x 44 -rich         17         3.2.53         19.362         (19.6)         2.4.44         3.7.718         14.375           Commercial 54 rich         1         1         3.2.53         19.362         (19.6)         2.4.43           Commercial 54 rich         1         1         1.0.32         1.0.326         2.3.904         10.324           Commercial 54 rich         1         1         1.0.32         1.0.325         1.0.326         2.3.904         10.324           Commercial 54 rich         1         1         1.0.32         1.0.325         1.0.325         2.3.904         10.324           Commercial 54 rich         1         1         1.1.4.00         9.112         8.112         9.08         2.4.1           Commercial 54 rich         1         1         1.1.6.07         1.1.7.047         1.1.7.642         2.9.5           Commercial 54 rich         1         1.1.6.01         1.1.7.047         1.1.7.642         2.9.5           Commercial 54 rich         1         1.1.6.01         1.7.047         1.7.642         2.9.5           Co		•	,	,	1		•	•	0.0		
Commercial F-indication         17         56,104         27,234         (51)0         27,414         45,121         16,335           Commercial F-indication         16         166,266         105,766         (1960)         104,826         74,813         74,813           Commercial F-indication         2         24,825         19,525         (172)         15,960         74,813           Commercial F-indication         2         24,825         19,525         (172)         15,960         74,813           Commercial F-indication         2         24,855         (173)         15,960         17,815         24,914           Commercial F-indication         1         14,1060         8,112         8,112         8,112         8,132           Instrait F-indication         1         14,050         8,112         8,112         15,60         13,56           Instrait F-indication         1         14,050         17,061         17,561         55           Instrait F-indication         2         17,061         17,661         15,60         13,9           Instrait F-indication         2         17,041         17,041         17,561         15,65         14,5           Instraif F-indication         2 <td< td=""><td>Commercial Fields         17         56,104         21,324         (51)0         21,414         43,191         10,333           Commercial Fields         16         169,266         105,766         (19,60)         114,856         74,815         74,815           Commercial Fields         1         16         169,266         105,766         (19,60)         114,826         74,815           Commercial Fields         1         144,855         1772         18,900         29,644         10,924           Commercial Fields         1         114,826         173         18,923         174,815         29,64         10,924           Commercial Fields         1         1         144,826         173         18,924         174,815         24,94           Commercial Fields         1         1         14,050         8,112         8,112         8,112         24,14</td></td<> <td></td> <td>17</td> <td>32,539</td> <td>21,244</td> <td>(402</td> <td></td> <td>35,718</td> <td>14,876</td> <td>71.37</td>	Commercial Fields         17         56,104         21,324         (51)0         21,414         43,191         10,333           Commercial Fields         16         169,266         105,766         (19,60)         114,856         74,815         74,815           Commercial Fields         1         16         169,266         105,766         (19,60)         114,826         74,815           Commercial Fields         1         144,855         1772         18,900         29,644         10,924           Commercial Fields         1         114,826         173         18,923         174,815         29,64         10,924           Commercial Fields         1         1         144,826         173         18,924         174,815         24,94           Commercial Fields         1         1         14,050         8,112         8,112         8,112         24,14		17	32,539	21,244	(402		35,718	14,876	71.37		
Commercial 3-inch         16         160.255         105.756         119.652         179.653			17	36,104	27,924	(510		43,/9/		97.99		
Commercial 3-ratio         1         19/2	Commercial 3-ratio         To commercial 3-ratio <t< td=""><td></td><td>, <b>!</b></td><td></td><td></td><td>1 0</td><td></td><td></td><td></td><td></td></t<>		, <b>!</b>			1 0						
Commercial structure         Z         ZH & ZD         19.352         (3/2)         (3/2)         (3/	Commercial structure         Z         Z4,825         19,352         (3/2)         19,360         Zayua         Lugad           Commercial structure         Commercial structure         2         2,4,825         19,352         19,12         10,40         2         2,4,82           Commercial structure         Commercial structure         2         2,4,82         11,2         6,068         2,3           Commercial structure         1         11,600         8,112         8,112         8,008         2,3           Industrial structure         1         10,601         1         1         10,617         17,447         17,447         17,442         566           Industrial structure         5         1,3,61         1,3,61         1,500         139           Industrial structure         5         1,3,61         1,3,61         1,500         139           Industrial structure         5         2,3,64         45,174         17,44         1,500         139           Industrial structure         5         2,3,66         2,3,09         2,3,56         45           Industrial structure         5         2,56,04         45,174         17,44         1,500         138           Industrial structu		<u>0</u> •	109,296	106,785	1,90C		1/9,004		10.11		
Commercial Findh         Commercial Findh <thcommercial findh<="" th=""> <thcommercial findh<="" t<="" td=""><td>Commercial 4-hold         Commercial 4-hold         Commerciahold         Commercial 4-hold         &lt;</td><td></td><td>2</td><td>214,825</td><td>19,352</td><td>(3/2</td><td></td><td>40A'A7</td><td></td><td>GG./G</td></thcommercial></thcommercial>	Commercial 4-hold         Commerciahold         Commercial 4-hold         <		2	214,825	19,352	(3/2		40A'A7		GG./G		
Commercial (h-m)         Commercial (h-m) <thcommercial (h-m)<="" th=""> <thcom< th=""> <t< td=""><td>Commercial F-indificant         Commercial F-i</td><td></td><td></td><td>•</td><td>١</td><td>•</td><td>•</td><td>•</td><td>•</td><td>0.00</td></t<></thcom<></thcommercial>	Commercial F-indificant         Commercial F-i			•	١	•	•	•	•	0.00		
Commercial S-radiu         Commerc	Commercial Fanch         Imaterial (3 x 34 4nch)         Imaterial (3 x 34 4nch) <thimaterial (3="" 34="" 4nch)<="" th="" x=""> <thimaterial (3="" 14="" 4nch)<="" td="" x=""><td></td><td>·</td><td>ı</td><td>ı</td><td>•</td><td>•</td><td>•</td><td></td><td>0.0</td></thimaterial></thimaterial>		·	ı	ı	•	•	•		0.0		
Commental (3x 3/4 - inch)         Co	Commental 10-Inch	-		\$	•	·	•	•		0.0		
Industrial 58, 234 - inch         - <td>Industrial 36X 314, and, industrial 36X 314, and, industrial 36X 314, and, industrial 36X 314, and, industrial 3.5, monomenant 3.5, monomenan</td> <td></td> <td>•</td> <td>,</td> <td>,</td> <td>ı</td> <td>•</td> <td>•</td> <td></td> <td>00.0</td>	Industrial 36X 314, and, industrial 36X 314, and, industrial 36X 314, and, industrial 36X 314, and, industrial 3.5, monomenant 3.5, monomenan		•	,	,	ı	•	•		00.0		
	$ \begin{array}{cccccccccccccccccccccccccccccccccccc$		•	•			,			00.0		
Industrial 5-inch     1     14.000     6,112     6,112     6,008     2,4)       Industrial 3-inch     -     -     -     -     -     -     -       Industrial 3-inch     -     -     -     -     -     -     -       Industrial 3-inch     -     -     -     -     -     -     -     -       Industrial 3-inch     -     -     -     -     -     -     -     -     -       Industrial 3-inch     -     -     -     -     -     -     -     -     -     -       Industrial 3-inch     -     -     -     -     -     -     -     -     -     -       Industrial 3-inch     -     -     -     -     -     -     -     -     -       Industrial 3-inch     -     -     -     -     -     -     -     -     -       Other Phytram     -     -     -     -     -     -     -     -     -       On Machine     -     -     -     -     -     -     -     -     -       On Machine     -     -     -     -     -     -     - <td>Industrial 1.5 high matural 3. find;     1     14,050     6     112     8,068     2,4)       matural 3. find;     1     1,06     1     1     1,06     1     2     2,4)       matural 3. find;     1     1     166,11     17,047     17,047     17,047     17,642     5       matural 3. find;     1     1     166,11     1,06     1     1     166,11     1,064       matural 3. find;     1     1     166,11     1     1,06     1     1     166     2       matural 3. find;     1     1     166,11     1     1     166,11     1     1       matural 3. find;     1     1     1     166,11     1     1     1       Maturat     1     1     1     1     1     1     1       Mathine     1     1     1     1     1     1     1       Construction Water 3. find;     1     1     1     1     1     1       Construction Water 4. find;     1     1     4     4     1     1       Construction Water 4. find;     1     1     4     1     1     1       Construction Water 4. find;     1     1     4<!--</td--><td></td><td>•</td><td></td><td>,</td><td></td><td></td><td></td><td></td><td>00.0</td></td>	Industrial 1.5 high matural 3. find;     1     14,050     6     112     8,068     2,4)       matural 3. find;     1     1,06     1     1     1,06     1     2     2,4)       matural 3. find;     1     1     166,11     17,047     17,047     17,047     17,642     5       matural 3. find;     1     1     166,11     1,06     1     1     166,11     1,064       matural 3. find;     1     1     166,11     1     1,06     1     1     166     2       matural 3. find;     1     1     166,11     1     1     166,11     1     1       matural 3. find;     1     1     1     166,11     1     1     1       Maturat     1     1     1     1     1     1     1       Mathine     1     1     1     1     1     1     1       Construction Water 3. find;     1     1     1     1     1     1       Construction Water 4. find;     1     1     4     4     1     1       Construction Water 4. find;     1     1     4     1     1     1       Construction Water 4. find;     1     1     4 </td <td></td> <td>•</td> <td></td> <td>,</td> <td></td> <td></td> <td></td> <td></td> <td>00.0</td>		•		,					00.0		
Industrial 2-inch         1         14.050         8,112         8,102         8,102         6,03         (24)           Industrial 3-inch         -	Industrial 2-inch         1         114,050         8,112         8,088         (24)           Industrial 5-inch         - <t< td=""><td></td><td>•</td><td>,</td><td>,</td><td></td><td>•</td><td>1</td><td></td><td>00.0</td></t<>		•	,	,		•	1		00.0		
	Industrial 5-inch     1     106.717     17.047     17.047     17.047     17.047       Industrial 6-inch     1     106.717     17.047     17.047     17.047     17.047       Industrial 6-inch     1     1     106.717     17.047     17.047     17.047     16.0       Industrial 6-inch     1     1     106.717     17.047     17.047     17.047     16.0       Private Fire Senice     5     1.361     1.361     1.361     1.361     1.361       Private Fire Senice     5     2.05.004     45.174     2.303     2.303       Public Fire Hydramic     0     4.500     2.303     2.303     2.355     4.5       Sales for Resale 1.inch     0     4.500     2.303     2.303     2.355     4.5       Sales for Resale 1.inch     0     4.500     2.303     2.303     2.355     4.5       Sales for Resale 1.inch     0     4.500     2.303     2.303     2.355     4.5       Sales for Resale 1.inch     0     4.500     1     2.303     2.355     4.5       Sales for Resale 1.inch     0     4.500     2.303     2.303     2.355     4.5       Sales for Resale 1.inch     0     1.500     1.500     1.500		<b>*</b>	114 050	8 112		8.112	8.088	(24)	-0.30		
Industrial 4-indi- Industrial 4-indi- Industrial 6-indi- Industrial 6-indi- Sales for Resale 6-indi- India 7-indi India 7-india 7-indi India 7-india 7-indi India 7-indi India 7-india 7-india 7-india 7-india 7-i	Industrial 4-indition       1       106,717       17,047       17,047       17,642       55         Industrial 6-indition       -			-						00 0		
Industrial 6-indi industrial 6-indi industrial 10-indi industrial	Industrial 6-indition         1         105,711         17,047         17,047         17,047         17,042         565         565         565         565         565         565         565         565         565         565         565         565         565         565         565         566         1366         13,366         14,366 <t< td=""><td></td><td>• •</td><td></td><td>•</td><td></td><td>1</td><td>,</td><td></td><td></td></t<>		• •		•		1	,				
	Industrial 8 i-Indu     Implementation     Implementation     Implementation       Private Freekenues     5     -     1,361     1,500     139       Private Freekenues     5     -     1,361     1,500     139       Other Water Freekenues     5     -     1,361     1,500     139       Dubit Afrier Revenues     5     -     -     -     -     -       Dubit Afrier Revenues     -     -     -     -     -     -       Onin Mater Alinch     -     -     -     -     -     -     -       Construction Water Alinch     0     2,309     2,309     2,316     5,355     45       Sales for Resale 1.5 moth     -     -     -     -     -     -       Sales for Resale 1.5 moth     -     -     -     -     -     -       Sales for Resale 1.5 moth     -     -     -     -     -     -       Sales for Resale 1.5 moth     -     -     -     -     -     -       Sales for Resale 1.5 moth     -     -     -     -     -     -       Sales for Resale 1.5 moth     -     -     -     -     -     -       Sales for Resale 1.0 moth     -<		, <del>,</del>	106 717	17 047		17 047	17 642	- 505	9.49		
Industrial (0-inch       5       1,361       1,501       1,361       1,500       139         Private Free Service       5       -       1,361       1,500       139         Public Free Nater Revenues       -	Indiatrial (b-Inch       5       1,361       1,361       1,361       1,50       139         Private Fire Service       5       1,361       1,361       1,361       1,500       139         Public Fire Hydrant       0       4,5174       7,2131       26,967       45         Onstruction Water Alinch       0       4,5174       72,131       26,967       45         Construction Water Alinch       0       4,5174       72,131       26,967       45         Construction Water Alinch       0       4,5174       72,131       26,967       45         Construction Water Alinch       0       4,5174       72,131       26,967       45         Sales for Resale 1-Inch       0       4,5174       72,131       26,967       45         Sales for Resale 1-Inch       0       4,5174       72,131       26,967       45         Sales for Resale 1-Inch       0       4,5174       72,131       26,967       45         Sales for Resale 1-Inch       0       4,5174       72,131       26,967       45         Sales for Resale 1-Inch       0       4,5174       72,131       26,967       45         Sales for Resale 1-Inch       0       0       2,		•		-		-	4L0 <sup>(1)</sup>				
Private Fire Seriore         5         1,361         1,361         1,500         139           Drin Water Revenues         Entitie         1,361         1,361         1,500         139           Drin Water Revenues         Entitie         1	Private Fire Seriore         5         1,361         1,501         139           Other Water Revenues         5         1,361         1,500         139           Other Water Zhoch         2								•	000		
Threat Define       Threat Define <ththreat define<="" th=""> <ththreat <="" define<="" td=""><td></td><td></td><td>4</td><td>I</td><td>1 26 1</td><td></td><td>1 36 1</td><td>1 500</td><td>130</td><td>10.19</td></ththreat></ththreat>			4	I	1 26 1		1 36 1	1 500	130	10.19		
Public Fire Hydrant       -	Public Fire Hydram       -		>		100'1				2	2		
Coin Machine       - <t< td=""><td>Coin Machine       -       <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td>ſ</td><td>,</td><td>00.0</td></t<></td></t<>	Coin Machine       - <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td>ſ</td><td>,</td><td>00.0</td></t<>							ſ	,	00.0		
	Construction Water 2-Inch       5       205,804       45,174       45,174       72,131       26,957         Construction Water 4-Inch       5       205,804       45,174       72,131       26,957         Construction Water 4-Inch       0       4,550       2,309       2,309       2,309       2,309         Sales for Resale 1-Inch       -       -       -       -       -       -       -         Sales for Resale 1-Inch       - <td></td> <td></td> <td></td> <td></td> <td></td> <td>•</td> <td>•</td> <td></td> <td></td>						•	•				
Construction Water 3.Incluster       5       205,804       45,174       72,131       26,957         Construction Water 4.Inch       0       4,550       2,309       2,309       2,355       4,5         Sales for Resale 5/8 x 3/4.Inch       -	Construction Water 4-Inch       5       205,804       45,174       72,131       26,957       45,50         Construction Water 4-Inch       0       4,550       2,309       2,309       2,355       45         Sales for Resale 5/8 x 3/4-Inch       - </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>											
Construction Water 4-Inch       0       4,550       2,309       2,335       4,5         Sales for Resale 5(8 x 3/4-Inch)       - <td>Construction Water 4 Inch       0       4,550       2,309       2,335       4,5         Sales for Resale 5/8 x 3/4 Inch       -</td> <td></td> <td>یں '</td> <td>205 804</td> <td>AE 17A</td> <td></td> <td>45 174</td> <td>72 134</td> <td>76 957</td> <td>50.00 50.67</td>	Construction Water 4 Inch       0       4,550       2,309       2,335       4,5         Sales for Resale 5/8 x 3/4 Inch       -		یں '	205 804	AE 17A		45 174	72 134	76 957	50.00 50.67		
Sales for Resale 5/8 x 3/4 inch       -	Totals Total Sales for Resale 2-Inch 2 $         -$		, c	1 550	00000		00000	7 365	10,02	10.00		
Totals	Totals			ooo't	2001		20012	' <del>-</del>	7			
Sales for Resale 1-Inch       - </td <td>Sales for Resale 1-Inch       -<td></td><td></td><td>•</td><td>•</td><td></td><td>•</td><td>t</td><td>,</td><td>0.0</td></td>	Sales for Resale 1-Inch       - <td></td> <td></td> <td>•</td> <td>•</td> <td></td> <td>•</td> <td>t</td> <td>,</td> <td>0.0</td>			•	•		•	t	,	0.0		
Sales for Resale 1.5-Inch       -	Sales for Kesale 1.5-Inch       -		•	•	•		•		•	0.00		
Sales for Resale 2-Inch       -	Safes for Resale 2-Inch       -		•	•	1		,	•	•	0.00		
Sales for Resale 3-Inch       - <td>Sales for Resale 3-Inch       -<td></td><td>•</td><td>•</td><td>•</td><td></td><td>•</td><td>•</td><td>•</td><td>0.00</td></td>	Sales for Resale 3-Inch       - <td></td> <td>•</td> <td>•</td> <td>•</td> <td></td> <td>•</td> <td>•</td> <td>•</td> <td>0.00</td>		•	•	•		•	•	•	0.00		
Sales for Resale 4-Inch       - <td>Sales for Resale 4-Inch       -<td>Sales for Resale 3-Inch</td><td>ı</td><td></td><td>•</td><td></td><td>•</td><td></td><td></td><td>00.0</td></td>	Sales for Resale 4-Inch       - <td>Sales for Resale 3-Inch</td> <td>ı</td> <td></td> <td>•</td> <td></td> <td>•</td> <td></td> <td></td> <td>00.0</td>	Sales for Resale 3-Inch	ı		•		•			00.0		
Sales for Resale 6-Inch       - <td>Sales for Resale 6-Inch       -<td>Sales for Resale 4-Inch</td><td>•</td><td>•</td><td>•</td><td></td><td>•</td><td>•</td><td>•</td><td>0.00</td></td>	Sales for Resale 6-Inch       - <td>Sales for Resale 4-Inch</td> <td>•</td> <td>•</td> <td>•</td> <td></td> <td>•</td> <td>•</td> <td>•</td> <td>0.00</td>	Sales for Resale 4-Inch	•	•	•		•	•	•	0.00		
Sales for Resale 8-Inch       - <td>Sales for Resale 8-Inch       -<td>Sales for Resale 6-Inch</td><td>•</td><td>٢</td><td>•</td><td></td><td>•</td><td>•</td><td>•</td><td>0.0</td></td>	Sales for Resale 8-Inch       - <td>Sales for Resale 6-Inch</td> <td>•</td> <td>٢</td> <td>•</td> <td></td> <td>•</td> <td>•</td> <td>•</td> <td>0.0</td>	Sales for Resale 6-Inch	•	٢	•		•	•	•	0.0		
Sales for Resale 10-Inch       - <th -<="" <="" td=""><td>Sales for Resale 10-Inch       -          <th -<="" <="" td=""><td>Sales for Resale 8-Inch</td><td>,</td><td>•</td><td>•</td><td></td><td>•</td><td>•</td><td></td><td>00.0</td></th></td></th>	<td>Sales for Resale 10-Inch       -          <th -<="" <="" td=""><td>Sales for Resale 8-Inch</td><td>,</td><td>•</td><td>•</td><td></td><td>•</td><td>•</td><td></td><td>00.0</td></th></td>	Sales for Resale 10-Inch       - <th -<="" <="" td=""><td>Sales for Resale 8-Inch</td><td>,</td><td>•</td><td>•</td><td></td><td>•</td><td>•</td><td></td><td>00.0</td></th>	<td>Sales for Resale 8-Inch</td> <td>,</td> <td>•</td> <td>•</td> <td></td> <td>•</td> <td>•</td> <td></td> <td>00.0</td>	Sales for Resale 8-Inch	,	•	•		•	•		00.0
Totals	Totals	Sales for Resale 10-Inch	۱	•	•		•		•	00'0		
			100			11 0				00.00		
			1,927	15,795	\$ 1,556,373	\$ 6,554				32.08		

Recap Schedules: H-1 Settlement

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Summary Analysis of Revenue by Class

Exhibit Schedule H-2 Settlement Page 6 of 8 Witness: Reiker

王	%I	27.09% 68.00% 2.27% 10.18% 56.87%	32.08%	31.65%					
[G] Settlement	Increase	356,749 116,995 571 139 27,002	501,455	501,455					
ank [E] [F] Bill Count Water Revenues Justed Bancound	Rates	<pre>\$ 1,673,608 \$ 289,058 25,730 1,500 74,486</pre>		21,463 \$ 2,085,845 \$	2,085,845 \$ (0)	(0) \$			
White Tank [E] Bill Count We Adjusted	[C + D]	<ul> <li>\$ 1,316,859</li> <li>172,063</li> <li>25,159</li> <li>1,361</li> <li>47,484</li> </ul>	1,562,926 \$	21,463	107	107			
W [D] Reconciling/ Revenue	Adjustments	\$ 9,797 <b>3</b> (3,243) - -	\$ 6,554 \$	,					
[C] Test Year	Rates	\$ 1,307,062 175,307 25,159 1,361 47,484	\$ 1,556,373	21,463					
[B] Average	Consumption	13,409 82,783 110,383 191,924	15,795						
[A] Average Number of	Customers	1,863 52 5 5 5 5 5	1,927						
	ର୍ଭ	Total Residential Total Commercial Total Industriai Total Private Fire Total Other Water Revenues	Totals	Misceltaneous Revenues Total Revenue Generated	Target Rev. Rqmt. (Sch. C-1) Difference	Less: Consolidated Revenue Adj. Over/(Short) %			
Line	No.	N (9 <b>4</b> (9 (9 )	. co თ	5 1 5	1 <u>6</u> 4 6	14 14 14 15	3 3 3 3 8 2 8 2 8 5 5 5 3 3 9 5	888338444 DECISION N	

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Supporting Schedules:

Recap Schedules: H-1 Settlement

ARIZONA W.... £R COMPANY Test Year Ended December 31, 2010 Detail Analysis of Revenue by Class

J	]]		%	0/ N	%	%	%	%	%	%	%	%	%	0/	20	. *	%	%	%	%	%	%	%	%	%	%	70	2	%	%	%	%	%	%	%	. ~	%	%	%	%	%	%					
ΕH		%	-4.19		00.00%	000.0	0.0	00.0	0.00%	0.0	4.33%	15.67	0.00%			0000 0000	%00.0 %00.0	0.00%	0.00%	0.00%	0.00%	0.00%	%00.0 0	0.0		%00.0 0	2.05		0.0	-1.67	%00'0	-0.85	0.0		%00.0	0.0	0.00%	0.00%	0.0	0.0	0.0	-0.44%					
[0]	Settlement Increase	F-E	(15,471)	(oc)		ı	,		•	•	1,685	10,268	1 252	700'1	. ,	, ,	,		,		٢	,	•	١	۱.	ŧ :		1	ı	(13)	I	(16)		ı	•	7 <b>8</b>		•	,	,	•	(2.211)	7				
[F] ter Revenues	Proposed	Rates	\$ 354,057 \$		; 1		ı				40,613	75,780		140'81	, ,			,	ı	ı			•	£	•		- 675	5		756	,	1,885	ı	·	•	۰ ۱	•	•			ı	\$ 503.500 \$					
Ajo [E] [F] Bill Count Water Revenues	Adjusted T.Y. Rates	<u>[C + D]</u>	\$ 369,528 40,426	074'01		ı	,	r	,	ı	38,928	65,512		C88'/1		1 1	. 1	ı	I	,	ı	ı	,	١	I	1	- 653	8	•	769	ı	1,902	·	,	ı	1 4		ı	·	•	ı	\$ 505 711					
[0]	Reconciling/ Revenue	Adjustments	\$ (843)										1	183																												345	1				
[0]	Test Year	Rates	370,371	10,430	. ,	,		,		ı	38,540	64,871		11,811					,	I	ı	ı	1	ı	·	I	- 653	222	•	769	ı			•	ı		,	ı	•	•	ı	505366					
[8]		Consumption	4,764	101,1			•	ı	ı	,	4,888	31,342		46,931	ı		• •		•	•		•	•	ı	ı	۱		I	•	ı	ı	38,400	ı	•	ı		,	ı	,	ı	·	5 768 9					
[A]	Average Number of		589	o				ı		,	56	20	1	n	,	t			,	•	•	,	•			•	, '	J		,	•	0	,	•	·		•	,		•	ı	679					
		Detail Class of Service	Residential 5/8 x 3/4 -inch	Residential 1-Inch	Residential 1.3-inch Residential 3-inch	Residential 2-inch	Residential 4-inch	Residential 6-inch	Residential 8-inch	Residential 10-inch	Commercial 5/8 x 3/4 -inch	Commercial 1-inch	Commercial 1.5-inch	Commercial 2-Inch	Commercial 3-Inch	Commercial 4-Inch	Commercial 0-Incl Commercial 8-inch	Commercial 10-inch	Industrial 5/8 x 3/4 -inch	Industrial 1-inch	Industrial 1.5-inch	Industrial 2-inch	Industrial 3-inch	Industrial 4-inch	Industrial 6-inch	Industrial 8-inch	Industriat ro-indi Drivote Fire Serivos	Other Water Revenues	Public Fire Hydrant	Coin Machine	Construction Water 2-Inch	Construction Water 3-Inch	Construction Water 4-Inch	Sales for Resale 5/8 x 3/4-Inch	Sales for Resale 1-Inch	Sales for Resale 1.5-mon Sales for Resale 2-Inch	Sales for Resale 3-Inch	Sales for Resale 4-Inch	Sales for Resale 6-Inch	Sales for Resale 8-Inch	Sales for Resale 10-Inch	Totals					
	Line	<u>- No</u>	0	<b>n</b> •	4 v	<b>.</b> .	~~	- 00	ათ	6	: =	12	t 13	<u>4</u> 1	<u>0</u>	<u>0</u>	≓ ¢	<u>5</u> 5	202	5	22	23	24	25	56	27	07 Q	8 8	31	32	g	34									4 : 4 :	ያ ୱ ጋ.	4		- - - - - - - - - - - - - - - - - - -	54	55

Recap Schedules: H-1 Settlement

ARIZONA WALK COMPANY Test Year Ended December 31, 2010 Summary Analysis of Revenue by Class

Exhibit Schedule H-2 Settlement Page 8 of 8 Witness: Reiker

[A]	Average Number of A Summary Class of Service Col	Total Residential 597 Total Commercial 79 Total Industrial - 2 Total Private Fire 2 Total Other Water Revenues 0	Totals 679	Miscellaneous Revenues Total Revenue Generated	Target Rev. Rqmt. (Sch. C-1) Difference	Less: Consolidated Revenue Adj. Over/(Short) %					
[8]	Average 1 Consumption	4,796 \$ 13,164 - 38,400	5,768 \$	I							
[0]	Test Year <u>Rates</u> A	380,820 \$ 121,223 653 2,671	505,366 \$	3,768							
4 [a]	Reconciling/ Revenue <sup>1</sup> Adjustments	(867) \$ 1,212 - -	345 \$	' '							
Ajo [E] Bill Count W	Adjusted T.Y. Rates [C + D]	379,953 122,434 - 653 2,671	505,711	3,768 509,480							
(E) (F) Rill Count Water Revenues		\$ 364,445 \$ 135,739 675 2,642	\$ 503,500 \$	3,768 \$ 507,269 \$	507,268 \$ 0	- 0.00%					
[0]	Settlement Increase [F - E]	(15,509) 13,305 - (29)	(2,211)	(2,211)							
Ε	8	-4.08% 10.87% 3.35% -1.08%	-0.44%	-0.43%							

Supporting Schedules:

73144

ARIZONA W. JR COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

Exhibit Schedule H-3 Settlement Page 1 of 17 Witness: Reiker

	[M]	[8]	[C]		[0]	[D]		[F]		[6]	Ξ		Ξ
	Rate Block	č	:			Basic Service Charge	arge			Volur	Volumetric Charge (/M Gal)	ge (/M G	3I)
Class of Service		Present	Proposed - Settlement	ā - '	Present <u>Rate</u>	Proposed Settlement	히	Change	ē ,	Present <u>Rate</u>	Proposed Settlement	ed ent	Change
Residential 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	3 10 99,999	3 10 99,999	\$	15.79	\$ 16.00	\$	0.21	\$	1.3700 1.7123 2.1406	ക ഗ്ഡ്	1.1879 \$ 2.1026 3.2590	(0.1821) 0.3903 1.1184
Residential 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	10 99,999 99,999	25 99,999 99,999	\$	39.47	\$ 40.00	\$	0.53	÷	1.7123 2.1406 2.1406	സ്ന്ന് ക	2.1026 \$ 3.2590 3.2590	0.3903 1.1184 1.1184
Residential 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/а п/а п/а	55 99,999 99,999		n/a	\$ 80.00	0	n/a		n/a n/a n/a	സ്ന്ന് ക	2.1026 3.2590 3.2590	
Residential 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	125 99,999 99,999	95 99,999 99,999	\$	126.29	\$ 128.00	<del>4</del>	1.71	\$	1.7123 2.1406 2.1406	സ്ന്ന് ക	2.1026 \$ 3.2590 3.2590	5 0.3903 1.1184 1.1184
Residential 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	299 299 299	195 99,999 99,999	\$	252.59	\$ 256.00	\$	3.41	\$	1.7123 2.1406 2.1406	89 V M M	2.1026 3.2590 3.2590	\$ 0.3903 1.1184 1.1184
Residential 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	494 99,999 99,999	315 99,999 99,999	ŝ	394.67	\$ 400.00	\$ <del>\$</del>	5.33	\$	1.7123 2.1406 2.1406	ფი იით	2.1026 3.2590 3.2590	\$ 0.3903 1.1184 1.1184
Residential 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	925 99,999 99,999	650 99,999 99,999	\$	789.33	\$ 800.00	÷ ∽	10.67	\$	1.7123 2.1406 2.1406	\$ <del>9</del>	2.1026 3.2590 3.2590	\$ 0.3903 1.1184 1.1184
Residential 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,500 99,999 99,999	1,000 99,999 99,999	\$	1,262.93	\$ 1,280.00	<b>⇔</b> 0	17.07	\$	1.7123 2.1406 2.1406	የ የ የ የ የ	2.1026 1 3.2590 3.2590	\$ 0.3903 1.1184 1.1184
Residential 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	2,264 99,999 99,999	1,475 99,999 99,999	\$	1,815.47	\$ 1,840.00	\$ <del>7</del>	24.53	\$	1.7123 2.1406 2.1406	89 10 10 10 10 10 10 10 10 10 10 10 10 10	2.1026 3.2590 3.2590	\$ 0.3903 1.1184 1.1184

DOCKET NO. W-01445A-10-0517

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N:2011\_Rate\_Case\Settlement\Western Group2011 A\WC Rate Case Model Settlement-WG v4 FINAL\H3 Processing Date: 2/14/2012 4:19 PM

Recap Schedules:

ARIZONA Ward ComPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

3 2 - <u>No</u>

Exhibit Schedule H-3 Settlement Page 2 of 17 Witness: Reiker

Pinal Valley (Casa Grande/Coolidge)

	[A]	[8]	[0]		[0]	Ē	6	E			[0]	Ξ		Ξ	
	Rate Block	×			Ba	Basic Service Charge	e Charge				Volume	Volumetric Charge (/M Gal)	ie (/M Ga	ŝ	
Class of Service		Present	Proposed - Settlement		Present <u>Rate</u>	Proposed Settlement	sed Tent	Change		5 KI	Present <u>Rate</u>	Proposed Settlement	모티	Change	
Commercial 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	10 99,999 99,999	10 99,999 99,999	\$	15.79	⇔	16.00 \$		0.21	<del>67</del>	1.7123 \$ 2.1406 2.1406		2.1026 \$ 3.2590 3.2590	0.3 1.1 1.1	0.3903 1.1184 1.1184
Commercial 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	40 99,999 99,999	25 99,999 99,999	\$	39.47	\$	40.00	\$	0.53	÷	1.7123 \$ 2.1406 2.1406		2.1026 \$ 3.2590 3.2590	0.1	0.3903 1.1184 1.1184
Commercial 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a	55 99,999 99,999		n/a	\$	80.00		n/a		л/а 7/а 1/а	8 0 0 0	2.1026 3.2590 3.2590		n/a n/a n/a
Commercial 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	125 99,999 99,999	96 96 96 96 96	θ	126.29	\$	128.00	` ب	1.71	\$	1.7123 2.1406 2.1406	8 8	2.1026 \$ 3.2590 3.2590	0.1.1	0.3903 1.1184 1.1184
Commercial 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	299 99,999 99,999	195 99,999 99,999	<del>69</del>	252.59	6 <del>7</del>	256.00	69	3.41	\$	1.7123 2.1406 2.1406	ରା <i>ଜ</i> ଜ	2.1026 \$ 3.2590 3.2590	0	0.3903 1.1184 1.1184
Commercial 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	494 99,999 99,999	315 99,999 99,999	\$	394.67	ч •	400.00	с, с,	5.33	69	1.7123 2.1406 2.1406 2.1406	a' n' n'	2.1026 \$ 3.2590 3.2590	0 - +	0.3903 1.1184 1.1184
Commercial 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	925 99,999 99,999	650 99,999 99,999	\$	789.33	\$	800.00	\$	10.67	67	1.7123 2.1406 2.1406	0. E. E.	2.1026 \$ 3.2590 3.2590	0 + +	0.3903 1.1184 1.1184
Commercial 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,500 99,999 99,999	1,000 99,999 99,999	<del>69</del>	1,262.93	\$ 1,2	1,280.00	eə 7-	17.07	\$	1.7123 2.1406 2.1406	64 64 64	2.1026 \$ 3.2590 3.2590	044	0.3903 1.1184 1.1184
Commercial 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	2,264 99,999 99,999	1,475 99,999 99,999	<del>9</del>	1,815.47	\$ 1,8	1,840.00	5 &	24.53	\$	1.7123 2.1406 2.1406	ର ରାଜ ଜ	2.1026 \$ 3.2590 3.2590	0.1.1.	0.3903 1.1184 1.1184

DECISION NO. 73144

DOCKET NO. W-01445A-10-0517

(Continued)

Recap Schedules:

Supporting Schedules:

\*\*For Service Charges See Company-wide Service Charge Tariff at the end of this schedule\*\*

ARIZONA WALER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

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	Rate Block	ъ			Ba	Basic Service Charge	e Charge	m			Volur	netric Cl	Volumetric Charge (/M Gal)	al)		
Class of Service		Present	Proposed - Settlement		Present <u>Rate</u>	Proposed Settlement	sed	Change	<u>1</u> de	ă. <sup>41</sup>	Present <u>Rate</u>	Prop Settle	Proposed Settlement	Change	e	
Industrial 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66	10 99,999 99,999	\$	9.59	↔	16.00	\$7	6.41	\$	1.5036 1.5036 1.5036	\$7	1.5500 \$ 2.4800 2.4800		0.0464 0.9764 0.9764	
Industrial 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	25 99,999 99,999	\$	23.98	\$	40.00	\$	16.02	\$	1.5036 1.5036 1.5036	\$	1.5500 \$ 2.4800 2.4800		0.0464 0.9764 0.9764	
Industrial 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	<i>ח/ם</i> ח/ם ח/ם	55 99,999 99,999		n/a	\$	80.00		n/a		n/a n/a n/a	\$	1.5500 2.4800 2.4800		n/a n/a n/a	
Industrial 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	96,999 99,999 99,999	₩	76.73	\$	128.00	\$	51.27	\$	1.5036 1.5036 1.5036	⇔	1.5500 \$ 2.4800 2.4800		0.0464 0.9764 0.9764	
Industrial 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	195 99,999 99,999	\$	153.46	\$	256.00	\$	102.54	69	1.5036 1.5036 1.5036	⇔	1.5500 \$ 2.4800 2.4800		0.0464 0.9764 0.9764	•
Industrial 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	315 99,999 99,999	θ	239.77	\$	400.00	\$	160.23	\$	1.5036 1.5036 1.5036	\$	1.5500 \$ 2.4800 2.4800		0.0464 0.9764 0.9764	
Industrial 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	650 99,999 99,999	÷	479.55	8 S	800.00	ო ფ	320.45	\$	1.5036 1.5036 1.5036	<del>69</del>	1.5500 \$ 1.5500 1.5500		0.0464 0.0464 0.0464	
Industrial 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	1,000 99,999 99,999	θ	767.28	\$ 1,2	1,280.00	99 10	512.72	<del>ω</del>	1.5036 1.5036 1.5036	\$	1.5500 \$ 1.5500 1.5500		0.0464 0.0464 0.0464	
Industrial 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	1,475 99,999 99,999	\$	1,102.96	\$ 7	1,840.00	\$	737.04	\$	1.5036 1.5036 1.5036	\$	1.5500 \$ 1.5500 1.5500		0.0464 0.0464 0.0464	
Private Fire Service	All meter connection sizes:			\$	22.88	67	25.00	÷	2.12		n/a		n/a		n/a	

DECISION NO.

(Continued)

\*\*For Service Charges See Company-wide Service Charge Tariff at the end of this schedule\*\*

Pinal Valley (Casa Grande/Coolidge)

N:2011\_Rate\_Case\Settlement(Western Group/2011 AWC Rate Case Model Settlement-WG v4 FINAL\H3 Processing Date: 2/14/2012 4:19 PM

Recap Schedules:

ARIZONA Wix, ER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

Exhibit Schedule H-3 Settlement Page 4 of 17 Witness: Reiker

	Rate Block	č			Basi	Basic Service Charge	charge			Volumet	Volumetric Charge (/M Gal)	M Gal)	
Class of Service		Present	Proposed - Settlement		Present <u>Rate</u>	Proposed Settlement	1	Change		Present <u>Rate</u>	Proposed Settlement	0	Change
Public Fire Hydrant					n/a		n/a	n/a		n/a	n/a	_	n/a
Coin Machine	No. Gailons / \$ .25 (quarter)				n/a	-	n/a	n/a		132.99	109	-	0.1817
Construction Water (2-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	125 99,999 99,999	95 99,999 99,999	\$	126.29 \$	128.00	\$	1.71	\$	1.7123 \$ 2.1406 2.1406	2.1026 3.2590 3.2590	<del>69</del>	0.3903 1.1184 1.1184
Construction Water (3-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	299 99,999 99,999	195 99,999 99,999	69	252.59 \$	256.00	<b>\$</b> 00	3.41	↔	1.7123 \$ 2.1406 2.1406	2.1026 3.2590 3.2590	<del>67</del>	0.3903 1.1184 1.1184
Construction Water (4-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	494 99,999 99,999	315 99,999 99,999	↔	394.67 \$	400.00	<del>\$</del>	5.33	⇔	1.7123 \$ 2.1406 2.1406	2.1026 3.2590 3.2590	<b>∲</b>	0.3903 1.1184 1.1184
Sales for Resale (5/8-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 66 <sup>°</sup> 666 66	666 <sup>°</sup> 66 666'66 66	ŝ	15.79 \$	·	16.00 \$	0.21	\$	1.5036 \$ 1.5036 1.5036	1.5500 1.5500 1.5500	<del>%</del>	0.0464 0.0464 0.0464
Sales for Resale (1-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 666	666 <sup>°</sup> 66 666 <sup>°</sup> 66	÷	39.47 \$		40.00 \$	0.53	\$	1.5036 \$ 1.5036 1.5036	1.5500 1.5500 1.5500	\$	0.0464 0.0464 0.0464
Sales for Resale (1.5-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	ח/מ ח/מ ח/מ	666 <sup>°</sup> 66 666 <sup>°</sup> 66		n/a \$		80.00	n/a		n/a \$ n/a n/a	1.5500 1.5500 1.5500		n/a n/a n/a
Sales for Resale (2-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	666 <sup>°</sup> 66 666°66 66	\$	126.29 \$	128.00	\$ 00	1.71	\$	1.5036 \$ 1.5036 1.5036	1.5500 1.5500 1.5500	<del>\$</del>	0.0464 0.0464 0.0464
Sales for Resale (3-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 66'66 66'66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	252.59	\$ 256.00	<b>\$</b>	3.41	θ	1.5036 \$ 1.5036 1.5036	1.5500 1.5500 1.5500	÷	0.0464 0.0464 0.0464
Sales for Resale (4-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>-</sup> 66 666 <sup>-</sup> 66	666 <sup>°</sup> 66 666°66	\$	394.67 \$	400.00	<b>8</b>	5.33	\$	1.5036 \$ 1.5036 1.5036	1.5500 1.5500 1.5500	⇔ ○ ○ ○ ○	0.0464 0.0464 0.0464
Sales for Resale (6-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 666 66	666'66 666'66 66	\$	789.33 \$	800.00	\$ 00	10.67	⇔	1.5036 \$ 1.5036 1.5036	1.5500 1.5500 1.5500	<del>\$</del>	0.0464 0.0464 0.0464
Sales for Resale (8-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 666 66	666'66 666'66 666	⇔	1,262.93 \$	1,280.00	\$ 00	17.07	\$	1.5036 \$ 1.5036 1.5036	1.5500 1.5500 1.5500	<del>\$</del>	0.0464 0.0464 0.0464
Sales for Resale (10-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	1,815.47 \$	1,840.00	\$ 00.	24.53	\$	1.5036 \$ 1.5036 1.5036	1.5500 1.5500 1.5500	<del>%</del>	0.0464 0.0464 0.0464

Recap Schedules:

73144

DECISION NO.

Exhibit Schedule H-3 Settlement Page 5 of 17 Witness: Reiker

ARIZONA WALE'R COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

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	Rate Block				Bas	Basic Service Charge	e Charge			Vol	umetric Ch	Volumetric Charge (/M Gal)	al)
Class of Service		Present	Proposed - Settlement	L	Rate	Settlement	<u>ient</u>	Change		Rate	Settic	Settlement	Change
Residential 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	3 10 99,999	3 10 99,999	\$	15.79	\$	16.00 \$	0.21	\$	2.4379 3.0476 3.8097	\$	1.1879 \$ 2.1026 3.2590	(1.2500) (0.9450) (0.5507)
Residential 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	10 99,999 99,999	25 99,999 99,999	\$	39.47	÷	40.00 \$	0.53	\$	3.0476 3.8097 3.8097	\$ 2 2	2.1026 3.2590 3.2590	\$ (0.9450) (0.5507) (0.5507)
Residential 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	55 99,999 99,999		n/a	€7	80.00	n/a	-	n/a n/a	6 <del>9</del>	2.1026 3.2590 3.2590	
Residential 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	122 99,999 99,999	96,999 99,999 99,999	\$	126.29	\$	128.00 \$	1.71	<del>с</del>	3.0476 3.8097 3.8097	\$ 2	2.1026 3.2590 3.2590	\$ (0.9450) (0.5507) (0.5507)
Residential 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	286 99,999 99,999	195 99,999 99,999	\$	252.59	69	256.00 \$	3.41	\$	3.0476 3.8097 3.8097	\$ 2 2	2.1026 3.2590 3.2590	\$ (0.9450) (0.5507) (0.5507)
Residential 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	471 99,999 99,999	315 99,999 99,999	\$	394.67	67	400.00 \$	5.33	\$	3.0476 3.8097 3.8097	4	2.1026 3.2590 3.2590	\$ (0.9450) (0.5507) (0.5507)
Residential 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	925 99,999 99,999	650 99,999 99,999	\$	789.33	\$	800.00	3 10.67	\$	3.0476 3.8097 3.8097	6 \$ 7	2.1026 3.2590 3.2590	\$ (0.9450) (0.5507) (0.5507)
Residential 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,500 99,999 99,999	1,000 99,999 99,999	<del>67</del>	1,262.93	€ (,	1,280.00 \$	17.07	\$	3.0476 3.8097 3.8097	6 \$ 7	2.1026 3.2590 3.2590	\$ (0.9450) (0.5507) (0.5507)
Residential 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	2,223 99,999 99,999	1,475 99,999 99,999	θ	1,815.47	\$ 1,5	1,840.00 \$	24.53	₩	\$ 3.0476 3.8097 3.8097	\$ 9 ~ ~	2.1026 3.2590 3.2590	\$ (0.9450) (0.5507) (0.5507) (0.5507)
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DOCKET NO. W-01445A-10-0517

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Recap Schedules:

ARIZONA W.... ER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

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	- '										
<u>5</u>		Proposed - Settlement	- 10 99,999 99,999	25 99,999 99,999	55 99,999 99,999	96 99,999 99,999	195 99,999 99,999	315 99,999 99,999	650 99,999 99,999	1,000 99,999 99,999	1,475 99,999 99,999
[B]		Present	10 99,999 99,999	40 99,999 99,999	n/a n/a	125 99,999 99,999	289 99,999 99,999	474 99,999 99,999	925 99,999 99,999	1,500 99,999 99,999	2,223 99,999 99,999
[Y]	Rate Block		Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):
		Class of Service	Commercial 5/8 x 3/4 -inch	Commercial 1-inch	Commercial 1.5-inch	Commercial 2-inch	Commercial 3-inch	Commercial 4-inch	Commercial 6-inch	Commercial 8-inch	Commercial 10-inch
		Line No.	-064	8 1 6 2	9 1 1 0 2 1 0	13 14 15 13 13 13 13 13 13 13 13 13 13 13 13 13	15 19 20	2 23 23	25 26 28 28	33 33 36 37 39 30	۵۶۶۶۶۶۶۶۶۶۶۶۶۶۶۶۶۶۶۶۶ DECISION NO.
											DECISION NO.

## Schedule H-3 Settlement Page 6 of 17 Witness: Reiker Exhibit

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<u>Change</u>

**Basic Service Charge** 

Proposed Settlement

Present Rate

Change

Proposed Settlement

Present Rate

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E

Pinal Valley (Stanfield) [D] [E]

Volumetric Charge (/M Gal)

\*\*For Service Charges See Company-wide Service Charge Tariff at the end of this schedule\*\*

N:2011\_Rate\_Case\Settlement\Western Group/2011 AWC Rate Case Model Settlement-WG v4 FINAL\H3 Processing Date: 2/14/2012 4:19 PM

(Continued)

Recap Schedules:

73144

ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

Schedule H	M								
			Ξ	~		Change	(1.4976)	(0.5676)	(0.5676)
				1 Gal			69		
			Ξ	Volumetric Charge (/M Gal)	Proposed	Settlement	1.5500	2.4800	2.4800
				umet	1		69		
			[0]	Nol	Present	Rate	3.0476	3.0476	3.0476
							ŝ		
			[F]			<u>Change</u>	6.41		
				arge			<del>م</del>		
		tanfield)	E	Basic Service Charge	Proposed	Settlement	16.00		
		ey (S		3asic			\$		
		Pinal Vailey (Stanfield)	[0]	3	Present	Rate	9.59		
							\$		
			[0]		Proposed -	<u>Settlement</u>	10	666'66	666'66

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		Rate Block				Basic	Basic Service Charge	ege			Volumetri	Volumetric Charge (/M Gal)	al) :	
Line No.	Class of Service		Present	Proposed - Settlement		Present Rate	Proposed Settlement		Change	а 2 2	Present F	Proposed Settlement	Change	I
- 01 60 <b>4</b> m	Industrial 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	10 99,999 99,999	<del>69</del>	9.59 \$	16.00	\$	6.41	\$	3.0476 \$ 3.0476 3.0476	1.5500 2.4800 2.4800	<ul> <li>\$ (1.4976)</li> <li>(0.5676)</li> <li>(0.5676)</li> </ul>	~~~
0 00 1~ 00 0	Industrial 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	66,999 99,999 99,999	25 99,999 99,999	\$	40.00 \$	40.00	<del>69</del>	•	\$	3.0476 \$ 3.0476 3.0476	1.5500 \$ 2.4800 2.4800	(1.4976) (0.5676) (0.5676)	~~~
e t t t t	Industrial 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	55 99,999 99,999		п/а \$	80.00	_	n/a		n/a \$ n/a n/a	1.5500 2.4800 2.4800	ח/a ח/a ח/a	
<u>5</u> 4 6 6 6	Industrial 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 666	95 99,999 99,999	\$	200.00 \$	128.00	\$	(72.00)	\$	3.0476 \$ 3.0476 3.0476	1.5500 2.4800 2.4800	\$ (1.4976) (0.5676) (0.5676)	~~~
5 9 <del>3</del> 2 ≤	Industrial 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 666'66	195 99,999 99,999	49	153.46 \$	256.00	ŝ	102.54	ŝ	3.0476 \$ 3.0476 3.0476	1.5500 2.4800 2.4800	\$ (1.4976) (0.5676) (0.5676)	~~~
2 2 2 2 2	Industrial 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 66'66 66'66	315 99,999 99,999	₩	239.77 \$	400.00	\$	160.23	\$	3.0476 \$ 3.0476 3.0476	1.5500 2.4800 2.4800	<ul> <li>\$ (1.4976)</li> <li>(0.5676)</li> <li>(0.5676)</li> </ul>	666
58 57 5 58 57 5 58 57 5 59 57 5 59 5 59 5 59 5 59 5 59 5 5	Industrial 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 66 <sup>°</sup> 66 66	650 99,999 99,999	\$	479.55 \$	800.00	\$	320.45	ŝ	3.0476 \$ 3.0476 3.0476	1.5500 1.5500 1.5500	<ul> <li>\$ (1.4976)</li> <li>(1.4976)</li> <li>(1.4976)</li> </ul>	666
33 33 39	Industrial 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	99,999 99,999 99,999	1,000 99,999 99,999	\$	767.28 \$	1,280.00	\$	512.72	\$	3.0476 \$ 3.0476 3.0476	1.5500 1.5500 1.5500	<ul> <li>(1.4976)</li> <li>(1.4976)</li> <li>(1.4976)</li> </ul>	***
	Industrial 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 66 666 66 66	1,475 99,999 99,999	<b>↔</b>	1,102.96 \$	1,840.00	\$	737.04	⇔	3.0476 \$ 3.0476 3.0476	1.5500 1.5500 1.5500	\$ (1.4976) (1.4976) (1.4976)	***
ECISION ]	Private Fire Service	All meter connection sizes:			÷	22.88 \$	25.00	\$	2.12		n/a	n/a	n/a	_
_														
85882 3144				IJ	(Continued)									
<del>រ</del> អ្ន	**For Service Charges See Compan	**For Service Charges See Company-wide Service Charge Tariff at the end of this schedule**	this schedule	ŧ										

Recap Schedules:

Exhibit e H-3 Settlement Page 7 of 17 Wftness: Reiker

ARIZONA W.A. ER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

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	5 A	5	5		ī	E				5	-		Ξ
Class of Convine	Rate Block	X Dresent	Proposed - Settlement		Present Pate	Basic Service Charge Proposed	charge d	Chande	1	Present Pate	Volumetric Charge (/M It Proposed	B	(hande
Public Fire Hydrant					n/a		n/a	ŭ	n/a	n/a		a	
Coin Machine	No. Gallons / \$ .25 (quarter)				n/a		n/a	Ċ	n/a	74.72		109	(0.4564)
Construction Water (2-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	125 99,999 99,999	99,999 99,999 99,999	⇔	126.29	\$ 128	128.00 \$	1.71	5 5	3.0476 3.8097 3.8097	÷	2.1026 \$ 3.2590 3.2590	(0.9450) (0.5507) (0.5507)
Construction Water (3-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	289 99,999 99,999	195 99,999 99,999	↔	252.59	\$ 256	256.00 \$	3.41	₩ \$	3.0476 3.8097 3.8097	\$ 3.2 3.2 3.2	2.1026 \$ 3.2590 3.2590	(0.9450) (0.5507) (0.5507)
Construction Water (4-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	474 99,999 99,999	315 99,999 99,999	\$	394.67	\$	400.00 \$	5.33	33 \$	\$ 3.0476 3.8097 3.8097	<del>69</del>	2.1026 \$ 3.2590 3.2590	(0.9450) (0.5507) (0.5507)
Sales for Resale (5/8-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>,</sup> 66 666,66	666'66 666'66	\$	15.79	\$	16.00 \$	0.21	21 \$	3.0476 3.0476 3.0476	\$	1.5500 \$ 1.5500 1.5500	(1.4976) (1.4976) (1.4976)
Sales for Resale (1-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>,</sup> 66 666,66	666 <sup>,</sup> 66 666,66	\$	39.47	\$ 4(	40.00	0.53	53 &	3.0476 3.0476 3.0476	<del>ന</del>	1.5500 \$ 1.5500 1.5500	(1.4976) (1.4976) (1.4976)
Sales for Resale (1.5-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	666 <sup>°</sup> 66 666 <sup>°</sup> 66		n/a	\$	80.00	-	n/a	n/a n/a n/a	<del>ຈ</del> 1.1.1 1.0	1.5500 1.5500 1.5500	
Sales for Resale (2-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666,999 66,999 66,999	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	126.29	\$ 126	128.00 \$	1.71	\$	3.0476 3.0476 3.0476 3.0476	⇔ 7,1,1 7,7,1	1.5500 \$ 1.5500 1.5500	(1.4976) (1.4976) (1.4976)
Sales for Resale (3-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	÷	252.59	\$ 256	256.00 \$	3.41	5 <del>0</del>	3.0476 3.0476 3.0476	\$ 1.5 1.5 7	1.5500 \$ 1.5500 1.5500	(1.4976) (1.4976) (1.4976)
Sales for Resale (4-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666,66 66,666 66,666	666 <sup>°</sup> 66 666 <sup>°</sup> 66 66	⇔	394.67	\$ 400	400.00 \$	5.33	e e	3.0476 3.0476 3.0476 3.0476	ф	1.5500 \$ 1.5500 1.5500	(1.4976) (1.4976) (1.4976)
Sales for Resale (6-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>-</sup> 66 66 <sup>-</sup> 66 66	666 66 666 66 66	\$	789.33	\$	800.00	10.67	\$	3.0476 3.0476 3.0476 3.0476	\$	1.5500 <b>\$</b> 1.5500 1.5500	(1.4976) (1.4976) (1.4976)
Sales for Resale (8-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>-</sup> 66 666 <sup>-</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	1,262.93	\$ 1,280.00	\$ 00.0	17.07	\$	3.0476 3.0476 3.0476	\$ 1.5 1.5 1.5	1.5500 \$ 1.5500 1.5500	(1.4976) (1.4976) (1.4976)
Sales for Resale (10-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	666'66 666'66 66	\$	1,815.47 \$	\$ 1,840.00	\$ 00.0	24.53	8 8	3.0476 3.0476 3.0476	\$	1.5500 \$ 1.5500 1.5500	(1.4976) (1.4976) (1.4976)

N:2011\_Rate\_Case\Settlement(Western Group/2011 A/WC Rate Case Model Settlement-WG v4 FINAL\H3 Processing Date: 2/14/2012 4:19 PM

Exhibit Schedule H-3 Settlement Page 8 of 17 Witness: Reiker

Schedule H-3 Settlement Page 9 of 17 Witness: Reiker Exhibit

ARIZONA WATER COMPANY Test Year Ended December 31, 2010

	(M)	[B]	[0]		VVING 1 BUK	E		(F)		[6]	H	
,	Rate Block					Basic Service Charge	arge			Volume	Volumetric Charge (/M Gal)	(Gal)
Class of Service		Present	Proposed - Settlement	¢.	Present Rate	Proposed Settlement	5	Change	a u	Present Rate	Proposed Settlement	Change
Residential 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	3 10 99,999	5 15 99,999	*	22.72 \$	23.00	<b>6</b>	0.28	\$	1.6493 \$ 2.0614 2.5769	1.8000 3.0000 5.1664	\$
Residential 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	99,999 99,999	25 99,999 99,999	<del>и</del>	56.80 \$	57,50	<b>%</b>	0.70	↔	2.0614 \$ 2.5769 2.5769	3.0000 5.1664 5.1664	49
Residential 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	ា/a ា/a ា/a	50 <sup>5</sup> 999 50,999 50,999		n/a \$	115.00	0	n/a		n/a \$ n/a n/a	3.0000 5.1664 5.1664	
Residential 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	185 99,999 99,999	666'66 666'66 08	63	181.76 \$	184.00	\$	2.24	<del>47</del>	2.0614 \$ 2.5769 2.5769	3.0000 5.1664 5.1664	\$
Residential 3-inch	Tler One Breakover (M Gal): Tler Two Breakover (M Gal): Tler Three Breakover (M Gal):	400 99,999 99,999	160 99,999 99,999	<del>63</del>	363.51 \$	368.00	\$ Q	4,49	67	2.0614 \$ 2.5769 2.5769	5.1664 5.1664	\$
Residential 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	795 99,999 99,999	250 99,999 98,999	<del>67</del>	567.99 \$	575.00	\$ 0	7.01	<del>67</del>	2.5769 2.5769 2.5769	\$ 3.0000 5.1664 5.1664	<b>67</b>
Residential 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,895 99,999 99,999	666 <sup>-</sup> 66 66 <sup>-</sup> 66 005	\$	1,135.98 \$	1,150.00	<del>\$</del>	14.02	<del>69</del>	2.0614 \$ 2.5769 2.5769	5,1664 5,1664	\$
Residential 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	2,500 99,999 99,999	008 666'66 666'66	*	1,817.56 \$	1,840.00	\$ 0	22.44	₩	2.0614 \$ 2.5769 2.5769	3.0000 5.1664 5.1664	\$
Residential 10-Inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	5,024 99,999 99,999	1,150 99,999 99,999	\$	2,612.75 \$	2,645.00	<del>\$</del>	32.25	<del>69</del>	2.0614 \$ 2.5769 2.5769	3.000 5.1664 5.1664	↔
			Q)	(Continued)								

DOCKET NO. W-01445A-10-0517

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Recap Schedules:

Supporting Schedules:

ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

	[A]	[8]	[0]		[ <u>D]</u>	(E)		(F)		<u>(</u> 0)	Ξ		E	1
	Rate Block				Bas	Basic Service Charge	arge		ľ	Volume	Volumetric Charge (/M Gal)	(/M Gal		I
Class of Service		Present	Settlement	Ξ	Rate	Settlement	C	Change		Rate	Settlement	- •	Change	
Commercial 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	10 99,999 99,999	10 99,999 99,999	\$	22.72	\$ 23.00	\$	0.28	<del>69</del>	2.0614 \$ 2.5769 2.5769		3.0000 \$ 5.1664 5.1664	0.9386 2.5895 2.5895	លហ្ហ
Commercial 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	75 99,999 99,999	20 99,999 99,999	\$	56.80	\$ 57.50	\$	0.70	67	2.0614 \$ 2.5769 2.5769		3.0000 \$ 5.1664 5.1664	0.9386 2.5895 2.5895	ຜູ້ຜູ້ຜູ້
Commercial 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	п/а п/а п/а	45 99,999 99,999		n/a	\$ 115.00	G	n/a		n/a n/a a/n	⇔ 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.	3.0000 5.1664 5.1664	555	n/a n/a n/a
Commercial 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	316 99,999 99,999	75 99,999 99,999	\$	181.76	\$ 184.00	<b>↔</b>	2.24	\$	2.0614 2.5769 2.5769	\$ 5.1.0 1.10	3.0000 \$ 5.1664 5.1664	0.9386 2.5895 2.5895	ស្លូស ស្ល
Commercial 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	667 99,999 99,999	155 99,999 99,999	\$	363.51	\$ 368.00	<del>\$</del>	4.49	<del>69</del>	2.0614 2.5769 2.5769	\$ 5.1 5.1	3.0000 \$ 5.1664 5.1664	0.9386 2.5895 2.5895	8 9 9 9 9 9
Commercial 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,062 99,999 99,999	245 99,999 99,999	\$	567.99	\$ 575.00	<del>6</del>	7.01	\$	2.0614 2.5769 2.5769	\$ 5.1 5.1	3.0000 \$ 5.1664 5.1664	0.9386 2.5895 2.5895	ល្អ ស្ត
Commercial 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	2,162 99,999 99,999	666 <sup>°</sup> 66 66 <sup>°</sup> 666 005	<del>ω</del>	1,135.98	\$ 1,150.00	\$ \$	14.02	\$	2.0614 2.5769 2.5769	\$ 5.1 5.1	3.0000 \$ 5.1664 5.1664	0.9386 2.5895 2.5895	9 2 2 9 9 7 9
Commercial 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	3,483 99,999 99,999	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	1,817.56	\$ 1,840.00	¢	22.44	\$	2.0614 2.5769 2.5769	ቆ 5.1 0.1	3.0000 \$ 5.1664 5.1664	0.9386 2.5895 2.5895	8 8 8 8 8 8
Commercial 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	5,024 99,999 99,999	1,150 99,999 99,999	↔	2,612.75	\$ 2,645.00	¢ ¢	32.25	\$	2.0614 2.5769 2.5769	\$ 	3.0000 \$ 5.1664 5.1664	0.9386 2.5895 2.5895	95 95

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N:2011\_Rate\_Case\SettlementWestern Group2011 AWC Rate Case Model Settlement-WG v4 FINAL\H3 Processing Date: 2/14/2012 4:19 PM

Recap Schedules:

\*\*For Service Charges See Company-wide Service Charge Tariff at the end of this schedule\*\*

White Tank

73144

ARIZONA WAJER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

						•	ī	-			5	-		Ξ
	Rate Block			·		sic Serv	Basic Service Charge	0			Volume	Volumetric Charge (/M Gal)	M Gal)	
Class of Service		Present	Proposed - Settlement		Present <u>Rate</u>	Prop Settle	Proposed Settlement	Change	<u>a</u>	ς π,	Present <u>Rate</u>	Proposed Settlement	0	Change
Industrial 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	10 59,999 99,999	Ś	18.54	÷	23.00	÷	4.46	θ	4.6274 \$ 4.6274 4.6274	3.0000 5.1664 5.1664	¢ <del>,</del>	(1.6274) 0.5390 0.5390
Industrial 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66 66	20 99,999 99,999	\$	46.34	÷	57.50	÷	11.16	<del>ന</del>	4.6274 \$ 4.6274 4.6274	3.0000 5,1664 5.1664	\$ •	(1.6274) 0.5390 0.5390
Industrial 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	45 99,999 99,999		n/a	\$	115.00		n/a		n/a ก/a ก/a	3.0000 5.1664 5.1664	o <b>-</b> - <b>-</b>	
Industrial 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 666 666	99,999 99,999 99,999	\$	148.28	\$	184.00	Ф	35.72	ŝ	4.6274 \$ 4.6274 4.6274	3.0000 5.1664 5.1664	∽ • • • •	(1.6274) 0.5390 0.5390
Industrial 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	155 99,999 99,999	\$	296.56	<del>63</del>	368.00	\$	71.44	÷	4.6274 \$ 4.6274 4.6274	3.0000 5.1664 5.1664	∽ •	(1.6274) 0.5390 0.5390
Industrial 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	245 99,999 99,999	67	463.38	÷	575.00	\$	111.62	\$	4.6274 \$ 4.6274 4.6274	3.0000 5.1664 5.1664	<del>\$</del>	(1.6274) 0.5390 0.5390
Industrial 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66	666 <sup>°</sup> 66 99,999 003	\$	926.75	\$	1,150.00	6 <b>9</b>	223.25	\$	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000	\$	(1.6274) (1.6274) (1.6274)
Industrial 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 666 66 66	008 666 666 666	\$7	1,482.81	\$	1,840.00	67 67	357.19	в	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000	\$	(1.6274) (1.6274) (1.6274) (1.6274)
Industrial 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	1,150 99,999 99,999	÷	2,131.54	\$	2,645.00	ы) Ф	513.46	\$	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000	<del>ه</del>	(1.6274) (1.6274) (1.6274)
Private Fire Service	All meter connection sizes:			\$	22.69	\$	25.00	÷	2.31		n/a	n/a		
			9	(Continued)	<b>d</b> )									

DOCKET NO. W-01445A-10-0517

Recap Schedules:

Schedule H-3 Settlement Page 11 of 17 Witness: Reiker Exhibit

White Tank

ARIZONA WAIER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

	[A]	[8]	<u>[</u> ]		[0]	Ξ		[F]		[0]	E
	Rate Block	lock			I	Basic Service Charge	large		·	Volume	Volumetric Charge (/M Gal)
Class of Service		Present	Proposed - Settlement	L.	Present <u>Rate</u>	Proposed Settlement		Change	σ	Present <u>Rate</u>	Proposed Settlement
Public Fire Hydrant					n/a	Ċ	n/a	n/a		n/a	n/a
Coin Machine	No. Gallons / \$ .25 (quarter)				n/a	ć	n/a	n/a		,	n/a
Construction Water (2-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	316 99,999 99,999	75 99,999 99,999	\$	181.76 \$	184.00	\$	2.24	↔	2.0614 \$ 2.5769 2.5769	3.0000 5.1664 5.1664
Construction Water (3-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>'</sup> 66 66'66 66'66	155 99,999 99,999	\$	363.51 \$	368.00	\$	4.49	₩	2.0614 \$ 2.5769 2.5769	3.0000 5.1664 5.1664
Construction Water (4-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,062 99,999 99,999	245 99,999 99,999	\$	567.99 \$	575.00	\$ 0	7.01	⇔	2.0614 \$ 2.5769 2.5769	3.0000 5.1664 5.1664
Sales for Resale (5/8-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	⇔	22.72 \$	23.00	\$ 0	0.28	<del>у</del>	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000
Sales for Resale (1-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666°66 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66 666	\$	56.80 \$	57.50	\$ 0	0.70	\$	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000
Sales for Resale (1.5-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	666 <sup>°</sup> 66 666 <sup>°</sup> 66		n/a \$	115.00	8	n/a		n/a \$ n/a n/a	3.0000 3.0000 3.0000
Sales for Resale (2-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	181.76 \$	184.00	\$	2.24	\$	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000
Sales for Resale (3-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 66 <sup>°</sup> 66 66	\$	363.51 \$	368.00	\$	4.49	<del>63</del>	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000
Sales for Resale (4-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	666 <sup>°</sup> 66 66 <sup>°</sup> 66 666	\$	567.99 \$	575.00	¢ Q	7.01	\$	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000
Sales for Resale (6-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	1,135.98 \$	1,150.00	¢	14.02	67	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000
Sales for Resale (8-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	666 <sup>°</sup> 66 666°66 66	↔	1,817.56 \$	1,840.00	\$	22.44	\$	4.6274 \$ 4.6274 4.6274	3.0000 3.0000 3.0000
Sales for Resale (10-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	99,999 99,999 99,999	666 <sup>°</sup> 66 666 <sup>°</sup> 66 66	69	2,612.75 \$	2,645.00	<b>⇔</b>	32.25	\$	4.6274 \$ 4.6274 4.6274	3.0000

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0.9386 2.5895 2.5895	0.9386 2.5895 2.5895	(1.6274) (1.6274) (1.6274)	(1.6274) (1.6274) (1.6274)	n/a n/a n/a	(1.6274) (1.6274) (1.6274)	(1.6274) (1.6274) (1.6274)	(1.6274) (1.6274) (1.6274)	(1.6274) (1.6274) (1.6274)	(1.6274) (1.6274) (1.6274)	(1.6274) (1.6274) (1.6274)
\$	\$	÷	\$		\$	\$	\$	\$	\$	\$
3.0000 5.1664 5.1664	3.0000 5.1664 5.1664	3.0000 3.0000 3.0000	3.0000 3.0000 3.0000	3.0000 3.0000 3.0000	3.0000 3.0000 3.0000	3.0000 3.0000 3.0000	3.0000 3.0000 3.0000	3.0000 3.0000 3.0000	3.0000 3.0000 3.0000	3.0000 3.0000 3.0000
÷	÷	\$	φ	\$	69	63	\$	ф	\$	₩
2.0614 2.5769 2.5769	2.0614 2.5769 2.5769	4.6274 4.6274 4.6274	4.6274 4.6274 4.6274	n/a n/a n/a	4.6274 4.6274 4.6274	4.6274 4.6274 4.6274	4.6274 4.6274 4.6274	4.6274 4.6274 4.6274	4.6274 4.6274 4.6274	4.6274 4.6274 4.6274
θ	\$	θ	↔		\$	<del>63</del>	\$	÷	¢	\$
4.49	7.01	0.28	0.70	n/a	2.24	4.49	7.01	14.02	22.44	32.25
\$	ф	\$	ŝ		\$	\$	ŝ	¢	φ	<del>69</del>
368.00	575.00	23.00	57.50	115.00	184.00	368.00	575.00	1,150.00	1,840.00	2,645.00
↔	ф	÷	\$	\$	69	69	\$	\$	\$	\$
363.51	567.99	22.72	56.80	n/a	181.76	363.51	567.99	1,135.98	1,817.56	2,612.75
\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
155 99,999 99,999	245 99,999 99,999	666 666 66 66 66	666'66 66'66 66'66	666 <sup>°</sup> 66 66 <sup>°</sup> 66	666 <sup>6</sup> 66 66	666,66 666,66 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666'66 66	666 66 666 66 66
665,999 999,999 999,999	1,062 99,999 99,999	666'66 666'66 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	n/a n/a n/a	666'66 666'66 66	666'66 666'66 66	666'66 666'66 666	666'66 666'66 666'66	666'66 666'66 66	99,999 99,999 99,999 99,999
Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Ther Orie Breakover (M Gal): Ther Two Breakover (M Gal): Ther Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	Sales for Resale (10-Inch)     Tier One Breakover (M Gal):     99,999       Tier Two Breakover (M Gal):     99,999       Tier Three Breakover (M Gal):     99,999       For Service Charges See Company-wide Service Charge Tariff at the end of this schedule**
Construction Water (3-Inch)	Construction Water (4-Inch)	Sales for Resale (5/8-Inch)	Sales for Resale (1-Inch)	Sales for Resale (1.5-Inch)	Sales for Resale (2-Inch)	Sales for Resale (3-Inch)	Sales for Resale (4-inch)	Sales for Resale (6-Inch)	Sales for Resale (8-Inch)	Sales for Resale (10-Inch) For Service Charges See Compan

Schedule H-3 Settlement Page 12 of 17 Witness: Reiker Exhibit

N:2011\_Rate\_Case\Settlement[Western Group2011 A/WC Rate Case Model Settlement-WG v4 FINAL\H3 Processing Date: 2/14/2012 4:19 PM

ARIZONA W. ... LR COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

		[A]	[8]	<u>[0]</u>		[0]	E		E		[ <u>0</u> ]	_	Ξ		Ξ
		Rate Block	×			Bas	Basic Service Charge	Charge	-			Volumetr	Volumetric Charge (/M Gal)	/M Gal)	
No.	Class of Service		Present	Proposed - Settlement		Present <u>Rate</u>	Proposed Settlement	at a	Change		Present <u>Rate</u>	le eut	Proposed Settlement		Change
-0041	Residential 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	3 10 99,999	3 10 99,999	\$	25.16	\$	25.00 \$	O)	(0.16)	\$ 704	4.8189 \$ 6.0236 7.5292	3.3617 5.9502 9.2228	\$	(1.4572) (0.0734) 1.6936
5.0 r 80	Residential 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	10 99,999 99,999	15 99,999 99,999	\$	62.90	<del>Ф</del>	62.50 \$	O)	(0.40)	\$	6.0236 \$ 7.5292 7.5292	5.9502 9.228 9.2228	<del>69</del>	(0.0734) 1.6936 1.6936
2 t t t t	Residential 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	666'66 666'66 66		n/a	\$	125.00	-	n/a		n/a \$ n/a n/a	5.9502 9.228 9.2228	<b>78</b> 79	n/a n/a n/a
5 <del>1</del> 5 <del>1</del> 5 5 5	Residential 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	50,999 99,999 99,999	\$	201.27	\$	200.00 \$	E	(1.27)	\$	6.0236 \$ 7.5292 7.5292	5.9502 9.228 9.228	\$	(0.0734) 1.6936 1.6936
2 9 6 7 7 2 9 9 7 7 7	Residential 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	200 99,999 99,999	100 99,999 99,999	\$	402.54	\$ 74	400.00 \$	C)	(2.54)	9 ~ ~ \$	6.0236 \$ 7.5292 7.5292	5.9502 9.228 9.228	502 28 28 28	(0.0734) 1.6936 1.6936
-010045	Residential 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	325 99,999 99,999	150 99,999 99,999	\$	628.97	\$ 0	625.00 \$	3	(3.97)	\$	6.0236 \$ 7.5292 7.5292	5.9502 9.2228 9.2228	\$	(0.0734) 1.6936 1.6936
9 ~ 8 6	Residential 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	725 99,999 99,999	330 99,999 99,999	\$		\$ 1,25	1,250.00 \$	E)	(7.94)	9 ~ ~ \$	6.0236 \$ 7.5292 7.5292		\$	(0.0734) 1.6936 1.6936
33333	Residential 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,200 99,999 99,999	525 99,999 99,999	\$	2,012.70	\$	2,000.00 \$		(12.70)	\$ \$	6.0236 \$ 7.5292 7.5292	5.9502 9.2228 9.2228	\$	(0.0734) 1.6936 1.6936
35 35 33 33 33	Residential 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,783 99,999 99,999	775 99,999 99,999	θ	2,893.25	\$ 58	2,875.00 \$		(18.25)	\$	6.0236 \$ 7.5292 7.5292	5.9502 9.228 9.228	502 \$28 228	(0.0734) 1.6936 1.6936

(Continued)

N:2011\_Rate\_Case\SettlementWestern Group2011 A/WC Rate Case Model Settlement-WG v4 FINAL\H3 Processing Date: 2/14/2012 4:19 PM

\*\*For Service Charges See Company-wide Service Charge Tariff at the end of this schedule\*\*

Recap Schedules:

Ajo

73144 DECISION NO.

ARIZONA W.... ER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

Exhibit Schedule H-3 Settlement Page 14 of 17 Wftness: Reiker

Ajo

<u>Class of Service</u> Commercial 5/8 x 3/4 -inch Commercial 1-inch	Rate Block		Proposed -	·	ц. Ва	ein Sanir	Chordo -			Mahu			
<u>Class of Service</u> Commercial 5/8 x 3/4 -inch Commercial 1-inch			Proposed -			100 210	Dasic Service Charge		i	INION	metric CI	Volumetric Charge (/M Gal)	Sal)
Commercial 5/8 x 3/4 -inch Commercial 1-inch		rresent	Settlement	-	Present <u>Rate</u>	Proposed Settlement	sed	Change	l l	Present <u>Rate</u>	le F	Proposed Settlement	Change
Commercial 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	10 99,999 99,999	10 99,999 99,999	θ	25.16	\$	25.00 \$	(0.16)		\$ 6.0236 7.5292 7.5292	\$ (0 0 0	5.9502 9.2228 9.2228	\$ (0.0734) 1.6936 1.6936
dani 1 L laiananana C	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 06'66	15 99,999 99,999	<del>69</del>	62.90	69	62.50 \$	(0.40)		\$ 6.0236 7.5292 7.5292	\$	5.9502 9.2228 9.2228	\$ (0.0734) 1.6936 1.6936
	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	30 99,999 99,999		n/a	<del>6</del> 9	125.00	n/a	œ	n/a n/a	99 19	5.9502 9.2228 9.2228	
Commercial 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	100 99,999 99,999	666 <sup>'</sup> 66 66'66 05	\$	201.27	<b>\$</b>	200.00	(1.27)	E C	<ul> <li>6.0236</li> <li>7.5292</li> <li>7.5292</li> </ul>	<del>69</del>	5.9502 9.2228 9.2228	\$ (0.0734) 1.6936 1.6936
Commercial 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	200 99,999 99,999	100 99,999 99,999	\$	402.54	\$	400.00	(2.54)		\$ 6.0236 7.5292 7.5292	6 <del>9</del>	5.9502 9.2228 9.2228	\$ (0.0734) 1.6936 1.6936
Commercial 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	325 99,999 99,999	150 99,999 99,999	\$	628.97	<del>6</del>	625.00 \$	(3.97)		\$ 6.0236 7.5292 7.5292	6 <del>9</del>	5.9502 9.2228 9.2228	\$ (0.0734) 1.6936 1.6936
Commercial 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	725 99,999 99,999	330 99,999 99,999	\$	1,257.94	\$ 7	1,250.00 \$	(7.94)		\$ 6.0236 7.5292 7.5292	<del>69</del>	5.9502 9.2228 9.2228	\$ (0.0734) 1.6936 1.6936
Commercial 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,200 99,999 99,999	525 99,999 99,999	<b>69</b>	2,012.70	\$ 2,0	2,000.00 \$	(12.70)		<ul> <li>\$ 6.0236</li> <li>7.5292</li> <li>7.5292</li> </ul>	<del>69</del>	5.9502 9.2228 9.2228	\$ (0.0734) 1.6936 1.6936
Commercial 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	1,783 99,999 99,999	775 99,999 99,999	6 <del>9</del>	2,893.25	\$ 5	2,875.00 \$	(18.25)	<b>\$</b>	6.0236 7.5292 7.5292	<b>⇔</b>	5.9502 9.2228 9.2228	\$ (0.0734) 1.6936 1.6936

\*\*For Service Charges See Company-wide Service Charge Tariff at the end of this schedule\*\*

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Recap Schedules:

Supporting Schedules:

73144

ARIZONA W .... ER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

		[A]	[8]	[0]		[D] 4/0	Ē	[F]		[0]		H	E
		Rate Block				- 1	Basic Service Charge	e	1	Ŷ	Volumetric Charge (/M Gal)	arge (/M G	()
Line	Class of Service		Present Pr	Proposed - <u>Settlement</u>	ά	Present <u>Rate</u>	Proposed Settlement	Change		Present <u>Rate</u>		Proposed Settlement	Change
- 0 10 4 4	Industrial 5/8 x 3/4 -inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	10 99,999 99,999	÷	25.16 \$	25.00	\$ (0	(0.16)	\$ 6.0236 6.0236 6.0236	236 \$ 236 236	5.9502 9.2228 9.2228	\$ (0.0734) 3.1992 3.1992
n w ~ w o	Industrial 1-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 666 66 66	15 99,999 99,999	ŝ	65.60 \$	62.50	\$	(3.10)	\$ 6.0236 6.0236 6.0236	236 \$ 236 236	5.9502 9.2228 9.2228	\$ (0.0734) 3.1992 3.1992
6 <u>5</u> 5 5 5	Industrial 1.5-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	666 <sup>°</sup> 66 99,999 05		n/a \$	125.00	L	n/a		n/a \$ n/a n/a	5.9502 9.2228 9.2228	п/а n/а п/а
<u>5456</u>	Industrial 2-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	666 <sup>°</sup> 66 66 <sup>°</sup> 66 05	\$	201.27 \$	200.00	\$ (1.	(1.27)	\$ 6.0236 6.0236 6.0236	236 \$ 236 \$ 236	5.9502 9.2228 9.2228	\$ (0.0734) 3.1992 3.1992
5 1 <del>1</del> 8 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Industrial 3-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 66 666 66 66	100 99,999 99,939	\$	402.54 \$	400.00	\$ (2	(2.54)	\$ 6.0236 6.0236 6.0236	236 \$ 236 236	5.9502 9.2228 9.2228	\$ (0.0734) 3.1992 3.1992
25 5 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	Industrial 4-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	150 99,999 99,999	\$	628.97 \$	625.00	\$	(3.97)	\$ 6.0236 6.0236 6.0236	236 \$ 236	5.9502 9.2228 9.2228	\$ (0.0734) 3.1992 3.1992
5 5 5 5 7 5 7 5 7 5 7 5 7 5 7 5 7 5 7 5	Industrial 6-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	330 99,999 99,999	\$	1,257.94 \$	1,250.00	\$	(7.94)	\$ 6.0236 6.0236 6.0236	236 \$ 236	5.9502 5.9502 5.9502	\$ (0.0734) (0.0734) (0.0734)
3 8 5 8 8	Industrial 8-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66	525 99,999 99,999	\$	2,012.70 \$	2,000.00	\$ (12.70)		\$ 6.0236 6.0236 6.0236	36 \$ 36 \$	5.9502 5.9502 5.9502	\$ (0.0734) (0.0734) (0.0734)
3 36 36 37 37	Industrial 10-inch	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	775 99,999 99,999	÷	2,893.25 \$	2,875.00	\$ (18.25)		\$ 6.0236 6.0236 6.0236	\$ 39 9 9 39 9	5,9502 5,9502 5,9502	\$ (0.0734) (0.0734) (0.0734)
	Private Fire Service	All meter connection sizes:			θ	24.19 \$	25.00	¢, 0	0.81	L	n/a	n/a	n/a
0N NO. 88488													
₹ <del>8</del> 9 8 7 <b>3</b>													
<sup>ភេនន</sup> 144				(Cont	(Continued)								
54 55	**For Service Charges See Compan	**For Service Charges See Company-wide Service Charge Tariff at the end of this schedule**	this schedule**										

Exhibit Schedule H-3 Settlement Page 15 of 17 Witness: Reiker

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N:2011\_Rate\_Case\Settlement(Western Group2011 AWC Rate Case Mode) Settlement-WG v4 FINAL\H3 Processing Date: 2/14/2012 4:19 PM

Supporting Schedules:

ARIZONA W....ER COMPANY Test Year Ended December 31, 2010 Changes in Representative Rate Schedules

Exhibit Schedule H-3 Settlement Page 16 of 17 Wftness: Reiker

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Class of Service		Present	Proposed - Settlement		Present Dasid	Proposed Settlement	Change		Present I	e Settlement 0	Change
Public Fire Hydrant					n/a	n/a	n/a		n/a	n/a	
Coin Machine	No. Gallons / \$ .25 (quarter)				n/a	n/a	n/a		37.81	38	
Construction Water (2-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	100 99,999 99,999	50 99,999 99,999	\$	201.27 \$	200.00 \$	(1.27)	в	6.0236 \$ 7.5292 7.5292	5.9502 9.2228 9.2228	\$
Construction Water (3-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	200 99,999 99,999	100 99,999 99,999	↔	402.54 \$	400.00 \$	\$ (2.54)	÷	6.0236 \$ 7.5292 7.5292	5.9502 9.2228 9.2228	\$
Construction Water (4-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	325 99,999 99,999	150 99,999 99,999	\$	628.97 \$	625.00 \$	3.97)	<del>69</del>	6.0236 \$ 7.5292 7.5292	5.9502 9.2228 9.2228	69
Sales for Resale (5/8-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 66 666 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	25.16 \$	25.00	\$ (0.16)	<del>6</del>	6.0236 \$ 6.0236 6.0236	5.9502 5.9502 5.9502	\$
Sales for Resale (1-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666'66 666'66 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	62.90 \$	62.50	\$ (0.40)	<del>ග</del>	6.0236 6.0236 6.0236	5.9502 5.9502 5.9502	\$
Sales for Resale (1.5-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	n/a n/a n/a	666 66 666 66 66		n/a \$	125.00	n/a		n/a n/a n/a	5.9502 5.9502 5.9502	
Sales for Resale (2-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	201.27 \$	200.00	\$ (1.27)	⇔	6.0236 \$ 6.0236 6.0236	5.9502 5.9502 5.9502	69
Sales for Resale (3-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>-</sup> 66 666 <sup>-</sup> 66 66	ଡ଼	402.54 \$	400.00	\$ (2.54)	\$	6.0236 \$ 6.0236 6.0236	5.9502 5.9502 5.9502	\$
Sales for Resale (4-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	628.97 \$	625.00	\$ (3.97)	\$	6.0236 \$ 6.0236 6.0236	5.9502 5.9502 5.9502	\$
Sales for Resale (6-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 666 66 66	\$	1,257.94 \$	1,250.00	\$ (7.94)	\$	6.0236 \$ 6.0236 6.0236	5.9502 5.9502 5.9502	\$
Sales for Resale (8-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	↔	2,012.70 \$	2,000.00	\$ (12.70)	\$	6.0236 6.0236 6.0236	5.9502 5.9502 5.9502	\$
Sales for Resale (10-Inch)	Tier One Breakover (M Gal): Tier Two Breakover (M Gal): Tier Three Breakover (M Gal):	666 <sup>°</sup> 66 666 <sup>°</sup> 66	666 <sup>°</sup> 66 666 <sup>°</sup> 66	\$	2,893.25 \$	2,875.00	\$ (18.25)	↔	6.0236 \$ 6.0236 6.0236	5.9502 5.9502 5.9502	69

Recap Schedules:

73144

DECISION NO.

		Western Group
	[A]	[8]
Service Charges	Current Rate	Settlement Rate*
Establishment	\$16.00	\$32.00
Guarantee Deposit	Residential - maximum: Two(2) times average customer class bill. Non-Residential-maximum: Two and one-half (21/2) times that customers estimated maximum monthiy bill.	No Change
Reconnection for Delinquency	\$16.00	\$32.00
Re-Establishment	Eight (8) times the customer's monthly minimum charge, or payment of the minimums since disconnection, whichever is less.	No Change
Service Call Out	During regular working hours - No charge. After regular working hours, on Saturdays, Sundays, or holidays - \$35.00	During regular working hours - no charge. After regular working hours, on Saturdays, Sundays, or holidays - a \$35.00 After Hours Service Charge. The current Service Call Out After Hours Charge is eliminated.
Returned Check	\$25.00	No Change in rate. Change language to read "Returned payment for insufficient funds."
Meter Re-read	No charge, if done during regular working hours, otherwise, a \$35.00 service call out.	All Meter Re-Reads - \$25.00
Meter Test	No charge for the first test; for the second test for the same customer within any twelve (12) month period, \$50.00, or actual time and material whichever is greater.	No charge for the first test; for the second test for the same customer within any twelve (12) mont period, \$25.00, or actual time and material, whichever is greater.
Service Line and Meter Installation	Meter Size Service Line Meter Total	<u>Meter Size</u> <u>Service Line<sup>1</sup></u> <u>Meter</u> <u>Total<sup>1</sup></u>
	5/8-inch \$ 445.00 \$ 155.00 \$ 600.00 1-inch \$ 495.00 \$ 155.00 \$ 810.00 2" turbine 830.00 1,045.00 1,875.00 2" compound 830.00 1,890.00 2,720.00	5/8-inch         \$         445.00         \$         155.00         \$         600.00           1-inch         \$         495.00         \$155.00         \$         810.00           2" turbine         \$330.00         1,045.00         1,375.00         2.720.00           2" compound         \$30.00         1,890.00         2.720.00         2.720.00
	1,045,00 1,670,00 1,165,00 2,545,00	3" turbine Actual Cost Actual
		<ul> <li>4" turbine</li> <li>Actual Cost</li> <li>Actual Cost</li> <li>Actual Cost</li> <li>Actual Cost</li> <li>Actual Cost</li> </ul>
	2,210.00 5,025.00 2.330.00 6.920.00	6" turbine Actual Cost Actual Cost 6" commoning Actual Cost
	2,210.00 5,025.00 7	8" turbine Actual Cost Actual Cost
	and 2,330.00 6,920.00 2,210.00 5,025.00 2,330.00 6,920.00	8" compound Actual 10" turbine Actual 10" compound Actual
		<sup>1</sup> Actual cost of service line if boring under roadway is required.
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N:2011\_Rate\_Case\SettlementWestern Group2011 AWC Rate Case Model Settlement-WG v4 FINALVH3 Processing Date: 2/14/2012 4:19 PM

Recap Schedules:

55 \*Adopts Supporting Schedules:

ARIZONA WALLER COMPANY Test Year Ended December 31, 2010 Typical Bill Analysis

Schedule H-4 Settlement Page 1 of 4 Witness: Reiker

Exhibit

Typical Bill         Typical Bill<	No.         Dial         Tranta	Qi         Di         Di <thdi< th="">         Di         Di         Di<!--</th--><th></th><th>ľ</th><th></th><th>10</th><th></th><th></th><th></th><th></th><th></th><th>[]</th><th></th><th>[F]</th><th>[0]</th><th></th><th></th><th>Ĩ</th><th>Ξ</th><th>_</th></thdi<>		ľ		10						[]		[F]	[0]			Ĩ	Ξ	_
Bits         FOAL France         Control         Proprint France         Proprint	Monthly field         Monthly	Matrix Base         Matrix Cont         Matrix Description         Matrix Description <th></th> <th></th> <th>۲.</th> <th><u>ם</u></th> <th></th> <th>-</th> <th>5</th> <th></th> <th></th> <th></th> <th>1</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th>			۲.	<u>ם</u>		-	5				1							
Figure Base         C(D,I/ C(L)         C C(L)         C C(L)         C(D,I/ C(L)         C(D	Month         Month         Month         Month         Month         Month         Month           Rest Mark         Rest         Series	ChU         ChU <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>цТ</td> <td>ical Bill</td> <td></td> <td></td> <td></td> <td></td> <td>, Incl</td> <td>rease</td> <td></td>										цТ	ical Bill					, Incl	rease	
Bits         P(A) (1)         Control         Team         Team         Annual         Annual <td>Teal         Total         Total</td> <td>number         man         man&lt;</td> <td></td> <td></td> <td></td> <td></td> <td>. W</td> <td>Mo</td> <td>nthly</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Propose</td> <td>g</td> <td></td> <td></td> <td>2000</td> <td></td>	Teal         Total	number         man         man<					. W	Mo	nthly						Propose	g			2000	
Control         5         573         5         573         5         573         5         573         5         5         7	International         Internat	International         Interna         International         International<		00 (	ase	dd d	A	Const	umption Gal)			esent Rate Surcharge		otal	Settleme	It		Amount	Perc	ent
1         1	Mediation to A ref of the formation of the formatio	Mean         1 <th1< th="">         1         1         1</th1<>		I.	ales	onic										0	e.	0.21		1.33
Change:         S         TSSS         T         Cost         Co	S         52333         5233         5233         5	Second field         Second field<	Residential 5/8 x 3/4 -inch							÷		•	ß			00.77	•	0.44		1.91
15     2.35     2.05     6.05     105       16     2.37     3     3     3.05     6.05     105       17     3     1.75     1.75     1.75     1.75     1.75       16     3.17     3     1.75     1.75     1.75     1.75       16     3.17     3     1.75     1.75     1.75     1.75       16     3.17     3     1.75     1.75     1.75     1.75       16     3.17     3     1.75     1.75     1.75     1.75       16     3.17     1.75     1.75     1.75     1.75     1.75       16     3.17     1.75     1.75     1.75     1.75     1.75       17     3     1.70     3     1.75     1.75     1.75       16     3     1.75     1.75     1.75     1.75     1.75       16     3     1.75     2.75     2.75     2.75       16     3     1.75     2.75     2.75     2.75       17     3     1.75     2.75     2.75     2.75       16     3     1.75     2.75     2.75     2.75       16     3     1.75     2.75     2.75     2.75	15     2.35     15     2.35     15     15       16     2.35     17.51     17.51     17.51     17.51     17.51       16     17.51     17.51     17.51     17.51     17.51     17.51       16     17.51     17.51     17.51     17.51     17.51     17.51       17     17     17.51     17.51     17.51     17.51     17.51       17     17     17.51     17.51     17.51     17.51     17.51       18     2     10.63     2     10.63     2.325     2.325       18     2     10.63     2     10.63     2.325     2.325       18     2     10.63     2     10.63     2.325     2.325       18     2     10.63     2     10.63     2.325     2.325       19     3     10.03     3     2     10.63     2.325       10     3     1.03     3     2.325     3.325     3.325       10     3     1.03     3     3.455     3.325     3.325       10     3     1.03     3.123     1.033     3.123       10     3     1.033     1.033     1.033       10     3 </td <td>15       2.39       2.00       0.00       10.30       0.00         16       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>5</td> <td></td> <td>23.32</td> <td>•</td> <td></td> <td>20.02</td> <td>3 9</td> <td>- 04</td> <td></td> <td>2.99</td> <td></td> <td>8.76</td>	15       2.39       2.00       0.00       10.30       0.00         16       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30       1.30       1.30       1.30       1.30       1.30       1.30       1.30       1.30         16       1.30							5		23.32	•		20.02	3 9	- 04		2.99		8.76
Inc.         1	Inc. Change:     3     15/13     5     -     -     0 <td>Increment         1</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>15</td> <td></td> <td>42.59</td> <td>'</td> <td></td> <td>44.33</td> <td>2.9</td> <td>87</td> <td></td> <td>13.58</td> <td></td> <td>5.48</td>	Increment         1							15		42.59	'		44.33	2.9	87		13.58		5.48
International (N Gal)         I (5/1)         I (5/1) <thi (5="" 1)<="" th=""> <thi (5="" 1)<="" th=""> <thi (5="" 1)<="" th=""> <thi (5="" 1)<="" th="">         I (5/1)         I (5/1)         <thi (5="" 1)<="" th="">         I (5/1)         &lt;</thi></thi></thi></thi></thi></thi></thi></thi></thi></thi></thi></thi></thi>	Change.         5         5400         5700         564         5700 <th< td=""><td>Include     S     FG / 20     S     FG / 20</td><td></td><td></td><td></td><td></td><td></td><td></td><td>20</td><td></td><td>53.29</td><td></td><td></td><td>07.00</td><td>8</td><td>17</td><td></td><td>19.1</td><td></td><td>96.6</td></th<>	Include     S     FG / 20							20		53.29			07.00	8	17		19.1		96.6
1       1	1       1	1       1	Present Rates						25		64.00	•			3 9	46		24.76		3.15
1       1       1       2       1       2       3       3       3         1       1       1       1       1       1       1       3	1       1       1       1       2       13       2       13       2       13       2       13       2       13       2       13       3 </td <td>1       1       1       1       2       1       2       3</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>30</td> <td></td> <td>74.70</td> <td>'</td> <td></td> <td>85 AD</td> <td>11.5</td> <td>76</td> <td></td> <td>30.3(</td> <td></td> <td>5.55</td>	1       1       1       1       2       1       2       3							30		74.70	'		85 AD	11.5	76		30.3(		5.55
0.     0.     0.0     0.0     0.0     0.0     0.0       1.7723     0.0     0.0     0.0     0.0     0.0     0.0     0.0       1.7723     0.0     0.0     0.0     0.0     0.0     0.0     0.0       1.7723     0.0     0.0     0.0     0.0     0.0     0.0     0.0       1.7723     0.0     0.0     0.0     0.0     0.0     0.0     0.0       1.7723     0.0     0.0     0.0     0.0     0.0     0.0     0.0       1.7723     0.0     0.0     0.0     0.0     0.0     0.0     0.0       1.0     0.0     0.0     0.0     0.0     0.0     0.0     0.0       1.0     0.0     0.0     0.0     0.0     0.0     0.0     0.0       1.0     0.0     0.0     0.0     0.0     0.0     0.0       0.0     0.0     0.0     0.0     0.0     0.0     0.0       0.0     0.0     0.0     0.0     0.0     0.0     0.0       0.0     0.0     0.0     0.0     0.0     0.0     0.0       0.0     0.0     0.0     0.0     0.0     0.0       0.0     0	0.     0.     0.0     0.0     0.0     0.0       0.     0.0     0.0     0.0     0.0     0.0       1.773     1.773     1.773     1.751     1.751     0.0       2.1000     1.773     1.773     2.822     1.954     0.1       2.1000     1.773     1.773     2.823     0.00     0.0       2.1000     1.773     2.846     2.852     1.955     0.00       2.1000     1.773     2.845     2.852     1.956     0.00       2.1000     2.956     1.900     2.856     2.856     0.00       2.1000     2.956     1.900     2.956     1.900     0.00       2.1000     2.956     1.900     1.924     1.143       2.1000     2.956     1.900     1.925     0.00       2.1000     2.956     1.900     1.925     0.00       2.1000     2.956     1.900     1.925     0.00       2.1000     2.956     1.900     1.926     1.143       2.1000     2.956     1.900     1.926     1.926       2.1000     1.978     1.926     1.926     1.926       2.1000     1.978     1.926     1.926       2.1000     1.978	0.     0.     0.0     0.0     0.0     0.0     0.0       17/15     1.17.51     1.17.51     1.17.51     0.00     0.0       17/15     1.17.51     1.00     0.0     0.0     0.0     0.0       17/15     1.17.51     1.00     0.0     0.0     0.0     0.0       17/15     1.17.51     1.00     0.0     0.0     0.0     0.0       17/15     1.17.51     1.00     0.0     0.0     0.0     0.0       17/15     1.17.51     1.00     0.0     0.0     0.0     0.0       17/15     1.17.51     1.00     0.0     0.0     0.0     0.0       17/15     1.17.51     1.00     0.0     0.0     0.0     0.0       17/15     1.10     0.0     0.0     0.0     0.0     0.0       100     0.0     0.0     0.0     0.0     0.0     0.0       100     0.0     0.0     0.0     0.0     0.0     0.0       100     0.0     0.0     0.0     0.0     0.0       100     0.0     0.0     0.0     0.0     0.0       100     0.0     0.0     0.0     0.0     0.0       100     0.0 </td <td>Control Character</td> <td>÷</td> <td>15.79</td> <td></td> <td>,</td> <td></td> <td>35</td> <td></td> <td>04.08</td> <td>•</td> <td></td> <td>00, 30</td> <td>1.2</td> <td>05</td> <td></td> <td>35.9</td> <td></td> <td>37.4</td>	Control Character	÷	15.79		,		35		04.08	•		00, 30	1.2	05		35.9		37.4
1     3     45     10581     1     11751     10540     2713       1     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       2     1     1     1     1     1     1     1     1       3     1     1     1     1     1     1     1     1       3     1     1     1     1     1     1     1     1       3     1     1     1     1     1 </td <td>1       3       45       10181       1       10131       10440       2713       10440       271412       271412       271412       2</td> <td>0.       3       45       11051       1001       6660       2713         0.1       1</td> <td>Basic Service Charge.</td> <td>•</td> <td></td> <td></td> <td></td> <td></td> <td>40</td> <td></td> <td>96.10</td> <td>•</td> <td></td> <td>30, IV</td> <td>2.1</td> <td>35</td> <td></td> <td>41.5</td> <td></td> <td>38.85</td>	1       3       45       10181       1       10131       10440       2713       10440       271412       271412       271412       2	0.       3       45       11051       1001       6660       2713         0.1       1	Basic Service Charge.	•					40		96.10	•		30, IV	2.1	35		41.5		38.85
9.1       1173       1       12121       1       12121       1       223       413         1       1700       5       1710       2       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       223       1       <	0.0         0.0 <th0.0< th=""> <th0.0< th=""> <th0.0< th=""></th0.0<></th0.0<></th0.0<>	9       10       9       1175       1       1175       1       1175       1       1175       1       1175       1       100       2723       2733       2733       2733       2733       2733       2733       2733       2733       2734       2733       2733       2734       2733       2734       2734       2734       2734       2734       2734       27333       27333       27333			e.				45		106.81	ı		106.81	- <u>-</u>	54		47.1		10.11
Mill       69.66       55       123.21 <t< td=""><td>Mill       6960       55       123212       123212       123212       1</td><td>Mill         Geldin         55         T322         T         <tht< th="">         T         T         <tht< th=""></tht<></tht<></td><td></td><td></td><td>, ĉ</td><td></td><td></td><td></td><td>50</td><td></td><td>117.51</td><td>,</td><td></td><td>10./11</td><td>2 6</td><td></td><td></td><td>52 7</td><td>-</td><td>41.1</td></t<>	Mill       6960       55       123212       123212       123212       1	Mill         Geldin         55         T322         T <tht< th="">         T         T         <tht< th=""></tht<></tht<>			, ĉ				50		117.51	,		10./11	2 6			52 7	-	41.1
Marrier       1,720       3       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       1,720       2       2       1,720       2       2       1,721       2       2       1,721       2       2       1,721       2       1,721       2       1,721       2       1,721       1,721       1,721       1,721       1,721       1,721       1,721       1,721       1,721       1,721       1,721       2       2       1,721       2       2       1,721       2	month         1370         3         1371         3         1372	Marrier         1,720         5         1,224         2,445         7,122         2,455         7,122         2,455         7,122         2,455         4,555         4	Tier I wo Breakover (IN Gal).						55		128.21	•		12.821	ē ģ	10,1		583		11.98
5       1,3700       5       - <td>5       1,2700       5       1,4702       2,6403       6650       466         2       1,1703       1,1713       1,1713       2,611       2,612       7,600         2       1,1703       1,1713       1,1713       2,611       2,613       7,600         2       1,1703       2,17103       2,611       2,613       7,600         2       1,000       5       2,9456       9,3245       2,611       7,600         2       1,000       5       2,9456       9,3245       2,612       7,600         3       1,11       2,900       6526       9,933       9,935       2,6457       9,935       2,6457         3       1,11       3       1,1673       1,1023       2,6457       1,0302       2,6457       2,666       1,1023       2,6457       2,666       1,1023       2,6457       1,1023       2,6457       2,666       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,600       1,</td> <td>5       1700       5       1952       2.000       955         2       1400       5       1400       2.000       2611       750         2       140       5       1400       2.143       2.143       2.143       2.143         2       140       5       1400       5       1400       2.143       2.143       2.143         2       140       5       1400       5       2.143       2.143       2.143       2.143         2       1400       5       1400       5       1400       5       2.143       2.143       2.143         3       1400       5       1400       5       1400       5       2.143       2.143       2.143       2.145</td> <td>Tier Three Breakover (M Gal).</td> <td></td> <td>000,000</td> <td></td> <td></td> <td></td> <td>60</td> <td></td> <td>138.92</td> <td>•</td> <td></td> <td>138.92</td> <td>200</td> <td>2, 2</td> <td></td> <td>63.9</td> <td></td> <td>42.7</td>	5       1,2700       5       1,4702       2,6403       6650       466         2       1,1703       1,1713       1,1713       2,611       2,612       7,600         2       1,1703       1,1713       1,1713       2,611       2,613       7,600         2       1,1703       2,17103       2,611       2,613       7,600         2       1,000       5       2,9456       9,3245       2,611       7,600         2       1,000       5       2,9456       9,3245       2,612       7,600         3       1,11       2,900       6526       9,933       9,935       2,6457       9,935       2,6457         3       1,11       3       1,1673       1,1023       2,6457       1,0302       2,6457       2,666       1,1023       2,6457       2,666       1,1023       2,6457       1,1023       2,6457       2,666       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,660       1,1233       2,4457       6,600       1,	5       1700       5       1952       2.000       955         2       1400       5       1400       2.000       2611       750         2       140       5       1400       2.143       2.143       2.143       2.143         2       140       5       1400       5       1400       2.143       2.143       2.143         2       140       5       1400       5       2.143       2.143       2.143       2.143         2       1400       5       1400       5       1400       5       2.143       2.143       2.143         3       1400       5       1400       5       1400       5       2.143       2.143       2.143       2.145	Tier Three Breakover (M Gal).		000,000				60		138.92	•		138.92	200	2, 2		63.9		42.7
1,1700       1       100,32       2,445       2,224,54       2,244,51       2,244,54       2,244,51	1,1700       1 <td>11700     1     1     1     2     1     2     1     2     1</td> <td></td> <td>é</td> <td>0026 4</td> <td></td> <td></td> <td></td> <td>65</td> <td></td> <td>149.62</td> <td>'</td> <td></td> <td>149.02</td> <td>ž č</td> <td></td> <td></td> <td>5.69</td> <td></td> <td>43.3</td>	11700     1     1     1     2     1     2     1     2     1		é	0026 4				65		149.62	'		149.02	ž č			5.69		43.3
2,1406       75       771,03       -       272,03       -       782,05       -       282,05       - </td <td>2,1466       1<td>2,146       1<td>Tier One Rate:</td><td>A</td><td>00/0.1</td><td></td><td></td><td></td><td>70</td><td></td><td>160.32</td><td>'</td><td></td><td>160.32</td><td></td><td>20.0</td><td></td><td>75.0</td><td></td><td>43.9</td></td></td>	2,1466       1 <td>2,146       1<td>Tier One Rate:</td><td>A</td><td>00/0.1</td><td></td><td></td><td></td><td>70</td><td></td><td>160.32</td><td>'</td><td></td><td>160.32</td><td></td><td>20.0</td><td></td><td>75.0</td><td></td><td>43.9</td></td>	2,146       1 <td>Tier One Rate:</td> <td>A</td> <td>00/0.1</td> <td></td> <td></td> <td></td> <td>70</td> <td></td> <td>160.32</td> <td>'</td> <td></td> <td>160.32</td> <td></td> <td>20.0</td> <td></td> <td>75.0</td> <td></td> <td>43.9</td>	Tier One Rate:	A	00/0.1				70		160.32	'		160.32		20.0		75.0		43.9
2,140       2,24,54	2,1400       2,2154       -       2,2154       -       2,2154       -       2,2154       -       2,2154       -       2,2154       2,2155       2,2166       2,2154       2,2166       2,2154       2,2166       2,2154       2,2166       2,2154       2,2166       2,2154       2,2166       2,2154       2,2166       2,2164       2,2164       2,2164       2,2164       2,2164       2,2164       2,2166       2,2164       2,2166       2,2164       2,2166       2,2164       2,2166       2,2164	2.1400       2.3151       2.2453       2.2152       2.2152       2.2152       2.2152       2.2152       2.2152       2.2152       2.2152       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151       2.2151	Tier Two Rate:		07171		1 1		75		171.03	'		1/1.03		2.12		103.0		45.90
10       331,57       -       331,57       - <t< td=""><td>10.1     31.57     -     331.57     -     -     331.57     -     331.57     -     331.57     -     331.57     -     331.57     -     331.57     -     -&lt;</td><td>101     31,57     -     33,57     -     33,57     -     33,57     -     33,57     -     33,57     -     33,57     -     33,57     -     33,55     -     -     33,55     -     33,55     -     33,55     -     33,55     -     33,55     -     32,55     -     32,55     -     -     33,55     -     32,55     -     32,55     -     32,55     -     32,55     -     32,55     -     -     32,55     -     -     32,55     -     -     32,55     -     32,55     -     32,55     -     -     32,55     -     -     -32,55     -      -&lt;</td><td>Tier Three Rate:</td><td></td><td>2.1400</td><td>_</td><td>4</td><td></td><td>100</td><td></td><td>224.54</td><td>•</td><td></td><td>224.54</td><td>22</td><td>100.</td><td></td><td>158.0</td><td></td><td>47.9</td></t<>	10.1     31.57     -     331.57     -     -     331.57     -     331.57     -     331.57     -     331.57     -     331.57     -     331.57     -     -<	101     31,57     -     33,57     -     33,57     -     33,57     -     33,57     -     33,57     -     33,57     -     33,57     -     33,55     -     -     33,55     -     33,55     -     33,55     -     33,55     -     33,55     -     32,55     -     32,55     -     -     33,55     -     32,55     -     32,55     -     32,55     -     32,55     -     32,55     -     -     32,55     -     -     32,55     -     -     32,55     -     32,55     -     32,55     -     -     32,55     -     -     -32,55     -      -<	Tier Three Rate:		2.1400	_	4		100		224.54	•		224.54	22	100.		158.0		47.9
31     100     5     55     5     55     5     55       30     555     5     555     5     555     5     555       30     555     5     555     5     555     5     555       30     555     5     555     7     555     5     555       31     3     1000     7     555     7     555     5     555       31     1073     7     1080     7     556     7     556     5       31     1073     7     1080     7     5     550     5       32590     1037     1080     7     1080     7     5       32590     1037     1080     7     5     503     5       32590     1037     1080     1037     7     1062       32590     1037     1037     1037     1054     5       32590     1037     1037     1053     1053     5       32590     1037     1037     1053     1056     5       32590     1037     1055     1056     5     5       3259     10008     1023     10556     1056       1000 <td< td=""><td>30       438.60       -       436.50       -       545.65       -       545.65       -       552.65       573.45       575.65       575.75</td><td>31       1       1       2       438.00       5       55.55</td><td></td><td></td><td></td><td></td><td></td><td></td><td>150</td><td></td><td>331.57</td><td>•</td><td></td><td>331.5/</td><td>24 C</td><td>1.33</td><td></td><td>214 9</td><td>ç</td><td>49.0</td></td<>	30       438.60       -       436.50       -       545.65       -       545.65       -       552.65       573.45       575.65       575.75	31       1       1       2       438.00       5       55.55							150		331.57	•		331.5/	24 C	1.33		214 9	ç	49.0
31       15.00       5       55.55       713-75       748.25       713-75       748.25       713-75       748.25       755.65       713-75       748.25       755.65       713-75       748.25       755.65       713-75       748.25       755.65       713-75       748.25       755.65       713-75       748.25       755.65       713-75       748.25       755.65       714.25       755.65       714.25       755.65       714.25       755.65       714.25       755.65       755.65       755.65       755.65       755.65       755.65       755.65       755.65       755.65       756.75       748.25       550.75       748.25       550.75       748.25       550.75       748.25       550.75       748.25       550.75       748.25       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       716.20       550.75       516.65       516.65       55	31       1600 S       - </td <td>31       545.8       -       555.8       555.8       -       555.8</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>200</td> <td></td> <td>438.60</td> <td>•</td> <td></td> <td>438.60</td> <td>2 G</td> <td>00.0</td> <td></td> <td>270.8</td> <td>5</td> <td>49.6</td>	31       545.8       -       555.8       555.8       -       555.8							200		438.60	•		438.60	2 G	00.0		270.8	5	49.6
3       16.00 \$ .       55.86       756.86       754.40       32.67         all;       1       3       500       55.86       756.86       142.36       32.67         all;       1       1       3       500       1187.8       1.142.81       35.63       32.67         all;       1       1       1       137.37       5       166.73       1.461.84       35.14.85       32.67         all;       9999       500       1.187.81       1.147.84       1.907.12       1.563.93       32.67       32.67         2       1.187.8       -       1.401.87       1.147.84       1.907.12       1.662.33       32.67       3	3       15.00       5       55.86       758.96       758.96       758.96       52.87         30.1       1       1       3       500       55.86       758.96       758.96       52.87       500         30.1       1       1       3       500       1.187.81       758.96       500       52.86       500       52.87       500       52.87       500       52.87       500       52.87       500       52.87       52.82       52.82       52.82       56.82       57.71       56.92       57.87       57.8	3       1600 \$        5       5       5       744.00       322.07         3       1       1       3       5       667.2       756.66       142.36       322.07         3       1       1       3       5       600       130.73       147.14       142.34       322.07         3       1       147.81       1       177.81       174.16       667.23       326.07         3       1       147.81       1       130.73       1       130.73       1       130.73       1       445.17       560.43       550.44       560	Proposed Rates - Settlement						250		545.63	ſ		545.63	81	0.40		1905	12	500
3       15.00       3       -       756.69       -       755.69       1,42.39       -       455.50         1(al)       -       -       -       755.69       -       755.69       1,482.36       -       455.55       1,485.26       -       455.55       1,485.26       -       455.55       1,485.26       -       455.55       1,485.26       -       455.55       1,485.26       -       455.55       1,485.26       -       455.55       -       4	3       16.00       3       -       756.69       -       756.69       -       756.69       -       468.27       468.25       474.51       556.00       -       475.55       148.82       474.51       556.00       474.51       556.00       -       475.55       148.82       556.00       474.51 <td>3     16.00     5     16.00     16.17.3     16.27.5     16.26.5     16.27.5     16.25.5&lt;</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>300</td> <td></td> <td>652.66</td> <td>'</td> <td></td> <td>652.66</td> <td>67</td> <td>9.40</td> <td></td> <td>282 5</td> <td>t</td> <td>50.3</td>	3     16.00     5     16.00     16.17.3     16.27.5     16.26.5     16.27.5     16.25.5<							300		652.66	'		652.66	67	9.40		282 5	t	50.3
3       16.00       5       96.72       5       66.72       150.05       1,443.5         1       10       3       500       137.75       1,468.5       1,468.5       4,445.7         1       10       5       100.77       5       1000.78       5       1,468.5       4,445.7       1,567.12         1       11       11       11       11       11,744.15       650.43       550.44       550.44       550.44       550.44       550.44       550.44       55	3       16.00 3       - </td <td>3       16.00 \$       5       66.72       1.005.31       1.400.51         16.00 \$       1.301.87       5       0.000.78       1.331.21       50.05.31         16.01 \$       0       1.204.81       1.1331.21       50.05.31       4.403.57         16.01 \$       0       1.301.87       1.1331.21       50.05.31       4.403.57         16.01 \$       0       1.301.87       1.1331.21       50.05.31       4.403.57         2.1026 \$       -       0.000.78       1.301.87       1.1331.21       50.62.33         2.1026 \$       -       1.301.87       -       1.302.51       7.443.97         2.1026 \$       -       1.301.87       -       1.300.77       7.443.97         2.1026 \$       -       1.301.87       -       1.301.77       7.443.97       7.443.97         2.1026 \$       -       1.317.20.99       1.172.299       1.172.299       1.430.27       7.445.97         3.2000 \$       1.317.20.95       -       1.327.13       2.300.77       7.141.9       7.141.2         1.0000 \$       1.317.02.96       -       1.223.98       4.490.25       7.445.97       7.445.97       7.445.97       7.445.97       7.445.97       7.445.97</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>350</td> <td></td> <td>759.69</td> <td>•</td> <td></td> <td>759.69</td> <td>1,14</td> <td>2.36</td> <td></td> <td>1200</td> <td>5 0</td> <td>50.6</td>	3       16.00 \$       5       66.72       1.005.31       1.400.51         16.00 \$       1.301.87       5       0.000.78       1.331.21       50.05.31         16.01 \$       0       1.204.81       1.1331.21       50.05.31       4.403.57         16.01 \$       0       1.301.87       1.1331.21       50.05.31       4.403.57         16.01 \$       0       1.301.87       1.1331.21       50.05.31       4.403.57         2.1026 \$       -       0.000.78       1.301.87       1.1331.21       50.62.33         2.1026 \$       -       1.301.87       -       1.302.51       7.443.97         2.1026 \$       -       1.301.87       -       1.300.77       7.443.97         2.1026 \$       -       1.301.87       -       1.301.77       7.443.97       7.443.97         2.1026 \$       -       1.317.20.99       1.172.299       1.172.299       1.430.27       7.445.97         3.2000 \$       1.317.20.95       -       1.327.13       2.300.77       7.141.9       7.141.2         1.0000 \$       1.317.02.96       -       1.223.98       4.490.25       7.445.97       7.445.97       7.445.97       7.445.97       7.445.97       7.445.97							350		759.69	•		759.69	1,14	2.36		1200	5 0	50.6
(dai):       3       450       97375       -1482.8       -4440.1         (dai):       9399       93715       -1487.81       1734.15       -660.33       500         (dida):       9399       1007.8       -1487.81       1734.15       -660.33       500         (dida):       9399       1007.8       -1487.81       1734.13       -660.33       500         32590       1,187.81       -1418.7       -1418.7       -1418.7       1734.13       660.33       500         32590       1,187.81       -1,172.96       2,130.07       -1,172.26       2,455.97       500.310       714.12       507.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.312       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.310       774.12       500.312       774.12       500.312       774.13       500.312       774.13       500.31       500.31       500	(dai):       3       (dai):       3       (dai):       3       (dai):       3       (dai):	(a): $\frac{3}{2}$	Basic Service Charge:	69	16.00						866.72	,		866.72	1,30	5.31		1004		
3       3       50.43       1.1467.8       1.557.12       1.357.12       550.43       550.43         9,999       600       1.347.81       1.177.18       1.147.416       6605.28       550.43       550.43       550.43         2,1026       1.1467.81       1.157.12       1.147.416       6605.28       550.43       50.43	3       3       0       1,000,78       1,000,78       1,612,11       550,43       550,43         9,996       600       1,147,81       1,147,81       1,147,415       650,43       510,43       510,42       510,42       510,43 <td< td=""><td>3       3       50.4       100.78       1,137.11       1,137.11       1,137.11       50.43       50.43         96,969       650       1,147.81       1,137.81       1,136.71       1,137.11       662.28       50.43         2,1026       5       1,147.81       1,136.71       1,136.71       1,136.71       7,74.15       662.28       50.43       50.44       <t< td=""><td>•</td><td></td><td></td><td></td><td></td><td></td><td>450</td><td></td><td>973.75</td><td>'</td><td></td><td>973.75</td><td>1,46</td><td>8.26</td><td></td><td>474</td><td>10 2</td><td>2.2</td></t<></td></td<>	3       3       50.4       100.78       1,137.11       1,137.11       1,137.11       50.43       50.43         96,969       650       1,147.81       1,137.81       1,136.71       1,137.11       662.28       50.43         2,1026       5       1,147.81       1,136.71       1,136.71       1,136.71       7,74.15       662.28       50.43       50.44 <t< td=""><td>•</td><td></td><td></td><td></td><td></td><td></td><td>450</td><td></td><td>973.75</td><td>'</td><td></td><td>973.75</td><td>1,46</td><td>8.26</td><td></td><td>474</td><td>10 2</td><td>2.2</td></t<>	•						450		973.75	'		973.75	1,46	8.26		474	10 2	2.2
10       600       1187.81       1187.81       1187.81       178.81       178.41.6       600.35         21005       500       1187.81       1187.81       1187.81       1187.81       178.00         21005       5       600       1294.84       1568.90       2233.02       800.65.55         21005       5       1600       1752.96       1668.30       2455712       662.35         21005       5       1752.96       1753.95       1668.30       245577       850.66.55         32590       1755.95       1755.95       2608.92       2345.97       850.66.55       991.81         32590       1755.95       1755.95       1755.95       2608.92       2761.78       870.67       774.12         900       1752.96       1755.95       2608.71       2751.88       941.922       870.65       941.82         1500       5,510.8       5,511.8       2,216.18       941.822       3,365.5       3,365.5         Average Usage:       6.432.28       5,311.7       3,260.73       1,492.25       3,346.57         2,500       5,512       5       2,31.81       4,492.25       3,346.57       1,82.05         2,500       5,513       5 </td <td>10       99.00       1187.81       1187.81       1187.81       1762.61       600.35         21.103       5       11.06       1294.84       1957.12       1752.00       1294.84       156.00         21.103       5       11.06       11.615.33       11.615.33       11.615.33       11.600.3       1732.26       660.3       1732.26       653.00       1734.11       662.35         21.103       5       11.615.33       11.615.33       11.722.96       2.606.92       1734.12       662.56       653.77       774.12       662.56       653.67       653.67       653.67       653.66       653.67       653.67       653.66       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.66       653.67</td> <td>10       99.0       1187.81       1187.81       1187.11       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1182.99       1172.96       1142.97       1142.97       1142.97       1142.97       1142.97       1142.96       1142.97       1142.96       <td< td=""><td>Tier One Breakover (M Gal):</td><td></td><td>e7</td><td>~</td><td></td><td></td><td></td><td></td><td>1 DRD 78</td><td>,</td><td></td><td>1,080.78</td><td>1,63</td><td>1.21</td><td></td><td>550.4</td><td>13</td><td>20.4</td></td<></td>	10       99.00       1187.81       1187.81       1187.81       1762.61       600.35         21.103       5       11.06       1294.84       1957.12       1752.00       1294.84       156.00         21.103       5       11.06       11.615.33       11.615.33       11.615.33       11.600.3       1732.26       660.3       1732.26       653.00       1734.11       662.35         21.103       5       11.615.33       11.615.33       11.722.96       2.606.92       1734.12       662.56       653.77       774.12       662.56       653.67       653.67       653.67       653.66       653.67       653.67       653.66       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.67       653.66       653.67	10       99.0       1187.81       1187.81       1187.11       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1187.12       1182.99       1172.96       1142.97       1142.97       1142.97       1142.97       1142.97       1142.96       1142.97       1142.96 <td< td=""><td>Tier One Breakover (M Gal):</td><td></td><td>e7</td><td>~</td><td></td><td></td><td></td><td></td><td>1 DRD 78</td><td>,</td><td></td><td>1,080.78</td><td>1,63</td><td>1.21</td><td></td><td>550.4</td><td>13</td><td>20.4</td></td<>	Tier One Breakover (M Gal):		e7	~					1 DRD 78	,		1,080.78	1,63	1.21		550.4	13	20.4
99,999       99,999       99,999       1,244,84       1,541,12       1,562,12       1,652,26       2,523,02         2,1025       -       700       1,508,90       -       1,508,90       2,445,97       162,20         2,1025       -       700       1,508,90       -       1,508,90       2,445,97       850,04         2,1025       -       700       1,508,90       -       1,508,90       2,445,97       850,04         850       1,772,96       -       1,508,90       -       1,508,92       2,445,97       850,04         850       1,772,96       -       1,508,90       2,151,08       -       1,518,32       2,445,97       850,04         96,197       -       1,500       3,251,38       -       2,151,08       -       1,109,65         1,000       3,211,38       -       2,513,38       -       2,513,38       941,89         2,500       3,321,38       -       2,513,38       6,519,77       2,523,69       97,81         1,000       2,513,38       6,519,77       2,531,38       8,149,22       2,723,69       1,109         2,500       5,351,38       -       6,432,28       2,761,3       2,532,3       3,	99,999       99,999       99,999       1,467,15       1,557,12       1,557,12       1,577,12         2,1026       -       -       1,401,87       -       1,401,87       -       1,401,87       -       1,412,93       2,453,07       1662,28         2,1026       -       -       1,561,533       -       1,515,53       -       1,411,53       2,260,92       99,138       99,138       997,81       714,12       714,12       716,20	99.999       99.991       1,34,4       1,57,12       1,23,44       1,57,12       0,62,28         2,1026       1,401,87       1,712,289       2,172,007       7,14,12       6,60       1,712,289       2,173       2,280,07       7,14,12       6,60,14       1,712,289       2,113       8,90,158       1,401,27       7,14,12 <t< td=""><td>Tier Two Breakover (M Gal):</td><td></td><td>5</td><td>~</td><td></td><td></td><td></td><td></td><td>1 187 81</td><td>. '</td><td></td><td>1,187.81</td><td>1,79</td><td>4.16</td><td></td><td>606.</td><td>ស្ត</td><td>2.10</td></t<>	Tier Two Breakover (M Gal):		5	~					1 187 81	. '		1,187.81	1,79	4.16		606.	ស្ត	2.10
<b>1</b> 1       1	<b>7</b> 1,401.87       2,120.07       7,162.07 <b>2</b> 700       1,401.87       2,120.07       7,162.07 <b>2</b> 700       1,125.96       2,163.02       2,830.02       865.96 <b>3</b> 2500       1,722.96       2,163.02       2,830.02       865.96       967.81 <b>8</b> 1,722.96       1,712.96       2,172.96       2,172.96       2,619.77       7,112.96 <b>9</b> 1,000       2,151.08       2,215.03       2,944.83       1,109.65       967.81 <b>9</b> 1,000       2,151.08       2,177.86       961.87       1,109.65       967.81 <b>9</b> 1,000       2,151.08       2,215.08       2,320.73       1,109.65       97.81 <b>1</b> 2,000       2,213.86       2,320.73       1,129.66       967.81 <b>2</b> 1,000       2,151.08       2,271.88       967.81       967.81 <b>2</b> 1,000       2,151.08       2,271.88       967.81       97.81 <b>2</b> 2,000       5,351.88       5,361.98       5,37.31       967.81       97.81 <b>1 1</b> 2,000       5,351.88       5,361.98       5,37.31	11879       5       140187       2,120.07       1,102.05         2,1026       5       1568.90       1,401.87       2,120.07       1,102.05         2,1026       5       1568.90       1,1722.96       2,168.92       986.96       987.81         3,2590       1,1722.96       1,1722.96       2,117.88       991.81       980.04         900       1,929.99       1,1722.96       2,117.88       981.96       991.81         900       1,929.99       2,151.08       2,151.08       2,151.08       2,117.188       991.81         900       1,929.99       2,215.86       1,512.96       2,151.08       2,215.86       2,117.188       991.81         900       1,929.99       2,215.86       2,215.86       2,215.86       2,117.88       991.81         1,000       2,215.86       2,216.18       2,217.88       991.81       2,225.09       2,237.33         1,000       2,216.18       2,216.18       2,418.21       2,237.33       1,109.65       1,109.66         1,000       2,216.18       2,216.18       2,216.18       2,237.38       3,117       2,237.33         1,000       5,517.18       9,178.31       2,237.38       3,142.29       2,237.33	Tier Three Breakover (M Gal):		366'66	•					1 294.84	'		1,294.84	1,95	7.12		200	8	
<ul> <li>1,1473</li> <li>1,1473</li> <li>1,1473</li> <li>1,1473</li> <li>1,1473</li> <li>1,1473</li> <li>1,1443</li> <li>1,1226</li> <li>1,1726</li> <li>1,1726</li> <li>1,1726</li> <li>1,1726</li> <li>1,1726</li> <li>1,1000</li> <li>1,1726</li> <li>1,1000</li> <li>1,1226</li> <li>1,1726</li> <li>1,1000</li> <li>1,1226</li> <li>1,11066</li> <li>1,1226</li> <li>1,11066</li> <li>1,1226</li> <li>1,11066</li> <li>1,1226</li> <li>1,1106</li> <li>1,11066</li> <li>1,1106</li> <li>1,1100</li> <li>1,1100<td><ul> <li>11879 5 - 700</li> <li>11879 5 - 700</li> <li>11879 5 - 700</li> <li>11879 5 - 700</li> <li>11879 5 - 1,508 0 2,233 2,445 97</li> <li>118065 - 1,722 96 2,271 88</li> <li>12787 9 2,200 2,1508 0 - 1,106.65</li> <li>13702 1,102 2,934 83</li> <li>1,10865 - 1,508 0 2,213 8 4,800 2</li> <li>1,500 2,138 4,800 2 3,213 8 4,800 2 3,200 0 5,213 8 4,800 2 3,200 0 5,213 8 4,800 2 3,200 0 5,220 8 3,210 0 4,211 1 4,412 8 4,212 8 3,117 1 4,412 8 4,4</li></ul></td><td><ul> <li>11873 5 - 700 1588 - 1659 22302 24597</li> <li>21005 - 22300 22302 24597</li> <li>21005 - 1722 45 24697</li> <li>32590 1772 45 296 2 - 1722 45 26043</li> <li>1772 45 296 2 - 1722 45 29483</li> <li>1700 2 211 8 - 2191 43 226073</li> <li>1500 2 213 2 - 2191 43 226073</li> <li>1500 2 213 2 - 2191 43 296025</li> <li>1600 2 213 2 - 2191 43 296025</li> <li>1600 2 213 2 - 2191 43 296025</li> <li>1600 2 213 2 - 2191 44 292</li> <li>2500 2 211 4 2 - 2101 44 24 20025</li> <li>311 7 10665 7 - 112</li> <li>2100 2 211 5 - 2 2003</li> <li>211 2 2 222 3 2 2003</li> <li>211 2 2 222 3 2 2003</li> <li>212 3 2 2 3 5 3 117</li> <li>213 2 2 3 5 3 117</li> <li>214 2 2 2 2 3 5 3 117</li> <li>214 2 2 2 2 3 5 3 117</li> <li>214 2 2 2 2 3 5 3 2 4 2 2 2 3 5 3 117</li> <li>214 2 2 2 2 2 3 5 3 2 4 2 2 2 3 5 3 2 4 2 2 2 3 5 3 2 4 2 2 2 3 5 3 2 4 2 2 2 3 5 3 2 4 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2</li></ul></td><td></td><td></td><td></td><td></td><td></td><td></td><td>650</td><td></td><td>1 401 87</td><td>'</td><td></td><td>1,401.87</td><td>2,12</td><td>0.07</td><td></td><td>18.</td><td>2 :</td><td></td></li></ul>	<ul> <li>11879 5 - 700</li> <li>11879 5 - 700</li> <li>11879 5 - 700</li> <li>11879 5 - 700</li> <li>11879 5 - 1,508 0 2,233 2,445 97</li> <li>118065 - 1,722 96 2,271 88</li> <li>12787 9 2,200 2,1508 0 - 1,106.65</li> <li>13702 1,102 2,934 83</li> <li>1,10865 - 1,508 0 2,213 8 4,800 2</li> <li>1,500 2,138 4,800 2 3,213 8 4,800 2 3,200 0 5,213 8 4,800 2 3,200 0 5,213 8 4,800 2 3,200 0 5,220 8 3,210 0 4,211 1 4,412 8 4,212 8 3,117 1 4,412 8 4,4</li></ul>	<ul> <li>11873 5 - 700 1588 - 1659 22302 24597</li> <li>21005 - 22300 22302 24597</li> <li>21005 - 1722 45 24697</li> <li>32590 1772 45 296 2 - 1722 45 26043</li> <li>1772 45 296 2 - 1722 45 29483</li> <li>1700 2 211 8 - 2191 43 226073</li> <li>1500 2 213 2 - 2191 43 226073</li> <li>1500 2 213 2 - 2191 43 296025</li> <li>1600 2 213 2 - 2191 43 296025</li> <li>1600 2 213 2 - 2191 43 296025</li> <li>1600 2 213 2 - 2191 44 292</li> <li>2500 2 211 4 2 - 2101 44 24 20025</li> <li>311 7 10665 7 - 112</li> <li>2100 2 211 5 - 2 2003</li> <li>211 2 2 222 3 2 2003</li> <li>211 2 2 222 3 2 2003</li> <li>212 3 2 2 3 5 3 117</li> <li>213 2 2 3 5 3 117</li> <li>214 2 2 2 2 3 5 3 117</li> <li>214 2 2 2 2 3 5 3 117</li> <li>214 2 2 2 2 3 5 3 2 4 2 2 2 3 5 3 117</li> <li>214 2 2 2 2 2 3 5 3 2 4 2 2 2 3 5 3 2 4 2 2 2 3 5 3 2 4 2 2 2 3 5 3 2 4 2 2 2 3 5 3 2 4 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2</li></ul>							650		1 401 87	'		1,401.87	2,12	0.07		18.	2 :	
21026       -       750       1,5153       2,41597       830.04       5         21026       -       1,722.96       -       1,722.96       2,008.92       830.04       5         2000       1,572.96       -       1,722.96       -       1,722.96       2,008.92       830.04       5         900       1,572.96       -       1,722.96       -       1,722.96       -       1,907.83       941.89         900       1,571.08       -       1,572.96       -       1,571.98       2,171.88       941.89       941.89       947.81       946.81       947.81       946.81       947.81       947.81       947.81       947.81	Tier Twe Rate:       2.1026       -       15553       -       15153       2.41537       330.44       330.44         Tier Twee Rate:       3.2590       -       172.36       -       157.33       2.608.22       941597       530.44       907.81         Store       1,722.96       -       1,722.96       2,117.08       -       1,109.68       541.45       980.25       1,1000       2,151.08       -       1,109.68       541.45       980.25       1,1000       2,151.08       -       1,109.68       541.45       980.25       1,1000       2,151.08       -       1,109.68       541.45       987.71       987.81       987.71       987.81       987.81       987.81       1,1000       2,151.08       -       1,1000       2,151.08       -       1,1000       2,151.08       -       1,223.81       997.71       997.81       1,1000       2,142.21       1,1000       2,142.21       2,334.63       997.71       2,346.53       2,445.91       997.71       997.81       997.86       9,346.53       2,445.91       9,245.53       2,445.92       3,346.53       2,445.92       3,346.53       3,346.53       2,445.92       3,346.53       3,346.53       3,346.53       3,346.53       3,445.64       5,346.53	The Three Rate: 2.1026 - 750 1515:55 2, 415:57 2, 2445:97 2, 29445 9 5 1 1005 1, 122.96 2, 50.692 0, 1822.99 2, 771.88 9 5 1 1005 1, 122.96 2, 50.692 0, 91397 0, 2, 2445 9 6, 1922.99 2, 771.88 9 5 1 1005 2, 151,08 2, 2, 151,08 2, 2, 151,08 2, 2, 2151,08 2, 2142,08 2,00,08	Tier One Rate:	s	1.1875		,		002		1 508 90	'		1,508.90	2,28	3.02		774.	12	2.0
32590       -       1,722.96       -       1,722.96       2,608.92       865.96       97.88         900       1,722.96       -       1,722.96       -       1,722.96       2,771.88       907.81         900       1,722.96       -       1,829.99       -       1,829.99       2,771.88       907.81       97.81         900       2,151.08       -       2,151.08       2,271.38       4,890.25       1,1006.65       97.81         1,500       3,221.38       -       3,221.38       -       2,151.08       3,260.73       1,1006.65       97.81         1,500       3,221.38       -       3,221.38       -       3,261.77       2,2781.95       97.81         1,500       5,361.96       -       -       3,221.38       4,890.25       1,1006.65       97.81         2,500       5,361.96       -       -       5,361.86       -       2,7761       2,7771       2,7771         2,600       5,361.77       2,551.86       5,314.92       -       2,345.53       3,345.53       3,345.53         Median Usage:       6,1       5       2,51.86       5,314       2,761       5,345.53       1,422         Standardized Usage:	Tiar Three Rate:       3.2590       172.36       2,008.92       885.56       9         Tiar Three Rate:       3.2590       177.239       2,171.88       94183       957.81       957.87       957.86       <	Tier Three Rate: 3.250 • 172.56 • 177.266 2 068.22 85.56 5 9 9 185.56 9 9 185.56 9 9 187.02 2 151.08 9 2.90.73 18 9 9 171 18 9 9 171 18 9 19 17 18 19 10 0 1 13 27 13 18 19 10 12 12 16 10 13 27 13 18 10 10 12 13 16 10 13 2 13 13 12 10 10 13 12 13 10 13 12 13 10 13 12 13 10 13 12 13 10 13 12 13 10 13 12 13 10 13 12 13 10 13 12 13 10 13 12 13 10 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 12 13 13 13 12 13 13 13 12 13 13 13 12 13 13 13 12 13 13 12 13 13 13 12 13 13 13 12 13 13 13 13 13 13 13 13 13 13 13 13 13	Tier Two Rate:		2.1026	~	,				1 615 93	•		1,615.93	2,44	5.97		830.0	4	5.1.5
800       1,22.99       2,771,18       94189       5         950       1,837,02       2,151,08       2,934.83       997.81         900       1,829.99       2,151,08       2,593.83       1,109.65       5         1,000       3,211,38       4,890.25       2,593.83       1,109.65       2,721.88       997.81         1,000       3,211,38       -       3,221.38       4,890.25       2,722.80       9,773.81       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.71       1,109.65       5,593.72       2,523.80       9,775.81       9,775.81       2,722.80       9,775.81       1,82       2,722.80       9,775.81       1,82       2,722.80       9,775.81       1,82       2,722.80       9,776.15       5,726.85       5,776.15       5,726.15       5,726.15       5,726.15       5,726.15       5,726.15       5,726.15       5,726.15       5,726.15       5,726.15       5,726.15<	800       1,1,2,239       2,171,188       941,89       941,89         900       1,837,02       2,944,83       941,89       941,89         900       1,837,02       2,944,83       941,89       941,89         900       2,151,08       2,151,08       2,160,73       1,109,68       1,109,68         900       5,251,38       2,260,73       1,490,25       2,767,33       9,143,29       9,178,81         2,000       5,321,98       5,31,98       6,432,28       9,177,831       2,2230,9       2,767,31         2,000       5,231,98       5,321,98       5,31,17       3,246,55       1,109,68       1,109,68       1,109,68         2,000       5,232,98       2,27,61       5,22,2       5,23,58       2,177       2,2230,9       2,767,31         3,000       6,432,28       5,761,5       5,37,61       5,37,61       5,346,55       2,767,31         Median Usage:       5,52,2       5,52,2       5,52,2       5,52,2       5,37,61       5,777,71         Median Usage:       7,51,5       5,761       5,761       5,761       5,761       5,777         Median Usage:       7,51       5,522       5,522       5,523       5,376       5,775 <td>800       1,122,90       2,771,88       94189       5         900       1,937,02       2,934,43       94189       94189         900       2,321,38       1,9000       2,151,08       94189       97183         1,000       2,151,08       2,280,73       2,280,73       2,294,83       97183         1,000       2,211,38       2,280,73       2,280,73       2,280,73       2,280,73       2,780,73         2,500       5,321,58       -       4,291,68       -       4,291,68       9,149,23       2,786,73       2,786,73       2,786,73       2,786,73       2,736,53       2,746,53       2,776,13,1426,146,140,140,140,140,140,140,140,140,140,140</td> <td>Tier Three Rate:</td> <td></td> <td>3.259(</td> <td>~</td> <td>,</td> <td></td> <td></td> <td></td> <td>1 775 06</td> <td>'</td> <td></td> <td>1 722 96</td> <td>2.60</td> <td>8.92</td> <td></td> <td>885.9</td> <td>96</td> <td>51.4</td>	800       1,122,90       2,771,88       94189       5         900       1,937,02       2,934,43       94189       94189         900       2,321,38       1,9000       2,151,08       94189       97183         1,000       2,151,08       2,280,73       2,280,73       2,294,83       97183         1,000       2,211,38       2,280,73       2,280,73       2,280,73       2,280,73       2,780,73         2,500       5,321,58       -       4,291,68       -       4,291,68       9,149,23       2,786,73       2,786,73       2,786,73       2,786,73       2,736,53       2,746,53       2,776,13,1426,146,140,140,140,140,140,140,140,140,140,140	Tier Three Rate:		3.259(	~	,				1 775 06	'		1 722 96	2.60	8.92		885.9	96	51.4
850       1,523.95       1,937.02       2,934.83       967.81       5         900       2,151.08       3,260.73       1,109.65       5       1,109.65       5         1,500       2,151.08       3,221.38       4,890.25       1,109.65       5       5         2,000       3,221.38       -       2,151.08       3,260.73       1,109.65       5       5         2,000       4,291.68       -       4,291.68       -       4,291.68       -       2,223.09       5       5         2,000       5,361.98       -       4,291.68       -       4,291.68       -       2,222.80       9,778.81       5       2,222.80       9,778.81       5       2,280.99       5       7,166.87       5       5,361.98       1,49.29       2,346.53       3,346.53       3,346.53       5       1,82       3,346.53       5       1,82       8       3,346.53       5       5       7,67       5       2,761       5       2,761       5       2,761       5       2,761       5       2,761       5       2,860       5       5       1,82       6       3,346.53       5       1,82       5       1,82       6       3,346.53       5       <	850       1,5239       -       1,5300       2,151,08       2,534,83       997,81       5         1,000       2,151,08       -       2,151,08       -       2,151,08       2,234,83       1,109,65         1,500       2,213,8       -       4,214,68       5,151,08       -       2,236,09       5,244,23       1,109,65         2,500       4,213,8       -       4,214,88       6,490,25       2,236,09       2,236,09       2,236,09       2,236,09       2,236,09       2,246,23       1,109,65       1,109,65       1,109,65       1,109,65       1,109,65       1,109,65       1,109,65       1,109,65       1,109,65       1,109,65       2,236,09       2,26,09       2,246,93       1,109,65       1,109,65       1,109,65       1,109,65       2,276,19       3,117       2,787,73       2,786,19       2,787,73       2,787,73       2,787,73       2,787,73       2,787,73       2,787,73       2,787,73       2,787,73       2,787,73       2,787,73       2,787,73       2,786,79       3,945,55       2,787,73       2,786,79       2,787,73       2,787,73       2,786,79       2,786,79       2,786,75       2,787,73       2,787,73       2,786,75       2,786,75       2,786,75       2,786,75       2,786,75       2,786,75	850       1,52392       -       1,537,02       2,54,63       997,81       967,81       967,81         1,000       2,351,38       -       2,351,38       -       2,351,38       3,260,75       1,100,65         1,000       2,321,38       -       2,313,38       8,490,25       2,223,09       2,397,31         1,000       2,321,38       -       2,311,38       2,313,38       9,449,29       2,223,09         2,000       4,231,38       -       4,231,68       -       4,231,68       5,1977       2,233,09         2,000       4,231,38       -       4,231,68       -       2,3143       2,346,53       1,106,68         2,000       5,361,98       -       -       5,361,98       -       2,317,81       2,323,33         Average Usage:       8,5       5       2,50       5,351,38       3,117       2,346,53       2,346,53         Modian Usage:       6,1       5       2,323,58       5,313       2,346,53       2,346,53       3,346,55         Standardized Usage:       6,5       5       2,03       5,345,50       3,346,55       1,42       2,346,55       1,42         Standardized Usage:       6,7       5       2,35							800		1 200 00	1		1 820 99	27	1.88		941.8	68	51.4
900       1,320,32       2,151,08       2,260,73       1,109.65       5         1,000       3,2138       4,890.25       1,109.65       5         2,500       3,221,38       4,890.25       1,109.65       5         2,500       3,221,38       4,890.25       1,109.65       5         2,500       3,221,38       4,890.25       2,220.05       5,361.98       5,361.98       5,361.98         2,500       5,361.98       -       4,291.68       -       5,361.98       5,361.93       2,222.09       5         2,500       5,361.98       -       5,361.98       -       5,361.93       2,222.09       5,346.53       5         2,500       5,361.98       -       5,361.98       -       5,361.93       5,346.53       5         3,000       6,432.28       -       5,351.98       5,117       5       2,276.15         an Usage:       6.1       5       2,522       5       2,503       3,46.53       5         an Usage:       6.1       5       2,5161       5       2,503       5       1,42         Proposed Bill at Lifeline Usage (3,0 M Gal):       5       1,55       2,603       5       1,42	900       1,500       2,151.08       2,260.73       1,109665       5         1,500       3,221.38       4,980.25       1,109665       5       2,561.97       2,228.08         2,500       5,361.98       -       2,351.38       5,492.28       9,149.29       2,787.31       2,286.68         2,500       5,361.98       -       2,551.88       -       2,531.98       5,414.22       2,787.31       2,2787.31         2,500       5,361.98       -       -       2,51.88       -       2,531.98       5,414.22       2,773.31       2,2787.31       2,2787.31       2,2787.31       2,2787.31       2,346.53       3,346.55       3,346.55       3,346.55       3,346.55       3,346.55       3,346.55       3,346.55       5,536.56       5,536.56       5,536.56	900 $\frac{1}{1500}$ $\frac{1}{251108}$ $\frac{1}{25073}$ $\frac{1}{100665}$ $\frac{1}{56073}$ $\frac{1}{100665}$ 1,000 $\frac{1}{21118}$ $\frac{1}{221138}$ $\frac{1}{221138}$ $\frac{1}{221258}$ $\frac{1}{1668677}$ $\frac{1}{200055}$ 2,000 $\frac{1}{221138}$ $\frac{1}{221138}$ $\frac{1}{221238}$ $\frac{1}{221238}$ $\frac{1}{210255}$ $\frac{1}{210255}$ 2,000 $\frac{1}{231228}$ $\frac{1}{232128}$ $\frac{1}{232128}$ $\frac{1}{232128}$ $\frac{1}{232131}$ $\frac{1}{22226867}$ $\frac{1}{2168687}$ 2,000 $\frac{5}{331228}$ $\frac{1}{6}$ $\frac{3}{232138}$ $\frac{1}{49229}$ $\frac{1}{3}$ $\frac{1}{23223}$ $\frac{1}{3}$ $\frac{1}{22228697}$ $\frac{1}{3}$ $\frac{1}{22228697}$ $\frac{1}{3}$ $\frac{1}{2}$ $2$							850		1,0250,00			1 937 02	2.93	4.83		766	81	51.5
1,000       2,21.38       2,291.58       5,590.25       1,668.87       5         1,500       3,221.38       -       3,291.58       6,519.77       2,228.09       5         2,500       5,361.98       -       5,361.98       -       5,361.97       2,228.09       5         2,500       5,361.98       -       5,361.98       -       5,361.93       2,228.09       5         2,500       5,361.98       -       5,361.98       -       5,361.93       2,228.09       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.31       5       2,787.33       5       2,787.33       5       2,787.33       5       2,787.33       5       2,787.33       5       2,876.33       5       2,142       3,346.53       5       1,42       3,346.53       5       1,42       3,746.53       5       1,42       5       1,42       5	1,000 $2,21130$ $2,22138$ $4,990.25$ $1,668.87$ $5,531.96$ $5,321.38$ $4,992.29$ $2,222.809$ 2,000 $4,291.68$ $-4,221.88$ $6,519.77$ $2,222.809$ $2,723.84$ $3,990.25$ $1,822$ $2,223.89$ Average Usage: $8.5$ $5,331.96$ $-5,321.98$ $6,143.29$ $2,722.809$ $3,346.53$ $9,776.81$ $2,722.809$ $2,723.84$ $3,346.53$ $2,722.809$ $5,31.17$ $5,331.96$ $2,776.81$ $2,722.809$ $2,723.84$ $3,346.53$ $2,723.84$ $3,96.53$ $2,728.89$ $2,776.81$ $2,728.89$ $2,727.81$ $2,722.809$ $2,728.89$ $2,727.81$ $2,728.89$ $2,728.84$ $2,323.28$ $2,728.84$ $2,728.84$ $2,728.84$ $2,728.84$ $2,728.84$ $2,728.84$ $2,728.84$ $2,728.84$ $2,728.84$ $2,728.84$ $2,222.82.84$ $2,222.82.84$ $2,222.82.84$ $2,228.84$ $2,238.84$ $2,228.84$ $2,228.84$ $2,238.84$ $2,238.84$ $2,238.84$ $2,238.84$ $2,238.84$ $2,238.84$ $2,238.84$ $2,238.84$ $2,238.84$ $2,238.84$ $2,23.84$	$\frac{1,000}{2,500} = \frac{1,010}{2,511,80} = \frac{3,221,33}{3,221,33} + \frac{4,890,25}{4,890,25} = \frac{1,686,87}{3,241,82} = \frac{1,686,87}{3,241,82} = \frac{1,282,89}{3,241,82} = \frac{1,482,29}{3,245,53} = \frac{1,282,89}{3,245,53} = \frac{1,42}{3,245,53} = \frac{1,42}{3,247,55} = \frac{1,42}{3,253,55} = \frac{1,42}{3,247,55} = \frac{1,42}{3,253,55} = \frac{1,42}{3,553,55} = \frac{1,42}{3,55} = \frac$							006		10.100,1			2 151 08	3.26	0.73		1,109.	65	51.5
1,500       3,221.38       - 4,221.38       - 4,221.38       - 2,228.09       5         2,000       5,361.98       - 5,361.98       6,19.77       2,228.09       5         2,500       5,361.98       - 6,432.28       9,778.81       2,228.09       5         3,000       5,361.98       - 6,432.28       9,778.81       2,246.53       5         3,000       5,322.28       - 5,361.98       8,149.29       2,346.53       5         3,000       6,432.28       - 5,361.98       8,149.29       3,346.53       5         3,000       6,432.28       - 5,361.98       5,117       5       1,82         an Usage:       6,1       5       25.22       5       26.09       5       1,42         an Usage:       6,1       5       27.61       5       25.22       5       29.03       5       1,42         Proposed Bill at Lifeline Usage (3.0 M Gal):       5       19.56       7       2.897       0.088       0.38         Proposed Mil at Lifeline Usage (3.0 M Gal):       5       29.03       5       3.47%         Rost of Service at Lifeline Usage:       3.40.76       7.47%       5       3.40.76         % Cost of Service at Average Usage:	1,500 $3,221,36$ $   -$	1500       3:21:30       -       4:24:10       2:228:09       5         2,500       5:361:98       -       4:24:18       6,19:17       2;78:13       2;78:13         2,500       5:361:98       -       5:361:98       -       4:24:18       5;78:13       2;78:15       2;78:13       2;78:15       2;78:15       2;78:15       2;78:15       2;76:13       2;78:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;77:15       2;77:15       2;76:15       2;77:17       5       1;42       2;74:16       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;76:15       2;77:16       5       2;85:17       2;74:16       2;76:15       2;76:15       2;77:17       5       2;76:15       2;76:15       2;76:15       5       2;76:15							1,000		00.1cl,2	'		2 2 2 1 2 2		0.25		1,668.	87	51.8
2,000       4,291.68       -       4,291.08       -       2,787.31       5         2,500       5,361.98       -       5,351.98       8,149.29       2,787.31       5         3,000       5,361.98       -       5,351.98       8,149.29       3,346.53       5         9 Usage:       8.5       \$       29,36       5       5,31.18       8,149.29       3,346.53       5         an Usage:       8.5       \$       29,36       5       5       29,36       5       1,42         an Usage:       6.1       \$       29,36       5       31.17       \$       1,82         an Usage:       6.1       \$       29,36       \$       31.17       \$       1,42         an Usage:       6.1       \$       25,22       \$       27.61       \$       1,42         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$       19.56       7.42       \$       1.42         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$       28.97       \$       0.28       \$       1.42         Proposed Site Struct at Lifeline Usage (3.0 M Gal):       \$       28.97       \$       0.56       \$       1.42         Proposed Site Struct at	2,000 4,291.98 - 4,291.98 - 4,292 9,142.9 2,787.31 5 2,500 5,361.98 - 4,222.28 9,778.81 3,346.53 3,346.53 3,346.53 3,346.53 3,346.53 3,346.53 3,346.53 3,346.53 3,346.53 2,500 6,432.28 5 - 5 2,516 5	2,000 $4,291.86$ - $4,221.86$ - $4,221.26$ $2,787.31$ $5,787.31$ Average Usage:       8.5       5 $5,361.96$ - $6,432.28$ $3,147$ $5,786.53$ $2,787.31$ Average Usage:       8.5       5 $2,500$ $5,361.96$ - $6,432.28$ $3,147$ $5,734.53$ $2,787.31$ $5,786.53$ $2,786.53$ $2,761$ $5,25.25$ $5,26.09$ $5,345.53$ $2,142$ $2,787.31$ $5,761$ $5,25.25$ $5,26.09$ $5,346.53$ $2,142$ $2,786.53$ $2,761$ $5,25.25$ $5,26.09$ $5,346.53$ $2,142$ $2,786.53$ $2,26.09$ $5,437.61$ $5,26.09$ $5,478$ $5,26.09$ $5,4776$ $5,26.09$ $5,28.97$ $5,2$							1,500		3,221.38	'		001220	ά Γα	9 77		2,228.	60	51.92%
2,500       5,361,98       -       5,361,98       -       5,361,53       5,346.53       5         ge Usage:       8.5       \$       2,500       6,432.28       -       6,432.28       9,178.81       3,346.53       5       1.82         ge Usage:       8.5       \$       29.36       \$       -       \$,546.53       5       1.82         an Usage:       6.1       \$       25.22       \$       2,561       \$       26.09       \$       1.82         an Usage:       6.1       \$       27.61       \$       \$       26.03       \$       1.42         ed Usage:       6.1       \$       27.61       \$       \$       26.03       \$       1.42         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$       19.56       \$       7.43       \$       1.42         Proposed Scill \$       \$       \$       \$       \$       \$       28.97       \$       \$       1.42         Proposed Scill \$       \$       \$       \$       \$       \$       \$       \$       1.42         Proposed Scill \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$ <td>2,500       5,361,98       - 0,501,30       0,145,23       0,145,23       0,145,23       0,145,23       0,145,23       0,145,23       0,145,23       0,142,23</td> <td>2,500       5,361,38       -       -       -       -       -       3,345,53       5         Average Usage:       8,5       5       29,36       5       -       5,351,58       -       3,345,53       3,345,53       5       1,82         Average Usage:       6,1       5       5       29,36       5       -       5       2,345,53       5       1,42         Median Usage:       6,1       5       25,22       5       -       5       2,345,53       5       1,42         Standardized Usage:       7,5       5       27,61       5       2,503       5       1,42         Koost Discount at Lifeline Usage (3,0 M Gal):       5       1,42       5       1,42         Standardized Usage:       7,5       5       27,61       5       28,37       5       1,42         Cost of Service at Lifeline Usage (3,0 M Gal):       5       19,56       Cost of Service at Lifeline Usage:       32,47%       5       1,42         %       0.05       %       0.05       5       0.05       5       1,42         %       6.51       5       2.53       5       23,47%       5       1,42         %</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>2,000</td> <td></td> <td>4,291.68</td> <td>•</td> <td></td> <td>4,231.00</td> <td>0 0</td> <td>0,00</td> <td></td> <td>2.787</td> <td>31</td> <td>51.98%</td>	2,500       5,361,98       - 0,501,30       0,145,23       0,145,23       0,145,23       0,145,23       0,145,23       0,145,23       0,145,23       0,142,23	2,500       5,361,38       -       -       -       -       -       3,345,53       5         Average Usage:       8,5       5       29,36       5       -       5,351,58       -       3,345,53       3,345,53       5       1,82         Average Usage:       6,1       5       5       29,36       5       -       5       2,345,53       5       1,42         Median Usage:       6,1       5       25,22       5       -       5       2,345,53       5       1,42         Standardized Usage:       7,5       5       27,61       5       2,503       5       1,42         Koost Discount at Lifeline Usage (3,0 M Gal):       5       1,42       5       1,42         Standardized Usage:       7,5       5       27,61       5       28,37       5       1,42         Cost of Service at Lifeline Usage (3,0 M Gal):       5       19,56       Cost of Service at Lifeline Usage:       32,47%       5       1,42         %       0.05       %       0.05       5       0.05       5       1,42         %       6.51       5       2.53       5       23,47%       5       1,42         %							2,000		4,291.68	•		4,231.00	0 0	0,00		2.787	31	51.98%
3,000       6,432.28       -       6,432.28       9,100.01         ge Usage:       8.5       \$       29.36       \$       31.17       \$       1.82         ge Usage:       6.1       \$       29.36       \$       31.17       \$       1.82         an Usage:       6.1       \$       25.22       \$       \$       23.36       \$       31.17       \$       \$       0.88         an Usage:       6.1       \$       25.22       \$       \$       \$       \$       5       1.42         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$       19.56       \$       29.03       \$       \$       1.42         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$       28.97       \$       \$       \$       \$       \$       1.42         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$       28.97       \$<	3,000       6,432.28       6,432.28       9,10.01         Average Usage:       8.5       \$       29.36       \$       31.17       \$       1.82         Average Usage:       6.1       \$       25.22       \$       26.09       \$       \$       1.82         Median Usage:       6.1       \$       25.22       \$       2.6.09       \$       \$       1.42         Standardized Usage:       7.5       \$       27.61       \$       29.03       \$       \$       1.42         Robust       5.1       \$       26.09       \$       \$       28.37       \$       1.42         Standardized Usage:       7.5       \$       27.61       \$       29.03       \$       \$       1.42         Cost of Service at Lifeline Usage (3.0 M Gal):       \$       19.56       \$       2.877       \$       \$       1.42         % Cost of Service at Lifeline Usage (3.0 M Gal):       \$       28.97       \$       \$       1.42         % Cost of Service at Lifeline Usage:       3.2.47%       \$       2.6.76       \$       \$       \$       \$       \$         % Cost of Service at Average Usage:       2.3.53%       \$       \$       23.53%       <	3,000       6,432.28       6,432.28       9,170.01         Average Usage:       8.5       5       2       5       5       5       182         Median Usage:       6.1       5       2       5       5       5       5       1.42         Median Usage:       6.1       5       2       5       5       5       5       1.42         Standardized Usage:       6.1       5       2       5       2       5       2       5       1.42         Standardized Usage:       7.5       5       27.61       5       2       2       5       1.42         Standardized Usage:       7.5       5       27.61       5       2       2       3       1.42         Standardized Usage:       7.5       5       2       5       2       3							2,500		5,361.98	'		5,361.98	- i	10.01		346	5	52.0
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Supporting Schedules:

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Exhibit Schedule H-4 Settlement Page 2 of 4 Witness: Reiker

On         Present Rates           5	Main Base         ACRV/ ACRV         Monthy Acrossing (5)         Monthy (5)         Monthy (5) <t< th=""><th>↔ ↔ (Gati): M Gati): M Gati):</th><th></th><th></th><th>:</th><th></th><th></th><th>Bill</th><th></th><th>Ĩ</th><th>00001</th></t<>	↔ ↔ (Gati): M Gati): M Gati):			:			Bill		Ĩ	00001
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0.0       0	30.01       5       215.87       715.87       704.44         30.01       2.4375       5       215.87       104.44         3.001       2.4375       5       233.20       234.92       235.20         3.001       2.4375       5       233.02       234.92       235.20         3.001       2.4375       7       223.02       234.92       235.20         3.001       2.4375       7       223.02       234.92       235.20         3.001       2.3373       2.3373       235.32       235.32       235.32         3.001       2.3373       2.3373       237.32       256.35       267.12         3.001       3.1393       2.4302       2.32.02       253.02       263.55         3.001       1.3373       1.142.35       916.45       1717.2007       136.51         3.1013       2.1023       2.133.33       1.142.35       1.147.35       1.147.35         3.11373       2.1026       1.143.35       1.147.35       1.147.35       1.147.35         3.11373       2.114.23       2.142.35       2.142.35       1.142.35       1.142.35         3.11373       2.114.23       2.142.35       2.142.35       2.142.3	* 	ო		45	177.78		177.78	148.35	(29.4:	
jain         9999         2157 <th< td=""><td>a)     9,900     25,51     2,547     2,558     1903       3,007     2,477     2,557     1003     27,73     24,57     1003       3,007     2,477     2,557     2,557     2,557     2,557     2,558     1003       3,007     2,577     2,577     2,527     2,523     24,12     2,555     24,12       3,007     2,77     2,577     2,527     2,523     24,13     27,73     24,55       3,007     2,77     2,577     2,527     2,523     24,13     27,75     24,55       3,007     3,77     2,527     2,527     2,527     2,527     2,525     24,14       3,007     3,77     3,770     1,147     2,142,56     40,55     1,142,56       3,190     3,190     1,72070     1,141,16     2,141,16     1,141,12       3,110     3,1200     1,72070     1,141,256     2,700       3,1200     2,111,7     2,111,19     1,141,256     2,114,256       3,111     3,1200     2,111,67     2,141,256     1,142,266       3,111     3,1200     2,111,67     2,111,19     1,142,266       3,111     2,111,19     1,111,19     1,142,266     1,142,266       3,111     2,111,1</td><td>\$</td><td>9</td><td></td><td>50</td><td>196.82</td><td>•</td><td>196.82</td><td>164.64</td><td>(32.1</td><td></td></th<>	a)     9,900     25,51     2,547     2,558     1903       3,007     2,477     2,557     1003     27,73     24,57     1003       3,007     2,477     2,557     2,557     2,557     2,557     2,558     1003       3,007     2,577     2,577     2,527     2,523     24,12     2,555     24,12       3,007     2,77     2,577     2,527     2,523     24,13     27,73     24,55       3,007     2,77     2,577     2,527     2,523     24,13     27,75     24,55       3,007     3,77     2,527     2,527     2,527     2,527     2,525     24,14       3,007     3,77     3,770     1,147     2,142,56     40,55     1,142,56       3,190     3,190     1,72070     1,141,16     2,141,16     1,141,12       3,110     3,1200     1,72070     1,141,256     2,700       3,1200     2,111,7     2,111,19     1,141,256     2,114,256       3,111     3,1200     2,111,67     2,141,256     1,142,266       3,111     3,1200     2,111,67     2,111,19     1,142,266       3,111     2,111,19     1,111,19     1,142,266     1,142,266       3,111     2,111,1	\$	9		50	196.82	•	196.82	164.64	(32.1	
3       2473       5       23347       5       5       5       <	5       2,4375       5       2,5347       2,5463       2,4456       1,14425       1,14425       1,14425       1,14425       1,14425       1,14425       1,14425       1,14425       1,14425       1,14425       1,14412       1,14425       1,14425       1,14425       1,14425       1,14425       1,14425       1,14412       1,14425       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14414       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14412       1,14422       1,14412       1,14412	\$	19,999		55	215.87	•	215.8/	180.94	(34.9 27 5	
3       2,473       5       -       7       2 <td>5       2407       5       2701       2701       2701       2701       2701       2701       2701       2701       2701       2701       2701       2701       2701       <td< td=""><td>÷</td><td></td><td></td><td>8 9 1</td><td>234.92</td><td>ı</td><td>234.92</td><td>131.23</td><td>(40.4</td><td></td></td<></td>	5       2407       5       2701       2701       2701       2701       2701       2701       2701       2701       2701       2701       2701       2701       2701 <td< td=""><td>÷</td><td></td><td></td><td>8 9 1</td><td>234.92</td><td>ı</td><td>234.92</td><td>131.23</td><td>(40.4</td><td></td></td<>	÷			8 9 1	234.92	ı	234.92	131.23	(40.4	
3.04/6         5         5         5         5         77.3         5         5         77.3         5         77.3         5         77.3         5         5         77.3         7         7         5         77.3         7         7         5         7 <td>3.0007     -     <td< td=""><td></td><td>\$</td><td></td><td>63 77</td><td>12.252</td><td></td><td>273.02</td><td>229.82</td><td>(43.1</td><td></td></td<></td>	3.0007     - <td< td=""><td></td><td>\$</td><td></td><td>63 77</td><td>12.252</td><td></td><td>273.02</td><td>229.82</td><td>(43.1</td><td></td></td<>		\$		63 77	12.252		273.02	229.82	(43.1	
Ander (1473)         5 (1473)         5 (1473)         5 (1473)         5 (1473)         6 (1473)         6 (1473)           5 (190         5 (190         5 (190         5 (190         5 (190         5 (190         5 (190         5 (190         5 (190         6 (190         7 (190	37.31       37.31       27.00       37.73       27.70       37.73       27.70       40.05         30.1       39.19       39.19       39.30       1142.87       7142.86       65.55         30.1       39.99       1143.25       1143.26       7142.86       65.55         30.1       39.99       1143.25       1142.86       65.55       1142.86         31.1       3       500       11119       1720.70       1486.26       65.55         31.187       5       500       11119       1720.70       1486.26       65.55         31.187       5       500       1720.70       1486.26       65.55       65.55         31.187       5       1011.67       1720.70       1486.26       65.55       65.52       65				5 5	20.02	ı	292.07	246.12	(45.9	
3     1500     5     360.55     1143.25     1143.25     1143.25       300     1158.25     1143.25     1143.25     1143.25     1143.25       301     3     300     1158.25     1143.25     1143.25       31     13     3     1143.25     1143.25     1143.25       31     13     1157.02     1143.25     1143.25     1143.25       31     1187.35     1143.25     1143.25     1143.25       31     1187.35     1143.25     1143.25     1143.25       31     1187.35     1143.25     1143.25     1143.25       31     1187.35     2101.17     1141.15     1141.15       31     1187.35     2101.17     2101.17     1141.15       31     1187.35     2101.17     2101.17     1141.15       31     21005     245.57     2130.07     223.54       31     21005     245.57     2130.07     232.53       31     21005     245.57     2130.07     232.53       31     2005     245.57     2130.07     232.53       31     2005     245.57     2130.07     232.53       31     2005     245.57     2145.57     2130.07       31	150     77.73     78.7.73     78.6.55     77.73     66.0.55       150     57.73     78.6.55     76.5.55     76.6.55     76.6.55       150     5     -     76.0     5     -     77.73     65.0.55       150     5     -     76.0     5     -     1305.57     1142.50       11     3     -     17.20.70     -     17.30.75     1142.50       11     11     11.11     11.11     11.41.20     1142.50       11     5     11.720.70     -     1.720.70     1.42.55       2.10167     5     500     2.01117     -     1.720.70       2.10173     5     -     2.00117     -     1.720.70       2.10167     5     -     2.00117     -     1.720.70       2.10167     5     -     2.00167     -     1.720.70       2.10167     5     -     2.00167     -     1.720.70       2.10167     5     -     2.0017     1.957.12     1.205.71       2.10167     5     -     2.202.61     1.957.12     1.205.71       2.10167     5     5     5     5     5       2.10167     5     5     5     5<				2 <u>0</u>	387.31	ı	387.31	327.60	(59.7	
3     16.00     5     -     78.28     -     78.26     -     78.26     65.50     (174.70)       3     3     -     149.25     -     149.25     -     149.25     173.70     (189.26     (174.70)       30)     99.999     500     158022     -     1500.25     1561.65     (174.70)       30)     99.999     500     158022     -     1570.70     1488.26     (174.70)       30)     91.999     500     1570.70     158022     -     1591.19     (174.70)       30)     91.999     51.770.70     1488.26     156.350     (174.70)       31.100     2.100     2.200.11     159.12     2.282.44     (273.70)       31.100     2.101     1.734.16     1.734.16     (273.70)       31.100     2.101     1.744.16     2.282.44     (273.70)       31.100     2.432.44     2.430.74     (214.91)       31.100     2.436.47     2.771.88     2.771.88       31.100     2.456.47     2.771.88     (273.70)       31.100     2.456.47     2.771.88     (214.91)       31.100     2.456.47     2.771.88     (216.51)       31.100     2.456.47     2.770.98     (416.50)   <	200       763.26       -       766.26       655.50         301       3       142.55       -       766.26       655.50         301       3       142.55       -       1442.55       14446.25       979.445         301       3       133327       -       1432.55       -       1446.25       979.45       111         303       133327       -       1730.77       -       1446.25       979.45       111         3       11473       5       -       750       23016       -       2302.61       12303.72       1363.73         3       11473       5       -       750       2387.61       230.61       230.61       244.57       1460.26       114.61         3       2,1006       -       -       230.61       2,310.12       244.57       1446.26       114.75         3,2560       -       -       700       2,344.50       2,310.12       2,300.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12       2,310.12				150	577.79	ı	577.79	490.55	(87.2	
5       16.00       5       -       958.76       -       149.25       1742.36       1745.36	368.76       958.76       958.76       958.75       958.76       6445         30       1439.25       1142.36       1142.36       1142.36       1142.36         30       1438.75       1141.9       11720.70       1446.26       11724.16         30       1438.75       1149.15       1530.72       1142.36       1142.36         311.19       167.12       1200.70       1446.26       11720.70       1446.26         311.19       5       100       2322.16       2282.16       1957.12       2336.32         210050       2       2573.13       2.200.77       2445.97       107         210050       2       2573.13       2.300.77       2445.97       107         210050       2       2573.13       2.300.77       2.445.97       107         210050       2       2573.18       2.445.97       177       107         210050       2.344.58       2.771.18       2.445.97       107       108         210067       2.355.08       2.445.97       2.445.97       114.35.44       2.700         21007       2.355.08       2.344.58       2.711.88       2.445.97       114.35.44         30000       11.435.	Dronosed Rates - Settlement			200	768.28	ı	768.28	653.50	(114.7	
3       148.25       143.25       91.40       103.261         3       10       5       13367       142.36       142.36         9       10       10       500       1,3727       1,4236       142.36       133631         9       99       100       500       1,3717       1,4236       1,4236       1,30531         9       100       500       1,3717       1,4236       1,30531       1,23373       1,4236       1,30531         9       11879       5       1,30531       2,30616       2,30631       1,30717       1,30733       1,30531       1,30531       1,30531       1,30531       1,30531       1,305333       1,42,36       1,30531       1,	<ul> <li><b>5</b> 16.00 <b>5</b> - 11432 <b>5</b> - 11423 <b>5</b> - 114235 <b>5</b> - 114236 <b>5</b> - 114235 <b>5</b> - 114236 <b>1</b> - 1157112 <b>1</b> - 11417 <b>1</b> - 114111 - 1445 <b>4</b> - 11445 <b></b></li></ul>				250	958.76	ı	958,76	816.45	(142.3	
5       16.00       5       -       330       1,123,17       1,448,26       (25,44)         3       910       550       1,120,17       1,448,26       (25,44)         3       1,137,5       -       2,101,67       1,594,16       (25,44)         5       1,137,5       -       2,101,67       1,594,16       (25,24)         5       1,137,5       -       2,322,16       2,130,57       (36,51)         2,105,6       -       2,322,16       2,130,57       (36,51)       (37,51)         2,105,7       -       2,322,16       2,322,27       2,448,26       (25,243)         2,105,7       -       2,322,17       2,448,26       2,452,64       (37,51)         2,105,7       -       2,323,17       2,448,27       2,452,64       (37,51)         2,105,7       -       2,455,77       2,445,27       (37,51)       (36,57)         2,105,7       -       -       2,455,77       2,455,67       (47,51)         3,2590       -       -       3,455,77       2,455,77       (47,51)         3,2590       -       -       2,455,77       2,456,77       (47,51)         3,2550       -       -	<ul> <li>1600 5</li> <li>1387.3 - 1,339.7 - 1,339.7 - 1,305.3 - 1,305.3 - 1,305.3 - 1,305.3 - 1,305.3 - 1,305.3 - 1,305.3 - 1,305.3 - 1,305.3 - 1,305.3 - 1,305.3 - 1,130.3 - 550 - 2,101.6 - 1,120.7 - 1,120.</li></ul>				300	1,149.25	•	1,149.25	9/9.40	(109.0	
10 $10$	1       3       450       1,720,70       1,720,70       1,662,56       1,720,70       1,662,56         2       11473       5       2       1016,7       1,720,10       1,662,56       1,720,10         3       11473       5       2       2,1016,7       2,1016,7       1,720,10       1,720,10         3       11473       5       2       2,1016,7       2,120,10       1,724,16       1,774,16       1,724,12         2       11473       5       2,435,64       2,435,64       2,435,64       2,445,64       2,410,64       2,456,64       2,410,64<	\$	\$		350	1,339.73	,	1,339./3	1,142.30	6760)	
1 $3$ $30$ $11110$ $11110$ $11110$ $11110$ $11110$ $11110$ $11110$ $11110$ $11110$ $11110$ $11010$ $11110$ $11010$ $11110$ $11010$ $11110$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11010$ $11000$ $11010$ $11000$ $11010$ $11000$ $11010$ $11000$ $11010$ $11000$ $11000$ $11010$ $110000$ $110000$ $110000$ <t< td=""><td>1       1</td><td></td><td></td><td></td><td>400</td><td>1,200.22</td><td></td><td>1 720 70</td><td>1 468 26</td><td>(252.4</td><td></td></t<>	1       1				400	1,200.22		1 720 70	1 468 26	(252.4	
Wer (M Gal); wer (M Gal); 3, 11875         9, 39, 30, 5         5, 2, 101, 67         1, 734, 16         (30751); 3, 353, 61           5         11875         5         5, 50         2, 101, 67         2, 203, 16         2, 335, 31         2, 248, 54         2, 248, 54         2, 248, 54         3, 355, 33         3, 248, 55         3, 248, 56         2, 485, 64         3, 355, 33         3, 248, 56         2, 485, 64         3, 355, 33         3, 248, 56         3, 248, 56         3, 248, 56         3, 248, 56         3, 248, 56         3, 248, 56         3, 248, 56         3, 248, 56         3, 248, 56         3, 248, 56         3, 248, 56         3, 356, 51         3, 356	Wer (M Gal):       99.0       500       2,101 67       1,794,16       1,794,16       1,794,16         \$ 11379 \$       -       -       2,222,16       -       2,223,02       1,294,16       1,794,14       1,794,44       1,775,314       1,14,25,44       1,14,25,44       1,14,25,44       1,14,25,44       1,14,25,44       1,14,25,44       1,14,25,44       1,14,25,44 <td>Tier One Breakover (M Gal):</td> <td>m (</td> <td></td> <td>400</td> <td>1,02010</td> <td></td> <td>1.911.19</td> <td>1.631.21</td> <td>(279.9</td> <td></td>	Tier One Breakover (M Gal):	m (		400	1,02010		1.911.19	1.631.21	(279.9	
32500       2,202,16       2,202,16       2,202,16       1,677,13       2,353,04         3,1137       5       2,445,64       2,12007       (335,64)         3,2560       2,445,64       2,12007       (352,64)         3,2560       2,445,67       2,445,67       2,445,67       (417,64)         3,2560       2,445,67       2,344,58       2,771,88       2,771,88       (472,71)         3,2560       3,244,58       2,771,88       2,771,88       2,600,24,83       (472,71)         900       3,244,58       2,771,88       2,771,88       2,771,88       (472,71)         900       3,445,67       2,445,67       2,445,67       (417,64)         1,000       3,16,04       3,244,58       (417,64)       (472,71)         900       7,16,04       3,244,56       (116,597)       (135,97)         1,000       3,16,04       5,346,43       (176,597)       (136,190)         1,000       7,173       2,003       9,145,26       (136,190)         1,000       7,173       2,003       9,143,29       (136,190)       (136,190)         1,145,44       1,145,44       1,145,44       1,145,54       (138,190)       (138,190)         1,	31560       2,222.16       1,97712       1,67713       1,97713       2,422.16       1,97713       2,423.07       2,33.00         31560       2,445.64       -       2,445.64       -       2,445.97       3,23.00       3,35.10       2,445.97       3,33.00       3,35.11       2,445.97       3,33.00       3,35.11       2,445.97       3,33.00       3,445.97       2,445.97       3,33.00       3,445.97       2,445.97       3,33.00       3,445.97       2,445.97       3,35.07       2,944.83       3,711.88       3,35.07       2,944.83       3,73.07       3,35.07       2,944.83       3,73.00       3,445.97       2,445.97       2,445.97       3,45.07       2,944.83       3,73.07       3,45.07       2,944.83       3,73.07       3,35.07       3,35.07       3,35.07       2,944.83       3,73.05       3,445.97       2,445.97       2,445.97       2,445.97       2,445.97       2,445.97       3,45.07       2,944.83       3,73.00       3,35.07       3,37.07       3,				550	2.101.67	,	2,101.67	1,794,16	(307.5	
\$ 11879 \$       -       2432.64       -       2432.64       2,120.07       (367.31)         2.0056       -       700       2,673.13       -       2,445.97       (47.64)         2.0050       -       750       2,645.16       -       2,445.97       (47.64)         2.0000       3,456.07       -       2,445.97       2,445.97       (47.64)         860       3,244.56       -       3,445.07       2,445.97       (47.64)         900       3,456.07       -       3,456.07       2,445.97       (47.71)         900       3,456.07       -       3,445.07       2,445.97       (47.71)         900       3,456.07       -       3,445.07       2,445.97       (47.51)         1,500       5,316.04       -       3,456.07       2,445.97       (47.51)         1,500       5,316.04       -       5,455.74       5,449.29       (17.64)         1,500       5,525.74       -       1,455.44       9,778.48       (47.57)         0,000       11,455.44       -       1,455.44       9,778.48       (47.57)         0,000       11,455.44       -       1,455.44       9,778.49       (17.69) <t< td=""><td>5       11879       5       11879       5       12300       2432.64       2,243.54       2,120.07       332500         2,1026       2,831.61       2,243.51       2,445.97       2,9445.97       2,445.97       3335.07       2,934.83       2,211.88       3335.07       2,9445.97       344.51       2,445.97       2,9445.97       3,325.00       3,244.58       2,000       3,244.58       2,000.75       3,325.07       2,934.83       3,000       3,325.07       2,934.83       3,000       3,36.04       2,326.03       3,325.07       2,934.83       3,000       3,36.04       2,326.03       3,325.07       3,325.07       3,345.07       3,294.53       2,445.97       3,045.07       3,325.07       3,345.07       3,345.07       3,244.58       1,145.44       1,145.44       3,175.54       4,145.29       3,17       3,255.08       4,143.29       1,143.24       1,143.24       1,143.24       1,143.29       3,17       5,230.03       5,700       3,530.25       5,500       5,700       3,565       5,55&lt;</td><td></td><td>· · · · · ·</td><td></td><td>600</td><td>2,292.16</td><td>•</td><td>2,292.16</td><td>1,957.12</td><td>(335.0</td><td></td></t<>	5       11879       5       11879       5       12300       2432.64       2,243.54       2,120.07       332500         2,1026       2,831.61       2,243.51       2,445.97       2,9445.97       2,445.97       3335.07       2,934.83       2,211.88       3335.07       2,9445.97       344.51       2,445.97       2,9445.97       3,325.00       3,244.58       2,000       3,244.58       2,000.75       3,325.07       2,934.83       3,000       3,325.07       2,934.83       3,000       3,36.04       2,326.03       3,325.07       2,934.83       3,000       3,36.04       2,326.03       3,325.07       3,325.07       3,345.07       3,294.53       2,445.97       3,045.07       3,325.07       3,345.07       3,345.07       3,244.58       1,145.44       1,145.44       3,175.54       4,145.29       3,17       3,255.08       4,143.29       1,143.24       1,143.24       1,143.24       1,143.29       3,17       5,230.03       5,700       3,530.25       5,500       5,700       3,565       5,55<		· · · · · ·		600	2,292.16	•	2,292.16	1,957.12	(335.0	
2.1026       2 $700$ $2673.13$ $2.263.51$ $2.263.51$ $2.263.52$ $(390.1)$ 3.2590 $3.245.87$ $2.345.87$ $2.345.87$ $2.711.88$ $(77.7)$ 860 $3.245.67$ $3.245.88$ $2.771.88$ $2.771.88$ $(77.7)$ 900 $3.456.07$ $3.245.88$ $2.771.88$ $(72.7)$ 900 $3.456.07$ $3.245.88$ $2.771.88$ $(72.7)$ 900 $3.456.07$ $2.345.87$ $2.771.88$ $(72.7)$ 9100 $3.456.07$ $2.345.87$ $2.771.88$ $(72.7)$ 9100 $3.456.07$ $2.560.33$ $2.720.84$ $4.90.25$ $(72.97)$ 9175.51 $6.55.33$ $5.720.84$ $4.90.25$ $(72.97)$ $(72.7)$ $2.700$ $5.720.84$ $9.775.44$ $1.1,435.44$ $1.1,435.44$ $1.1,435.44$ $1.1,435.44$ $1.1,435.44$ $9.778.81$ $(1.9656.63)$ Median Usage: $8.3$ $5$ $3.230.55$ $5$ $(1.79)$ Standardized Usage: $7.5$ $5$ $3.247.8$ $6.52.776$ $7.72$	2,1026       -       2,673,13       -       2,673,13       2,283,02         3,2590       -       -       3,65,10       -       2,673,13       2,283,02         850       3,244,58       -       3,445,01       2,608,25       2,445,97       (4,45,97)         900       3,455,07       -       3,455,07       -       3,455,07       2,673,18       2,708         900       3,455,07       -       -       3,455,07       -       3,456,07       2,673,48       2,771,88       2,714,88       2,714,88       2,714,88       2,723,59       4,800,25       5,720,89       4,800,25       5,720,89       4,800,25       5,720,89       4,800,25       5,720,89       4,800,25       5,720,89       2,800,25       5,741,92       2,600       5,720,89       4,800,25       5,720,89       2,800,25       5,720,89       4,800,25       5,720,89       4,800,25       5,720,89       4,800,25       5,720,89       4,800,25       5,741,92       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,89       5,720,99       5,720,99       5	9	ф		650	2,482.64	,	2,482.64	2,120.07	(362.5	
3.2590     -     750     2,853.61     -     2,863.67     (471.54)       800     3,244.10     -     3,445.67     2,445.67     (472.77)       900     3,455.07     -     3,445.67     2,609.82     (472.77)       900     3,455.07     -     3,455.07     2,560.73     (555.31)       900     3,455.07     -     5,720.89     4,890.25     (472.77)       900     3,755.74     -     3,455.07     -     (472.77)       900     3,750.89     -     5,720.89     4,890.25     (472.77)       1,000     3,455.07     -     5,720.89     4,890.25     (472.77)       2,000     5,720.89     -     5,720.89     4,890.25     (472.77)       2,000     5,720.89     -     5,720.89     4,890.25     (472.77)       2,000     5,720.89     -     5,720.89     4,890.25     (472.77)       2,000     5,720.89     5,720.89     4,890.25     (472.77)       2,000     5,720.89     5,720.89     4,890.25     (472.77)       2,001     1,435.44     -     1,1435.44     5,720.89     (472.77)       3,005     5     5     5     5     5,205.64     (1,165.97)       1,1435.4	3.2590       -       750       2.855.61       -       2.455.97       - <td>•</td> <td></td> <td></td> <td>700</td> <td>2,673.13</td> <td>I,</td> <td>2,673.13</td> <td>2,283.02</td> <td>(390.1</td> <td></td>	•			700	2,673.13	I,	2,673.13	2,283.02	(390.1	
800 $3.054.10$ $5.054.10$ $5.054.10$ $2.068.92$ $(475.17)$ 850 $3.244.58$ $5.3244.58$ $2.720.89$ $2.771.88$ $(475.71)$ 900 $3.435.04$ $5.324.58$ $2.741.88$ $(472.71)$ 1,000 $3.435.04$ $5.720.89$ $3.436.05$ $3.436.05$ $(500.24)$ 1,000 $7.625.14$ $5.720.89$ $4.800.25$ $(475.71)$ 2,000 $7.625.14$ $5.720.89$ $4.800.25$ $(475.71)$ 2,000 $7.625.14$ $5.720.89$ $4.800.25$ $(475.71)$ 2,000 $7.625.14$ $5.720.89$ $4.800.25$ $(475.71)$ 2,000 $7.625.14$ $5.770.89$ $4.800.25$ $(475.71)$ 2,000 $7.625.14$ $5.770.84$ $4.800.25$ $(475.71)$ 2,000 $7.625.14$ $5.770.84$ $8.149.29$ $(1.56.63)$ $Average Usee       8.330.75 9.700.64 1.145.44 1.145.44 2.700.84 3.134.76 8.52 5.338.75 5.36.55 5.36.55 5.36.55 7.700.56 5.$	800       3.054.10       -       3.054.10       2.508.82       2771.88       4.6         900       3.244.58       -       3.244.58       -       3.244.58       -       3.244.58       -       4.6         900       3.244.58       -       3.244.58       -       3.435.07       2.964.83       -       3.435.07       2.964.83       -       -       3.435.07       2.964.83       -       -       3.435.07       2.964.83       -       -       3.435.07       2.964.83       -       -       3.435.07       2.964.83       -				750	2,863.61	•	2,863.61	2,445.97	(417.6	
850       3,244,58       -       3,244,58       2,771,88       472,77         900       3,435,07       -       3,435,07       2,934,83       (600,24)         1,500       5,720,89       -       5,720,89       -       5,720,89       (1,105,97)         2,000       5,720,89       -       7,625,74       -       7,625,74       (1,105,97)         2,000       7,625,74       -       7,625,74       -       7,625,74       (1,105,97)         2,000       7,520,59       -       7,625,74       -       7,625,74       (1,105,97)         2,500       9,530,59       -       7,625,74       -       11,435,44       -       11,435,44         2,500       1,1,435,44       -       11,435,44       -       11,435,43       (1,105,97)         Usage:       8.3       3,3,3,8       5       -       11,435,44       -       11,435,44         Usage:       6.5       3,3,3,8       5       -       5       (1,106,97)         Usage:       6.5       3,3,3,8       5       2,700       5       (1,106,97)         Usage:       5       3,3,3,8       5       2,0,03       5       5       (1,106,97)	850       3,244,58       -       3,244,58       2,771,88       (4)         900       3,435,07       -       3,435,07       2,934,83       (5)         1,000       3,816,04       -       3,435,07       2,934,83       (5)         1,500       5,720,89       -       3,435,07       2,934,83       (5)         1,500       5,720,89       -       5,720,89       4,890,25       (5)         2,500       1,435,44       -       7,625,74       5,19,77       (1)         2,500       1,435,44       -       11,435,44       9,778,81       (1)         2,500       11,435,44       -       11,435,44       9,778,81       (1)         2,500       11,435,44       -       11,435,44       9,778,81       (1)         Usage:       8.3       39,17       \$       \$       30,055       \$         Usage:       6.5       \$       33,83       \$       27,00       \$       \$         Disage:       7.5       \$       \$       \$       \$       \$       \$       \$         Usage:       6.5       \$       \$       \$       \$       \$       \$       \$       \$       \$<				800	3,054.10	,	3,054.10	2,608.92	(445.1	
900       3,435.07       -       3,435.07       2,394.83       - </td <td>900       3,435.07       -       3,435.07       2,934.83       (5)         1,500       5,720.89       -       3,816.04       -       3,816.04       3,260.73       (5)         2,000       5,720.89       -       7,625.74       -       7,625.74       (5,19.77       (7)         2,000       7,625.74       -       7,625.74       -       7,625.74       (7,11)         2,000       11,435.44       -       11,435.44       9,778.81       (1,11)         3,000       11,435.44       -       11,435.44       9,778.81       (1,11)         Usage:       8.3       3 39.17       \$       3 39.17       \$       3 39.17       \$         Usage:       6.5       \$       33.88       \$       -       \$       3 39.17       \$       \$       3 39.17       \$       \$       3 39.17       \$</td> <td></td> <td></td> <td></td> <td>850</td> <td>3,244.58</td> <td>•</td> <td>3,244.58</td> <td>2,771.88</td> <td>(4/2./</td> <td></td>	900       3,435.07       -       3,435.07       2,934.83       (5)         1,500       5,720.89       -       3,816.04       -       3,816.04       3,260.73       (5)         2,000       5,720.89       -       7,625.74       -       7,625.74       (5,19.77       (7)         2,000       7,625.74       -       7,625.74       -       7,625.74       (7,11)         2,000       11,435.44       -       11,435.44       9,778.81       (1,11)         3,000       11,435.44       -       11,435.44       9,778.81       (1,11)         Usage:       8.3       3 39.17       \$       3 39.17       \$       3 39.17       \$         Usage:       6.5       \$       33.88       \$       -       \$       3 39.17       \$       \$       3 39.17       \$       \$       3 39.17       \$				850	3,244.58	•	3,244.58	2,771.88	(4/2./	
1,000       3,816.04       -       3,816.04       -       3,816.04       -	1,000       3,816.04       -       3,816.04       -       3,816.04       3,260.73       (1,13)         2,000       5,720.89       -       5,720.89       4,890.25       (1,13)         2,500       9,530.59       -       7,625.74       -       7,625.74       (1,13)         2,500       9,530.59       -       7,625.54       -       11,435.44       -       (1,13)         Usage:       8.3       3       39,17       \$       -       \$       30.65       \$       (1,13)         Usage:       6.5       \$       33.88       -       5       30.65       \$       (1,13)         Usage:       7.5       \$       33.88       5       -       11,435.44       (1,13)         Usage:       7.5       \$       33.88       5       -       5       30.65       \$         Proposed Bill at Lifeline Usage (3.0 M Gal)       \$       19.56       Cost of Service at Lifeline Usage (3.0 M Gal)       \$       11,6         Proposed Bill at Lifeline Usage (3.0 M Gal)       \$       19.56       \$       5       5         Proposed Bill at Lifeline Usage (3.0 M Gal)       \$       19.56       \$       5       5         % C				006	3,435.07	,	3,435.07	2,934.83	(2005)	
1,500       5,720.89       -       5,720.89       4,890.25       (1,050.04)         2,5000       7,525.74       -       7,625.74       5,197       (1,053.63)         2,5000       7,525.74       -       7,625.74       5,197       (1,053.63)         2,5000       7,525.74       -       7,625.74       5,19.77       (1,053.63)         2,5000       7,435.44       -       11,435.44       -       7,8.81       (1,055.63)         Usage:       8.3       3.39.17       5       3.3.68       5       5       (6.88)         Usage:       6.5       5       33.88       5       5       30.65       5       (6.88)         Usage:       7.5       5       36.82       5       30.65       5       (6.88)         Usage:       7.5       5       36.82       5       29.03       5       (7.79)         Proposed Bill at Lifeline Usage (3.0 M Gal):       5       19.56       Cost of Service at Lifeline Usage:       32.47%         Cost of Service at Lifeline Usage:       23.47%       5       40.23       %       (7.79)         % Cost Discount at Average Usage:       23.82%       23.82%       23.32%       5       5       5	1,500       5,720.89       -       5,720.89       -       5,720.89       -       1,625.74       5,19.77       1,1         2,500       9,530.59       -       7,625.74       -       7,625.74       5,19.77       1,1         2,500       9,530.59       -       9,778.81       -       7,625.74       5,19.77       1,1         2,500       9,530.59       -       9,778.81       -       1,435.44       -       1,1         Usage:       8.3       3,3.81       -       -       11,435.44       9,778.81       1,1         Usage:       6.5       \$       33.81       \$       -       11,435.44       9,778.81       1,1         Usage:       6.5       \$       33.81       \$       -       11,435.44       9,778.81       1,1         Usage:       6.5       \$       33.81       \$       -       30.65       \$       \$         Usage:       7.5       \$       33.81       \$       -       \$       \$       1,13         Proposed Bill at Lifeline Usage (3.0 M Gal)       \$       13.8       \$       29.03       \$       \$         Proposed Bill at Lifeline Usage (3.0 M Gal)       \$       32.47% </td <td></td> <td></td> <td></td> <td>1,000</td> <td>3,816.04</td> <td>,</td> <td>3,816.04</td> <td>3,260.73</td> <td>(222.3</td> <td></td>				1,000	3,816.04	,	3,816.04	3,260.73	(222.3	
2,000       7,625,74       -       7,625,74       0,776,81       1,435,44       -       1,435,44       -       1,435,44       -       1,435,44       -       1,311,20)         Usage:       8.3       5       39,17       5       -       5,500       9,778,81       (1,311,20)         Usage:       8.3       5       39,17       5       -       5       30,65       5       (1,311,20)         Usage:       8.3       5       33,17       5       -       5       30,65       5       (1,311,20)         Usage:       6.5       5       33,88       5       -       5       30,65       5       (6,88)         Usage:       7.5       5       36,82       5       36,82       5       29,03       5       (7,79)         Proposed Bill at Lifeline Usage (3.0 M Gal):       5       19,56       Cost of Service at Lifeline Usage:       32,47%       7	2500       7,525,14       -       7,525,14       -       7,525,14       -       7,135,44       -       1,435,44       -       1,1432,29       1,115         Usage:       8.3       5       39,17       5       -       1,435,44       -       1,1432,29       1,116         Usage:       8.3       5       39,17       5       -       5,500       5,500       5,500       1,16         Usage:       6.5       5       3,38,4       -       1,435,44       -       1,1432,29       1,116         Usage:       6.5       5       3,38,4       -       5       30,65       5       5         Usage:       7.5       5       33,88       -       5       30,65       5       5         Proposed Bill at Lifeline Usage (3,0 M Gal):       2,3,00       32,47%       2,47%       5				1,500	5,720.89	ı	5,720.89	4,890.23	111050	
2,500 9,500,54 - 11,435,44 9,778.81 (1,556.53) Usage: 8.3 \$ 39.17 \$ - \$ 39.17 \$ 30.65 \$ (8.52) Usage: 7.5 \$ 30.87 \$ - \$ 30.17 \$ 30.65 \$ (8.89) Usage: 7.5 \$ 36.82 \$ - \$ 30.17 \$ 30.65 \$ (6.88) Proposed Bill at Lifeline Usage (3.0 M Gal): \$ 19.56 Cost of Service at Lifeline Usage: 32.47% Cost of Service at Average Usage: \$ 40.23 % Cost Discount at Average Usage: \$ 23.32%	2,500       9,530,59       -       9,738.81       (1,6)         Usage:       8.3       5       39,17       5       -       5,30,45       5         Usage:       6.5       5       3,39,17       5       -       5,30,45       -       (1,6)         Usage:       6.5       5       3,39,17       5       -       5       30,65       5       5         Usage:       6.5       5       3,38,8       2,700       5				2,000	1,625.74	ı	1,625.74	0,019.17	11,100.0	
Usage:       8.3       \$ 39.17       \$ - \$ 39.17       \$ 30.65       \$ (8.52)         Usage:       6.5       \$ 33.88       \$ - \$ \$ 33.88       \$ 27.00       \$ (6.88)         Usage:       7.5       \$ 36.82       \$ - \$ \$ 33.88       \$ 27.00       \$ (6.88)         Usage:       7.5       \$ 36.82       \$ - \$ \$ 33.88       \$ 27.00       \$ (6.88)         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$ 19.56       \$ 28.97       \$ (7.79)         Cost of Service at Lifeline Usage (3.0 M Gal):       \$ 28.97       \$ 28.97         % Cost Discount at Lifeline Usage:       \$ 32.47%         Cost of Service at Average Usage:       \$ 32.47%         % Cost Discount at Average Usage:       \$ 23.32%	Usage:       8.3       5       39.17       5       39.17       5       30.65       5         Usage:       6.5       \$       33.88       \$       5       33.17       \$       30.65       \$       \$         Usage:       6.5       \$       33.88       \$       5       33.83       \$       27.00       \$       \$         Usage:       7.5       \$       36.82       \$       5       33.88       \$       27.00       \$       \$         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$       19.56       \$       28.97       \$				2,500 3,000	9,530.59 11,435.44		9,000.09 11,435.44	o, 149.29 9,778.81	(1,656.6	
Usage:       8.3       \$ 39.17       \$ - \$ \$ 39.17       \$ 30.65       \$ (8.52)         Usage:       6.5       \$ 33.88       \$ 27.00       \$ (6.88)         Usage:       7.5       \$ 36.82       \$ - \$ 33.88       \$ 27.00       \$ (6.88)         Usage:       7.5       \$ 36.82       \$ - \$ \$ 33.88       \$ 27.00       \$ (7.79)         Usage:       7.5       \$ 36.82       \$ - \$ \$ 36.82       \$ 29.03       \$ (7.79)         Usage:       7.5       \$ 36.82       \$ 3.0.65       \$ (7.79)         Proposed Bill at Lifeline Usage (3.0 M Gal):       \$ 19.56       \$ (7.79)         Cost of Service at Lifeline Usage (3.0 M Gal):       \$ 19.56       \$ 28.97         % Cost Discount at Lifeline Usage:       32.47%       \$ 28.97         % Cost Of Service at Average Usage:       \$ 40.23       \$ 40.23         % Cost Discount at Average Usage:       \$ 33.37%       \$ 33.37%	Usage: 8.3 \$ 39.17 \$ - \$ 39.17 \$ 30.65 Usage: 6.5 \$ 33.88 \$ - \$ 33.81 \$ 27.00 Usage: 7.5 \$ 36.82 \$ - \$ 33.88 \$ 27.00 Proposed Bill at Lifeline Usage (3.0 M Gal): \$ 19.56 Cost of Service at Lifeline Usage (3.0 M Gal): \$ 19.56 Cost of Service at Lifeline Usage: 32.47% Cost Discount at Lifeline Usage: 23.82% % Cost Discount at Average Usage: 23.82%										
Usage: 6.5 \$ 33.88 \$ 27.00 \$ (7.79) Usage: 7.5 \$ 36.82 \$ - \$ 33.88 \$ 27.00 \$ (7.79) Proposed Bill at Lifeline Usage (3.0 M Gal): \$ 19.56 Cost of Service at Lifeline Usage (3.0 M Gal): \$ 28.97 % Cost Discount at Lifeline Usage: 32.47% Cost of Service at Average Usage: \$ 40.23 % Cost Discount at Average Usage: \$ 23.32%	Usage: 6.5 \$ 33.88 \$ - \$ 33.88 \$ 27.00 \$ Usage: 7.5 \$ 36.82 \$ - \$ 33.88 \$ 27.00 \$ \$ Usage: 7.5 \$ 36.82 \$ - \$ 36.82 \$ 29.03 \$ \$ Cost of Service at Lifeline Usage (3.0 M Gal): \$ 19.56 Cost of Service at Lifeline Usage: 32.47% % Cost Discount at Lifeline Usage: 32.47% % Cost Discount at Average Usage: 23.82% % Cost Discount at Average Usage: 23.82%			Average Usage:	8.3	39.17	ı				
Usage: 7.5 \$ 36.82 \$ - \$ 36.82 \$ 29.03 \$ (7.79) Proposed Bill at Lifeline Usage (3.0 M Gal): \$ 19.56 Cost of Service at Lifeline Usage (3.0 M Gal): \$ 28.97 % Cost Discount at Lifeline Usage: 32.47% Cost of Service at Average Usage: \$ 40.23 % Cost Discount at Average Usage: 23.32%	Usage: 7.5 \$ 36.82 \$ - \$ 36.82 \$ 29.03 \$ Proposed Bill at Lifeline Usage (3.0 M Gal): \$ 19.56 Cost of Service at Lifeline Usage (3.0 M Gal): \$ 28.97 % Cost Discount at Lifeline Usage: 32.47% Cost of Service at Average Usage: \$ 40.23 % Cost Discount at Average Usage: 23.82%			Median Usage:	6.5	33.88	•				
<del></del>	<del>ራ                                   </del>			Standardized Usage:	7.5	36.82	•				
<del>,</del>	<del>,</del> ,					Proposed Bill at Li	feline Usage (	(3.0 M Gal):			
\$	\$					Cost of Service at LI % Cost E	reline Usage ( Discount at Life	(ຈ.ບ M ບສາ). eline Usage:			
						Cost of S % Cost Di	Service at Ave scount at Ave	rrage Usage: rrage Usage:			

DOCKET NO. W-01445A-10-0517

73144

ARIZONA W., ER COMPANY Test Year Ended December 31, 2010 Typical Bill Analysis

4FF.	ARIZONA V. Test Year Ended De Typical Bill Analysis	ARIZONA い					i Z							Sched	Exhibit Schedule H-4 Settlement Page 3 of 4
							3	White Tank							Witness: Reiker
			[A]	<u>[8]</u>		[0]	[0]	Ξ	[F]	ତ		E		В	
								Typical Bill	al Bill		1				
	Line		Base	ACRM / PPA		Monthly Consumption		Present Rates		Proposed Rates -			Increase		
1 Z) <del>-</del>		Bocidential 6/0 × 3/4 inch	Rates	Surcharge		(M Gal)	Base	Surcharge	Total	Settlement	II.	Amount		Percent	
- N	<b>L</b>	Vesidei (trai 2/0 X 0/4 -11 ICI				ı	\$ 22.72	, \$	\$ 22.72	\$ 23.00	0	\$	0.28	1.23%	
ς, υ						ι Ω	31.79	ı	31.79	32.0	0		0.21	0.66%	
4 u		Present Rates				15 20	54.98 67 87		54.98 67 87	62.00	0		7.02	12.76%	
00						25	80.75		80.75	07.00 113.66	ით	- 8	19.97 32.91	40.76%	
7						30	93.64	ŝ	93.64	139.50	0	4	45.86	48.98%	
ωc		Basic Service Charge:	\$ 22.72	9 89		35 40	106.52	ľ	106.52	165.33	<b>ന</b> "	Ϋ́ Ο̈́	58.81 74.76	55.21%	
~ ~	, <del>2</del>	Tier One Breakover (M Gal):	.,	. 65		45	132.29		132.29	216.99	0 0	~ ò	84.70	64.03%	
		Tier Two Breakover (M Gal):	10	<b>C</b> 1		50	145.17	,	145.17	242.82	0.0	0	97.65	67.26%	
	2 6	lier Ihree Breakover (M Gal):	666'66	л.		55 90	158.06		158.06	268.66		110	0.60 3.55	69.97% 72 27%	
- <del>-</del>	o 4	Tier One Rate:	\$ 1.6493	69		65	183.83		183.83		2 0	á ří	136.49	74.25%	
÷	15	Tier Two Rate:	2.0614	4		20	196.71	ı	196.71		5	14	149.44	75.97%	
~ `	01	Tier Three Rate:	2.5769			75	209.60	'	209.60	371.98		16.	2.39	77.48%	
	~ 00					150	2/4.U2		2/4.UZ 402.86	759 46	4 (0	27	227.13 356.60	82.89% 88.57%	
		Proposed Rates - Settlement				200	531.71		531.71	÷	0 00	60 100 100 100 100 100 100 100 100 100 1	486.08	91.42%	
Ñ						250	660.55	ı	660.55		0	61	615.55	93.19%	
0 0	÷- (					300	789.40	ı	789.40		8	74	745.03	94.38%	
	24 6	Basic Service Charge:	\$ 23.00	, **		350	918.24	1 1	918.24	1,/92./4 2.051.06	4 4	8/9	8/4.5U 003 98	95.24% 95.88%	
N CN	<b>ί</b> 4	Tier One Breakover (M Gal):	-,	10		450	1,175,93		1,175.93		0 00	1,13	133.45	96.39%	
Ň	5	Tier Two Breakover (M Gal):	15			500	1,304.78	ı	1,304.78	2,567.70	0	1,262.93	2.93	96.79%	
00	26 25	Tier Three Breakover (M Gal):	i66 <sup>°</sup> 66	Ē		550	1,433.62	'	1,433.62	2,826.02	0	1,392	1,392.40	97.12%	
N č	~ •	Tior Occo Date:		e		600	1,562.47	ł	1,562.47	3,084.34	<b>4</b> (	1,52	1.88	97.40%	
5	<b>0</b> 07	Tier Une Kate: Tier Two Rate:	3 0000	• ' *		65U 700	1,691.31		1,691.31 1 820 16	3,342.66	(O m	1,651.35 1 780 83	1,651.35 1 780 83	97.64% 97.84%	
Ē	0	Tier Three Rate:	5.1664			750	1,949.00	I	1,949.00	3,859.30		1,910.30	0.30	98.01%	
ίΩ,						800	2,077.85	T	2,077.85	4,117.62	2	2,039.78	9.78	98.17%	
ю с	~ ~					850	2,206.69	ı	2,206.69	4,375.94	÷.	2,169.25	9.25	98.30%	D
ο e	0 •					000	2,335,54	١	2,335.54	4,634.26 5 450.00	0.0	2,298./3	5./3	98.42%	0
35.95	1 00					1.500	3.881.68	<b>1 1</b>	3.881.68	7,734,10		3 852 43	7.43	99.25%	Cl
	9						5,170.13	,	5,170.13	10,317.30		5,147.18	7.18	99.56%	KJ
	7					2,500	6,458.58	ı	6,458.58	12,900.50	0	6,441.93	1.93	99.74%	ЕТ
	დი					3,000	7,747.03	ı	7,747.03	15,483.7(	0	7,736.68	5.68	99.87%	N
8 £ 8IC	0 -				Average Usage:	13.9	<b>\$</b> 52.16	9	\$ 52.16	\$ 58.72	0		9.55	12.57%	0.
	5				Median Usage:	0.6		, 					3.96	9.89%	W
	<del>ر</del>				Standardized Usage:	7.5	\$ 36.94	' 9	\$ 36.94	\$ 39.50		69	2.56	6.92%	7-0
4 4 स	4 10						Pronoced Rill at	l ifeline i leade	(3 0 M Gal).		-				14
	) (c ~						Cost of Service at Lifeline Usage (3.0 M Gal): % Cost Discount at Lifeline Usage (3.0 M Gal):	vice at Lifeline Usage (3.0 M Gal): % Cost Discount at Lifeline Usage	(3.0 M Gal): (3.0 M Gal): feline Usage:	\$ 40.91 30.58%					45 <i>A</i>
	<b>6</b>								;						<b>\-</b> ]
₹85 7 <b>31</b>	n o -						Cost o % Cost	Cost of Service at Average Usage: % Cost Discount at Average Usage:	erage Usage: erage Usage:	\$ 75.02 21.73%	~ ~				10-0
s s s 44	0 m -														517

Recap Schedules:

55 53

Supporting Schedules:

ARIZONA W. \_ER COMPANY Test Year Ended December 31, 2010 Typical Bill Analysis

Exhibit Schedule H-4 Settlement Page 4 of 4 Witness: Reiker

Supporting Schedules: