

NEW APPLICATION



0000140835

ORIGINAL RECEIVED

BEFORE THE ARIZONA CORPORATION C

Arizona Corporation Commission DOCKETED

2012 NOV 29 P 12:13

NOV 29 2012

AZ CORP COMMISSION DOCKET CONTROL

DOCKETED BY [Signature]

COMMISSIONERS

- GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF NEW RIVER UTILITY COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.

DOCKET NO. W-01737A-12-0478

APPLICATION

BROWNSTEIN HYATT FARBER SCHRECK, LLP
One East Washington Street, Suite 2400
Phoenix, AZ 85004
602.382.4040

New River Utility Company, an Arizona public service corporation ("New River" or the "Company"), hereby applies (the "Application") for an order establishing the fair value of its plant and property used for the provision of public water utility service and, based on such finding, approving permanent rates and charges for utility service designed to produce a fair return thereon. In support of this Application, New River states as follows:

1. New River is a public service corporation engaged in providing water utility service in portions of Maricopa County, Arizona, pursuant to certificates of convenience and necessity granted by the Arizona Corporation Commission ("Commission") in Decision 33131 (May 24, 1961) and Decision 33354 (August 15, 1961). During the Test Year, as hereinafter defined, New River served approximately 2,900 water service connections. New River is a Class "B" utility.

2. New River's business office is located at 7839 W. Deer Valley Road, Peoria, Arizona 85382, and its telephone number is 623-561-1848. The Company's management contact is Robert L. Fletcher. Mr. Fletcher is the President and Chief Executive Officer of New River.

3. The persons responsible for overseeing and directing the conduct of this rate application are Mr. Fletcher and Ray L. Jones, the Company's consultant. The mailing address, telephone number and fax number for Mr. Fletcher are:

1 Robert L. Fletcher, President and CEO
2 NEW RIVER UTILITY COMPANY
3 7939 W. Deer Valley Road
4 Peoria, Arizona 85382
5 Phone: 623-561-1848
6 Fax: 623-561-5831

7 The mailing address, telephone number, fax number and e-mail address for Mr. Jones are:

8 Ray L. Jones, P.E.
9 ARICOR WATER SOLUTIONS LC
10 25213 N. 49th Drive
11 Phoenix, Arizona 85083
12 Phone: 623-341-4771
13 Fax: 623-582-5160
14 E-mail: ray.jones@aricor.com.

15 4. All discovery, data requests and other requests for information concerning this
16 Application should be directed via email to Messrs. Fletcher and Jones, with a copy via e-mail to
17 legal counsel undersigned, as follows:

18 Jeffrey W. Crockett, Esq.
19 BROWNSTEIN HYATT FARBER SCHRECK LLP
20 One East Washington Street, Suite 2400
21 Phoenix, Arizona 85004
22 Phone: 602-382-4062
23 Fax: 602-382-4020
24 E-mail: jcrockett@bhfs.com

25 5. New River's present rates and charges were approved by the Commission in
26 Decision 65134 (August 22, 2002) using a test year ended December 31, 2000. There have been
27 no other changes to the Company's rates and charges since the current rates and charges went into
28 effect on September 1, 2002.

1 Revenues from New River's utility operations are presently inadequate to allow the
2 Company to recover its operating costs and provide a just and reasonable rate of return on the fair
3 value of its utility plant and property devoted to public service and used to provide service to its
4 customers. Operating expenses and rate base have both increased since the last test year. As a
5 result, the revenues produced by New River's current rates and charges for service have become
6 inadequate to meet the Company's operating expenses and provide a reasonable rate of return on
7 fair value rate base. Therefore, New River requests that adjustments to its rates and charges for

1 utility service be approved by the Commission in order that the Company may recover its
2 operating expenses and be given an opportunity to earn a just and reasonable rate of return on the
3 fair value of its property.

4 7. Attached hereto as Attachment 1 and incorporated herein is the Pre-Filed Direct
5 Testimony of Ray L. Jones, with exhibits, dated November 29, 2012. Mr. Jones' direct testimony
6 provides an overview of New River's Application, describes the Company's water system and
7 operations, supports the Company's proposed adjustments to its rates and charges for water
8 service, and describes the Company's rate base, net income (revenue and operating expenses),
9 required level of revenues, and its rate design. Exhibit RLJ-DT2 to Mr. Jones' direct testimony
10 contains the following schedules which are required by A.A.C. R14-2-103 for rate applications
11 for Class "B" utilities and which are sponsored by Mr. Jones:

- 12 • Schedules A-1 through A-5 – Summary Information.
- 13 • Schedules B-1 through B-5 – Rate Base Information and Adjustments.
- 14 • Schedules C-1 through C-3 – Income Statements and Adjustments.
- 15 • Schedules D-1 through D-4 – Cost of Capital Information.
- 16 • Schedules E-1 through E-9 – Financial Statements and Statistical Data.
- 17 • Schedules F-1 through F-4 – Projections and Forecasts.
- 18 • Schedules H-1 through H-5 – Effect of Proposed Rate Schedules.

19 New River is not submitting G Schedules because the Company is not proposing to
20 change its rate design and did not prepare a cost of service study.

21 8. New River has utilized as its test year ("Test Year") the 12-month period ending
22 December 31, 2011. The Company requests that the Commission utilize this Test Year with
23 appropriate adjustments to obtain a normal and/or more realistic relationship between revenues,
24 expenses and rate base during the period in which the rates established in this proceeding are in
25 effect.

26 9. During the Test Year, New River's adjusted gross revenues were \$1,260,429.
27 Adjusted operating income was \$3,629, leading to an operating income deficiency of \$677,580.
28

1 The adjusted fair value rate base was \$7,812,036. Thus, the rate of return during the test year was
2 0.05%.

3 10. A 0.05% rate of return is inadequate to allow New River to obtain debt, pay a
4 reasonable dividend to its stockholder, maintain a sound credit rating, and/or enable the Company
5 to attract additional capital on reasonable and acceptable terms in order to continue the
6 investment in utility plant necessary to adequately serve its customers.

7 11. New River is requesting an increase in gross revenues of \$1,087,457, an increase
8 of 86.28%. The adjustments to the Company's rates and charges that are proposed herein, when
9 fully implemented, will produce a rate of return on the fair value rate base equal to 8.72%.

10 12. Attached hereto as Attachment 2 and incorporated herein are New River's water
11 plant descriptions and a completed water use data sheet for calendar year 2011.

12 WHEREFORE, New River requests the following relief:

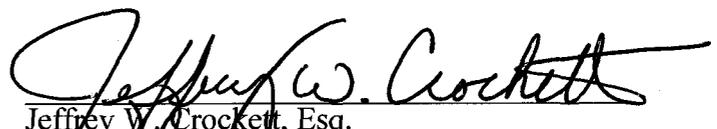
13 A. That the Commission, upon proper notice and at the earliest possible time, conduct
14 a hearing in accordance with A.R.S. §40-251 and determine the fair value of New River's water
15 plant and property devoted to providing water utility service to the public;

16 B. Based upon such determination, that the Commission approve permanent
17 adjustments to the rates and charges for water utility service provided by New River, as proposed
18 by the Company herein, or approve such other rates and charges as will produce a just and
19 reasonable rate of return on the fair value of the Company's utility plant and property; and

20 C. That the Commission authorize such other and further relief as may be appropriate
21 to ensure that New River has an opportunity to earn a just and reasonable return on the fair value
22 of its water utility plant and property and as may otherwise be required under Arizona law.

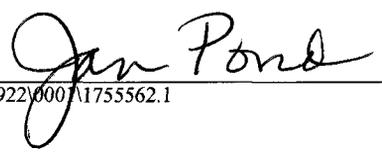
23 RESPECTFULLY submitted this 29th day of November, 2012.

24 BROWNSTEIN HYATT FARBER SCHRECK LLP

25 
26 Jeffrey V. Crockett, Esq.
27 One East Washington Street, Suite 2400
28 Phoenix, Arizona 85004
Attorneys for New River Utility Company

1 ORIGINAL and fifteen (15) copies filed
2 this 29th day of November, 2012, with:

3 Docket Control
4 ARIZONA CORPORATION COMMISSION
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 
8 _____
9 01592200071755562.1

BROWNSTEIN HYATT FARBER SCHRECK, LLP
One East Washington Street, Suite 2400
Phoenix, AZ 85004
602.382.4040

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

ATTACHMENT 1

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE, Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE APPLICATION
OF NEW RIVER UTILITY COMPANY, AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANT AND
PROPERTY AND FOR INCREASES IN
ITS WATER RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO. W-01737A-12-

**PRE-FILED DIRECT TESTIMONY OF RAY L. JONES
NOVEMBER 29, 2012**

Table of Contents

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

I. INTRODUCTION AND PURPOSE OF TESTIMONY1
II. NEW RIVER’S WATER SYSTEM AND OPERATIONS2
III. OVERVIEW OF NEW RIVER’S APPLICATION5
IV. RATE BASE AND RATE BASE ADJUSTMENTS6
 A. Plant In Service Review.....6
 B. Rate Base9
 C. Working Capital.....10
 D. Original Cost Rate Base Adjustments10
 E. RCND Rate Base Adjustments11
V. INCOME STATEMENT AND INCOME STATEMENT
ADJUSTMENTS11
 A. Expense Adjustments.....11
VI. INCOME TAX.....14
VII. COST OF CAPITAL15
VIII. RATE DESIGN AND REVENUE PROOF16

1 **I. INTRODUCTION AND PURPOSE OF TESTIMONY.**

2 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND TELE-**
3 **PHONE NUMBER.**

4 A. My name is Ray L. Jones. My business address is 25213 N. 49th Dr., Phoenix,
5 Arizona 85083, and my business phone is (623) 341-4771.

6 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

7 A. I am the owner and principal of ARICOR Water Solutions LC ("ARICOR").
8 ARICOR provides a wide range of engineering and regulatory support services to
9 the private utility, municipal utility, and development sectors.

10 **Q. PLEASE SUMMARIZE YOUR PROFESSIONAL EXPERIENCE.**

11 A. I have an extensive background in Arizona water and wastewater utility
12 businesses. I began my career as a Staff Engineer with Citizens Utilities
13 Company ("Citizens") at its Sun City office in 1985. I held progressively more
14 responsible positions and ultimately became the Vice President and General
15 Manager for Citizens' Arizona water and wastewater operations in 1998. When
16 Arizona-American Water Company ("Arizona-American") purchased Citizens'
17 water and wastewater operations in 2002, I became Arizona-American's
18 President. In 2004, I left Arizona-American and formed my own consulting firm,
19 ARICOR.

20 **Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?**

21 A. I received a Bachelor of Science in Civil Engineering in 1985 from the University
22 of Kansas and a Master of Business Administration in 1991 from Arizona State
23 University.

24 **Q. DO YOU HOLD ANY PROFESSIONAL LICENSES?**

25 A. I am a licensed Professional Engineer in Arizona and California and I am a Grade
26 3 Certified Operator for all four Arizona classifications.

27
28

1 Q. WHAT IS YOUR EXPERIENCE BEFORE THE ARIZONA
2 CORPORATION COMMISSION?

3 A. In my time with Citizens and Arizona-American, I prepared or assisted in the
4 preparation of multiple filings before the Arizona Corporation Commission
5 ("Commission"), including rate applications and CC&N filings. Since starting
6 ARICOR, I have prepared several filings and assisted in the preparation of several
7 more filings before the Commission, including rate applications and CC&N
8 filings. I have also provided testimony in all of these cases before the
9 Commission. A summary of my regulatory work experience is included in my
10 resume attached hereto as Exhibit RLJ-DT1.

11 Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

12 A. I am testifying on behalf of the applicant, New River Utility Company ("New
13 River" or the "Company"). New River is seeking a determination of: (i) the fair
14 value of its water utility plant and property for ratemaking purposes; (ii) a fair and
15 reasonable rate of return thereon; and (iii) increases in its rates and charges for
16 water utility service in its certificated service area.

17 Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

18 A. My direct testimony supports New River's application ("Application") for a rate
19 increase, and I sponsor the required schedules which support the rate case
20 Application as set forth in Arizona Administrative Code R14-2-103. Specifically,
21 I provide an overview of New River's Application, describe the Company's water
22 system and operations, support the Company's proposed adjustments to its rates
23 and charges for water service, and describe the Company's rate base, net income
24 (revenue and operating expenses), required level of revenues, and its rate design.

25 II. NEW RIVER'S WATER SYSTEM AND OPERATIONS.

26 Q. WHAT IS YOUR RELATIONSHIP TO NEW RIVER?

27 A. I am a consultant to New River, retained to prepare this rate case filing. In my
28 preparation of this filing, I have become familiar with the Company's facilities

1 and operations.

2 **Q. PLEASE DESCRIBE NEW RIVER AND ITS WATER SYSTEM.**

3 A. New River was granted Certificates of Convenience and Necessity in Decision
4 No. 33131 (May 24, 1961) and Decision No. 33354 (August 15, 1961). New
5 River currently serves approximately 2,900 customer connections within the
6 exterior boundaries of the City of Peoria, including residential homes, multi-
7 family housing complexes, schools and supporting neighborhood commercial
8 development. Most residential customers are served with 5/8" x 3/4" meters with
9 some large homes served by 1" meters. Commercial customers are served by
10 meters ranging from 5/8" x 3/4" to 8".

11 New River's current rates are very low with a 5/8" x 3/4" meter base
12 charge of only \$7.50 per month and commodity charges in a very narrow band
13 ranging from \$1.20 per thousand gallons to \$1.60 per thousand gallons across
14 three tiers. These low rates have resulted in a relatively high average water usage
15 for residential customers with a 5/8" x 3/4" meter of 11,183 gallons per month
16 with a monthly charge for that level of usage of only \$20.92.

17 New River's water system is a groundwater system typical of systems
18 serving newer developments in Arizona. The system has four active wells feeding
19 two water booster plant sites: the 78th Lane Booster Plant and the 87th Avenue
20 Booster Plant.

21 The 78th Lane Booster Plant includes a single 1,000,000 gallon water
22 storage tank, three 25 horsepower ("hp") booster pumps and one 100 hp booster
23 pump. Three active wells feed the 78th Lane Booster Plant: Well #4, which is
24 located on-site, and Well #1 and Well #2, which are located off-site.

25 The 87th Avenue Booster Plant includes two 1,000,000 gallon storage
26 tanks, three 25 hp booster pumps, one 100 hp booster pump and an arsenic
27 treatment facility. The 87th Avenue Booster Plant is fed by Well #6 located off-
28 site.

1 The 78th Lane Booster Plant and 87th Avenue Booster Plant are
2 interconnected by a looped distribution system to provide system reliability. The
3 system is designed to provide a 1,500 gallon-per-minute fire flow. In addition,
4 New River has an interconnection with the City of Peoria that can be used to
5 supplement New River's water supply and which increases system reliability.

6 **Q. HOW HAVE NEW RIVER'S WATER FACILITIES AND OPERATIONS**
7 **CHANGED SINCE NEW RIVER'S LAST RATE CASE?**

8 A. New River has more than doubled its number of service connections since the last
9 test year (TY 2000) from 1,150 to more than 2,900, and its service area is now
10 effectively built-out. Since the last test year, New River has brought one
11 additional well (Well #4) into service, installed an arsenic treatment facility at the
12 87th Avenue Booster Plant, and installed an interconnection with the City of
13 Peoria. As a result of these improvements, New River's water system is a more
14 robust, sophisticated system requiring increased levels of operational expertise
15 and effort, including increased maintenance, repair and capital investment.

16 **Q. DOES NEW RIVER HAVE A WATER CONSERVATION PROGRAM?**

17 A. Yes. New River is enrolled as a regulated Tier I municipal provider in the
18 Arizona Department of Water Resources' ("ADWR") Modified Non Per Capita
19 Conservation Program ("NPCCP"). As a part of the NPCCP, New River is
20 required to have a public education program and to implement one best
21 management practice ("BMP") in its service area. On June 24, 2010, ADWR
22 approved a meter repair and/or replacement program (the "Meter Repair and/or
23 Replacement Program") as New River's chosen BMP.

24 **Q. DOES NEW RIVER HAVE A PROGRAM TO ADDRESS WATER**
25 **LOSSES?**

26 A. Yes. All water providers in the Phoenix Active Management Area are required to
27 track and report water losses to ADWR. New River closely monitors this data
28 and implements corrective action as warranted. The ADWR and Commission-

1 approved Meter Repair and/or Replacement Program is specifically designed to
2 prevent water losses.

3 **Q. IS NEW RIVER'S WATER LOSS CONTROL PROGRAM EFFECTIVE?**

4 A. Yes. Water losses reported by ADWR for the years 2007, 2008 and 2009 (the
5 most recent three years reported) averaged 7.31% for the three-year period. Water
6 losses calculated from New River's annual reports filed with the Commission for
7 the years 2010 and 2011 are 7.6% and 8.6%, respectively.

8 **III. OVERVIEW OF NEW RIVER'S APPLICATION.**

9 **Q. PLEASE SUMMARIZE NEW RIVER'S APPLICATION.**

10 A. New River requests a rate increase of \$1,087,457, or 86.28%, to allow it to earn
11 an 8.72% rate of return on its fair value rate base. Due to New River's low
12 existing rates, the increase for a 5/8" x 3/4" meter with average monthly usage of
13 11,183 gallons is just \$16.75 per month and for a 5/8" x 3/4" meter with median
14 monthly usage of 8,762 gallons is just \$12.68 per month.

15 The test year is the 12-month period ending December 31, 2011. As I
16 describe in my direct testimony, New River is proposing certain pro forma
17 adjustments to account for known and measurable changes to rate base, expenses
18 and revenues, and to present a normalized and more realistic relationship between
19 revenues, expenses and rate base.

20 **Q. WHY IS THE COMPANY FILING FOR A RATE INCREASE AT THIS**
21 **TIME?**

22 A. New River's system has built out since its last test year (TY 2000), and as
23 previously discussed, New River has completed construction of several
24 production and treatment facilities needed to serve its customers. The
25 improvements include equipping a well, installing an arsenic treatment facility
26 and constructing an interconnection with the City of Peoria. The arsenic
27 treatment facility was constructed during 2010 and 2011 and placed into service in
28 2011. The interconnection with Peoria was completed post-test year in 2012.

1 These expenditures and other capital expenditures made over the past eleven years
2 have significantly increased New River's rate base and equity investment. New
3 River is requesting a rate increase in order to earn a fair return on these
4 investments and to ensure that the Company has sufficient cash flow to meet
5 ongoing maintenance, operations and plant investment obligations.

6 **Q. PLEASE IDENTIFY THE RATE CASE SCHEDULES PROVIDED WITH**
7 **YOUR TESTIMONY.**

8 A. I have prepared the following schedules which are attached as Exhibit RLJ-DT2
9 to my direct testimony:

- 10 • Schedules A-1 through A-5 – Summary Information.
- 11 • Schedules B-1 through B-5 – Rate Base Information and Adjustments.
- 12 • Schedules C-1 through C-3 – Income Statements and Adjustments.
- 13 • Schedules D-1 through D-4 – Cost of Capital Information.
- 14 • Schedules E-1 through E-9 – Financial Statements and Statistical Data.
- 15 • Schedules F-1 through F-4 – Projections and Forecasts.
- 16 • Schedules H-1 through H-5 – Effect of Proposed Rate Schedules.

17 I prepared these schedules based on my investigation and review of the relevant
18 books and records of New River. I have not included the G Schedules because the
19 Company is not proposing to change its rate design and did not prepare a cost of
20 service study.

21 **IV. RATE BASE AND RATE BASE ADJUSTMENTS.**

22 A. **Plant In Service Review.**

23 **Q. DID YOU CONDUCT A REVIEW OF NEW RIVER'S PLANT IN**
24 **SERVICE IN CONJUNCTION WITH PREPARING THIS FILING?**

25 A. Yes. I conducted a review of New River's plant in service records provided by
26 New River's outside accounting firm.

27
28

1 **Q. WHAT CONCLUSIONS DID YOU REACH AFTER YOUR FIXED ASSET**
2 **REVIEW?**

3 A. While I found New River's accounting records to be generally in good order and
4 in compliance with the NARUC system of accounts, the plant in service balance
5 appeared low for a company of New River's size.

6 **Q. WHAT ACTIONS DID YOU TAKE AFTER YOUR FIXED ASSET**
7 **REVIEW?**

8 A. I discussed my findings with Company management. Company management
9 concurred with my assessment and informed me that due to a lack of Company
10 funds during the period of rapid growth for New River, items of plant were
11 periodically constructed and funded by business entities controlled by Company
12 management rather than by New River itself. Company management stated that
13 the costs of these items of plant funded by affiliates were not recorded on New
14 River's books.

15 **Q. DID THE COMPANY TAKE ANY ACTIONS TO ADDRESS THE**
16 **UNRECORDED PLANT IN SERVICE?**

17 A. Yes. In 2009, the Company contracted with the engineering firm Brown and
18 Caldwell to update a valuation of Company assets originally prepared in 2005 at
19 the request of the City of Peoria. On October 29, 2009, Brown and Caldwell
20 issued a Report Amendment ("B&C Report Amendment") providing a
21 reproduction cost less depreciation ("RCND") valuation of New River's utility
22 assets of \$25,971,621. The B&C Report Amendment is attached as **Exhibit RLJ-**
23 **DT3** to my direct testimony.

24 **Q. DID YOU REVIEW THE B&C REPORT AMENDMENT?**

25 A. Yes. I reviewed the B&C Report Amendment and discussed it with personnel at
26 Brown and Caldwell.

27

28

1 **Q. WHAT CONCLUSIONS DID YOU REACH AFTER REVIEWING THE**
2 **B&C REPORT AMENDMENT?**

3 A. I believe that the \$25,971,621 RCND valuation contained in the B&C Report
4 Amendment overstates the reconstruction cost of New River's plant in service and
5 should not be used for ratemaking purposes. My conclusion is based on several
6 concerns. First and most significantly, the reproduction costs used for many of
7 the distribution assets appear to be in excess of typical construction costs for new
8 facilities in the Phoenix market area. Second, the B&C Report Amendment
9 includes some assets that are not used in the provision of water service by New
10 River. Lastly, I did not agree with some of the expected lives used for certain
11 classes of assets.

12 **Q. DID YOU MAKE ANY RECOMMENDATIONS TO COMPANY**
13 **MANAGEMENT REGARDING THE UNRECORDED PLANT AND THE**
14 **B&C REPORT AMENDMENT?**

15 A. Yes. I recommended that New River authorize me to prepare an updated RCND
16 valuation to be used to establish the fair value rate base for the Company.

17 **Q. DID YOU PREPARE AN UPDATED RCND VALUATION OF NEW**
18 **RIVER'S UTILITY ASSETS FOR THIS CASE?**

19 A. Yes. I prepared an RCND study (the "RCND Study") which is attached as
20 Exhibit RLJ-DT4 to my direct testimony. My RCND Study values the New
21 River plant in service at \$12,252,436.

22 **Q. PLEASE DESCRIBE THE PROCESS YOU USED TO PREPARE THE**
23 **RCND STUDY.**

24 In preparing the RCND Study, I made a complete review of the as-built plans for
25 all New River distribution facilities in order to establish the inventory of
26 distribution piping by year, size and type. I reviewed recently incurred
27 construction costs for distribution facilities in new subdivisions and used those
28 costs for the reproduction costs of distribution facilities. For plant and well

1 facilities, I used the reproduction cost estimates in the B&C Report Amendment,
2 but limited the study to those items of plant that are used and useful in the
3 provision of water service by New River. Expected lives of assets were estimated
4 based on my experience and remaining useful life was determined by the actual
5 age of each facility as compared to the estimated useful life. For meters and items
6 of general plant, the original cost was used as the reproduction cost. I believe that
7 my approach produces a RCND valuation that is appropriate for rate making
8 purposes and produces a conservative valuation that is most likely below the
9 actual reproduction cost of the New River utility plant in service.

10 **B. Rate Base.**

11 **Q. HOW DID NEW RIVER ARRIVE AT ITS TEST YEAR ORIGINAL COST**
12 **RATE BASE SHOWN ON SCHEDULE B-1, LINE 22?**

13 A. The original cost rate base was calculated by establishing the balance of utility
14 plant in service at the end of the test year, per New River's books, as shown in the
15 first column of Schedule B-2. Deductions were made for accumulated
16 depreciation and customer security deposits. Working capital was included as an
17 addition to rate base. The Company made various pro forma adjustments (RB-1
18 & RB-2) to the actual test-year-end rate base to arrive at the adjusted test-year-end
19 original cost rate base of \$3,217,742.

20 **Q. HOW DID NEW RIVER ARRIVE AT ITS TEST YEAR RCND RATE**
21 **BASE SHOWN ON SCHEDULE B-1, LINE 22?**

22 A. The basis for the RCND rate base is the RCND Study previously discussed, as
23 shown in the first column of Schedule B-3. In addition to the accumulated
24 depreciation established in the RCND Study, a deduction was made for customer
25 security deposits. Working capital was included as an addition to rate base. The
26 Company made a pro forma adjustment (RCN-1) to the test-year-end RCND rate
27 base to arrive at the adjusted test-year-end RCND rate base of \$12,406,330.
28

1 **Q. HOW WAS THE FAIR VALUE RATE BASE SHOWN ON SCHEDULE B-**
2 **1, LINE 22, DETERMINED?**

3 A. It is based on a 50/50 weighting or average of the original cost and RCND rate
4 bases.

5 **C. Working Capital.**

6 **Q. HOW DID NEW RIVER DETERMINE ITS WORKING CAPITAL**
7 **REQUIREMENT?**

8 A. As shown on Schedule B-5, Page 2, working capital was determined using the
9 formula method.

10 **D. Original Cost Rate Base Adjustments.**

11 **Q. PLEASE EXPLAIN RATE BASE ADJUSTMENT RB-1.**

12 A. Rate base adjustment RB-1, detailed on page 2 of Schedule B-2, increases the
13 plant in service balance by a net of \$71,258 after considering several separate
14 plant in service adjustments labeled [1.1], [1.2] and [1.5].

15 Adjustment [1.1] conforms the plant in service balance to Decision 65134.
16 Schedule B-2.1 provides a detailed reconciliation of the adjustment.

17 Adjustment [1.2] records the unbooked retirement of a 1989 Chevy Flatbed
18 Dump.

19 Adjustment [1.5], detailed on Schedule B-2, Page 2.1, includes costs for
20 post-test-year plant. Adjustment [1.5] is the cost to install a system
21 interconnection with the City of Peoria, which was completed in April 2012.

22 **Q. PLEASE EXPLAIN RATE BASE ADJUSTMENT RB-2.**

23 A. Rate base adjustment RB-2 decreases the accumulated depreciation balance by a
24 net of \$384,542 after considering separate accumulated depreciation adjustments
25 labeled [2.1] and [2.2].

26 Adjustment [2.1] records the unbooked retirement of a 1989 Chevy Flatbed
27 Dump.

28 Adjustment [2.2] adjusts accumulated depreciation to the amounts

1 calculated on Schedule B-2.1. As detailed on Schedule B-2.1, accumulated
2 depreciation was calculated from the balances approved in Decision 65134
3 considering recorded plant additions and retirements, plant reclassifications and
4 adjustments and unbooked retirements.

5 **E. RCND Rate Base Adjustments.**

6 **Q. PLEASE EXPLAIN RATE BASE ADJUSTMENT RCN-1.**

7 A. Rate base adjustment RCN-1, detailed on page 2 of Schedule B-3, increases the
8 plant in service balance by a net of \$79,904 to include costs for the installation of
9 an interconnection with the City of Peoria, which was completed in April 2012.

10 **V. INCOME STATEMENT AND INCOME STATEMENT ADJUSTMENTS.**

11 **A. Expense Adjustments.**

12 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-1?**

13 A. Income statement adjustment IS-1 is an adjustment to correct test year purchased
14 power expense. Electric costs for three out-of-service wells were erroneously
15 charged to purchased power expense. The costs were largely incurred for well
16 testing related to New River's new water supply project that resulted in the
17 installation of an interconnection with the City of Peoria and are not properly
18 included in purchased power expense. Income statement adjustment IS-1
19 decreases purchased power expense by \$21,442.

20 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-2?**

21 A. Income statement adjustment IS-2 annualizes an electric rate increase for Well #1
22 and Well #2, and increases purchased power expense by \$2,064. As indicated on
23 Schedule C-2, page 4, a workpaper has been prepared detailing income statement
24 adjustment IS-2.

25 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-3?**

26 A. Income statement adjustment IS-3 reduces purchased power expense to remove
27 power costs for the Company owner's personal residence. Income statement
28 adjustment IS-3 reduces purchased power expense by \$6,760. As indicated on

1 Schedule C-2, Page 5, a workpaper has been prepared detailing the adjustment.

2 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-4?**

3 A. Income statement adjustment IS-4 reduces miscellaneous expense to remove
4 utility costs for the Company owner's personal residence. Income statement
5 adjustment IS-4 reduces miscellaneous expense by \$599. As indicated on
6 Schedule C-2, Page 6, a workpaper has been prepared detailing the adjustment.

7 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-5?**

8 A. Income statement adjustment IS-5 increases salaries and wages and taxes other
9 than income to annualize employee costs and reflect a change in employment
10 status for a Company employee from part time to full time. Income statement
11 adjustment IS-5 increase salary and wages expense by \$19,480 and increases
12 taxes other than income by \$1,558. As indicated on Schedule C-2, Page 7, a
13 workpaper has been prepared detailing the adjustment.

14 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-6?**

15 A. Income statement adjustment IS-6 adjusts repairs and maintenance expense to
16 normalize anticipated tank recoating expenses. Tank recoating costs were
17 normalized based on a 15-year schedule of tank recoating covering all of New
18 River's steel storage tanks. The schedule is based on a target date of 15 years
19 from the last tank coating with minor schedule adjustments to smooth cash flow.
20 New River's recovery of tank recoating costs is critical as many of New River's
21 tanks are at or approaching the age that they require their first recoating. The
22 storage tank and hydropneumatic tank at the 78th Lane Booster Plant were due for
23 recoating in 2012. However, New River was forced to postpone recoating the
24 tanks due to insufficient available funds. The tanks have been rescheduled for
25 recoating in 2014 in anticipation of the additional funds being available as the
26 result of this rate increase request. The normalized tank recoating expense is
27 \$31,333 annually. As indicated on Schedule C-2, Page 8, a workpaper has been
28 prepared detailing the adjustment.

1 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-13?**

2 A. Income Statement Adjustment IS-13 increases the test year rate case expense by
3 \$50,000. This is based on New River's estimated rate case expense at \$150,000,
4 which it proposes to collect over a three-year amortization period. Considering
5 that New River is a Class "B" utility and thus required to participate in five rounds
6 of prefiled testimony, discovery, hearings and briefing, \$150,000 is a reasonable
7 level of rate case expense for this case. Of course, New River will update the
8 estimate as the case progresses to reflect any changes in expected total rate case
9 expense.

10 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-15?**

11 A. Income statement adjustment IS-15 annualizes depreciation expense using
12 adjusted test-year-end plant balances and current depreciation rates. Income
13 statement adjustment IS-15 decreases depreciation expense by \$11,698.

14 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-16?**

15 A. Income statement adjustment IS-16 restates property taxes consistent with the
16 method supported by Commission Staff and approved in numerous recent
17 Commission decisions. Specifically, following the Arizona Department of
18 Revenue - Centrally Valued Properties method, full cash value was determined by
19 using twice the average of three years of revenue, plus an addition for CWIP and a
20 deduction for the book value of transportation equipment. Consistent with
21 Commission practice, three times the adjusted revenues for 2011 was used to
22 determine the average revenue. The assessed value (20% of full cash value) was
23 then multiplied by the tax year 2012 property tax rate to determine adjusted
24 property tax expense. Income statement adjustment IS-16 decreases property tax
25 expense by \$21,136 for the test year, and after considering the effect of the
26 proposed rate increase, property tax expense is increased by \$17,192 from the test
27 year adjusted amount.

28

1 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-17?**

2 A. Income statement adjustment IS-17 calculates the test year income tax expense for
3 New River, considering all other adjustments. Income statement adjustment IS-17
4 increases the test year income tax expense by \$2,007, and after considering the
5 effect of the proposed rate increase, income tax expense is increased by \$384,391
6 from the test year adjusted amount.

7 **VI. INCOME TAX.**

8 **Q. IS NEW RIVER TAXED AS AN S-CORPORATION?**

9 A. Yes. New River is taxed as an S-Corporation.

10 **Q. HOW IS THE INCOME OF S-CORPORATIONS TAXED?**

11 A. The tax liability for regular income is passed through to the shareholders of the
12 corporation with individual shareholders paying the income tax due on their share
13 of the S-Corporation income. In certain limited circumstances, S-Corporations
14 pay income tax directly.

15 **Q. WHY IS NEW RIVER REQUESTING INCOME TAX EXPENSE
16 RECOVERY IN THIS CASE?**

17 A. New River is requesting income tax expense because the net income generated by
18 New River through the provision of regulated water service is subject to State and
19 Federal income tax liability. Without income tax recovery, the shareholders of
20 New River will receive a lower rate of return on their equity investment than
21 shareholders of other corporations that receive income tax recovery. Furthermore,
22 the passed-through tax liability incurred by New River's shareholders would not
23 exist absent the provision of regulated water services by New River. The income
24 taxes are "inescapable business outlays and are directly comparable with similar
25 corporate taxes."¹ Like any other expense prudently incurred in the operation of
26 a regulated entity, the income tax expense should be recovered in rates of the
27 regulated entity.

28 ¹ *Suburban Utility Corp. v. Public Utility Com'n of Texas*, 625 S.W.2d 358 (Tex. 1983).

1 **Q. IS THE COMMISSION REVIEWING ITS POLICY ON INCOME TAX**
2 **RECOVERY FOR S-CORPORATIONS AT THIS TIME?**

3 A. Yes. The Commission is reviewing the income tax expense issue in its ongoing
4 water workshops (Docket No. W-00000-06-0149) and New River believes the
5 matter will be resolved in the next several months.

6 **VII. COST OF CAPITAL.**

7 **Q. WHAT IS THE RECOMMENDED CAPITAL STRUCTURE FOR NEW**
8 **RIVER?**

9 A. New River proposes to use the adjusted test-year-end capital structure of 100%
10 equity, as shown on Schedule D-1.

11 **Q. WHAT IS THE RECOMMENDED COST OF EQUITY?**

12 A. New River proposes to use a 10.000% cost of equity, less a 1.280% fair value
13 inflation adjustment, for a fair value adjusted equity return of 8.720%.

14 **Q. HOW DID YOU ARRIVE AT A 10.000% COST OF EQUITY?**

15 A. The request is based on a review of rate orders issued by the Commission during
16 calendar year 2012. I identified the following cases for Class A, B and C
17 companies for which the cost of equity could be determined. The identified
18 utilities range from 0% debt capital to a high of 64.14% debt capital. Based on
19 my review of the Commission's 2012 decisions, as detailed on the schedule
20 below, a 10.000% return on equity is appropriate for New River's capital
21 structure.

22 . . .

23 . . .

24 . . .

25 . . .

26 . . .

27 . . .

28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

<u>Company</u>	<u>Docket</u>	<u>Debt Ratio</u>	<u>Equity Return</u>	<u>Risk Premium Included</u>
Arizona-American Water ²	09-0343	64.14%	10.70%	80 basis pt.
Bermuda Water	10-0521	0.00%	8.82%	n/a
Goodman Water	10-0521	18.27%	9.95%	n/a
East Slope Water	10-0168	0.00%	9.6%	n/a
Arizona Water	10-0517	49.03%	10.0%	n/a
Arizona-American Water	10-0488	58.73%	10.6%	n/a

Q. HOW WAS THE FAIR VALUE INFLATION ADJUSTMENT DETERMINED?

A. The fair value inflation adjustment was determined in accordance with the methodology approved by the Commission in Decision 71308 (Docket W-02113A-07-0551). The methodology was recommended by Commission Staff and determines the fair value inflation adjustment by subtracting the yields on Treasury inflation protected securities for the yields on Treasury securities with constant maturities. Consistent with Decision 71308, as shown on Schedule D-1, the 20-year Treasury real yield was subtracted from the 20-year treasury yield for a difference of 2.560%. Again consistent with Decision 71308, that result was reduced by 50% to 1.280% because one half of the proposed fair value rate base is based on original cost which does not include inflation.

VIII. RATE DESIGN AND REVENUE PROOF.

Q. PLEASE DESCRIBE THE H SCHEDULES.

A. Schedule H-1 summarizes the revenue by source as billed under present rates and the amount that would be generated by the proposed increase in metered water rates. Schedule H-2 analyzes revenue at present and proposed rates by source,

² Commission Staff recommendation shown in table. The decision ultimately adopted RUCO's lower cost of equity due to factors that are not applicable in this matter.

1 and meter size in dollar amount and percentage. The average number of
2 customers derived from the bill count is also shown by meter size and in total.
3 Lastly, Schedule H-2 contains supplemental schedules that provide a breakdown
4 of revenue at the existing and proposed rates by the components of the proposed
5 rate design. Schedule H-3 compares present and proposed rates and shows the
6 changes in each rate. Schedule H-4 compares present and proposed rates and the
7 percentage increase at various consumption levels for each meter size. Schedule
8 H-5 is the bill count of the bills issued during the test year.

9 **Q. HAS NEW RIVER PROPOSED A CHANGE IN RATE DESIGN?**

10 A. No. New River proposes to increase its base charge consistent with the overall
11 increase percentage and maintain its current three tier rate design. However, New
12 River proposes to significantly alter the rate tiers so that the rate design will serve
13 to better encourage water conservation by its customers. Specifically, the first tier
14 breakover point is lowered from 10,000 gallons to 4,000 gallons and the second
15 tier breakover point is lowered from 18,000 to 10,000 gallons.

16 In addition, New River proposes to increase rates in the upper tiers to a
17 greater degree than in the lower tiers to again better encourage water conservation
18 by its customers. The tier one rate is proposed to be lowered by 8.00%, the tier
19 two rate is increased by 84.00%, and the tier three rate is increased by 100.00%.

20 In constructing the rate design, New River's goals were to implement a
21 significantly more conservation-oriented rate design and to provide current low
22 water use customers a significantly smaller increase than higher water use
23 customers.

24 **Q. WHAT IS THE IMPACT OF NEW RIVER'S PROPOSED RATES ON**
25 **TYPICAL RESIDENTIAL CUSTOMERS?**

26 A. The vast majority of New River's residential customers are served by 5/8" x 3/4"
27 meters. Due to the rate design proposed by New River and New River's current
28 low rates, the monthly impact on typical residential customers is modest, ranging

1 between \$6.10 and \$16.75 per month. Specifically, for residential customers
2 using 6,800 gallons or less per month, the increase is between \$6.10 and \$10.00
3 per month. At median usage of 8,762 gallons per month, the impact increases
4 slightly to \$12.68 per month. At the average usage of 11,183 gallons per month,
5 the increase is a reasonable \$16.75 per month.

6 **Q. IS NEW RIVER PROPOSING ANY CHANGES TO MISCELLANEOUS**
7 **SERVICE CHARGES?**

8 A. Yes. As detailed in Schedule H-3, New River is proposing minor adjustments to
9 its miscellaneous charges to better reflect the costs of providing the services and
10 to be consistent with those recommended by Staff in recent cases.

11 **Q DID NEW RIVER VERIFY AND PROVE THE TEST YEAR REVENUES?**

12 A. Yes. Schedule H-5 lists the number of bills by thousand-gallon block and the
13 cumulative consumption by rate block for each class of customer and meter size.

14 As shown on Schedule H-1, line 10, total calculated revenues at present
15 rates for the test year were \$1,260,208 compared to total per-book adjusted
16 revenues of \$1,260,429 shown on Schedule H-1, line 21. The unreconciled
17 difference of (\$221) amounts to -0.02% of per-book adjusted revenues.

18 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

19 A. Yes.

20
21
22
23
24
25
26
27
28

015922\0001\1755838.3

EXHIBIT RLJ-DT1

New River Utility Company

Direct Testimony of Ray L. Jones

Exhibit RLJ-DT1

Ray L. Jones P.E.
Principal
ARICOR Water Solutions, LC
25213 N. 49th Drive
Phoenix, Arizona 85083

EMPLOYMENT HISTORY

- 2004 – Present **ARICOR Water Solutions**
Principal
ARICOR Water Solutions offers a wide range of services to the private and public sectors. Projects include water resources strategy development, water rights evaluation and development of regulatory strategies. Services also include consultation on water and wastewater utility formation, management and operations, and valuation, including due diligence analysis and preparation of financial schedules and testimony in support of CC&N, Rate Case and other filings before the Arizona Corporation Commission. ARICOR Water Solutions provides water, wastewater and water resource master planning, water and wastewater facilities design, and owner representation; including value engineering, program management and construction oversight. Lastly, ARICOR Water Solutions supports water solutions with contract operations and expert witness testimony and litigation support.
- 2002 to 2004 **Arizona-American Water Company**
President
Responsible for leadership of the Arizona business activities of Arizona-American Water Company. Key responsibilities include developing and evaluation new business opportunities, developing strategic plans, establishing effective government and community relations, insuring compliance with all regulatory requirements, and providing management and guidance to key operations and support personnel.
- 1998 to 2002 **Citizens Water Resources, Arizona Operations**
Vice President and General Manager
Responsible for leadership of the Arizona regulated and unregulated business activities of Citizens Water Resources. Key responsibilities included developing and evaluation new business opportunities, developing strategic plans, establishing effective government and community relations, insuring compliance with all regulatory requirements, and providing management and guidance to key operations and support personnel.
- 1990 to 1998 **Citizens Water Resources, Arizona Operations**
Engineering and Development Services Manager
Responsible for management of a diverse group of business growth related activities. Responsibilities include: marketing of operation and maintenance services (unregulated business growth), management of new development activity (regulated business growth), management of engineering functions (infrastructure planning and construction), management of water resources planning and compliance, management of growth-related regulatory functions (CC&N's and Franchises), and management of capital budgeting functions and capital accounting functions.
- 1985 to 1990 **Citizens Water Resources, Arizona Operations**
Civil Engineer
Responsible for the planning, coordination and supervision of capital expansion and major maintenance and rehabilitation projects as assigned. Responsible for development of capital program for Maricopa County Operations.

EDUCATION

Arizona State University – Master of Business Administration (1991)
University of Kansas – Bachelor of Science in Civil Engineering (1985)

PROFESSIONAL CERTIFICATION

Registered Professional Engineer – Civil Engineering – Arizona

Professional Engineer – Civil Engineering – California

Certified Operator – Wastewater Treatment, Wastewater Collection, Water Treatment, Water Distribution – Arizona

PROFESSIONAL AFFILIATIONS

- Director - Water Utilities Association of Arizona (1998 – 2004)
- Member - American Society of Professional Engineers
- Member - American Water Works Association
- Member - Arizona Water Pollution Control Association
- Member - Water Environment Federation

CIVIC AND COMMUNITY INVOLVEMENT

- Advisory Member - Water Resources Development Commission (2010 – 2012)
- Board of Directors – Greater Maricopa FTZ, Inc. (2009 – Present)
- Chairman WESTMARC (2008)
- Director and Member of the Executive Committee- WESTMARC (1998 – 2010)
- Co-Chairman, WESTMARC Water Committee (2006 – 2007)
- Chairman-Elect WESTMARC (2007)
- Member – Corporate Contributions Committee, West Valley Fine Arts Council Diamond Ball (Chairman 2005)
- Member – Technical Advisory Committee – Governor’s Water Management Commission (2001)
- Board Member, Manager & Past Chairman – North Valley Little League Softball

REGULATORY EXPERIENCE

Testimony has been provided before the Arizona Corporation Commission in the dockets listed below. Unless otherwise indicated testimony was provided on behalf of the utility.

Filing Year	Utility(ies)	Filing Type(s)	Docket(s)
1992	Sun City West Utilities Company	CC&N Extension (Expansion of Sun City West)	U-2334-92-244
1993	Sun City Water Company Sun City Sewer Company	CC&N Extension (Addition of Coyote Lakes)	U-1656-93-060 U-2276-93-060
1993	Tubac Valley Water Co., Inc.	CC&N Extension (Various Subdivisions on western border)	U-1595-93-241
1993	Sun City West Utilities Company	CC&N Extension (Expansion of Sun City West)	U-2334-93-293
1995	Citizens Utilities Company Sun City Water Company Sun City Sewer Company Sun City West Utilities Company Tubac Valley Water Company	Rate-making	E-1032-95-417 U-1656-95-417 U-2276-95-417 U-2334-95-417 U-1595-95-417
1996	City Water Company Sun City Sewer Company	CC&N Extension (Acquisition of Youngtown)	U-1656-96-282 U-2276-96-282
1996	Citizens Utilities Company	CC&N Extension and Deletion (Realignment of Surprise Bdry.)	E-1032-96-518
1998	Sun City Water Company Sun City West Utilities Company	CAP Water Plan and Accounting Order (Sun Cities CAP plan)	W-01656A-98-0577 SW-02334A-98-0577

Filing Year	Utility(ies)	Filing Type(s)	Docket(s)
2000	Citizens Water Resources Company of Arizona Citizens Water Services Company of Arizona	CC&N Extension and Accounting Order (Anthen Jacka Property and Phoenix Treatment Agreement)	SW-3455-00-1022 SW-3454-00-1022
2000	Citizens Communications Company Citizens Water Services Company of Arizona	CC&N Extension and Approval of Hook-Up Fee (Verrado)	W-0132B-00-1043 SW-0354A-00-1043
2002	Arizona-American Water Company	Ratemaking	WS-01303A-02-0867 WS-01303A-02-0868 WS-01303A-02-0869 WS-01303A-02-0870 WS-01303A-02-0908
2004	Arizona-American Water Company Rancho Cabrillo Water Company Rancho Cabrillo Sewer Company	CC&N Transfer	WS-01303A-04-0089 W-01303A-04-0089 SW-03898A-04-0089
2004	Johnson Utilities Company, LLC (Representing Pulte Home Corporation)	CC&N Extension	WS-02987A-04-0288
2005	Perkins Mountain Utility Company Perkins Mountain Water Company	New CC&N & Initial Rates	WS-20379A-05-0489 W-20380A-05-0490
2005	West End Water Company	CC&N Extension	W-01157A-05-706
2005	Arizona-American Water Company	Approvals Associated with Construction of Surface Water Treatment Facility	W-01303A-05-0718
2006	Arizona-American Water Company	Ratemaking	WS-01303A-06-0403
2008	Sunrise Water Company	Ratemaking	W-02069A-08-0406
2009	Baca Float Water Company	Ratemaking	WS-01678A-09-0376
2009	Aubrey Water Company	Lost Water Evaluation (Rate Case Compliance)	W-03476A-06-0425
2009	White Horse Ranch Owner's Assn.	Ratemaking	W-04161A-09-0471
2010	Litchfield Park Service Company	Ratemaking	W-01427A-09-0104
2010	Chino Meadows II Water Company	Ratemaking	W-02370A-10-0519
2011	Pima Utility Company	Ratemaking	W-021999A-11-0329 WS-02199A-11-0330
2012	Valley Utilities Water Company, Inc.	Ratemaking	W-01412A-12-0195
2012	Far West Water & Sewer, Inc.	Ratemaking	WS-03478A-12-0307

EXHIBIT RLJ-DT2

New River Utility Company

Direct Testimony of Ray L. Jones

Exhibit RLJ-DT2

Schedule	
<u>No.</u>	<u>Title</u>
Schedule A-1	Computation of Increase in Gross Revenue Requirement
Schedule A-2	Summary of Results of Operations
Schedule A-3	Summary of Capital Structure
Schedule A-4	Construction Expenditures and Gross Utility Plant in Service
Schedule A-5	Summary Changes in Financial Position
Schedule B-1	Summary of Original Cost Rate Base Elements
Schedule B-2	Original Cost Rate Base Pro forma Adjustments
Schedule B-2.1	Reconciliation of Plant Additions, Retirements and Accumulated Depreciation
Schedule B-5	Computation of Working Capital
Schedule C-1	Adjusted Test Year Income Statement
Schedule C-2	Income Statement Pro forma Adjustments
Schedule C-3	Computation of Gross Revenue Conversion Factor
Schedule D-1	Summary of Cost of Capital
Schedule D-2	Cost of Long-Term and Short-Term Debt
Schedule D-3	Cost of Preferred Stock
Schedule D-4	Cost of Common Equity
Schedule E-1	Comparative Balance Sheet
Schedule E-2	Comparative Income Statements
Schedule E-3	Comparative Statement of Changes in Financial Position
Schedule E-4	Statement of Changes in Stockholder's Equity
Schedule E-5	Detail of Utility Plant
Schedule E-7	Operating Statistics
Schedule E-8	Taxes Charged to Operations
Schedule E-9	Notes To Financial Statements
Schedule F-1	Projected Income Statements - Present and Proposed Rates
Schedule F-2	Projected Changes in Financial Position - Present and Proposed Rates
Schedule F-3	Projected Construction Requirements
Schedule F-4	Assumptions Used in Developing Projection
Schedule H-1	Summary of Revenues by Customer Classification - Present and Proposed Rates
Schedule H-2	Analysis of Revenues by Detailed Class
Schedule H-3	Changes In Representative Rate Schedules
Schedule H-4	Typical Bill Analysis
Schedule H-5	Bill Count

New River Utility Company
 Test Year Ended December 31, 2011
 Computation of Increase in Gross Revenue Requirements
 /

Exhibit: RLI-DT2
 Schedule A-1
 Page 1
 Witness: Jones

Line No.		Fair Value Rate Base	
1	Adjusted Rate Base	\$ 7,812,036	
2			
3	Adjusted Operating Income	3,629	
4			
5	Current Rate of Return	0.05%	
6			
7	Required Operating Income	\$ 681,210	
8			
9	Required Rate of Return	8.720%	
10			
11	Operating Income Deficiency	\$ 677,580	
12			
13	Gross Revenue Conversion Factor	1.6049	
14			
15	Increase in Gross Revenue	\$ 1,087,457	
16			
17	Percent Increase in Gross Revenue	86.28%	
18			
19			
20			
21			
22		Projected	
23		Revenue	%
24		Increase Due	Dollar
25	<u>Customer Classification</u>	<u>To Rates</u>	<u>Increase</u>
26			
27	All Customers	\$ 1,087,797	88.12%
28			
29	Other Water Revenue	-	0.00%
30			
31	Total Revenue Increase	<u>\$ 1,087,797</u>	<u>86.32%</u>
32			
33	<u>Supporting Schedules:</u>		
34	B-1 C-1		
35	C-3 H-1		
36			

Line No.	Description	Prior Years Ended		Test Year		Projected Year	
		12/31/2009	12/31/2010	Actual 12/31/2011	Adjusted 12/31/2011	Present Rates 12/31/2012	Proposed Rates 12/31/2012
1	Gross Revenues	\$ 1,458,334	\$ 1,274,051	\$ 1,260,429	\$ 1,260,429	\$ 1,260,429	\$ 2,347,886
2	Revenue Deductions and						
3	Operating Expenses	1,337,501	1,236,111	1,213,490	1,256,799	1,266,591	1,676,468
4	Operating Income	120,833	37,940	46,939	3,629	(6,162)	671,418
5							
6	Other Income and						
7	Deductions	6,815	5,629	1,275	1,275	5,436	5,436
8	Interest Expense	-	-	-	-	-	-
9	Net Income	\$ 127,648	\$ 43,569	\$ 48,214	\$ 4,904	\$ (727)	\$ 676,854
10							
11	Earned Per Average						
12	Common Share	1,276.48	435.69	482.14	49.04	(7.27)	6,768.54
13							
14	Dividends Per						
15	Common Share	(1,691.53)	-	-	-	-	-
16							
17	Payout Ratio	-132.52%	0.00%	0.00%	0.00%	0.00%	0.00%
18							
19	Return on Average						
20	Invested Capital	3.4%	1.2%	1.3%	0.1%	0.0%	17.5%
21							
22	Return on Year End						
23	Capital	3.4%	1.2%	1.3%	0.1%	0.0%	17.5%
24							
25	Return on Average						
26	Common Equity	3.4%	1.2%	1.3%	0.1%	0.0%	16.0%
27							
28	Return on Year End						
29	Common Equity	3.4%	1.2%	1.3%	0.1%	0.0%	15.9%
30							
31	Times Bond Interest Earned						
32	Before Income Taxes	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
33							
34	Times Total Interest and						
35	Preferred Dividends Earned						
36	After Income Taxes	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
37							
38							
39	<u>Supporting Schedules:</u>						
40	E-2 F-1						
41	C-1						
42							

New River Utility Company
 Test Year Ended December 31, 2011
 Summary of Capital Structure

Exhibit: RLI-DT2
 Schedule A-3
 Page 1
 Witness: Jones

Line No.	Description:	Prior Years Ended		Test Year	Projected Year
		12/31/2009	12/31/2010	12/31/2011	12/31/2012
1					
2					
3	Short-Term Debt	-	-	-	-
4	Long-Term Debt	-	-	-	-
5	Total Debt	\$ -	\$ -	\$ -	\$ -
6					
7	Preferred Stock	-	-	-	-
8	Common Equity	3,719,843	3,763,411	4,267,425	4,266,699
9	Total Capital & Debt	\$ 3,719,843	\$ 3,763,411	\$ 4,267,425	\$ 4,266,699
10					
11					
12	Capitalization Ratios:				
13					
14	Short-Term Debt	0.00%	0.00%	0.00%	0.00%
15	Long-Term Debt	0.00%	0.00%	0.00%	0.00%
16	Total Debt	0.00%	0.00%	0.00%	0.00%
17					
18	Preferred Stock	0.00%	0.00%	0.00%	0.00%
19	Common Equity	100.00%	100.00%	100.00%	100.00%
20	Total Capital	100.00%	100.00%	100.00%	100.00%
21					
28	Weighted Cost of				
29	Senior Capital	0.000%	0.000%	0.000%	0.000%
30					
31					
32					
33					
34					
35	<u>Supporting Schedules:</u>				
36	E-1 D-1				
37					

New River Utility Company
Test Year Ended December 31, 2011
Construction Expenditures and Gross Utility Plant In Service

Exhibit: RLJ-DT2
Schedule A-4
Page 1
Witness: Jones

<u>Line No.</u>	<u>Year</u>		<u>Construction Expenditures</u>	<u>Net Plant Placed In Service</u>	<u>Gross Utility Plant In Service</u>
1					
2	Prior Year Ended	12/31/2009	\$ 72,000	\$ 72,000	\$ 5,164,497
3					
4	Prior Year Ended	12/31/2010	316,395	202,250	5,366,747
5					
6	Test Year Ended	12/31/2011	42,586	6,586	5,373,333
7					
8	Projected Year Ending	12/31/2012	25,000	25,000	5,398,333
9					
10	Projected Year Ending	12/31/2013	175,000	175,000	5,573,333
11					
12	Projected Year Ending	12/31/2014	175,000	175,000	5,748,333
13					
14	<u>Supporting Schedules:</u>				
15	F-3				
16	E-5				
17					

Line No.	Description	Prior	Prior	Test	Projected Year	
		Year Ended <u>12/31/2009</u>	Year Ended <u>12/31/2010</u>	Year Ended <u>12/31/2011</u>	Present Rates <u>12/31/2012</u>	Proposed Rates <u>12/31/2013</u>
1	<u>Source of Funds</u>					
2	Operations	\$ 283,944	\$ 312,619	\$ 38,038	\$ 244,859	\$ 922,439
3						
4	Outside Financing	-	-	-	-	-
5						
6	Total Funds Provided	\$ 283,944	\$ 312,619	\$ 38,038	\$ 244,859	\$ 922,439
7						
8	<u>Application of Funds</u>					
9	Constriction Expenditures	\$ (72,000)	\$ (316,395)	\$ (42,586)	\$ (25,000)	\$ (25,000)
10						
11	Dividends/Distributions	(169,153)	-	-	-	-
12						
13	Other	-	-	-	-	-
14						
15	Total Funds Applied	\$ (241,153)	\$ (316,395)	\$ (42,586)	\$ (25,000)	\$ (25,000)
16						
17	Net Increase/(Decrease) in Cash	42,790	(3,776)	(4,548)	219,859	897,439
18						
19						
20						
21	<u>Supporting Schedules:</u>					
22	E-3					
23	F-2					
24						

New River Utility Company
 Test Year Ended December 31, 2011
 Summary of Original Cost Rate Base Elements

Exhibit: **RLJ-DT2**
 Schedule B-1
 Page 1
 Witness: **Jones**

Line No.	Original Cost Rate Base*	RCND Rate Base*	Fair Value Rate Base (50/50)
1			
2	\$ 5,444,591	\$ 19,269,875	\$ 12,357,233
3			
4	<u>(2,300,840)</u>	<u>(6,937,536)</u>	<u>(4,619,188)</u>
5			
6	3,143,751	12,332,339	7,738,045
7			
8	Less:		
9	Advances in Aid of Construction	-	-
10			
11	Contributions in Aid of Construction	-	-
12	Accumulated Amortization of CIAC	-	-
13	<u>Contributions in Aid of Construction - Net</u>	<u>-</u>	<u>-</u>
14			
15	Customer Security Deposits	22,784	22,784
16	Deferred Income Taxes	-	-
17			
18	Plus:		
19	Working Capital	96,775	96,775
20	Net Regulatory Asset / (Liability)	-	-
21			
22	<u>Rate Base</u>	<u>\$ 3,217,742</u>	<u>\$ 12,406,330</u>
23			
24	* including pro forma adjustments		
25			
26			
27	<u>Supporting Schedules:</u>		<u>Recap Schedules:</u>
28	B-2 B-5		A-1
29	B-3 E-1		
30			

New River Utility Company
 Test Year Ended December 31, 2011
 Original Cost Rate Base Pro forma Adjustments

Exhibit: RLJ-DT2
 Schedule B-2
 Page 1
 Witness: Jones

Line No.		Actual End of Test Year	ADJ RB-1	ADJ RB-2	ADJ RB-3	Total Pro Forma Adjustments	Adjusted End of Test Year
1							
2	Gross Utility Plant in Service	\$ 5,373,333	\$ 71,258			\$ 71,258	\$ 5,444,591
3							
4	Less: Accumulated Depreciation	(2,685,382)		384,542		384,542	(2,300,840)
5							
6	Net Utility Plant in Service	2,687,951	71,258	384,542	-	455,800	3,143,751
7							
8	Less:						
9	Advances in Aid of Construction	-				-	-
10							
11	Contributions in Aid of Construction	-				-	-
12	Accumulated Amortization of CIAC	-				-	-
13	Contributions in Aid of Construction - Net	-	-	-	-	-	-
14							
15	Customer Security Deposits	22,784				-	22,784
16	Deferred Income Taxes	-				-	-
17							
18	Plus:						
19	Working Capital	96,775				-	96,775
20	Net Regulatory Asset / (Liability)					-	-
21							
22	Rate Base	\$ 2,761,942	\$ 71,258	\$ 384,542	\$ -	\$ 455,800	\$ 3,217,742
23							
24							
25							
26							
27							
28	<u>Supporting Schedules:</u>					<u>Recap Schedules:</u>	
29	E-1					B-1	
30							

New River Utility Company
Test Year Ended December 31, 2011
Rate Base Adjustment RB-1

Line No.	Acct No.	Description	Book Adjustments - (Included on Schedule B.2.1)				Rate Making Adjustments						
			[1.1] Conform to Decision No. 71482	[1.2] Unbooked Plant Retirement	[1.3] NOT USED	[1.4] NOT USED	[1.5] Post Test Year Plant	[1.6] NOT USED	[1.7] NOT USED	Adjusted End of Test Year			
3													
4	301	Organization Cost	\$ -	\$ -									\$ -
5	302	Franchise Cost											
6	303	Land and Land Rights	75,181										75,181
7	304	Structures & Improvements	84,633										84,633
8	305	Collecting & Impounding Reservoirs											
9	306	Lake, River, Canal Intakes											
10	307	Wells & Springs	808,187	(13,166)									795,021
11	308	Infiltration Galleries											
12	309	Raw Water Supply Mains											
13	310	Power Generation Equipment											
14	311	Pumping Equipment	949,008	(9,377)									939,631
15	320	Water Treatment Equipment	383,055										383,055
16	320.1	Water Treatment Plants											
17	320.2	Solution Chemical Feeders											
18	330	Distribution Reservoirs & Standpipes	1,047,248	(285)									1,046,963
19	330.1	Storage Tanks											
20	330.2	Pressure Tanks											
21	331	Transmission & Distribution Mains	1,303,088	19,022					79,904				1,402,013
22	333	Services	236,325										236,325
23	334	Meters	125,229	910									126,139
24	335	Hydrants	193,193										193,193
25	336	Backflow Prevention Devices											
26	339	Other Plant & Misc Equipment											
27	340	Office Furniture & Equipment	19,273										19,273
28	340.1	Computers & Software											
29	341	Transportation Equipment	6,950	(5,750)									1,200
30	342	Stores Equipment											
31	343	Tools, Shop & Garage Equipment											
32	344	Laboratory Equipment											
33	345	Power Operated Equipment											
34	346	Communication Equipment	115,725										115,725
35	347	Miscellaneous Equipment											
36	348	Other Tangible Plant											
37		TOTALS	\$ 5,373,333	\$ (2,896)	\$ (5,750)	\$ -	\$ -	\$ 79,904	\$ -	\$ -	\$ -	\$ 26,239	\$ 5,444,591
38		Equity Adjustments (Schedule D-2)											\$ 77,008
39													
40		Plant in Service per Books											\$ 5,373,333
41													
42		Increase / (Decrease) in Plant in Service											\$ 71,258
43		¹ Adjusted plant in service balance including all book adjustments. Agrees with 2011 plant in service balance on Schedule B2.1.											
44													
45		Supporting Schedules:											
46		B-2.1											
47													

Workpapers:

New River Utility Company
 Test Year Ended December 31, 2011
 Rate Base Adjustment RB-1 (1.5)

Post Test Year Plant - New Water Supply Project

Line No.	Plant Acct	Description	Adjustment Amount
1			
2			
3	331	Costs Expensed during Test Year	\$ 21,442
4	331	Capital Costs incurred during 2012	58,462
5			\$ 79,904
6			
7	331	Total Increase/(Decrease) in Plant In Service	<u>\$ 79,904</u>
8			

See Income Statement Adjustment IS-1

New River Utility Company
 Test Year Ended December 31, 2011
 Rate Base Adjustment RB-2

Exhibit: RU-DTZ
 Schedule B-2
 Page 3
 Jones

Witness:

Accumulated Depreciation

Line No.	Acct No.	Description	Book Adjustments - (Included on Schedule B.2.1)				Rate Making Adjustments				Adjusted End of Test Year	
			[2.1] Unbooked Plant Retirement	[2.2] Difference From Calc'd on B-2.1	[2.3] NOT USED	[2.4] NOT USED	[2.5] NOT USED	[2.6] NOT USED	[2.7] NOT USED			
4	301	Organization Cost	-	-	-	-	-	-	-	-	-	\$
5	302	Franchise Cost	-	-	-	-	-	-	-	-	-	-
6	303	Land and Land Rights	-	-	-	-	-	-	-	-	-	-
7	304	Structures & Improvements	69,308	(38,178)	-	-	-	-	-	-	31,130	31,130
8	305	Collecting & Impounding Reservoirs	-	-	-	-	-	-	-	-	-	-
9	306	Lake, River, Canal Intakes	-	-	-	-	-	-	-	-	-	-
10	307	Wells & Springs	449,440	(74,645)	-	-	-	-	-	-	374,796	374,796
11	308	Infiltration Galleries	-	-	-	-	-	-	-	-	-	-
12	309	Raw Water Supply Mains	-	-	-	-	-	-	-	-	-	-
13	310	Power Generation Equipment	-	-	-	-	-	-	-	-	-	-
14	311	Pumping Equipment	466,291	473,340	-	-	-	-	-	-	939,631	939,631
15	320	Water Treatment Equipment	90,868	(71,789)	-	-	-	-	-	-	19,078	19,078
16	320	Water Treatment Plants	-	-	-	-	-	-	-	-	-	-
17	320	Solution Chemical Feeders	-	-	-	-	-	-	-	-	-	-
18	330	Distribution Reservoirs & Standpipes	528,874	(246,117)	-	-	-	-	-	-	282,757	282,757
19	330.1	Storage Tanks	-	-	-	-	-	-	-	-	-	-
20	330.2	Pressure Tanks	-	-	-	-	-	-	-	-	-	-
21	331	Transmission & Distribution Mains	644,725	(325,890)	-	-	-	-	-	-	318,835	318,835
22	333	Services	140,528	(28,211)	-	-	-	-	-	-	112,317	112,317
23	334	Meters	62,715	49,802	-	-	-	-	-	-	112,517	112,517
24	335	Hydrants	91,221	(45,998)	-	-	-	-	-	-	45,222	45,222
25	336	Backflow Prevention Devices	-	-	-	-	-	-	-	-	-	-
26	339	Other Plant & Misc Equipment	-	-	-	-	-	-	-	-	-	-
27	340	Office Furniture & Equipment	19,273	(2,095)	-	-	-	-	-	-	17,177	17,177
28	340.1	Computers & Software	-	-	-	-	-	-	-	-	-	-
29	341	Transportation Equipment	4,816	2,134	-	-	-	-	-	-	1,200	1,200
30	342	Stores Equipment	-	-	-	-	-	-	-	-	-	-
31	343	Tools, Shop & Garage Equipment	-	-	-	-	-	-	-	-	-	-
32	344	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-
33	345	Power Operated Equipment	-	-	-	-	-	-	-	-	-	-
34	346	Communication Equipment	112,222	(68,667)	-	-	-	-	-	-	43,556	43,556
35	347	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-
36	348	Other Tangible Plant	-	-	-	-	-	-	-	-	-	-
37	TOTALS		5,102	(2,478)	-	-	-	-	-	-	2,624	2,624
38			\$ 2,685,382	\$ (378,792)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,300,840	\$ 2,300,840
39												
40		Accumulated Depreciation per Books										\$ 2,685,382
41		Increase / (Decrease) in Accumulated Depreciation										\$ (384,542)
42												
43												
44		¹ Adjusted accumulated depreciation balance including all book adjustments. Agrees with 2011 accumulated depreciation balance on Schedule B2.1.										
45		Supporting Schedules:										
46		B-2.1										
47												

¹ Adjusted accumulated depreciation balance including all book adjustments. Agrees with 2011 accumulated depreciation balance on Schedule B2.1.

Supporting Schedules:

B-2.1

New River Utility Company
 Test Year Ended December 31, 2011
 Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Line No.	NARUC Account No.	Description	Deprec. Before LO Date	Allowed Deprec. Rate	Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Deprecation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
1	301	Organization Cost		0.00%	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost		0.00%	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights		0.00%	-	-	-	-	-	-	-	-	75,181	-	75,181
4	304	Structures & Improvements	2.80%	3.33%	-	-	-	-	-	-	2,818	84,633	11,402	-	73,231
5	305	Collecting & Impounding Reservoirs		2.50%	-	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes		2.50%	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.20%	3.33%	-	-	-	-	-	-	26,474	795,021	189,476	-	605,545
8	308	Infiltration Galleries		6.67%	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains		2.00%	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment		5.00%	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	2.40%	12.50%	30,911	-	30,911	-	-	-	109,224	889,244	453,584	-	435,660
12	320	Water Treatment Equipment		3.33%	-	-	-	-	-	-	-	-	-	-	-
13	320	Water Treatment Plants			-	-	-	-	-	-	-	-	-	-	-
14	320	Solution Chemical Feeders			-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes			-	-	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks			-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks			-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	2.00%	42,500	-	42,500	-	-	-	23,243	1,046,963	120,059	-	926,904
19	333	Services	3.30%	3.33%	-	-	-	-	-	-	-	-	-	-	-
20	334	Meters	3.60%	8.33%	-	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	2.00%	2.00%	-	-	-	-	-	-	-	-	-	-	-
22	336	Backflow Prevention Devices		6.67%	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment		6.67%	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.80%	6.67%	-	-	-	-	-	-	1,234	18,498	8,515	-	9,983
25	340.1	Computers & Software		20.00%	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment		20.00%	25,390	-	25,390	-	-	-	20,290	114,145	46,480	-	67,665
27	342	Stores Equipment		4.00%	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	3.60%	5.00%	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment		10.00%	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment		5.00%	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment		10.00%	-	-	-	-	-	-	1,486	29,725	5,202	-	24,523
32	347	Miscellaneous Equipment		10.00%	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	6.80%	20.00%	-	-	-	-	-	-	-	-	-	-	-
34					-	-	-	-	-	-	-	-	-	-	-
35		TOTAL			98,801	-	98,801	-	-	-	231,346	4,897,802	1,091,278	-	3,806,524
36					-	-	-	-	-	-	-	-	-	-	-
37		Depreciable Plant			-	-	-	-	-	-	-	-	-	-	-
38		Composite Depreciation Rate			-	-	-	-	-	-	-	-	-	-	-
39					-	-	-	-	-	-	-	-	-	-	-
40		Worksheet:			-	-	-	-	-	-	-	-	-	-	-
41		NR Rate Case Data.xlsx, Tab: Reconciliation Plant Balances			-	-	-	-	-	-	-	-	-	-	-
42					-	-	-	-	-	-	-	-	-	-	-

4,822,621
 4.7971%

New River Utility Company
 Test Year Ended December 31, 2011
 Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Line No.	NARUC Account No.	Description	Deprec. Before LO Date	Allowed Rate	2007		Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
					Plant Additions	Adjusted Plant Retirements					
1	301	Organization Cost		0.00%	-	-	-	-	-	-	-
2	302	Franchise Cost		0.00%	-	-	-	-	-	-	-
3	303	Land and Land Rights		0.00%	-	-	-	-	75,181	-	75,181
4	304	Structures & Improvements	2.80%	3.33%	-	-	2,818	-	84,633	19,856	64,777
5	305	Collecting & Impounding Reservoirs		2.50%	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes		2.50%	-	-	-	-	-	-	-
7	307	Wells & Springs	3.20%	3.33%	-	-	26,474	-	795,021	268,899	526,122
8	308	Infiltration Galleries		6.67%	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains		2.00%	-	-	-	-	-	-	-
10	310	Power Generation Equipment		5.00%	-	-	-	-	-	-	-
11	311	Pumping Equipment	2.40%	12.50%	-	-	117,454	-	939,631	801,893	137,738
12	320	Water Treatment Equipment		3.33%	-	-	-	-	-	-	-
13	320	Water Treatment Plants			-	-	-	-	-	-	-
14	320	Solution Chemical Feeders			-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	3.30%	2.22%	-	-	23,243	-	1,046,963	189,786	857,177
16	330.1	Storage Tanks			-	-	-	-	-	-	-
17	330.2	Pressure Tanks			-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	2.00%	-	-	26,195	-	1,309,744	213,330	1,096,414
19	333	Services	3.30%	3.33%	-	-	7,870	-	236,325	80,839	155,486
20	334	Meters	3.60%	8.33%	-	-	9,448	-	113,426	74,194	39,232
21	335	Hydrants	2.00%	2.00%	-	-	3,864	-	193,193	29,767	163,426
22	336	Backflow Prevention Devices		6.67%	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.80%	6.67%	-	-	1,234	-	18,498	12,216	6,282
24	340	Office Furniture & Equipment		20.00%	-	-	-	-	-	-	-
25	340.1	Computers & Software		20.00%	-	-	30,029	-	150,145	132,967	17,178
26	341	Transportation Equipment		4.00%	-	-	-	-	-	-	-
27	342	Stores Equipment		4.00%	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	3.60%	5.00%	-	-	-	-	-	-	-
29	344	Laboratory Equipment		10.00%	-	-	-	-	-	-	-
30	345	Power Operated Equipment		5.00%	-	-	-	-	-	-	-
31	346	Communication Equipment		10.00%	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment		10.00%	-	-	-	-	-	-	-
33	348	Other Tangible Plant	6.80%	20.00%	-	-	-	-	-	-	-
34					-	-	-	-	-	-	-
35		TOTAL			-	-	254,415	-	5,078,485	1,844,158	3,234,327
36					-	-	-	-	-	-	-
37		Depreciable Plant			-	-	-	-	5,003,304	-	5,003,304
38		Composite Depreciation Rate			-	-	-	-	5.0849%	-	5.0849%
39					-	-	-	-	-	-	-
40		Worksheet:			-	-	-	-	-	-	-
41		NR Rate Case Data.xlsx, Tab: Reconciliation Plant Balances			-	-	-	-	-	-	-
42					-	-	-	-	-	-	-

New River Utility Company
 Test Year Ended December 31, 2011
 Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Exhibit: RJ-DT2
 Schedule B-2.1
 Page 9
 Jones
 Witness:

Line No.	NARUC Account No.	Description	Deprec. Before IO Date	Allowed Deprec. Rate	2008		Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
					Plant Additions	Adjusted Plant Additions						
1	301	Organization Cost		0.00%	-	-	-	-	-	-	-	-
2	302	Franchise Cost		0.00%	-	-	-	-	-	-	-	-
3	303	Land and Land Rights		0.00%	-	-	-	-	75,181	-	-	75,181
4	304	Structures & Improvements	2.80%	3.33%	-	-	-	2,818	84,633	22,675	-	61,958
5	305	Collecting & Impounding Reservoirs		2.50%	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes		2.50%	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.20%	3.33%	-	-	-	26,474	795,021	295,373	-	499,648
8	308	Infiltration Galleries		6.67%	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains		2.00%	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment		5.00%	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	2.40%	12.50%	-	-	-	117,454	939,631	919,347	-	20,284
12	320	Water Treatment Equipment		3.33%	-	-	-	-	-	-	-	-
13	320	Water Treatment Plants			-	-	-	-	-	-	-	-
14	320	Solution Chemical Feeders			-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	3.30%	2.22%	-	-	-	23,243	1,046,963	213,029	-	833,934
16	330.1	Storage Tanks			-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks			-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	2.00%	5,366	-	-	26,249	1,315,110	239,579	-	1,075,531
19	333	Services	3.30%	3.33%	-	-	-	7,870	236,325	88,708	-	147,617
20	334	Meters	3.60%	8.33%	-	-	-	9,448	113,426	83,642	-	29,784
21	335	Hydrants	2.00%	2.00%	-	-	-	3,864	193,193	33,631	-	159,563
22	336	Backflow Prevention Devices		6.67%	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment		6.67%	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.80%	6.67%	-	-	-	1,234	18,498	13,450	-	5,048
25	340.1	Computers & Software		20.00%	-	-	-	-	-	-	-	-
26	341	Transportation Equipment		20.00%	5,750	-	-	22,928	155,895	155,895	-	-
27	342	Stores Equipment		4.00%	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	3.60%	5.00%	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment		10.00%	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment		5.00%	-	-	-	-	-	-	-	-
31	346	Communication Equipment		10.00%	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment		10.00%	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	6.80%	20.00%	-	-	-	-	-	-	-	-
34					-	-	-	-	-	-	-	-
35		TOTAL			11,116	11,116	-	247,368	5,089,601	2,091,526	-	2,998,075
36					-	-	-	-	-	-	-	-
37		Depreciable Plant			-	-	-	-	5,014,420	-	-	5,014,420
38		Composite Depreciation Rate			-	-	-	-	4.9331%	-	-	4.9331%
39					-	-	-	-	-	-	-	-

40 Worksheet:
 41 NR Rate Case Data.xlsx, Tab: Reconciliation Plant Balances
 42

Line No.	Actual End of Test Year	ADJ RCN-1	ADJ RCN-2	ADJ RCN-3	Total Pro Forma Adjustments	Adjusted End of Test Year	
1							
2	\$ 19,189,971	\$ 79,904			\$ 79,904	\$ 19,269,875	
3							
4	Less: Accumulated Depreciation	(6,937,536)			-	(6,937,536)	
5							
6	Net Utility Plant in Service	12,252,436	79,904	-	-	79,904	12,332,339
7							
8	Less:						
9	Advances in Aid of Construction	-			-	-	
10							
11	Contributions in Aid of Construction	-			-	-	
12	Accumulated Amortization of CIAC	-			-	-	
13	Contributions in Aid of Construction - Net	-	-	-	-	-	
14							
15	Customer Security Deposits	22,784			-	22,784	
16	Deferred Income Taxes	-			-	-	
17							
18	Plus:						
19	Working Capital	96,775			-	96,775	
20	Net Regulatory Asset / (Liability)				-	-	
21							
22	Rate Base	\$ 12,326,427	\$ 79,904	\$ -	\$ -	\$ 79,904	\$ 12,406,330
23							
24							
25							
26							
27							
28	<u>Supporting Schedules:</u>				<u>Recap Schedules:</u>		
29	B-4				B-1		
30							

New River Utility Company
Test Year Ended December 31, 2011
Rate Base Adjustment RCN-1

Exhibit: RLJ-DT2
Schedule B-3
Page 2
Witness: Jones

Post Test Year Plant - New Water Supply Project

Line			Adjustment	
<u>No.</u>	Plant		<u>Amount</u>	
	<u>Acct</u>	<u>Description</u>		
1				
2				
3				
4	331	Costs Expensed during Test Year	\$ 21,442	See Income Statement Adjustment IS-1
5	331	Capital Costs incurred during 2012	<u>58,462</u>	
6			\$ 79,904	
7				
8	331	Total Increase/(Decrease) in Plant In Service	<u>\$ 79,904</u>	
9				

Line No.	Acct No.	Description	RCN	Depletion Percent	Accumulated Depreciation	RCND
4	301	Organization Cost	\$ -	0.0%	\$ -	\$ -
5	302	Franchise Cost	-	0.0%	-	-
6	303	Land and Land Rights	-	0.0%	-	-
7	304	Structures & Improvements	-	0.0%	-	-
8	305	Collecting & Impounding Reservoirs	-	0.0%	-	-
9	306	Lake, River, Canal Intakes	-	0.0%	-	-
10	307	Wells & Springs	2,368,472.00	88.8%	2,103,419.81	265,052.19
11	308	Infiltration Galleries	-	0.0%	-	-
12	309	Raw Water Supply Mains	-	0.0%	-	-
13	310	Power Generation Equipment	-	0.0%	-	-
14	311	Pumping Equipment	1,216,357.00	52.8%	641,846.46	574,510.54
15	320	Water Treatment Equipment	568,450.00	7.4%	41,837.20	526,612.80
16	320.1	Water Treatment Plants	-	0.0%	-	-
17	320.2	Solution Chemical Feeders	-	0.0%	-	-
18	330	Distribution Reservoirs & Standpipes	2,369,625.00	28.0%	662,511.93	1,707,113.07
19	330.1	Storage Tanks	-	0.0%	-	-
20	330.2	Pressure Tanks	-	0.0%	-	-
21	331	Transmission & Distribution Mains	8,170,084.00	23.7%	1,938,046.76	6,232,037.24
22	333	Services	2,397,643.00	40.1%	961,784.08	1,435,858.92
23	334	Meters	126,139.04	0.0%	112,517.15	13,621.89
24	335	Hydrants	1,810,765.00	22.7%	411,015.55	1,399,749.45
25	336	Backflow Prevention Devices	-	0.0%	-	-
26	339	Other Plant & Misc Equipment	-	0.0%	-	-
27	340	Office Furniture & Equipment	19,272.50	89.1%	17,177.37	2,095.13
28	340.1	Computers & Software	-	0.0%	-	-
29	341	Transportation Equipment	1,200.00	100.0%	1,200.00	-
30	342	Stores Equipment	-	0.0%	-	-
31	343	Tools, Shop & Garage Equipment	-	0.0%	-	-
32	344	Laboratory Equipment	-	0.0%	-	-
33	345	Power Operated Equipment	115,725.00	37.6%	43,555.63	72,169.37
34	346	Communication Equipment	-	0.0%	-	-
35	347	Miscellaneous Equipment	-	0.0%	-	-
36	348	Other Tangible Plant	<u>26,238.91</u>	<u>10.0%</u>	<u>2,623.89</u>	<u>23,615.02</u>
37	TOTALS		\$ 19,189,971	36.2%	\$ 6,937,536	\$ 12,252,436

41 Workpaper:
 42 NR RCND Study.xlsx
 43

Recap Schedules:
 B-3

New River Utility Company
Test Year Ended December 31, 2011
Computation of Working Capital

Exhibit: RLJ-DT2
Schedule B-5
Page 1
Witness: Jones

Line No.		<u>Working Capital</u>
1		
2	Cash Working Capital	\$ 96,775
3	(Schedule B-5, Page 2)	
4		
5	Material and Supplies Inventories	-
6		
7	Working Funds and Special Deposits	-
8		
9	Prepayments	-
10		
11	Total Working Capital Allowance	<u>\$ 96,775</u>
12		
13	<u>Supporting Schedules:</u>	
14	E-1	
15		

Recap Schedules:
B-1

New River Utility Company
Test Year Ended December 31, 2011
Computation of Working Capital

Exhibit: RLJ-DT2
Schedule B-5
Page 2
Witness: Jones

Line No.		
1		
2	Operation and Maintenance Expense	\$ 720,942
3	Less depreciation, taxes, purchased	
4	power and purchased water	
5	Factor - 1/8	<u>0.1250</u>
6		\$ 90,118
7		
8	Purchased Power and Purchased Water	\$ 159,775
9	Factor - 1/24	<u>0.0417</u>
10		\$ 6,657
11		
12	Total Cash Working Capital	<u>\$ 96,775</u>
13		
14		

New River Utility Company
 Test Year Ended December 31, 2011
 Adjusted Test Year Income Statement

Exhibit: RLJ-DT2
 Schedule C-1
 Page 1
 Witness: Jones

Line No.		Actual for Test Year Ended <u>12/31/2011</u>	Total Pro forma <u>Adjustments</u>	Test Year Results After Pro forma <u>Adjustments</u>	Proposed Rate <u>Increase</u>	Adjusted With Rate <u>Increase</u>
1	Revenues					
2	460 Unmetered Water Revenue	\$ -	\$ -	\$ -	-	\$ -
3	461 Metered Water Revenues	1,234,701	-	1,234,701	1,087,457	2,322,159
4	471 Miscellaneous Service Revenue	25,727	-	25,727	-	25,727
5	Total Revenues	\$ 1,260,429	\$ -	\$ 1,260,429	\$ 1,087,457	\$ 2,347,886
6	Operating Expenses					
7	601 Salaries and Wages	\$ 57,720	\$ 19,480	\$ 77,200		\$ 77,200
8	603 Salaries and Wages - Officers and Directors	210,000	-	210,000		210,000
9	604 Employee Pension and Benefits	22,326	-	22,326		22,326
10	610 Purchased Water	-	-	-		-
11	615 Purchased Power	185,913	(26,138)	159,775		159,775
12	618 Chemicals	15,338	-	15,338		15,338
13	620 Repairs and Maintenance	76,981	31,333	108,314		108,314
14	621 Office Supplies Expense	-	-	-		-
15	631 Contractual Services - Engineering	-	-	-		-
16	632 Contractual Services - Accounting	8,428	-	8,428		8,428
17	633 Contractual Services - Legal	23,128	-	23,128		23,128
18	634 Contractual Services - Management Fees	75,000	-	75,000		75,000
19	635 Contractual Services - Testing	-	-	-		-
20	636 Contractual Services - Other	54,479	-	54,479		54,479
21	641 Rent - Buildings	-	-	-		-
22	642 Rent - Equipment	24,000	-	24,000		24,000
23	650 Transportation Expense	26,580	-	26,580		26,580
24	656 Insurance - Vehicle	-	-	-		-
25	657 Insurance - General Liability	6,003	-	6,003		6,003
26	658 Insurance - Workman's Compensation	872	-	872		872
27	659 Insurance - Other	-	-	-		-
28	660 Advertising Expense	-	-	-		-
29	666 Regulatory Commission Expense - Rate Case	-	50,000	50,000		50,000
30	667 Regulatory Expense - Other	-	-	-		-
31	668 Water Resource Conservation Expense	-	-	-		-
32	670 Bad Debt Expense	7,688	-	7,688	6,633	14,322
33	675 Miscellaneous Expense	62,186	(599)	61,587		61,587
34	403 Depreciation Expense	257,284	(11,698)	245,585		245,585
35	408 Taxes Other Than Income	18,080	1,558	19,638		19,638
36	408.11 Property Taxes	81,484	(21,136)	60,348	17,355	77,703
37	409 Income Tax	-	510	510	385,888	386,399
38	Total Operating Expenses	\$ 1,213,490	\$ 43,310	\$ 1,256,799	\$ 409,877	\$ 1,666,676
39	Operating Income	\$ 46,939	\$ (43,310)	\$ 3,629	\$ 677,580	\$ 681,210
40	Other Income (Expense)					
41	419 Interest and Dividend Income	\$ 5,436	\$ -	\$ 5,436		\$ 5,436
42	421 Non-Utility Income	-	-	-		-
43	426 Miscellaneous Non-Utility Expenses	(4,161)	-	(4,161)		(4,161)
44	427 Interest Expense	-	-	-		-
45	Total Other Income (Expense)	\$ 1,275	\$ -	\$ 1,275	\$ -	\$ 1,275
46	Net Income (Loss)	\$ 48,214	\$ (43,310)	\$ 4,904	\$ 677,580	\$ 682,485
47						
48	<u>Supporting Schedules:</u>			<u>Recap Schedules:</u>		
49	E-2			A-1		
50	C-2					
51						

New River Utility Company
 Test Year Ended December 31, 2011
 Income Statement Pro forma Adjustments

Exhibit: RJJ-DTZ
 Schedule C-2
 Page 1
 Jones

Line No.	Revenues	Actual for T.Y. Ended 12/31/2011	Witness:												
			ADJ IS-1	ADJ IS-2	ADJ IS-3	ADJ IS-4	ADJ IS-5	ADJ IS-6	ADJ IS-7	ADJ IS-8	ADJ IS-9				
1	460 Unmetered Water Revenue	-													
2	461 Metered Water Revenues	1,234,701													
3	471 Miscellaneous Service Revenue	25,727													
4	Total Revenues	\$ 1,260,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Operating Expenses														
6	601 Salaries and Wages	57,720						19,480							
7	603 Salaries and Wages - Officers and Directors	210,000													
8	604 Employee Pension and Benefits	22,326													
9	610 Purchased Water	-													
10	615 Purchased Power	185,913	(21,442)	2,064	(6,760)										
11	618 Chemicals	15,338													
12	620 Repairs and Maintenance	76,981													
13	621 Office Supplies Expense	-													
14	631 Contractual Services - Engineering	-													
15	632 Contractual Services - Accounting	8,428													
16	633 Contractual Services - Legal	23,128													
17	634 Contractual Services - Management Fees	75,000													
18	635 Contractual Services - Testing	-													
19	636 Contractual Services - Other	54,479													
20	641 Rent - Buildings	-													
21	642 Rent - Equipment	24,000													
22	650 Transportation Expense	26,580													
23	656 Insurance - Vehicle	-													
24	657 Insurance - General Liability	6,003													
25	658 Insurance - Workman's Compensation	872													
26	659 Insurance - Other	-													
27	660 Advertising Expense	-													
28	666 Regulatory Commission Expense - Rate Case	-													
29	667 Regulatory Expense - Other	-													
30	668 Water Resource Conservation Expense	-													
31	670 Bad Debt Expense	7,688													
32	675 Miscellaneous Expense	62,186													
33	403 Depreciation Expense	257,284							(599)						
34	408 Taxes Other Than Income	18,080													
35	408 Property Taxes	81,484													
36	409 Income Tax	-													
37	Total Operating Expenses	\$ 1,213,490	(21,442)	2,064	(6,760)			21,038		31,333					
38	Operating Income	\$ 46,939	\$ 21,442	\$ (2,064)	\$ 6,760	\$ -	\$ -	\$ (21,038)	\$ -	\$ (31,333)	\$ -	\$ -	\$ -	\$ -	\$ -
39	Other Income (Expense)														
40	419 Interest and Dividend Income	5,436													
41	421 Non-Utility Income	-													
42	426 Miscellaneous Non-Utility Expenses	(4,161)													
43	427 Interest Expense	-													
44	Total Other Income (Expense)	\$ 1,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45	Net Income (Loss)	\$ 48,214	\$ 21,442	\$ (2,064)	\$ 6,760	\$ -	\$ -	\$ (21,038)	\$ -	\$ (31,333)	\$ -	\$ -	\$ -	\$ -	\$ -

Supporting Schedules:
 Recap Schedules:
 C-1

New River Utility Company
 Test Year Ended December 31, 2011
 Income Statement Pro forma Adjustments

Exhibit: RLJ-DT2
 Schedule C-2
 Page 2

Witness: Jones

Line No.	Revenues	ADJ IS-10 Not Used	ADJ IS-11 Not Used	ADJ IS-12 Not Used	ADJ IS-13	ADJ IS-14 Not Used	ADJ IS-15	ADJ IS-16	ADJ IS-17	Total Adjustments	Test Year Adjusted Results
1	460 Unmetered Water Revenue										-
2	461 Metered Water Revenues										1,234,701
3	471 Miscellaneous Service Revenue										25,727
4	Total Revenues										1,260,429
5	Operating Expenses										
6	601 Salaries and Wages								19,480		77,200
7	603 Salaries and Wages - Officers and Directors										210,000
8	604 Employee Pension and Benefits										22,326
9	610 Purchased Water										
10	615 Purchased Power										
11	618 Chemicals										
12	620 Repairs and Maintenance										
13	621 Office Supplies Expense										
14	631 Contractual Services - Engineering										
15	632 Contractual Services - Accounting										8,428
16	633 Contractual Services - Legal										23,128
17	634 Contractual Services - Management Fees										75,000
18	635 Contractual Services - Testing										
19	636 Contractual Services - Other										
20	641 Rent - Buildings										
21	642 Rent - Equipment										
22	650 Transportation Expense										24,000
23	656 Insurance - Vehicle										26,580
24	657 Insurance - General Liability										6,003
25	658 Insurance - Workman's Compensation										872
26	659 Insurance - Other										
27	660 Advertising Expense										
28	666 Regulatory Commission Expense - Rate Case				50,000						50,000
29	667 Regulatory Expense - Other										
30	668 Water Resource Conservation Expense										
31	670 Bad Debt Expense										
32	675 Miscellaneous Expense										7,688
33	403 Depreciation Expense									(599)	61,587
34	408 Taxes Other Than Income									(11,698)	245,585
35	408 Property Taxes									1,558	19,638
36	409 Income Tax									(21,136)	60,348
37	Total Operating Expenses				50,000					510	510
38	Operating Income									43,310	1,256,799
39	Other Income (Expense)									(510)	3,629
40	419 Interest and Dividend Income										
41	421 Non-Utility Income										
42	426 Miscellaneous Non-Utility Expenses										
43	427 Interest Expense										
44	Total Other Income (Expense)										
45	Net Income (Loss)										
46											
47	Supporting Schedules:										
48											

Recap Schedules:
 C-1

New River Utility Company
Test Year Ended December 31, 2011
Income Statement Adjustment IS-1

Exhibit: RLJ-DT2
Schedule C-2
Page 3
Witness: Jones

Line

No.

1	<u>Remove New Water Supply Projecct Costs from Expenses</u>	
2		
3	Power costs related to testing wells as a part of New Water Supply Project were expensed.	
4	The capital expenditurs should be removed from operating expenses.	
5		
6	<u>Inactive Wells Considered for New Water Supply</u>	
7	TY Pumping Power Well #3	\$ 20,676.76
8	TY Pumping Power Well #5	382.39
9	TY Pumping Power Well #7	<u>382.39</u>
10	Total TY Pumping Power Inactive Wells	\$ 21,441.54
11		
12	Increase/(Decrease) in Pumping Power Expense	<u>\$ (21,441.54)</u>
13		

Line			
<u>No.</u>			
1	<u>Adjust Purchased Power to Reflect Rate Increase During Test Year</u>		
2			
3	Adjustment to annualize rate increase for Well #1 and Well #2.		
4			
5	TY Pumping Power Well #1	\$ 43,337.58	
6	TY Pumping Power Well #2	<u>38,503.13</u>	
7	TY Pumping Power	\$ 81,840.71	
8			
9	Proforma Pumping Power Well #1	\$ 44,484.59	
10	Proforma Pumping Power Well #2	<u>39,420.11</u>	
11	Proforma Pumping Power	\$ 83,904.70	
12			
13	Increase/(Decrease) in Purchased Power Expense		<u>\$ 2,063.99</u>
14			
15	<u>Workpaper:</u>		
16	NR Rate Case Data.xlsx, Tab:Well Power		
17			

New River Utility Company
Test Year Ended December 31, 2011
Income Statement Adjustment IS-3

Exhibit: RLJ-DT2
Schedule C-2
Page 5
Witness: Jones

Line
No.

1	<u>Adjust Purchased Power to Remove Personal Expense</u>		
2			
3	Total Personal Utility Expense Charged to Purchased Power	\$	6,760.40
4			
5	Increase/(Decrease) in Purchased Power Expense	\$	<u>(6,760.40)</u>
6			
7	<u>Workpaper:</u>		
8	NR Rate Case Data.xlsx, Tab:Personal Expense		
9			

New River Utility Company
Test Year Ended December 31, 2011
Income Statement Adjustment IS-4

Exhibit: RLI-DT2
Schedule C-2
Page 6
Witness: Jones

Line

No.

1	<u>Adjust Miscellaneous Expense to Remove Personal Expense</u>		
2			
3	Total Personal Utility Expense Charged to Miscellaneous Expense	\$	599.35
4			
5	Increase/(Decrease) in Miscellaneous Expense		<u>\$ (599.35)</u>
6			
7	<u>Workpaper:</u>		
8	NR Rate Case Data.slsx, Tab:Personal Expense		
9			

New River Utility Company
Test Year Ended December 31, 2011
Income Statement Adjustment IS-5

Exhibit: RLJ-DT2
Schedule C-2
Page 7
Witness: Jones

Line

No.

1	<u>Adjust Payroll Expense and Tax to reflect change of employment status</u>		
2			
3	Adjustment for costs associated with part-time employee being		
4	reclassified as a full-time employee.		
5			
6	Annualized payroll cost for Brooklyn Soto as full-time employee	\$	20,800.00
7	Test Year payroll cost for Brooklyn Soto		1,320.00
8			
9	Increase / (Decrease) in Salaries and Wages		<u>\$ 19,480.00</u>
10			
11	Annualized payroll taxes for Brooklyn Soto as full-time employee	\$	1,664.00
12	Test Year payroll cost for Brooklyn Soto		105.60
13			
14	Increase / (Decrease) in Taxes Other than Income		<u>\$ 1,558.40</u>
15			

Line

No.

1 Normalize Tank Coating Expense

2

3 Proposed coating of steel storage tanks and hydropneumatic tanks
4 should be normalized to reflect an average annual cost.

5

6 Projected Tank Coating Costs (2014 - 2016) \$ 470,000

7 Painting Cycle (Years) 15

8 Annualized Cost (15-Yr Painting Cycle) \$ 31,333

9

10 Increase/(Decrease) in Repairs and Maintenance Expense \$ 31,333

11

12 Workpaper:

13 NR Rate Case Data.xlsx, Tab:Tank Coating

14

New River Utility Company
Test Year Ended December 31, 2011
Income Statement Adjustment IS-13

Exhibit: RLJ-DT2
Schedule C-2
Page 8
Witness: Jones

Adjust Rate Case Expense

Line			
<u>No.</u>			
1	Estimated Rate Case Expense	\$	150,000
2			
3	Amortization Period (Years)		3
4			
5	Annualized Rate Case Expense	\$	<u>50,000</u>
6			
7	Test Year Rate Case Expense		-
8			
9	Increase / (Decrease) in Rate Case Expense		50,000
10			

Adjust Depreciation Expense to Reflect Adjusted Plant Balances

Line No.	Acct Description	Adjusted Test Year Balance 12/31/2011	Proposed Depreciation Rate	Depreciation Expense
1				
2	301 Organization Cost	\$ -	0.00%	\$ -
3	302 Franchise Cost	-	0.00%	-
4	303 Land and Land Rights	75,181	0.00%	-
5	304 Structures & Improvements	84,633	3.33%	2,818
6	305 Collecting & Impounding Reservoirs	-	2.50%	-
7	306 Lake, River, Canal Intakes	-	2.50%	-
8	307 Wells & Springs	795,021	3.33%	26,474
9	308 Infiltration Galleries	-	6.67%	-
10	309 Raw Water Supply Mains	-	2.00%	-
11	310 Power Generation Equipment	-	5.00%	-
12	311 Pumping Equipment	939,631	12.50%	117,454
13	320 Water Treatment Equipment	383,055	3.33%	12,756
14	320 Water Treatment Plants	-	-	-
15	320 Solution Chemical Feeders	-	-	-
16	330 Distribution Reservoirs & Standpipes	1,046,963	2.22%	23,243
17	330 Storage Tanks	-	-	-
18	330 Pressure Tanks	-	-	-
19	331 Transmission & Distribution Mains	1,402,013	2.00%	28,040
20	333 Services	236,325	3.33%	7,870
21	334 Meters	126,139	8.33%	10,507
22	335 Hydrants	193,193	2.00%	3,864
23	336 Backflow Prevention Devices	-	6.67%	-
24	339 Other Plant & Misc Equipment	-	6.67%	-
25	340 Office Furniture & Equipment	19,273	6.67%	1,285
26	340 Computers & Software	-	20.00%	-
27	341 Transportation Equipment	1,200	20.00%	240
28	342 Stores Equipment	-	4.00%	-
29	343 Tools, Shop & Garage Equipment	-	5.00%	-
30	344 Laboratory Equipment	-	10.00%	-
31	345 Power Operated Equipment	115,725	5.00%	5,786
32	346 Communication Equipment	-	10.00%	-
33	347 Miscellaneous Equipment	-	10.00%	-
34	348 Other Tangible Plant	26,239	20.00%	5,248
35	TOTALS	\$ 5,444,591		\$ 245,585
36				
37	Less: Amortization of CIAC	\$ -	4.5738%	\$ -
38				
39	Adjusted Test Year Depreciation Expense			\$ 245,585
40				
41	Test Year Depreciation Expense			\$ 257,284
42				
43	Increase / (Decrease) in Depreciation Expense			\$ (11,698)
44				

Adjust Property Tax Expense to Reflect Adjusted Test Year and Proposed Revenues

Line No.	Description	Company As Adjusted	Company Proposed
1	Adjusted Test Year Revenue	\$ 1,260,429	\$ 1,260,429
2	Adjusted Test Year Revenue	1,260,429	1,260,429
3	Adjusted Test Year Revenue	1,260,429	
4	Proposed Revenues after Increase		2,347,886
5	Average of three year's of revenue	1,260,429	1,622,914
6	Average of three year's of revenue, times 2	2,520,857	3,245,829
7	Add:		
8	Construction Work In Progress at 10%	-	-
9	Deduct:		
10	Net Book Value of Transportation Equipment	-	-
11			
12	Full Cash Value	2,520,857	3,245,829
13	Assessment Ratio	20.0%	20.0%
14	Assessed Value	504,171	649,166
15	Property Tax Rate (2012 Tax Year)	11.9697%	11.9697%
16			
17	Adjusted Test Year Property Tax	\$ 60,348	
18	Recorded Test Year Property Tax	81,484	
19	Test Year Adjustment	\$ (21,136)	
20			
21	Property Tax at Proposed Rates		\$ 77,703
22	Adjusted Test Year Property Tax		60,348
23	Increase in Property Tax due to Rate Increase		\$ 17,355
24			
25	<u>Calculation of Property Tax Factor</u>		
26	Increase to Property Tax Expense		\$ 17,355
27	Increase in Revenue Requirement		\$ 1,087,457
28	Property Tax Factor (L25 / L26)		1.5960%
29			

Adjust Income Tax Expense to Reflect Adjusted Test Year and Proposed Revenues

Line No.	Description	Adjusted Test Year	Proposed with Increase
1			
2	<u>Calculation of Income Tax:</u>		
3	Revenue	\$ 1,260,429	\$ 2,347,886
4	Less: Operating Expenses (Excluding Income Taxes)	1,256,289	1,280,278
5	Less: Synchronized Interest	-	-
6	Arizona Taxable Income	<u>\$ 4,140</u>	<u>\$ 1,067,608</u>
7	<u>Over</u> <u>But not Over</u> <u>Amount plus</u> %		
8	\$ - \$ 10,000 \$ - 2.5900%	\$ 107	\$ -
9	10,000 25,000 259.00 2.8800%	-	-
10	25,000 50,000 691.00 3.3600%	-	-
11	50,000 150,000 1,531.00 4.2400%	-	-
12	150,000 999,999,999 5,771.00 4.5400%	-	47,430
13	Arizona Income Tax	<u>\$ 107</u>	<u>\$ 47,430</u>
14	Federal Taxable Income	<u>\$ 4,032</u>	<u>\$ 1,020,178</u>
15	<u>Over</u> <u>But not Over</u> <u>Amount plus</u> %		
16	\$ - \$ 8,700 \$ - 10.0000%	\$ 403	\$ -
17	8,700 34,000 870.00 15.0000%	-	-
18	34,000 82,400 4,867.50 25.0000%	-	-
19	82,400 171,850 17,442.50 28.0000%	-	-
20	171,850 373,650 43,482.50 33.0000%	-	-
21	373,650 9,999,999,999 112,683.50 35.0000%	-	338,968
22	Total Federal Income Tax	<u>\$ 403</u>	<u>\$ 338,968</u>
23			
24	Combined Federal and State Income Tax	<u>\$ 510</u>	<u>\$ 386,399</u>
25			
26			
27			
28	Applicable Arizona State Income Tax Rate (Rate Applicable to Revenue Increase)		4.4499%
29	Applicable Federal Income Tax Rate (Rate Applicable to Revenue Increase)		33.3186%
30			
31	<u>Calculation of Interest Synchronization</u>		
32	Rate Base	\$ 3,217,742	
33	Weighted Average Cost of Debt	0.000%	
34	Synchronized Interest	<u>\$ -</u>	
35			
36	<u>Income Tax Adjustments</u>		
37	Test Year Income Taxes - Booked	\$ -	
38	Increase / (decrease) in Income Taxes (L21 - L32)	<u>510</u>	
39			
40	Test Year Income Taxes - Adjusted		\$ 510
41	Increase / (decrease) in Federal Income Taxes (L21 - L35)		<u>385,888</u>
42			
43			

Line

<u>Calculation of Gross Revenue Conversion Factor</u>		
1	Revenue	100.0000%
2	Uncollectable Factor (Line 11)	0.3886%
3	Revenue (L1 - L2)	<u>99.6114%</u>
4	Combined Income Tax and Property Tax Rate (Line 23)	<u>37.3027%</u>
5	Operating Income Percentage (L3 -L4)	<u>62.3087%</u>
6	Gross Revenue Conversion Factor (L1 / L5)	<u><u>1.604913</u></u>
 <u>Calculation of Uncollectable Factor</u>		
7	Unity	100.0000%
8	Combined Federal and State Tax Rate (Line 17)	<u>36.2858%</u>
9	One Minus Combined Federal and State Tax Rate (L7 - L8)	<u>63.7142%</u>
10	Uncollectable Rate (Line 26)	<u>0.6100%</u>
11	Uncollectable Factor (L9 * L10)	<u>0.3886%</u>
 <u>Calculation of Effective Tax Rate</u>		
12	Operating Income Before Taxes	100.0000%
13	Applicable Arizona State Tax Rate (from Schedule C-2)	<u>4.4499%</u>
14	Federal Taxable Income (L12 - L13)	<u>95.5501%</u>
15	Applicable Federal Tax Rate (from Schedule C-2)	<u>33.3186%</u>
16	Effective Federal Tax Rate (L14 * L15)	<u>31.8359%</u>
17	Combined Federal and State Tax Rate (L13 + L16)	<u>36.2858%</u>
 <u>Calculation of Effective Property Tax Rate</u>		
18	Unity	100.0000%
19	Combined Federal and State Tax Rate (Line 17)	<u>36.2858%</u>
20	One Minus Combined Income Tax Rate (L18 - L19)	<u>63.7142%</u>
21	Property Tax Factor (from Schedule C-2)	<u>1.5960%</u>
22	Effective Property Tax Factor (L20 * L21)	<u>1.0169%</u>
23	Combined Federal and State Income Tax Rate and Property Tax Rate (L17 + L22)	<u><u>37.3027%</u></u>
 <u>Calculation of Uncollectable Rate</u>		
24	Bad Debt Expense (from Schedule C-1)	\$ 7,688
25	Total Revenues (from Schedule C-1)	<u>1,260,429</u>
26	Uncollectable Rate (L24 / L25)	<u>0.6100%</u>
27	Revenue Increase (from Schedule C-1)	\$ 1,087,457
28	Uncollectable Rate (Line 26)	<u>0.6100%</u>
29	Bad Debt Expense due to Increase	<u>\$ 6,633</u>
30	<u>Supporting Schedules:</u>	<u>Recap Schedules:</u>
31		A-1

New River Utility Company
 Test Year Ended December 31, 2011
 Summary Cost of Capital

Exhibit: RJ-DT2
 Schedule D-1
 Page 1
 Jones
 Witness:

Line No.	Invested Capital	End of Test Year (Adjusted)			End of Projected Year (Current Rates)			End of Projected Year (Proposed Rates)				
		Amount	Percent of Total	Weighted Cost Rate	Amount	Percent of Total	Cost Rate	Weighted Cost	Amount	Percent of Total	Cost Rate	Weighted Cost
1												
2	Long-Term Debt	\$ -	0.00%	0.000%	\$ -	0.00%	0.000%	\$ -	0.00%	0.000%	0.000%	0.000%
3												
4	Short-Term Debt	\$ -	0.00%	0.000%	\$ -	0.00%	0.000%	\$ -	0.00%	0.000%	0.000%	0.000%
5												
6	Adjusted Common Equity	\$ 4,267,425	100.00%	10.000%	\$ 4,266,699	100.00%	10.000%	\$ 4,944,279	100.00%	10.000%	10.000%	10.000%
7												
8	Totals	\$ 4,267,425	100.00%	10.000%	\$ 4,266,699	100.00%	10.000%	\$ 4,944,279	100.00%	10.000%	10.000%	10.000%
9												

Calculation of Fair Value Return Inflation Adjustment

11	20-Year Treasury Yield (as of 10-22-12)	2.570%
12	Less: 20-Year Treasury Real Yield (as of 10-22-12)	0.010%
13	Return Due to Inflation	2.560%
14	Times: 50% factor (No Inflation on OCRB)	0.50
15	Fair Value Inflation Adjustment	1.280%
16		
17		

Calculation of Fair Value Cost of Capital

Line No.	Invested Capital	End of Test Year (Adjusted)			End of Projected Year (Current Rates)			End of Projected Year (Proposed Rates)			
		Amount	Percent of Total	Weighted Cost Rate	Amount	Percent of Total	Adjusted Rate	Weighted Cost	Amount	Percent of Total	Weighted Cost
21											
22	Long-Term Debt	\$ -	0.00%	0.000%			-1.280%	0.000%			0.000%
23											
24	Short-Term Debt	\$ -	0.00%	0.000%			-1.280%	0.000%			0.000%
25											
26	Adjusted Common Equity	\$ 4,267,425	100.00%	10.000%			8.720%	8.720%			8.720%
27											
28	Totals	\$ 4,267,425	100.00%	10.000%				8.720%			8.720%
29											
30											

Equity Adjustments

31				
32	Common Equity per Sch. E-1	\$ 3,811,626		
33				
34	PIS Equity Adjustments	\$ 77,008		
35	A/D Equity Adjustments	378,792		
36	AIAC Equity Adjustment	-		
37	CIAC Equity Adjustment	-		
38	AA CIAC Equity Adjustment	-		
39				
40	Adjusted Common Equity	\$ 4,267,425		
41				
42				

Supporting Schedules:

D-2 D-3
 D-4 E-1

Recap Schedules:

A-3

Line No.	End of Test Year			End of Projected Year		
	Amount Outstanding	Annual Interest	Interest Rate	Amount Outstanding	Annual Interest	Interest Rate
1						
2						
3						
4	<u>Long-Term Debt</u>					
5	None Outstanding					
6						
7						
8	Total Long-Term Debt	\$ -	\$ -	\$ -	\$ -	
9						
10	<u>Short-Term Debt</u>					
11	None Outstanding					
12						
13						
14	Total Short-Term Debt	\$ -	\$ -	\$ -	\$ -	
15						
16	Total All Debt	\$ -	\$ -	\$ -	\$ -	
17						
18						
19	<u>Supporting Schedules:</u>			<u>Recap Schedules:</u>		
20	E-1			D-1		
21						

Line
No.

- 1
- 2 Not Applicable - No preferred stock issued or outstanding
- 3
- 4 Supporting Schedules:
- 5
- 6

Recap Schedules:
D-1

Line
No.

- 1
- 2 New River Utility Company is proposing an 10.0% cost of common equity per its filed testimony
- 3
- 4 Supporting Schedules:
- 5
- 6

Recap Schedules:
D-1

Line No.	Test Year Ended <u>12/31/2011</u>	Prior Year Ended <u>12/31/2010</u>	Prior Year Ended <u>12/31/2009</u>
ASSETS			
PROPERTY PLANT AND EQUIPMENT			
3	\$ 5,373,333	\$ 5,366,747	\$ 5,164,497
4	-	-	-
5	-	-	-
6	(2,685,382)	(2,460,885)	(2,340,169)
7	<u>\$ 2,687,951</u>	<u>\$ 2,905,862</u>	<u>\$ 2,824,327</u>
Net Plant			
CURRENT ASSETS			
10	\$ 42,842	\$ 47,390	\$ 51,167
11	-	-	-
12	103,114	100,554	33,657
13	1,018,247	722,181	854,553
14	-	-	-
15	-	-	-
16	-	-	-
17	<u>\$ 1,164,203</u>	<u>\$ 870,125</u>	<u>\$ 939,377</u>
Total Current Assets			
DEFERRED DEBITS			
20	\$ -	-	-
22	<u>\$ 3,852,154</u>	<u>\$ 3,775,987</u>	<u>\$ 3,763,704</u>
TOTAL ASSETS			
LIABILITIES AND STOCKHOLDERS' EQUITY			
CAPITAL ACCOUNTS			
26	\$ 100	\$ 100	\$ 100
27	4,163,618	4,163,618	4,163,618
28	(352,093)	(400,307)	(443,876)
29	<u>\$ 3,811,626</u>	<u>\$ 3,763,411</u>	<u>\$ 3,719,843</u>
Total Capital			
LONG-TERM DEBT			
32	-	-	-
33	-	-	-
34	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total long-Term Debt			
CURRENT LIABILITIES			
37	\$ 10,186	\$ 12,576	\$ 33,237
38	-	-	-
40	-	-	-
41	22,784	-	-
42	7,559	-	10,624
43	-	-	-
44	-	-	-
45	<u>\$ 40,529</u>	<u>\$ 12,576</u>	<u>\$ 43,861</u>
Total Current Liabilities			
DEFERRED CREDITS			
48	\$ -	-	-
49	-	-	-
50	-	-	-
51	-	-	-
52	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Deferred Credits			
54	<u>\$ 3,852,154</u>	<u>\$ 3,775,987</u>	<u>\$ 3,763,704</u>
Total Liabilities & Common Equity			

Supporting Schedules:
 E-5

Workpapers:
 NR Rate Case Data.xlsx, Tab:2011 GL

Recap Schedules:
 A-3

New River Utility Company
 Test Year Ended December 31, 2011
 Comparative Income Statements

Exhibit: RLJ-DT2
 Schedule E-2
 Page 1
 Witness: Jones

Line No.		Test Year Ended <u>12/31/2011</u>	Prior Year Ended <u>12/31/2010</u>	Prior Year Ended <u>12/31/2009</u>
1	Revenues			
2	460 Unmetered Water Revenue	\$ -	\$ -	\$ -
3	461 Metered Water Revenues	1,234,701	1,274,051	1,458,334
4	471 Miscellaneous Service Revenue	25,727	-	-
5	Total Revenues	\$ 1,260,429	\$ 1,274,051	\$ 1,458,334
6	Operating Expenses			
7	601 Salaries and Wages	\$ 57,720	\$ 56,000	\$ 56,000
8	603 Salaries and Wages - Officers and Directors	210,000	-	-
8	604 Employee Pension and Benefits	22,326	18,804	-
9	610 Purchased Water	-	-	-
10	615 Purchased Power	185,913	131,754	126,921
11	618 Chemicals	15,338	8,047	13,113
12	620 Repairs and Maintenance	76,981	74,097	70,293
13	621 Office Supplies Expense	-	3,185	-
14	631 Contractual Services - Engineering	-	-	-
15	632 Contractual Services - Accounting	8,428	-	-
16	633 Contractual Services - Legal	23,128	-	-
17	634 Contractual Services - Management Fees	75,000	500,000	500,000
18	635 Contractual Services - Testing	-	34,293	25,111
19	636 Contractual Services - Other	54,479	30,409	23,587
20	641 Rent - Buildings	-	-	-
21	642 Rent - Equipment	24,000	24,000	60,000
22	650 Transportation Expense	26,580	6,372	4,679
23	656 Insurance - Vehicle	-	-	-
24	657 Insurance - General Liability	6,003	5,378	11,694
25	658 Insurance - Workman's Compensation	872	786	1,225
26	659 Insurance - Other	-	-	-
27	660 Advertising Expense	-	-	-
28	666 Regulatory Commission Expense - Rate Case	-	-	-
29	667 Regulatory Expense - Other	-	-	-
30	668 Water Resource Conservation Expense	-	-	-
31	670 Bad Debt Expense	7,688	-	-
32	675 Miscellaneous Expense	62,186	56,142	39,799
33	403 Depreciation Expense	257,284	234,861	199,180
34	408 Taxes Other Than Income	18,080	4,399	113,030
35	408.11 Property Taxes	81,484	47,583	92,869
36	409 Income Tax	-	-	-
37	Total Operating Expenses	\$ 1,213,490	\$ 1,236,111	\$ 1,337,501
38	Operating Income	\$ 46,939	\$ 37,940	\$ 120,833
39	Other Income (Expense)			
40	419 Interest and Dividend Income	\$ 5,436	\$ 5,629	\$ 5,483
41	421 Non-Utility Income	-	-	1,332
42	426 Miscellaneous Non-Utility Expenses	(4,161)	-	-
43	427 Interest Expense	-	-	-
44	Total Other Income (Expense)	\$ 1,275	\$ 5,629	\$ 6,815
45	Net Income (Loss)	\$ 48,214	\$ 43,569	\$ 127,648

48 Workpapers:
 49 NR Rate Case Data.xlsx, Tabs: 2011 GL, IS FS
 50

Recap Schedules:
 A-2

New River Utility Company
 Test Year Ended December 31, 2011
 Comparative Statement of Changes in Financial Position

Exhibit: RLJ-DT2
 Schedule E-3
 Page 1
 Witness: Jones

Line No.		Test Year Ended <u>12/31/2011</u>	Prior Year Ended <u>12/31/2010</u>	Prior Year Ended <u>12/31/2009</u>
1	<u>Source of Funds</u>			
2	Cash Flow from Operations:			
3	Net Income	\$ 48,214	\$ 43,569	\$ 127,648
4	Adjustments to reconcile net income to net cash			
5	403 Depreciation and Amortization	257,284	234,861	199,180
6	410 Deferred Income Tax	-	-	-
7	Other Adjustments	3,213	-	-
8	Changes in Assets & Liabilities			
9	141 Customer Accounts Receivable	(2,560)	(66,897)	(33,657)
10	146 Notes/Receivables from Associated Companies	(296,066)	132,371	(5,483)
11	151 Plant Materials and Supplies	-	-	-
12	162 Prepayments	-	-	-
13	174 Miscellaneous Current and Accrued Assets	-	-	-
14	183 Special Deposits	-	-	-
15	186 Deferred Debits	-	-	-
16	231 Accounts Payable	(2,390)	(20,662)	33,237
17	232 Notes Payable	-	-	-
18	234 Payable to Associated Companies	-	-	-
19	235 Customer Deposits	22,784	-	(46,195)
20	236 Accrued Taxes	7,559	(10,624)	9,213
21	237 Accrued Interest	-	-	-
22	241 Miscellaneous Current Liabilities	-	-	-
23	Total From Operations	<u>\$ 38,038</u>	<u>\$ 312,619</u>	<u>\$ 283,944</u>
24				
25	Cash Flow from Financing:			
26	221 Bonds	-	-	-
27	224 Long-Term Debt	-	-	-
28	252 Advances in Aid of Construction	-	-	-
29	271 Contributions in Aid of Construction	-	-	-
30	211 Paid in Capital	-	-	-
31	Total From Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
32				
33	<u>Application of Funds</u>			
34	Cash Flow from Investing Activities			
35	Capital Expenditures	(42,586)	(316,395)	(72,000)
36	Dividends Paid	-	-	(169,153)
37	Other	-	-	-
38	Total From Investing Activities	<u>\$ (42,586)</u>	<u>\$ (316,395)</u>	<u>\$ (241,153)</u>
39				
40	Net Increase/(Decrease) in Cash	\$ (4,548)	\$ (3,776)	\$ 42,790
41				
42	Cash, Beginning of Year	\$ 47,390	\$ 51,167	\$ 8,376
43	Cash, End of Year	<u>\$ 42,842</u>	<u>\$ 47,390</u>	<u>\$ 51,167</u>
44				
45				
46				
47	<u>Workpapers:</u>			<u>Recap Schedules:</u>
48	NR Rate Case Data.xlsx, Tabs: 2011 GL, IS FS, NARUC Plt Add - Retire			A-5
49				

New River Utility Company
 Test Year Ended December 31, 2011
 Statement of Changes in Stockholder's Equity

Exhibit: RLJ-DT2
 Schedule E-4
 Page 1
 Witness: Jones

Line

No.

	<u>Common</u>		<u>Common</u>		<u>Additional</u>		<u>Retained</u>		<u>Total</u>
	<u>Shares</u>		<u>Stock</u>		<u>Paid In Capital</u>		<u>Earnings</u>		
1									
2									
3									
4	Balance, December 31, 2008	100	\$	100	\$	4,163,618	\$	(402,370)	\$ 3,761,348
5	Additional Paid In Capital								-
6	Dividends							(169,153)	(169,153)
7	Adjustments/Other								-
8	Net Income							127,648	127,648
9									
10	Balance, December 31, 2009	100	\$	100	\$	4,163,618	\$	(443,876)	\$ 3,719,843
11	Additional Paid In Capital								-
12	Dividends								-
13	Adjustments/Other								-
14	Net Income							43,569	43,569
15									
16	Balance, December 31, 2010	100	\$	100	\$	4,163,618	\$	(400,307)	\$ 3,763,411
17	Additional Paid In Capital								-
18	Dividends								-
19	Adjustments/Other								-
20	Net Income							48,214	48,214
21									
22	Balance, December 31, 2011	100	\$	100	\$	4,163,618	\$	(352,093)	\$ 3,811,626

23

24

25 Supporting Schedules:

Recap Schedules:

26

27

Line	Acct.	Plant Description	Plant Balance at 12/31/2010	Plant Additions, Reclassifications or Retirements	Plant Balance at 12/31/2011
1					
2	301	Organization Cost	\$ -	\$ -	\$ -
3	302	Franchise Cost	-	-	-
4	303	Land and Land Rights	75,181	-	75,181
5	304	Structures & Improvements	84,633	-	84,633
6	305	Collecting & Impounding Reservoirs	-	-	-
7	306	Lake, River, Canal Intakes	-	-	-
8	307	Wells & Springs	808,187	-	808,187
9	308	Infiltration Galleries	-	-	-
10	309	Raw Water Supply Mains	-	-	-
11	310	Power Generation Equipment	-	-	-
12	311	Pumping Equipment	949,008	-	949,008
13	320	Water Treatment Equipment	381,395	1,660	383,055
14	320.1	Water Treatment Plants	-	-	-
15	320.2	Solution Chemical Feeders	-	-	-
16	330	Distribution Reservoirs & Standpipes	1,047,248	-	1,047,248
17	330.1	Storage Tanks	-	-	-
18	330.2	Pressure Tanks	-	-	-
19	331	Transmission & Distribution Mains	1,303,088	-	1,303,088
20	333	Services	236,325	-	236,325
21	334	Meters	112,516	12,713	125,229
22	335	Hydrants	193,193	-	193,193
23	336	Backflow Prevention Devices	-	-	-
24	339	Other Plant & Misc Equipment	-	-	-
25	340	Office Furniture & Equipment	18,498	775	19,273
26	340.1	Computers & Software	-	-	-
27	341	Transportation Equipment	41,750	(34,800)	6,950
28	342	Stores Equipment	-	-	-
29	343	Tools, Shop & Garage Equipment	-	-	-
30	344	Laboratory Equipment	-	-	-
31	345	Power Operated Equipment	115,725	-	115,725
32	346	Communication Equipment	-	-	-
33	347	Miscellaneous Equipment	-	-	-
34	348	Other Tangible Plant	-	26,239	26,239
35					
36		TOTAL WATER PLANT	\$ 5,366,747	\$ 6,586	\$ 5,373,333

37
 38 Workpapers:
 39 NR Rate Case Data.xlsx, Tabs: NARUC Plt Bal, NARUC Plt Add - Retire, Plant Per
 40 Books
 41

Recap Schedules:
 E-1
 A-4

New River Utility Company
 Test Year Ended December 31, 2011
 Operating Statistics

Exhibit: RLJ-DT2
 Schedule E-7
 Page 1
 Witness: Jones

Line No.		Test Year Ended <u>12/31/2011</u>	Prior Year Ended <u>12/31/2010</u>	Prior Year Ended <u>12/31/2009</u>
1				
2	Gallons Sold - By Class of Service (Thousands)			
3	All Customers	573,721	556,356	611,833
9				
10	Average Number of Customers			
12	All Customers	2,924	2,884	2,835
17				
18	Gallons Per Customer	196,211	192,911	215,814
19				
20	Revenue Per Customer	\$ 422	\$ 442	\$ 514
21				
22	Pumping Cost Per 1,000 Gallons	\$ 0.3240	\$ 0.2368	\$ 0.2074
23				

New River Utility Company
 Test Year Ended December 31, 2011
 Taxes Charged to Operations

Exhibit: RLJ-DT2
 Schedule E-8
 Page 1
 Witness: Jones

Line No.	Description	Test Year Ended <u>12/31/2011</u>	Prior Year Ended <u>12/31/2010</u>	Prior Year Ended <u>12/31/2009</u>
1	<u>Description</u>			
2				
3	Federal Income Tax			
4	State Income Tax			
5	Payroll Tax	18,080	4,399	4,581
6	Property Tax	81,484	47,583	92,869
7				
8	Totals	<u>\$ 99,564</u>	<u>\$ 51,982</u>	<u>\$ 97,450</u>
9				

10 Workpapers:
 11 VU 2007-2011 Financial Data.xlsx - P&L, Inc Tax
 12

Recap Schedules:

Line

No.

1

2 The Company does not conduct independent audits.

3

4 The Company uses the NARUC System of Accounts.

5

6

7

8

9 Supporting Schedules:

Recap Schedules:

10

11

New River Utility Company
 Test Year Ended December 31, 2011
 Projected Income Statements - Present and Proposed Rates

Exhibit: RLJ-DT2
 Schedule F-1
 Page 1
 Jones
 Witness:

Line No.		Actual Test Year Ended 12/31/2011	At Present Rates Year Ended 12/31/2012	At Proposed Rates Year Ended 12/31/2012
1	Revenues			
2	460 Unmetered Water Revenue	\$ -	\$ -	\$ -
3	461 Metered Water Revenues	1,234,701	1,234,701	2,322,159
4	471 Miscellaneous Service Revenue	25,727	25,727	25,727
5	Total Revenues	\$ 1,260,429	\$ 1,260,429	\$ 2,347,886
6	Operating Expenses			
7	601 Salaries and Wages	\$ 57,720	\$ 79,516	\$ 79,516
8	604 Employee Pension and Benefits	22,326	22,996	22,996
9	610 Purchased Water	-	-	-
10	615 Purchased Power	185,913	159,775	159,775
11	618 Chemicals	15,338	15,568	15,568
12	620 Repairs and Maintenance	76,981	109,938	109,938
13	621 Office Supplies Expense	-	-	-
14	631 Contractual Services - Engineering	-	-	-
15	632 Contractual Services - Accounting	8,428	8,554	8,554
16	633 Contractual Services - Legal	23,128	23,475	23,475
17	634 Contractual Services - Management Fees	75,000	76,125	76,125
18	635 Contractual Services - Testing	-	-	-
19	636 Contractual Services - Other	54,479	55,296	55,296
20	641 Rent - Buildings	-	-	-
21	642 Rent - Equipment	24,000	24,360	24,360
22	650 Transportation Expense	26,580	26,978	26,978
23	656 Insurance - Vehicle	-	-	-
24	657 Insurance - General Liability	6,003	6,093	6,093
25	658 Insurance - Workman's Compensation	872	885	885
26	659 Insurance - Other	-	-	-
27	660 Advertising Expense	-	-	-
28	666 Regulatory Commission Expense - Rate Case	-	50,750	50,750
29	667 Regulatory Expense - Other	-	-	-
30	668 Water Resource Conservation Expense	-	-	-
31	670 Bad Debt Expense	7,688	7,688	14,322
32	675 Miscellaneous Expense	62,186	62,511	62,511
33	403 Depreciation Expense	257,284	245,585	245,585
34	408 Taxes Other Than Income	18,080	19,638	19,638
35	408.11 Property Taxes	81,484	60,348	77,703
36	409 Income Tax	-	510	386,399
37	Total Operating Expenses	\$ 1,213,490	\$ 1,266,591	\$ 1,676,468
38	Operating Income	\$ 46,939	\$ (6,162)	\$ 671,418
39	Other Income (Expense)			
40	419 Interest and Dividend Income	\$ 5,436	\$ 5,436	\$ 5,436
41	421 Non-Utility Income	-	-	-
42	426 Miscellaneous Non-Utility Expenses	(4,161)	-	-
43	427 Interest Expense	-	-	-
44	Total Other Income (Expense)	\$ 1,275	\$ 5,436	\$ 5,436
45	Net Income (Loss)	\$ 48,214	\$ (727)	\$ 676,854
47	<u>Supporting Schedules:</u>		<u>Recap Schedules:</u>	
48	E-2		A-2	
49				

New River Utility Company
 Test Year Ended December 31, 2011
 Projected Changes In Financial Position - Present and Proposed Rates

Exhibit: RLI-DT2
 Schedule F-2
 Page 1
 Witness: Jones

Line No.	Source of Funds	Test Year Ended 12/31/2011	At Present Rates Year Ended 12/31/2012	At Proposed Rates Year Ended 12/31/2012
1	<u>Source of Funds</u>			
2	Cash Flow from Operations:			
3	Net Income	\$ 48,214	\$ (727)	\$ 676,854
4	Adjustments to reconcile net income to net cash			
5	403 Depreciation and Amortization	257,284	245,585	245,585
6	281 Deferred Income Tax	-		
7	Other Adjustments	3,213		
8	Changes in Assets & Liabilities			
9	141 Customer Accounts Receivable	(2,560)		
10	146 Notes/Receivables from Associated Companies	(296,066)		
11	151 Plant Materials and Supplies	-		
12	162 Prepayments	-		
13	174 Miscellaneous Current and Accrued Assets	-		
14	183 Special Deposits	-		
15	186 Deferred Debits	-		
16	231 Accounts Payable	(2,390)		
17	232 Notes Payable	-		
18	234 Payable to Associated Companies	-		
19	235 Customer Deposits	22,784		
20	236 Accrued Taxes	7,559		
21	237 Accrued Interest	-		
22	241 Miscellaneous Current Liabilities	-		
23	Total From Operations	<u>\$ 38,038</u>	<u>\$ 244,859</u>	<u>\$ 922,439</u>
24				
25	Cash Flow from Financing:			
26	221 Bonds	-		
27	224 Long-Term Debt	-	-	-
28	252 Advances in Aid of Construction	-		
29	271 Contributions in Aid of Construction	-	-	-
30	211 Paid in Capital	-		
31	Total From Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
32				
33	<u>Application of Funds</u>			
34	Cash Flow from Investing Activities			
35	Capital Expenditures	(42,586)	(25,000)	(25,000)
36	Dividends Paid	-	-	-
37	Other	-	-	-
38	Total From Investing Activities	<u>\$ (42,586)</u>	<u>\$ (25,000)</u>	<u>\$ (25,000)</u>
39				
40	Net Increase/(Decrease) in Cash	\$ (4,548)	\$ 219,859	\$ 897,439
41				
42	Cash, Beginning of Year	\$ 47,390	\$ 42,842	\$ 42,842
43	Cash, End of Year	<u>\$ 42,842</u>	<u>\$ 262,701</u>	<u>\$ 940,281</u>
44				
45				
46	<u>Supporting Schedules:</u>		<u>Recap Schedules:</u>	
47	E-3		A-5	
48	F-3			
49				

Line No.		Actual Test Year	Projected		
		12/31/2011	Thru 12/31/2012	Thru 12/31/2013	Thru 12/31/2014
3	<u>Property Classification</u>				
5	Intangible Plant	\$ -			
7	Source of Supply and Pumping Plant	-		150,000	150,000
9	Water Treatment Plant	1,660			
11	Transmission and Distribution Plant	12,713	20,000	20,000	20,000
13	General Plant	28,213	5,000	5,000	5,000
15	Total Plant	\$ 42,586	\$ 25,000	\$ 175,000	\$ 175,000
18	<u>Workpapers:</u>			<u>Recap Schedules:</u>	
				F-2 A-4	

New River Utility Company
Test Year Ended December 31, 2011
Assumptions Used in Developing Projection

Exhibit: RLJ-DT2
Schedule F-4
Page 1
Witness: Jones

Line

No.

- 1
- 2 No Customer Growth
- 3
- 4 No Change in Per Customer Consumption
- 5
- 6 Per Test Year Adjustments
- 7
- 8 Salaries and Pensions increase by 3.0%
- 9
- 10 All other expenses increased by 1.5%

- 11
- 12 Supporting Schedules:
- 13
- 14

Recap Schedules:

New River Utility Company
 Test Year Ended December 31, 2011
 Summary of Revenues by Customer Classification - Present and Proposed Rates

Exhibit: RLJ-DT2
 Schedule H-1
 Page 1
 Witness: Jones

Line No.	Customer Classification	Revenues in the Test Year		Proposed Increase	
		Present Rates	Proposed Rates	Amount	%
1					
2	Metered Water Revenue				
3	All Customers	1,234,480	2,322,277	1,087,797	88.12%
4					
5	Other Water Revenue	25,727	25,727	-	0.00%
6					
7	Total Water Revenues	<u>\$ 1,260,208</u>	<u>\$ 2,348,005</u>	<u>\$ 1,087,797</u>	86.32%
8					
9	<u>Reconciliation</u>				
10	Bill Count Revenue	\$ 1,260,208			
11	Water Revenues per G.L.	<u>1,260,429</u>			
12	Unreconciled Difference	\$ (221)			
13	Percentage Difference	-0.02%			
14					
15					
16	<u>Supporting Schedules:</u>			<u>Recap Schedules:</u>	
17	H-2			A-1	
18					

Line No.	Description	Average Number Customers	Average Consumption	Revenues		Proposed	
				Present Rates	Proposed Rates	Increase Amount	Increase %
1							
5	<u>Metered Water Revenue</u>						
6	R1 - 5/8" x 3/4" Meter	2,240	11,183	\$ 584,840	\$ 1,066,503	\$ 481,663	82.36%
7	R2 - 3/4" Meter	3	41,194	2,524	5,007	2,483	98.35%
8	R3 - 1" Meter	546	16,126	\$ 265,658	\$ 517,413	251,755	94.77%
9	R4 - 1.5" Meter	11	43,727	13,801	26,535	12,734	92.27%
10	R5 - 2" Meter	114	211,650	313,479	604,118	290,639	92.71%
11	R6 - 3" Meter	6	336,106	21,683	41,765	20,083	92.62%
12	R7 - 4" Meter						
13	R8 - 6" Meter	2	146,875	14,496	27,336	12,840	88.58%
15	R9 - 8" Meter	2	-	18,000	33,600	15,600	86.67%
16	Standpipe						
26	Totals:						
30	Metered Water Revenue						
31	All Customers	2,924	196,211	1,234,480	2,322,277	1,087,797	88.12%
36							
37	Other Water Revenue			\$ 25,727	\$ 25,727	-	0.00%
38							
39	Total	<u>2,924</u>		<u>\$ 1,260,208</u>	<u>\$ 2,348,005</u>	<u>\$ 1,087,797</u>	<u>86.32%</u>

41 Supporting Schedules:
 42
 43

Recap Schedules:
 H-1

Supplemental Schedule
 Breakdown of Metered Water Revenue at Current Rates
 By Rate Components

Line No.	Description	Revenue at Current Rates				Total Revenue
		Base Charge	1st Tier	2nd Tier	3rd Tier	
1						
2	R1 - 5/8" x 3/4" Meter	\$ 201,578	\$ 269,186	\$ 55,492	\$ 58,584	\$ 584,840
3	R2 - 3/4" Meter	270	287	160	1,808	2,524
4	R3 - 1" Meter	122,944	71,176	19,169	52,370	265,658
5	R4 - 1.5" Meter	4,950	1,028	291	7,531	13,801
6	R5 - 2" Meter	81,900	14,486	7,126	209,967	313,479
7	R6 - 3" Meter	8,760	654	304	11,965	21,683
8	R7 - 4" Meter					
9	R8 - 6" Meter	9,000	346	202	4,949	14,496
10	R9 - 8" Meter	18,000	-	-	-	18,000
11	Standpipe					-
12						
22	Total Revenue	\$ 447,401	\$ 357,163	\$ 82,743	\$ 347,173	\$ 1,234,480
23						
24	Percentage of Total	36.24%	28.93%	6.70%	28.12%	100.00%
25						

Supplemental Schedule
 Breakdown of Metered Water Revenue at Proposed Rates
 By Rate Components

Line No.	Description	Revenue at Proposed Rates					Total Revenue
		Base Charge	1st Tier	2nd Tier	3rd Tier		
1							
2	R1 - 5/8" x 3/4" Meter	\$ 376,278	\$ 108,429	\$ 268,864	\$ 312,931	\$ 1,066,503	
3	R2 - 3/4" Meter	504	88	310	4,106	5,007	
4	R3 - 1" Meter	229,495	-	209,883	78,035	517,413	
5	R4 - 1.5" Meter	9,240	-	4,892	12,403	26,535	
6	R5 - 2" Meter	152,880	-	98,262	352,976	604,118	
7	R6 - 3" Meter	16,352	-	3,973	21,440	41,765	
8	R7 - 4" Meter						
9	R8 - 6" Meter	16,800	-	3,096	7,440	27,336	
10	R9 - 8" Meter	33,600	-	-	-	33,600	
11	Standpipe					-	
12						-	
22	Total Revenue	\$ 835,149	\$ 108,517	\$ 589,280	\$ 789,331	\$ 2,322,277	
23							
24	Percentage of Total Revenue	35.96%	4.67%	25.38%	33.99%	100.00%	
25							
26	Percentage Increase by Tier	86.67%	-69.62%	612.18%	127.36%	88.12%	
27							

Line

No.

	Present	Proposed
1 Other Service Charges		
2	<u>Rates</u>	<u>Rates</u>
3 Establishment	\$ 25.00	\$ 30.00
4 Establishment (After Hours)	\$ 35.00	n/t
5 Reconnection (Delinquent)	\$ 35.00	\$ 40.00
6 After Hours Charge	n/t	\$ 25.00
7 Meter Test (If correct)	\$ 40.00	\$ 40.00
8 Deposit Requirement (Residential)	2 times the average bill	2 times the average bill
9 Deposit Requirement (None Residential Meter)	2-1/2 times the average bill	2-1/2 times the average bill
10 Deposit Interest	6.0%	6.0%
11 Re-Establishment (Within 12 Months)	Number of Months off system times the monthly minimum bill	Number of Months off system times the monthly minimum bill
12 NSF Check	\$ 15.00	\$ 30.00
13 Deferred Payment, Per Month	1.5%	1.5%
14 Meter Re-Read (If correct)	\$ 20.00	\$ 30.00
15 Moving Customer Meter at Customer Request	Cost	Cost
16 Late Charge per month	1.50%	1.50%

17
 18 In addition to the collection of regular rates, the utility will collect from its
 19 customers a proportionate share of any privilege, sales, use, and franchise tax,
 20 per Commission rule A.A.C. 14-2-409(D)(5).

21
 22 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.

23

24 n/t - no tariff

25

26 **Service Line and Meter Installation Charges**

	Present Rates			Proposed Rates		
	<u>Srv. Line</u>	<u>Meter</u>	<u>Total</u>	<u>Srv. Line</u>	<u>Meter</u>	<u>Total</u>
27						
28 5/8" x 3/4" Meter			\$ 410	\$ 445	\$ 155	\$ 600
29 3/4" Meter			\$ 410	\$ 445	\$ 255	\$ 700
30 1" Meter			\$ 520	\$ 495	\$ 315	\$ 810
31 1 1/2" Meter			\$ 660	\$ 550	\$ 525	\$ 1,075
32 2" Meter			\$ 1,155	\$ 830	\$ 1,045	\$ 1,875
33 2" Compound Meter			\$ 1,720	\$ 830	\$ 1,890	\$ 2,720
34 3" Meter			\$ 1,625	\$ 1,045	\$ 1,670	\$ 2,715
35 3" Compound Meter			\$ 2,260	\$ 1,165	\$ 2,545	\$ 3,710
36 4" Meter			\$ 2,500	\$ 1,490	\$ 2,670	\$ 4,160
37 4" Compound Meter			\$ 3,200	\$ 1,670	\$ 3,645	\$ 5,315
38 6" Meter			\$ 4,500	\$ 2,210	\$ 5,025	\$ 7,235
39 6" Compound Meter			\$ 6,300	\$ 2,330	\$ 6,920	\$ 9,250
40 8" Meter			\$ 8,200	n/t	n/t	n/t
41 8" or Larger Meter			n/t	Cost	Cost	Cost

42

43 All advances and/or contributions are to include labor, materials and parts, overheads and all applicable taxes,
 44 including gross-up taxes for Federal and State taxes, if applicable.

45

46 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.

47

48 n/t - no tariff

49

New River Utility Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RLI-DT2
 Schedule H-4
 Witness: Jones

Meter Size: 5/8" x 3/4"
 Rate Code: R1

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase	
1	Present Rates:						
2	Base Charge:	\$ 7.50	\$ 7.50	\$ 14.00	\$ 6.50	86.67%	
3			1,000 \$	8.70 \$	15.10 \$	73.56%	
4			2,000 \$	9.90 \$	16.20 \$	63.64%	
5	Tier One Rate:	\$ 1.20	3,000 \$	11.10 \$	17.30 \$	6.20 \$	55.86%
6	Tier Two Rate:	\$ 1.40	4,000 \$	12.30 \$	18.40 \$	6.10 \$	49.59%
7	Tier Three Rate:	\$ 1.60	5,000 \$	13.50 \$	20.98 \$	7.48 \$	55.41%
8			6,000 \$	14.70 \$	23.56 \$	8.86 \$	60.27%
9	Tier One Breakover (M gal):	12	7,000 \$	15.90 \$	26.14 \$	10.24 \$	64.40%
10	Tier Two Breakover (M gal):	18	8,000 \$	17.10 \$	28.72 \$	11.62 \$	67.95%
11	Tier Three Breakover (M gal):	999,999	9,000 \$	18.30 \$	31.30 \$	13.00 \$	71.04%
12			10,000 \$	19.50 \$	33.88 \$	14.38 \$	73.74%
13			12,000 \$	21.90 \$	40.28 \$	18.38 \$	83.93%
14	Proposed Rates:		14,000 \$	24.70 \$	46.68 \$	21.98 \$	88.99%
15	Base Charge:	\$ 14.00	16,000 \$	27.50 \$	53.08 \$	25.58 \$	93.02%
16			18,000 \$	30.30 \$	59.48 \$	29.18 \$	96.30%
17			20,000 \$	33.50 \$	65.88 \$	32.38 \$	96.66%
18	Tier One Rate:	\$ 1.10	25,000 \$	41.50 \$	81.88 \$	40.38 \$	97.30%
19	Tier Two Rate:	\$ 2.58	30,000 \$	49.50 \$	97.88 \$	48.38 \$	97.74%
20	Tier Three Rate:	\$ 3.20	35,000 \$	57.50 \$	113.88 \$	56.38 \$	98.05%
21			40,000 \$	65.50 \$	129.88 \$	64.38 \$	98.29%
22	Tier One Breakover (M gal):	4	45,000 \$	73.50 \$	145.88 \$	72.38 \$	98.48%
23	Tier Two Breakover (M gal):	10	50,000 \$	81.50 \$	161.88 \$	80.38 \$	98.63%
24	Tier Three Breakover (M gal):	999,999	60,000 \$	97.50 \$	193.88 \$	96.38 \$	98.85%
25			70,000 \$	113.50 \$	225.88 \$	112.38 \$	99.01%
26			80,000 \$	129.50 \$	257.88 \$	128.38 \$	99.14%
27			90,000 \$	145.50 \$	289.88 \$	144.38 \$	99.23%
28			100,000 \$	161.50 \$	321.88 \$	160.38 \$	99.31%
29							
30	Average Usage		11,183 \$	20.92 \$	37.67 \$	16.75 \$	80.07%
31	Median Usage		8,762 \$	18.01 \$	30.69 \$	12.68 \$	70.41%
32							
33							
34							

New River Utility Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RLJ-DT2
 Schedule H-4
 Witness: Jones

Meter Size: 3/4"
 Rate Code: R2

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 7.50	\$ 14.00	\$ 6.50	86.67%
2	Base Charge:	\$ 7.50	1,000 \$ 8.70	15.10 \$	6.40	73.56%
3			2,000 \$ 9.90	16.20 \$	6.30	63.64%
4			3,000 \$ 11.10	17.30 \$	6.20	55.86%
5	Tier One Rate:	\$ 1.20	4,000 \$ 12.30	18.40 \$	6.10	49.59%
6	Tier Two Rate:	\$ 1.40	5,000 \$ 13.50	20.98 \$	7.48	55.41%
7	Tier Three Rate:	\$ 1.60	6,000 \$ 14.70	23.56 \$	8.86	60.27%
8			7,000 \$ 15.90	26.14 \$	10.24	64.40%
9	Tier One Breakover (M gal):	12	8,000 \$ 17.10	28.72 \$	11.62	67.95%
10	Tier Two Breakover (M gal):	18	9,000 \$ 18.30	31.30 \$	13.00	71.04%
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 19.50	33.88 \$	14.38	73.74%
12			12,000 \$ 21.90	40.28 \$	18.38	83.93%
13			14,000 \$ 24.70	46.68 \$	21.98	88.99%
14	Proposed Rates:		16,000 \$ 27.50	53.08 \$	25.58	93.02%
15	Base Charge:	\$ 14.00	18,000 \$ 30.30	59.48 \$	29.18	96.30%
16			20,000 \$ 33.50	65.88 \$	32.38	96.66%
17			25,000 \$ 41.50	81.88 \$	40.38	97.30%
18	Tier One Rate:	\$ 1.10	30,000 \$ 49.50	97.88 \$	48.38	97.74%
19	Tier Two Rate:	\$ 2.58	35,000 \$ 57.50	113.88 \$	56.38	98.05%
20	Tier Three Rate:	\$ 3.20	40,000 \$ 65.50	129.88 \$	64.38	98.29%
21			45,000 \$ 73.50	145.88 \$	72.38	98.48%
22	Tier One Breakover (M gal):	4	50,000 \$ 81.50	161.88 \$	80.38	98.63%
23	Tier Two Breakover (M gal):	10	60,000 \$ 97.50	193.88 \$	96.38	98.85%
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 113.50	225.88 \$	112.38	99.01%
25			80,000 \$ 129.50	257.88 \$	128.38	99.14%
26			90,000 \$ 145.50	289.88 \$	144.38	99.23%
27			100,000 \$ 161.50	321.88 \$	160.38	99.31%
28						
29		Average Usage				
30		41,194	\$ 67.41	\$ 133.70	\$ 66.29	98.34%
31		Median Usage				
32		18,000	\$ 30.30	\$ 59.48	\$ 29.18	96.30%
33						
34						

Meter Size: 1"
 Rate Code: R3

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 18.75	\$ 35.00	\$ 16.25	86.67%
2	Base Charge:	\$ 18.75	\$ 19.95	\$ 37.58	\$ 17.63	88.37%
3		2,000	\$ 21.15	\$ 40.16	\$ 19.01	89.88%
4		3,000	\$ 22.35	\$ 42.74	\$ 20.39	91.23%
5	Tier One Rate:	\$ 1.20	\$ 23.55	\$ 45.32	\$ 21.77	92.44%
6	Tier Two Rate:	\$ 1.40	\$ 24.75	\$ 47.90	\$ 23.15	93.54%
7	Tier Three Rate:	\$ 1.60	\$ 25.95	\$ 50.48	\$ 24.53	94.53%
8		7,000	\$ 27.15	\$ 53.06	\$ 25.91	95.43%
9	Tier One Breakover (M gal):	12	\$ 28.35	\$ 55.64	\$ 27.29	96.26%
10	Tier Two Breakover (M gal):	18	\$ 29.55	\$ 58.22	\$ 28.67	97.02%
11	Tier Three Breakover (M gal):	999,999	\$ 30.75	\$ 60.80	\$ 30.05	97.72%
12		12,000	\$ 33.15	\$ 65.96	\$ 32.81	98.97%
13		14,000	\$ 35.95	\$ 71.12	\$ 35.17	97.83%
14	Proposed Rates:	16,000	\$ 38.75	\$ 76.28	\$ 37.53	96.85%
15	Base Charge:	\$ 35.00	\$ 41.55	\$ 81.44	\$ 39.89	96.00%
16		20,000	\$ 44.75	\$ 86.60	\$ 41.85	93.52%
17		25,000	\$ 52.75	\$ 99.50	\$ 46.75	88.63%
18	Tier One Rate:	\$ 1.10	\$ 60.75	\$ 115.50	\$ 54.75	90.12%
19	Tier Two Rate:	\$ 2.58	\$ 68.75	\$ 131.50	\$ 62.75	91.27%
20	Tier Three Rate:	\$ 3.20	\$ 76.75	\$ 147.50	\$ 70.75	92.18%
21		45,000	\$ 84.75	\$ 163.50	\$ 78.75	92.92%
22	Tier One Breakover (M gal):	-	\$ 92.75	\$ 179.50	\$ 86.75	93.53%
23	Tier Two Breakover (M gal):	25	\$ 108.75	\$ 211.50	\$ 102.75	94.48%
24	Tier Three Breakover (M gal):	999,999	\$ 124.75	\$ 243.50	\$ 118.75	95.19%
25		80,000	\$ 140.75	\$ 275.50	\$ 134.75	95.74%
26		90,000	\$ 156.75	\$ 307.50	\$ 150.75	96.17%
27		100,000	\$ 172.75	\$ 339.50	\$ 166.75	96.53%
28						
29		Average Usage				
30		16,126	\$ 38.93	\$ 76.61	\$ 37.68	96.79%
31		Median Usage				
32		10,505	\$ 31.36	\$ 62.10	\$ 30.74	98.02%
33						
34						

Meter Size: 1-1/2"
 Rate Code: R4

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 37.50	\$ 70.00	\$ 32.50	86.67%
2	Base Charge:	\$ 37.50	1,000 \$ 38.70	72.58 \$ 33.88		
3			2,000 \$ 39.90	75.16 \$ 35.26		
4			3,000 \$ 41.10	77.74 \$ 36.64		
5	Tier One Rate:	\$ 1.20	4,000 \$ 42.30	80.32 \$ 38.02		
6	Tier Two Rate:	\$ 1.40	5,000 \$ 43.50	82.90 \$ 39.40		
7	Tier Three Rate:	\$ 1.60	6,000 \$ 44.70	85.48 \$ 40.78		
8			7,000 \$ 45.90	88.06 \$ 42.16		
9	Tier One Breakover (M gal):	12	8,000 \$ 47.10	90.64 \$ 43.54		
10	Tier Two Breakover (M gal):	18	9,000 \$ 48.30	93.22 \$ 44.92		
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 49.50	95.80 \$ 46.30		
12			12,000 \$ 51.90	100.96 \$ 49.06		
13			14,000 \$ 54.70	106.12 \$ 51.42		
14	Proposed Rates:		16,000 \$ 57.50	111.28 \$ 53.78		
15	Base Charge:	\$ 70.00	18,000 \$ 60.30	116.44 \$ 56.14		
16			20,000 \$ 63.50	121.60 \$ 58.10		
17			25,000 \$ 71.50	134.50 \$ 63.00		
18	Tier One Rate:	\$ 1.10	30,000 \$ 79.50	147.40 \$ 67.90		
19	Tier Two Rate:	\$ 2.58	35,000 \$ 87.50	160.30 \$ 72.80		
20	Tier Three Rate:	\$ 3.20	40,000 \$ 95.50	173.20 \$ 77.70		
21			45,000 \$ 103.50	186.10 \$ 82.60		
22	Tier One Breakover (M gal):	-	50,000 \$ 111.50	199.00 \$ 87.50		
23	Tier Two Breakover (M gal):	50	60,000 \$ 127.50	231.00 \$ 103.50		
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 143.50	263.00 \$ 119.50		
25			80,000 \$ 159.50	295.00 \$ 135.50		
26			90,000 \$ 175.50	327.00 \$ 151.50		
27			100,000 \$ 191.50	359.00 \$ 167.50		
28						
29						
30	Average Usage	43,727	\$ 101.46	\$ 182.82	\$ 81.36	80.19%
31	Median Usage	4,833	\$ 43.30	\$ 82.47	\$ 39.17	90.46%
32						
33						
34						

New River Utility Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RLJ-DT2
 Schedule H-4
 Witness: Jones

Meter Size: 2"
 Rate Code: R5

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:					
2	Base Charge:	\$ 60.00	\$ 60.00	\$ 112.00	\$ 52.00	86.67%
3			1,000 \$	61.20 \$	114.58 \$	53.38
4			2,000 \$	62.40 \$	117.16 \$	54.76
5			3,000 \$	63.60 \$	119.74 \$	56.14
6	Tier One Rate:	\$ 1.20	4,000 \$	64.80 \$	122.32 \$	57.52
7	Tier Two Rate:	\$ 1.40	5,000 \$	66.00 \$	124.90 \$	58.90
8	Tier Three Rate:	\$ 1.60	6,000 \$	67.20 \$	127.48 \$	60.28
9			7,000 \$	68.40 \$	130.06 \$	61.66
10	Tier One Breakover (M gal):	12	8,000 \$	69.60 \$	132.64 \$	63.04
11	Tier Two Breakover (M gal):	18	9,000 \$	70.80 \$	135.22 \$	64.42
12	Tier Three Breakover (M gal):	999,999	10,000 \$	72.00 \$	137.80 \$	65.80
13			12,000 \$	74.40 \$	142.96 \$	68.56
14	Proposed Rates:		14,000 \$	77.20 \$	148.12 \$	70.92
15	Base Charge:	\$ 112.00	16,000 \$	80.00 \$	153.28 \$	73.28
16			18,000 \$	82.80 \$	158.44 \$	75.64
17			20,000 \$	86.00 \$	163.60 \$	77.60
18			25,000 \$	94.00 \$	176.50 \$	82.50
19	Tier One Rate:	\$ 1.10	30,000 \$	102.00 \$	189.40 \$	87.40
20	Tier Two Rate:	\$ 2.58	35,000 \$	110.00 \$	202.30 \$	92.30
21	Tier Three Rate:	\$ 3.20	40,000 \$	118.00 \$	215.20 \$	97.20
22			45,000 \$	126.00 \$	228.10 \$	102.10
23	Tier One Breakover (M gal):	-	50,000 \$	134.00 \$	241.00 \$	107.00
24	Tier Two Breakover (M gal):	50	60,000 \$	150.00 \$	273.00 \$	123.00
25	Tier Three Breakover (M gal):	999,999	70,000 \$	166.00 \$	305.00 \$	139.00
26			80,000 \$	182.00 \$	337.00 \$	155.00
27			90,000 \$	198.00 \$	369.00 \$	171.00
28			100,000 \$	214.00 \$	401.00 \$	187.00
29						
30			Average Usage			
31			108,750 \$	228.00 \$	429.00 \$	201.00
32			Median Usage			
33			28,556 \$	99.69 \$	185.67 \$	85.98
34						

New River Utility Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RLI-DT2
 Schedule H-4
 Witness: Jones

Meter Size: 2" (Hand Billed)
 Rate Code: R5

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 60.00	\$ 112.00	\$ 52.00	86.67%
2	Base Charge:	\$ 60.00	1,000 \$ 61.20	1,000 \$ 114.58	53.38	87.22%
3		2,000	2,000 \$ 62.40	2,000 \$ 117.16	54.76	87.76%
4		3,000	3,000 \$ 63.60	3,000 \$ 119.74	56.14	88.27%
5	Tier One Rate:	\$ 1.20	4,000 \$ 64.80	4,000 \$ 122.32	57.52	88.77%
6	Tier Two Rate:	\$ 1.40	5,000 \$ 66.00	5,000 \$ 124.90	58.90	89.24%
7	Tier Three Rate:	\$ 1.60	6,000 \$ 67.20	6,000 \$ 127.48	60.28	89.70%
8		7,000	7,000 \$ 68.40	7,000 \$ 130.06	61.66	90.15%
9	Tier One Breakover (M gal):	12	8,000 \$ 69.60	8,000 \$ 132.64	63.04	90.57%
10	Tier Two Breakover (M gal):	18	9,000 \$ 70.80	9,000 \$ 135.22	64.42	90.99%
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 72.00	10,000 \$ 137.80	65.80	91.39%
12			12,000 \$ 74.40	12,000 \$ 142.96	68.56	92.15%
13			14,000 \$ 77.20	14,000 \$ 148.12	70.92	91.87%
14	Proposed Rates:		16,000 \$ 80.00	16,000 \$ 153.28	73.28	91.60%
15	Base Charge:	\$ 112.00	18,000 \$ 82.80	18,000 \$ 158.44	75.64	91.35%
16			20,000 \$ 86.00	20,000 \$ 163.60	77.60	90.23%
17			25,000 \$ 94.00	25,000 \$ 176.50	82.50	87.77%
18	Tier One Rate:	\$ 1.10	30,000 \$ 102.00	30,000 \$ 189.40	87.40	85.69%
19	Tier Two Rate:	\$ 2.58	35,000 \$ 110.00	35,000 \$ 202.30	92.30	83.91%
20	Tier Three Rate:	\$ 3.20	40,000 \$ 118.00	40,000 \$ 215.20	97.20	82.37%
21			45,000 \$ 126.00	45,000 \$ 228.10	102.10	81.03%
22	Tier One Breakover (M gal):	-	50,000 \$ 134.00	50,000 \$ 241.00	107.00	79.85%
23	Tier Two Breakover (M gal):	50	60,000 \$ 150.00	60,000 \$ 273.00	123.00	82.00%
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 166.00	70,000 \$ 305.00	139.00	83.73%
25			80,000 \$ 182.00	80,000 \$ 337.00	155.00	85.16%
26			90,000 \$ 198.00	90,000 \$ 369.00	171.00	86.36%
27			100,000 \$ 214.00	100,000 \$ 401.00	187.00	87.38%
28						
29		Average Usage				
30		102,900	\$ 218.64	\$ 410.28	\$ 191.64	87.65%
31		Median Usage				
32		62,000	\$ 153.20	\$ 279.40	\$ 126.20	82.38%
33						
34						

New River Utility Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RLI-DT2
 Schedule H-4
 Witness: Jones

Meter Size: 3"
 Rate Code: R6

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:					
2	Base Charge:	\$ 120.00	1,000 \$ 120.00	224.00 \$ 226.58	\$ 104.00	86.67%
3			2,000 \$ 122.40	\$ 229.16	\$ 106.76	87.22%
4			3,000 \$ 123.60	\$ 231.74	\$ 108.14	87.49%
5	Tier One Rate:	\$ 1.20	4,000 \$ 124.80	\$ 234.32	\$ 109.52	87.76%
6	Tier Two Rate:	\$ 1.40	5,000 \$ 126.00	\$ 236.90	\$ 110.90	88.02%
7	Tier Three Rate:	\$ 1.60	6,000 \$ 127.20	\$ 239.48	\$ 112.28	88.27%
8			7,000 \$ 128.40	\$ 242.06	\$ 113.66	88.52%
9	Tier One Breakover (M gal):	12	8,000 \$ 129.60	\$ 244.64	\$ 115.04	88.77%
10	Tier Two Breakover (M gal):	18	9,000 \$ 130.80	\$ 247.22	\$ 116.42	89.01%
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 132.00	\$ 249.80	\$ 117.80	89.24%
12			12,000 \$ 134.40	\$ 254.96	\$ 120.56	89.70%
13			14,000 \$ 137.20	\$ 260.12	\$ 122.92	89.59%
14	Proposed Rates:		16,000 \$ 140.00	\$ 265.28	\$ 125.28	89.49%
15	Base Charge:	\$ 224.00	18,000 \$ 142.80	\$ 270.44	\$ 127.64	89.38%
16			20,000 \$ 146.00	\$ 275.60	\$ 129.60	88.77%
17			25,000 \$ 154.00	\$ 288.50	\$ 134.50	87.34%
18	Tier One Rate:	\$ 1.10	30,000 \$ 162.00	\$ 301.40	\$ 139.40	86.05%
19	Tier Two Rate:	\$ 2.58	35,000 \$ 170.00	\$ 314.30	\$ 144.30	84.88%
20	Tier Three Rate:	\$ 3.20	40,000 \$ 178.00	\$ 327.20	\$ 149.20	83.82%
21			45,000 \$ 186.00	\$ 340.10	\$ 154.10	82.85%
22	Tier One Breakover (M gal):	-	50,000 \$ 194.00	\$ 353.00	\$ 159.00	81.96%
23	Tier Two Breakover (M gal):	50	60,000 \$ 210.00	\$ 385.00	\$ 175.00	83.33%
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 226.00	\$ 417.00	\$ 191.00	84.51%
25			80,000 \$ 242.00	\$ 449.00	\$ 207.00	85.54%
26			90,000 \$ 258.00	\$ 481.00	\$ 223.00	86.43%
27			100,000 \$ 274.00	\$ 513.00	\$ 239.00	87.23%

Meter Size: 3" (Hand Billed)
 Rate Code: R6

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase	
1	Present Rates:						
2	Base Charge:	\$ 120.00	1,000 \$ 120.00	2,000 \$ 224.00	\$ 104.00	86.67%	
3			2,000 \$ 122.40	3,000 \$ 229.16	\$ 106.76	87.22%	
4			3,000 \$ 123.60	4,000 \$ 231.74	\$ 108.14	87.49%	
5	Tier One Rate:	\$ 1.20	4,000 \$ 124.80	5,000 \$ 234.32	\$ 109.52	87.76%	
6	Tier Two Rate:	\$ 1.40	5,000 \$ 126.00	6,000 \$ 236.90	\$ 110.90	88.02%	
7	Tier Three Rate:	\$ 1.60	6,000 \$ 127.20	7,000 \$ 239.48	\$ 112.28	88.27%	
8			7,000 \$ 128.40	8,000 \$ 242.06	\$ 113.66	88.52%	
9	Tier One Breakover (M gal):	12	8,000 \$ 129.60	9,000 \$ 244.64	\$ 115.04	88.77%	
10	Tier Two Breakover (M gal):	18	9,000 \$ 130.80	10,000 \$ 247.22	\$ 116.42	89.01%	
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 132.00	11,000 \$ 249.80	\$ 117.80	89.24%	
12			12,000 \$ 134.40	12,000 \$ 254.96	\$ 120.56	89.70%	
13			14,000 \$ 137.20	14,000 \$ 260.12	\$ 122.92	89.59%	
14	Proposed Rates:						
15	Base Charge:	\$ 224.00	16,000 \$ 140.00	18,000 \$ 270.44	\$ 127.64	89.38%	
16			20,000 \$ 146.00	20,000 \$ 275.60	\$ 129.60	88.77%	
17			25,000 \$ 154.00	25,000 \$ 288.50	\$ 134.50	87.34%	
18	Tier One Rate:	\$ 1.20	30,000 \$ 162.00	30,000 \$ 301.40	\$ 139.40	86.05%	
19	Tier Two Rate:	\$ 2.58	35,000 \$ 170.00	35,000 \$ 314.30	\$ 144.30	84.88%	
20	Tier Three Rate:	\$ 3.20	40,000 \$ 178.00	40,000 \$ 327.20	\$ 149.20	83.82%	
21			45,000 \$ 186.00	45,000 \$ 340.10	\$ 154.10	82.85%	
22	Tier One Breakover (M gal):	-	50,000 \$ 194.00	50,000 \$ 353.00	\$ 159.00	81.96%	
23	Tier Two Breakover (M gal):	50	60,000 \$ 210.00	60,000 \$ 385.00	\$ 175.00	83.33%	
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 226.00	70,000 \$ 417.00	\$ 191.00	84.51%	
25			80,000 \$ 242.00	80,000 \$ 449.00	\$ 207.00	85.54%	
26			90,000 \$ 258.00	90,000 \$ 481.00	\$ 223.00	86.43%	
27			100,000 \$ 274.00	100,000 \$ 513.00	\$ 239.00	87.23%	
28							
29			Average Usage				
30			329,167 \$	640.67 \$	1,246.33 \$	605.66	94.54%
31			Median Usage				
32			206,000 \$	443.60 \$	852.20 \$	408.60	92.11%
33							
34							

New River Utility Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RLJ-DT2
 Schedule H-4
 Witness: Jones

Meter Size: 6"
 Rate Code: R8

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:					
2	Base Charge:	\$ 375.00	1,000 \$ 375.00	\$ 700.00	\$ 325.00	86.67%
3			2,000 \$ 376.20	\$ 702.58	\$ 326.38	86.76%
4			3,000 \$ 377.40	\$ 705.16	\$ 327.76	86.85%
5	Tier One Rate:	\$ 1.20	4,000 \$ 378.60	\$ 707.74	\$ 329.14	86.94%
6	Tier Two Rate:	\$ 1.40	5,000 \$ 379.80	\$ 710.32	\$ 330.52	87.02%
7	Tier Three Rate:	\$ 1.60	6,000 \$ 381.00	\$ 712.90	\$ 331.90	87.11%
8			7,000 \$ 382.20	\$ 715.48	\$ 333.28	87.20%
9	Tier One Breakover (M gal):	12	8,000 \$ 383.40	\$ 718.06	\$ 334.66	87.29%
10	Tier Two Breakover (M gal):	18	9,000 \$ 384.60	\$ 720.64	\$ 336.04	87.37%
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 385.80	\$ 723.22	\$ 337.42	87.46%
12			12,000 \$ 387.00	\$ 725.80	\$ 338.80	87.55%
13			14,000 \$ 389.40	\$ 730.96	\$ 341.56	87.71%
14	Proposed Rates:		16,000 \$ 392.20	\$ 736.12	\$ 343.92	87.69%
15	Base Charge:	\$ 700.00	18,000 \$ 395.00	\$ 741.28	\$ 346.28	87.67%
16			20,000 \$ 397.80	\$ 746.44	\$ 348.64	87.64%
17			25,000 \$ 401.00	\$ 751.60	\$ 350.60	87.43%
18	Tier One Rate:	\$ 1.10	30,000 \$ 409.00	\$ 764.50	\$ 355.50	86.92%
19	Tier Two Rate:	\$ 2.58	35,000 \$ 417.00	\$ 777.40	\$ 360.40	86.43%
20	Tier Three Rate:	\$ 3.20	40,000 \$ 425.00	\$ 790.30	\$ 365.30	85.95%
21			45,000 \$ 433.00	\$ 803.20	\$ 370.20	85.50%
22	Tier One Breakover (M gal):	-	50,000 \$ 441.00	\$ 816.10	\$ 375.10	85.06%
23	Tier Two Breakover (M gal):	50	60,000 \$ 449.00	\$ 829.00	\$ 380.00	84.63%
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 465.00	\$ 861.00	\$ 396.00	85.16%
25			80,000 \$ 481.00	\$ 893.00	\$ 412.00	85.65%
26			90,000 \$ 497.00	\$ 925.00	\$ 428.00	86.12%
27			100,000 \$ 513.00	\$ 957.00	\$ 444.00	86.55%
28				\$ 989.00	\$ 460.00	86.96%
29						
30	Average Usage		146,875 \$ 604.00	\$ 1,139.00	\$ 535.00	88.58%
31	Median Usage		140,000 \$ 593.00	\$ 1,117.00	\$ 524.00	88.36%
32						
33						
34						

Meter Size: 8" (Hand Billed)
 Rate Code: R9

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 750.00	\$ 1,400.00	\$ 650.00	86.67%
2	Base Charge:	1,000	\$ 751.20	\$ 1,402.58	\$ 651.38	86.71%
3		2,000	\$ 752.40	\$ 1,405.16	\$ 652.76	86.76%
4		3,000	\$ 753.60	\$ 1,407.74	\$ 654.14	86.80%
5	Tier One Rate:	4,000	\$ 754.80	\$ 1,410.32	\$ 655.52	86.85%
6	Tier Two Rate:	5,000	\$ 756.00	\$ 1,412.90	\$ 656.90	86.89%
7	Tier Three Rate:	6,000	\$ 757.20	\$ 1,415.48	\$ 658.28	86.94%
8		7,000	\$ 758.40	\$ 1,418.06	\$ 659.66	86.98%
9	Tier One Breakover (M gal):	12	\$ 759.60	\$ 1,420.64	\$ 661.04	87.02%
10	Tier Two Breakover (M gal):	18	\$ 760.80	\$ 1,423.22	\$ 662.42	87.07%
11	Tier Three Breakover (M gal):	999,999	\$ 762.00	\$ 1,425.80	\$ 663.80	87.11%
12		12,000	\$ 764.40	\$ 1,430.96	\$ 666.56	87.20%
13		14,000	\$ 767.20	\$ 1,436.12	\$ 668.92	87.19%
14	Proposed Rates:	16,000	\$ 770.00	\$ 1,441.28	\$ 671.28	87.18%
15	Base Charge:	18,000	\$ 772.80	\$ 1,446.44	\$ 673.64	87.17%
16		20,000	\$ 776.00	\$ 1,451.60	\$ 675.60	87.06%
17		25,000	\$ 784.00	\$ 1,464.50	\$ 680.50	86.80%
18	Tier One Rate:	30,000	\$ 792.00	\$ 1,477.40	\$ 685.40	86.54%
19	Tier Two Rate:	35,000	\$ 800.00	\$ 1,490.30	\$ 690.30	86.29%
20	Tier Three Rate:	40,000	\$ 808.00	\$ 1,503.20	\$ 695.20	86.04%
21		45,000	\$ 816.00	\$ 1,516.10	\$ 700.10	85.80%
22	Tier One Breakover (M gal):	-	\$ 824.00	\$ 1,529.00	\$ 705.00	85.56%
23	Tier Two Breakover (M gal):	50	\$ 840.00	\$ 1,561.00	\$ 721.00	85.83%
24	Tier Three Breakover (M gal):	999,999	\$ 856.00	\$ 1,593.00	\$ 737.00	86.10%
25		80,000	\$ 872.00	\$ 1,625.00	\$ 753.00	86.35%
26		90,000	\$ 888.00	\$ 1,657.00	\$ 769.00	86.60%
27		100,000	\$ 904.00	\$ 1,689.00	\$ 785.00	86.84%
28						
29		Average Usage				
30		-	\$ 750.00	\$ 1,400.00	\$ 650.00	86.67%
31		Median Usage				
32		-	\$ 750.00	\$ 1,400.00	\$ 650.00	86.67%
33						
34						

Meter Size: 5/8" x 3/4"
 Rate Code: R1

Rate Tiers	Present	Proposed	Charges		Present	Proposed
	Rates	Rates	Base Charge:	\$	Rates	Rates
Tier One Breakover (M gal):	12	4			\$ 7.50	\$ 14.00
Tier Two Breakover (M gal):	18	10	Tier One Rate:	\$ 1.20	\$ 1.10	
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:	\$ 1.40	\$ 2.58	
			Tier Three Rate:	\$ 1.60	\$ 3.20	

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	1,246	-	-	1,246	4.64%	-	0.00%
2	1	428	1,000	428,000	1,674	6.23%	428,000	0.14%
3	1,001	751	2,000	1,502,000	2,425	9.02%	1,930,000	0.64%
4	2,001	1,166	3,000	3,498,000	3,591	13.36%	5,428,000	1.81%
5	3,001	1,484	4,000	5,936,000	5,075	18.88%	11,364,000	3.78%
6	4,001	1,743	5,000	8,715,000	6,818	25.37%	20,079,000	6.68%
7	5,001	1,859	6,000	11,154,000	8,677	32.28%	31,233,000	10.39%
8	6,001	1,794	7,000	12,558,000	10,471	38.96%	43,791,000	14.57%
9	7,001	1,708	8,000	13,664,000	12,179	45.31%	57,455,000	19.12%
10	8,001	1,652	9,000	14,868,000	13,831	51.46%	72,323,000	24.06%
11	9,001	1,599	10,000	15,990,000	15,430	57.41%	88,313,000	29.38%
12	10,001	1,355	11,000	14,905,000	16,785	62.45%	103,218,000	34.34%
13	11,001	1,182	12,000	14,184,000	17,967	66.85%	117,402,000	39.06%
14	12,001	1,065	13,000	13,845,000	19,032	70.81%	131,247,000	43.67%
15	13,001	968	14,000	13,552,000	20,000	74.41%	144,799,000	48.17%
16	14,001	832	15,000	12,480,000	20,832	77.51%	157,279,000	52.33%
17	15,001	740	16,000	11,840,000	21,572	80.26%	169,119,000	56.27%
18	16,001	650	17,000	11,050,000	22,222	82.68%	180,169,000	59.94%
19	17,001	574	18,000	10,332,000	22,796	84.82%	190,501,000	63.38%
20	18,001	512	19,000	9,728,000	23,308	86.72%	200,229,000	66.62%
21	19,001	467	20,000	9,340,000	23,775	88.46%	209,569,000	69.72%
22	20,001	384	21,000	8,064,000	24,159	89.89%	217,633,000	72.41%
23	21,001	324	22,000	7,128,000	24,483	91.09%	224,761,000	74.78%
24	22,001	282	23,000	6,486,000	24,765	92.14%	231,247,000	76.94%
25	23,001	259	24,000	6,216,000	25,024	93.11%	237,463,000	79.00%
26	24,001	225	25,000	5,625,000	25,249	93.94%	243,088,000	80.87%
27	25,001	204	26,000	5,304,000	25,453	94.70%	248,392,000	82.64%
28	26,001	161	27,000	4,347,000	25,614	95.30%	252,739,000	84.09%
29	27,001	158	28,000	4,424,000	25,772	95.89%	257,163,000	85.56%
30	28,001	139	29,000	4,031,000	25,911	96.41%	261,194,000	86.90%
31	29,001	100	30,000	3,000,000	26,011	96.78%	264,194,000	87.90%
32	30,001	94	31,000	2,914,000	26,105	97.13%	267,108,000	88.87%
33	31,001	72	32,000	2,304,000	26,177	97.40%	269,412,000	89.63%
34	32,001	91	33,000	3,003,000	26,268	97.73%	272,415,000	90.63%
35	33,001	59	34,000	2,006,000	26,327	97.95%	274,421,000	91.30%
36	34,001	48	35,000	1,680,000	26,375	98.13%	276,101,000	91.86%
37	35,001	49	36,000	1,764,000	26,424	98.31%	277,865,000	92.44%
38	36,001	42	37,000	1,554,000	26,466	98.47%	279,419,000	92.96%
39	37,001	-	-	-	26,466	98.47%	279,419,000	92.96%
40	38,001	80	38,425	3,074,000	26,546	98.77%	282,493,000	93.98%
41	39,001	27	40,000	1,080,000	26,573	98.87%	283,573,000	94.34%
42	40,001	37	41,000	1,517,000	26,610	99.01%	285,090,000	94.85%
43	41,001	27	42,000	1,134,000	26,637	99.11%	286,224,000	95.23%
44	42,001	-	-	-	26,637	99.11%	286,224,000	95.23%
45	43,001	-	-	-	26,637	99.11%	286,224,000	95.23%
46	44,001	48	43,688	2,097,000	26,685	99.29%	288,321,000	95.92%
47	45,001	12	46,000	552,000	26,697	99.33%	288,873,000	96.11%
48	46,001	11	47,000	517,000	26,708	99.37%	289,390,000	96.28%
49	47,001	9	48,000	432,000	26,717	99.40%	289,822,000	96.42%
50	48,001	10	49,000	490,000	26,727	99.44%	290,312,000	96.59%
51	49,001	11	50,000	550,000	26,738	99.48%	290,862,000	96.77%
52	50,001	8	51,000	408,000	26,746	99.51%	291,270,000	96.90%
53	51,001	4	52,000	208,000	26,750	99.53%	291,478,000	96.97%
54	52,001	9	53,000	477,000	26,759	99.56%	291,955,000	97.13%

New River Utility Company
Test Year Ended December 31, 2011
Bill Count

Exhibit: **RLJ-DT2**
 Schedule H-5
 Witness: **Jones**

Meter Size: **5/8" x 3/4"**
 Rate Code: **R1**

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	7.50	\$ 14.00
Tier One Breakover (M gal):	12	4	Tier One Rate: \$	1.20	\$ 1.10
Tier Two Breakover (M gal):	18	10	Tier Two Rate: \$	1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
55	53,001 - 54,000	10	54,000	540,000	26,769	99.60%	292,495,000	97.31%
56	54,001 - 55,000	9	55,000	495,000	26,778	99.63%	292,990,000	97.48%
57	55,001 - 56,000	5	56,000	280,000	26,783	99.65%	293,270,000	97.57%
58	56,001 - 57,000	10	57,000	570,000	26,793	99.69%	293,840,000	97.76%
59	57,001 - 58,000	8	58,000	464,000	26,801	99.72%	294,304,000	97.91%
60	58,001 - 59,000	5	59,000	295,000	26,806	99.74%	294,599,000	98.01%
61	59,001 - 60,000	5	60,000	300,000	26,811	99.75%	294,899,000	98.11%
62	60,001 - 61,000	6	61,000	366,000	26,817	99.78%	295,265,000	98.23%
63	61,001 - 62,000	1	62,000	62,000	26,818	99.78%	295,327,000	98.25%
64	62,001 - 63,000	4	63,000	252,000	26,822	99.80%	295,579,000	98.34%
65	63,001 - 64,000	2	64,000	128,000	26,824	99.80%	295,707,000	98.38%
66	64,001 - 65,000	4	65,000	260,000	26,828	99.82%	295,967,000	98.47%
67	65,001 - 66,000	2	66,000	132,000	26,830	99.83%	296,099,000	98.51%
68	66,001 - 67,000	1	67,000	67,000	26,831	99.83%	296,166,000	98.53%
69	67,001 - 68,000	5	68,000	340,000	26,836	99.85%	296,506,000	98.65%
70	68,001 - 69,000	3	69,000	207,000	26,839	99.86%	296,713,000	98.72%
71	69,001 - 70,000	1	70,000	70,000	26,840	99.86%	296,783,000	98.74%
72	70,001 - 71,000	2	71,000	142,000	26,842	99.87%	296,925,000	98.79%
73	71,001 - 72,000	3	72,000	216,000	26,845	99.88%	297,141,000	98.86%
74	72,001 - 73,000	3	73,000	219,000	26,848	99.89%	297,360,000	98.93%
75	73,001 - 74,000	2	74,000	148,000	26,850	99.90%	297,508,000	98.98%
76	74,001 - 75,000	5	75,000	375,000	26,855	99.92%	297,883,000	99.10%
77	75,001 - 76,000	-	-	-	26,855	99.92%	297,883,000	99.10%
78	76,001 - 77,000	1	77,000	77,000	26,856	99.92%	297,960,000	99.13%
79	77,001 - 78,000	-	-	-	26,856	99.92%	297,960,000	99.13%
80	78,001 - 79,000	1	79,000	79,000	26,857	99.93%	298,039,000	99.16%
81	79,001 - 80,000	1	80,000	80,000	26,858	99.93%	298,119,000	99.18%
82	80,001 - 81,000	1	81,000	81,000	26,859	99.93%	298,200,000	99.21%
83	81,001 - 82,000	1	82,000	82,000	26,860	99.94%	298,282,000	99.24%
84	82,001 - 83,000	-	-	-	26,860	99.94%	298,282,000	99.24%
85	83,001 - 84,000	1	84,000	84,000	26,861	99.94%	298,366,000	99.27%
86	84,001 - 85,000	-	-	-	26,861	99.94%	298,366,000	99.27%
87	85,001 - 86,000	-	-	-	26,861	99.94%	298,366,000	99.27%
88	86,001 - 87,000	-	-	-	26,861	99.94%	298,366,000	99.27%
89	87,001 - 88,000	1	88,000	88,000	26,862	99.94%	298,454,000	99.29%
90	88,001 - 89,000	-	-	-	26,862	99.94%	298,454,000	99.29%
91	89,001 - 90,000	-	-	-	26,862	99.94%	298,454,000	99.29%
92	90,001 - 91,000	-	-	-	26,862	99.94%	298,454,000	99.29%
93	91,001 - 92,000	-	-	-	26,862	99.94%	298,454,000	99.29%
94	92,001 - 93,000	1	93,000	93,000	26,863	99.95%	298,547,000	99.33%
95	93,001 - 94,000	-	-	-	26,863	99.95%	298,547,000	99.33%
96	94,001 - 95,000	1	95,000	95,000	26,864	99.95%	298,642,000	99.36%
97	95,001 - 96,000	-	-	-	26,864	99.95%	298,642,000	99.36%
98	96,001 - 97,000	-	-	-	26,864	99.95%	298,642,000	99.36%
99	97,001 - 98,000	-	-	-	26,864	99.95%	298,642,000	99.36%
100	98,001 - 99,000	-	-	-	26,864	99.95%	298,642,000	99.36%
101	99,001 - 100,000	2	100,000	200,000	26,866	99.96%	298,842,000	99.42%
102	102,000 - 102,000	1	102,000	102,000	26,867	99.96%	298,944,000	99.46%
103	105,000 - 105,000	1	105,000	105,000	26,868	99.97%	299,049,000	99.49%
104	109,000 - 109,000	1	109,000	109,000	26,869	99.97%	299,158,000	99.53%
105	114,000 - 114,000	1	114,000	114,000	26,870	99.97%	299,272,000	99.57%
106	118,000 - 118,000	1	118,000	118,000	26,871	99.98%	299,390,000	99.61%
107	130,000 - 130,000	1	130,000	130,000	26,872	99.98%	299,520,000	99.65%
108	140,000 - 140,000	1	140,000	140,000	26,873	99.99%	299,660,000	99.70%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 5/8" x 3/4"
 Rate Code: R1

Rate Tiers	Present Rates	Proposed Rates	Charges		
			Present Rates	Proposed Rates	
			Base Charge:	\$ 7.50	\$ 14.00
Tier One Breakover (M gal):	12	4	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	10	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
109	174,000 - 174,000	1	174,000	174,000	26,874	99.99%	299,834,000	99.75%
110	184,000 - 184,000	1	184,000	184,000	26,875	99.99%	300,018,000	99.82%
111	186,000 - 186,000	1	186,000	186,000	26,876	100.00%	300,204,000	99.88%
112	370,000 - 370,000	1	370,000	370,000	26,877	100.00%	300,574,000	100.00%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 5/8" x 3/4"
 Rate Code: R1

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 7.50	\$ 14.00
Tier One Breakover (M gal):	12	4	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	10	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
113								
114	Totals	26,877		300,574,000	26,877		300,574,000	
115								
116	Total Bills	26,877						
117								
118								
119	Average Number of Customers		2,240					
120								
121	Average Consumption (gallons)		11,183					
122								
123	Median Consumption (gallons)		8,762					
124								
125								
126								

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
Base Charge	26,877	\$ 201,578	26,877	\$ 376,278
<u>Usage (gallons)</u>				
Tier One	224,322,000	\$ 269,186	98,572,000	\$ 108,429
Tier Two	39,637,000	55,492	104,211,000	268,864
Tier Three	36,615,000	58,584	97,791,000	312,931
Usage Totals	300,574,000		300,574,000	
Revenue Totals		\$ 584,840		\$ 1,066,503

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 3/4"
 Rate Code: R2

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 7.50	\$ 14.00
Tier One Breakover (M gal):	12	4	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	10	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	16	-	-	16	44.44%	-	0.00%
2	1 - 1,000	-	-	-	16	44.44%	-	0.00%
3	1,001 - 2,000	-	-	-	16	44.44%	-	0.00%
4	2,001 - 3,000	-	-	-	16	44.44%	-	0.00%
5	3,001 - 4,000	-	-	-	16	44.44%	-	0.00%
6	4,001 - 5,000	-	-	-	16	44.44%	-	0.00%
7	5,001 - 6,000	-	-	-	16	44.44%	-	0.00%
8	6,001 - 7,000	-	-	-	16	44.44%	-	0.00%
9	7,001 - 8,000	-	-	-	16	44.44%	-	0.00%
10	8,001 - 9,000	-	-	-	16	44.44%	-	0.00%
11	9,001 - 10,000	-	-	-	16	44.44%	-	0.00%
12	10,001 - 11,000	1	11,000	11,000	17	47.22%	11,000	0.74%
13	11,001 - 12,000	-	-	-	17	47.22%	11,000	0.74%
14	12,001 - 13,000	-	-	-	17	47.22%	11,000	0.74%
15	13,001 - 14,000	-	-	-	17	47.22%	11,000	0.74%
16	14,001 - 15,000	-	-	-	17	47.22%	11,000	0.74%
17	15,001 - 16,000	-	-	-	17	47.22%	11,000	0.74%
18	16,001 - 17,000	-	-	-	17	47.22%	11,000	0.74%
19	17,001 - 18,000	-	-	-	17	47.22%	11,000	0.74%
20	18,001 - 19,000	-	-	-	17	47.22%	11,000	0.74%
21	19,001 - 20,000	-	-	-	17	47.22%	11,000	0.74%
22	20,001 - 21,000	-	-	-	17	47.22%	11,000	0.74%
23	21,001 - 22,000	-	-	-	17	47.22%	11,000	0.74%
24	22,001 - 23,000	-	-	-	17	47.22%	11,000	0.74%
25	23,001 - 24,000	-	-	-	17	47.22%	11,000	0.74%
26	24,001 - 25,000	2	25,000	50,000	19	52.78%	61,000	4.11%
27	25,001 - 26,000	-	-	-	19	52.78%	61,000	4.11%
28	26,001 - 27,000	1	27,000	27,000	20	55.56%	88,000	5.93%
29	27,001 - 28,000	-	-	-	20	55.56%	88,000	5.93%
30	28,001 - 29,000	-	-	-	20	55.56%	88,000	5.93%
31	29,001 - 30,000	1	30,000	30,000	21	58.33%	118,000	7.96%
32	30,001 - 31,000	-	-	-	21	58.33%	118,000	7.96%
33	31,001 - 32,000	-	-	-	21	58.33%	118,000	7.96%
34	32,001 - 33,000	-	-	-	21	58.33%	118,000	7.96%
35	33,001 - 34,000	-	-	-	21	58.33%	118,000	7.96%
36	34,001 - 35,000	-	-	-	21	58.33%	118,000	7.96%
37	35,001 - 36,000	-	-	-	21	58.33%	118,000	7.96%
38	36,001 - 37,000	-	-	-	21	58.33%	118,000	7.96%
39	37,001 - 38,000	-	-	-	21	58.33%	118,000	7.96%
40	38,001 - 39,000	1	39,000	39,000	22	61.11%	157,000	10.59%
41	39,001 - 40,000	-	-	-	22	61.11%	157,000	10.59%
42	40,001 - 41,000	-	-	-	22	61.11%	157,000	10.59%
43	41,001 - 42,000	-	-	-	22	61.11%	157,000	10.59%
44	42,001 - 43,000	-	-	-	22	61.11%	157,000	10.59%
45	43,001 - 44,000	-	-	-	22	61.11%	157,000	10.59%
46	44,001 - 45,000	-	-	-	22	61.11%	157,000	10.59%
47	45,001 - 46,000	-	-	-	22	61.11%	157,000	10.59%
48	46,001 - 47,000	-	-	-	22	61.11%	157,000	10.59%
49	47,001 - 48,000	-	-	-	22	61.11%	157,000	10.59%
50	48,001 - 49,000	-	-	-	22	61.11%	157,000	10.59%
51	49,001 - 50,000	-	-	-	22	61.11%	157,000	10.59%
52	50,001 - 51,000	-	-	-	22	61.11%	157,000	10.59%
53	51,001 - 52,000	-	-	-	22	61.11%	157,000	10.59%
54	52,001 - 53,000	-	-	-	22	61.11%	157,000	10.59%

New River Utility Company
Test Year Ended December 31, 2011
Bill Count

Exhibit: **RLJ-DT2**
 Schedule H-5
 Witness: **Jones**

Meter Size:	3/4"								
Rate Code:	R2								
			Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates		
	Rate Tiers				Base Charge:	\$ 7.50	\$ 14.00		
	Tier One Breakover (M gal):		12	4	Tier One Rate:	\$ 1.20	\$ 1.10		
	Tier Two Breakover (M gal):		18	10	Tier Two Rate:	\$ 1.40	\$ 2.58		
	Tier Three Breakover (M gal):		999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20		

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
55	53,001 - 54,000	1	54,000	54,000	23	63.89%	211,000	14.23%
56	54,001 - 55,000	-	-	-	23	63.89%	211,000	14.23%
57	55,001 - 56,000	1	56,000	56,000	24	66.67%	267,000	18.00%
58	56,001 - 57,000	-	-	-	24	66.67%	267,000	18.00%
59	57,001 - 58,000	-	-	-	24	66.67%	267,000	18.00%
60	58,001 - 59,000	-	-	-	24	66.67%	267,000	18.00%
61	59,001 - 60,000	-	-	-	24	66.67%	267,000	18.00%
62	60,001 - 61,000	-	-	-	24	66.67%	267,000	18.00%
63	61,001 - 62,000	-	-	-	24	66.67%	267,000	18.00%
64	62,001 - 63,000	1	63,000	63,000	25	69.44%	330,000	22.25%
65	63,001 - 64,000	-	-	-	25	69.44%	330,000	22.25%
66	64,001 - 65,000	-	-	-	25	69.44%	330,000	22.25%
67	65,001 - 66,000	1	66,000	66,000	26	72.22%	396,000	26.70%
68	66,001 - 67,000	-	-	-	26	72.22%	396,000	26.70%
69	67,001 - 68,000	1	68,000	68,000	27	75.00%	464,000	31.29%
70	68,001 - 69,000	-	-	-	27	75.00%	464,000	31.29%
71	69,001 - 70,000	-	-	-	27	75.00%	464,000	31.29%
72	70,001 - 71,000	-	-	-	27	75.00%	464,000	31.29%
73	71,001 - 72,000	-	-	-	27	75.00%	464,000	31.29%
74	72,001 - 73,000	-	-	-	27	75.00%	464,000	31.29%
75	73,001 - 74,000	-	-	-	27	75.00%	464,000	31.29%
76	74,001 - 75,000	1	75,000	75,000	28	77.78%	539,000	36.35%
77	75,001 - 76,000	-	-	-	28	77.78%	539,000	36.35%
78	76,001 - 77,000	1	77,000	77,000	29	80.56%	616,000	41.54%
79	77,001 - 78,000	-	-	-	29	80.56%	616,000	41.54%
80	78,001 - 79,000	-	-	-	29	80.56%	616,000	41.54%
81	79,001 - 80,000	2	80,000	160,000	31	86.11%	776,000	52.33%
82	80,001 - 81,000	-	-	-	31	86.11%	776,000	52.33%
83	81,001 - 82,000	-	-	-	31	86.11%	776,000	52.33%
84	82,001 - 83,000	-	-	-	31	86.11%	776,000	52.33%
85	83,001 - 84,000	-	-	-	31	86.11%	776,000	52.33%
86	84,001 - 85,000	-	-	-	31	86.11%	776,000	52.33%
87	85,001 - 86,000	-	-	-	31	86.11%	776,000	52.33%
88	86,001 - 87,000	-	-	-	31	86.11%	776,000	52.33%
89	87,001 - 88,000	1	88,000	88,000	32	88.89%	864,000	58.26%
90	88,001 - 89,000	-	-	-	32	88.89%	864,000	58.26%
91	89,001 - 90,000	-	-	-	32	88.89%	864,000	58.26%
92	90,001 - 91,000	-	-	-	32	88.89%	864,000	58.26%
93	91,001 - 92,000	-	-	-	32	88.89%	864,000	58.26%
94	92,001 - 93,000	-	-	-	32	88.89%	864,000	58.26%
95	93,001 - 94,000	-	-	-	32	88.89%	864,000	58.26%
96	94,001 - 95,000	1	95,000	95,000	33	91.67%	959,000	64.67%
97	95,001 - 96,000	-	-	-	33	91.67%	959,000	64.67%
98	96,001 - 97,000	-	-	-	33	91.67%	959,000	64.67%
99	97,001 - 98,000	-	-	-	33	91.67%	959,000	64.67%
100	98,001 - 99,000	-	-	-	33	91.67%	959,000	64.67%
101	99,001 - 100,000	-	-	-	33	91.67%	959,000	64.67%
102	109,000 - 109,000	1	109,000	109,000	34	94.44%	1,068,000	72.02%
103	129,000 - 129,000	1	129,000	129,000	35	97.22%	1,197,000	80.71%
104	286,000 - 286,000	1	286,000	286,000	36	100.00%	1,483,000	100.00%
105								
106	Totals	36		1,483,000	36		1,483,000	
107								
108	Total Bills	36				Current Rates	Proposed Rates	

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 3/4"
 Rate Code: R2

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 7.50	\$ 14.00
Tier One Breakover (M gal):	12	4	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	10	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
109					Units	Revenue	Units	Revenue
110					Base Charge	36 \$ 270	36	\$ 504
111	Average Number of Customers		<u>3</u>		<u>Usage (gallons)</u>			
112					Tier One	239,000 \$ 287	80,000	\$ 88
113	Average Consumption (gallons)		<u>41,194</u>		Tier Two	114,000 160	120,000	310
114					Tier Three	<u>1,130,000</u> 1,808	<u>1,283,000</u>	4,106
115	Median Consumption (gallons)		<u>18,000</u>		Usage Totals	1,483,000	1,483,000	
116					Revenue Totals	<u>\$ 2,524</u>		<u>\$ 5,007</u>
117								
118								

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 1"
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 18.75	\$ 35.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	25	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	255	-	-	255	3.89%	-	0.00%
2	1 - 1,000	102	1,000	102,000	357	5.44%	102,000	0.10%
3	1,001 - 2,000	130	2,000	260,000	487	7.43%	362,000	0.34%
4	2,001 - 3,000	185	3,000	555,000	672	10.25%	917,000	0.87%
5	3,001 - 4,000	268	4,000	1,072,000	940	14.34%	1,989,000	1.88%
6	4,001 - 5,000	343	5,000	1,715,000	1,283	19.57%	3,704,000	3.50%
7	5,001 - 6,000	358	6,000	2,148,000	1,641	25.03%	5,852,000	5.53%
8	6,001 - 7,000	382	7,000	2,674,000	2,023	30.85%	8,526,000	8.06%
9	7,001 - 8,000	375	8,000	3,000,000	2,398	36.57%	11,526,000	10.90%
10	8,001 - 9,000	363	9,000	3,267,000	2,761	42.11%	14,793,000	13.99%
11	9,001 - 10,000	370	10,000	3,700,000	3,131	47.75%	18,493,000	17.49%
12	10,001 - 11,000	292	11,000	3,212,000	3,423	52.20%	21,705,000	20.53%
13	11,001 - 12,000	263	12,000	3,156,000	3,686	56.21%	24,861,000	23.51%
14	12,001 - 13,000	261	13,000	3,393,000	3,947	60.20%	28,254,000	26.72%
15	13,001 - 14,000	267	14,000	3,738,000	4,214	64.27%	31,992,000	30.26%
16	14,001 - 15,000	196	15,000	2,940,000	4,410	67.26%	34,932,000	33.04%
17	15,001 - 16,000	196	16,000	3,136,000	4,606	70.25%	38,068,000	36.00%
18	16,001 - 17,000	181	17,000	3,077,000	4,787	73.01%	41,145,000	38.91%
19	17,001 - 18,000	175	18,000	3,150,000	4,962	75.67%	44,295,000	41.89%
20	18,001 - 19,000	165	19,000	3,135,000	5,127	78.19%	47,430,000	44.86%
21	19,001 - 20,000	138	20,000	2,760,000	5,265	80.30%	50,190,000	47.47%
22	20,001 - 21,000	133	21,000	2,793,000	5,398	82.32%	52,983,000	50.11%
23	21,001 - 22,000	104	22,000	2,288,000	5,502	83.91%	55,271,000	52.27%
24	22,001 - 23,000	108	23,000	2,484,000	5,610	85.56%	57,755,000	54.62%
25	23,001 - 24,000	80	24,000	1,920,000	5,690	86.78%	59,675,000	56.44%
26	24,001 - 25,000	74	25,000	1,850,000	5,764	87.91%	61,525,000	58.19%
27	25,001 - 26,000	69	26,000	1,794,000	5,833	88.96%	63,319,000	59.88%
28	26,001 - 27,000	63	27,000	1,701,000	5,896	89.92%	65,020,000	61.49%
29	27,001 - 28,000	58	28,000	1,624,000	5,954	90.80%	66,644,000	63.03%
30	28,001 - 29,000	37	29,000	1,073,000	5,991	91.37%	67,717,000	64.04%
31	29,001 - 30,000	50	30,000	1,500,000	6,041	92.13%	69,217,000	65.46%
32	30,001 - 31,000	30	31,000	930,000	6,071	92.59%	70,147,000	66.34%
33	31,001 - 32,000	40	32,000	1,280,000	6,111	93.20%	71,427,000	67.55%
34	32,001 - 33,000	33	33,000	1,089,000	6,144	93.70%	72,516,000	68.58%
35	33,001 - 34,000	26	34,000	884,000	6,170	94.10%	73,400,000	69.42%
36	34,001 - 35,000	31	35,000	1,085,000	6,201	94.57%	74,485,000	70.44%
37	35,001 - 36,000	29	36,000	1,044,000	6,230	95.01%	75,529,000	71.43%
38	36,001 - 37,000	20	37,000	740,000	6,250	95.32%	76,269,000	72.13%
39	37,001 - 38,000	-	-	-	6,250	95.32%	76,269,000	72.13%
40	38,001 - 39,000	30	38,533	1,156,000	6,280	95.78%	77,425,000	73.22%
41	39,001 - 40,000	15	40,000	600,000	6,295	96.00%	78,025,000	73.79%
42	40,001 - 41,000	13	41,000	533,000	6,308	96.20%	78,558,000	74.30%
43	41,001 - 42,000	12	42,000	504,000	6,320	96.39%	79,062,000	74.77%
44	42,001 - 43,000	-	-	-	6,320	96.39%	79,062,000	74.77%
45	43,001 - 44,000	-	-	-	6,320	96.39%	79,062,000	74.77%
46	44,001 - 45,000	27	44,037	1,189,000	6,347	96.80%	80,251,000	75.90%
47	45,001 - 46,000	6	46,000	276,000	6,353	96.89%	80,527,000	76.16%
48	46,001 - 47,000	15	47,000	705,000	6,368	97.12%	81,232,000	76.83%
49	47,001 - 48,000	10	48,000	480,000	6,378	97.27%	81,712,000	77.28%
50	48,001 - 49,000	10	49,000	490,000	6,388	97.42%	82,202,000	77.74%
51	49,001 - 50,000	3	50,000	150,000	6,391	97.47%	82,352,000	77.88%
52	50,001 - 51,000	8	51,000	408,000	6,399	97.59%	82,760,000	78.27%
53	51,001 - 52,000	2	52,000	104,000	6,401	97.62%	82,864,000	78.37%
54	52,001 - 53,000	10	53,000	530,000	6,411	97.77%	83,394,000	78.87%

Meter Size: 1"
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	18.75	\$ 35.00
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20	\$ 1.10
Tier Two Breakover (M gal):	18	25	Tier Two Rate: \$	1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
55	53,001 - 54,000	4	54,000	216,000	6,415	97.83%	83,610,000	79.07%
56	54,001 - 55,000	4	55,000	220,000	6,419	97.90%	83,830,000	79.28%
57	55,001 - 56,000	4	56,000	224,000	6,423	97.96%	84,054,000	79.49%
58	56,001 - 57,000	4	57,000	228,000	6,427	98.02%	84,282,000	79.71%
59	57,001 - 58,000	1	58,000	58,000	6,428	98.03%	84,340,000	79.76%
60	58,001 - 59,000	5	59,000	295,000	6,433	98.11%	84,635,000	80.04%
61	59,001 - 60,000	3	60,000	180,000	6,436	98.15%	84,815,000	80.21%
62	60,001 - 61,000	4	61,000	244,000	6,440	98.22%	85,059,000	80.44%
63	61,001 - 62,000	1	62,000	62,000	6,441	98.23%	85,121,000	80.50%
64	62,001 - 63,000	3	63,000	189,000	6,444	98.28%	85,310,000	80.68%
65	63,001 - 64,000	2	64,000	128,000	6,446	98.31%	85,438,000	80.80%
66	64,001 - 65,000	5	65,000	325,000	6,451	98.38%	85,763,000	81.11%
67	65,001 - 66,000	2	66,000	132,000	6,453	98.41%	85,895,000	81.24%
68	66,001 - 67,000	6	67,000	402,000	6,459	98.51%	86,297,000	81.62%
69	67,001 - 68,000	1	68,000	68,000	6,460	98.52%	86,365,000	81.68%
70	68,001 - 69,000	3	69,000	207,000	6,463	98.57%	86,572,000	81.88%
71	69,001 - 70,000	-	-	-	6,463	98.57%	86,572,000	81.88%
72	70,001 - 71,000	2	71,000	142,000	6,465	98.60%	86,714,000	82.01%
73	71,001 - 72,000	-	-	-	6,465	98.60%	86,714,000	82.01%
74	72,001 - 73,000	1	73,000	73,000	6,466	98.61%	86,787,000	82.08%
75	73,001 - 74,000	5	74,000	370,000	6,471	98.69%	87,157,000	82.43%
76	74,001 - 75,000	1	75,000	75,000	6,472	98.70%	87,232,000	82.50%
77	75,001 - 76,000	2	76,000	152,000	6,474	98.73%	87,384,000	82.64%
78	76,001 - 77,000	-	-	-	6,474	98.73%	87,384,000	82.64%
79	77,001 - 78,000	1	78,000	78,000	6,475	98.75%	87,462,000	82.72%
80	78,001 - 79,000	1	79,000	79,000	6,476	98.76%	87,541,000	82.79%
81	79,001 - 80,000	1	80,000	80,000	6,477	98.78%	87,621,000	82.87%
82	80,001 - 81,000	1	81,000	81,000	6,478	98.80%	87,702,000	82.94%
83	81,001 - 82,000	-	-	-	6,478	98.80%	87,702,000	82.94%
84	82,001 - 83,000	1	83,000	83,000	6,479	98.81%	87,785,000	83.02%
85	83,001 - 84,000	-	-	-	6,479	98.81%	87,785,000	83.02%
86	84,001 - 85,000	1	85,000	85,000	6,480	98.83%	87,870,000	83.10%
87	85,001 - 86,000	2	86,000	172,000	6,482	98.86%	88,042,000	83.27%
88	86,001 - 87,000	2	87,000	174,000	6,484	98.89%	88,216,000	83.43%
89	87,001 - 88,000	1	88,000	88,000	6,485	98.90%	88,304,000	83.51%
90	88,001 - 89,000	-	-	-	6,485	98.90%	88,304,000	83.51%
91	89,001 - 90,000	-	-	-	6,485	98.90%	88,304,000	83.51%
92	90,001 - 91,000	1	91,000	91,000	6,486	98.92%	88,395,000	83.60%
93	91,001 - 92,000	2	92,000	184,000	6,488	98.95%	88,579,000	83.77%
94	92,001 - 93,000	-	-	-	6,488	98.95%	88,579,000	83.77%
95	93,001 - 94,000	-	-	-	6,488	98.95%	88,579,000	83.77%
96	94,001 - 95,000	4	95,000	380,000	6,492	99.01%	88,959,000	84.13%
97	95,001 - 96,000	-	-	-	6,492	99.01%	88,959,000	84.13%
98	96,001 - 97,000	1	96,500	96,500	6,493	99.02%	89,055,500	84.22%
99	97,001 - 98,000	-	-	-	6,493	99.02%	89,055,500	84.22%
100	98,001 - 99,000	1	99,000	99,000	6,494	99.04%	89,154,500	84.32%
101	99,001 - 100,000	2	100,000	200,000	6,496	99.07%	89,354,500	84.51%
102	104,000 - 104,000	1	104,000	104,000	6,497	99.08%	89,458,500	84.61%
103	105,000 - 105,000	1	105,000	105,000	6,498	99.10%	89,563,500	84.70%
104	106,000 - 106,000	1	106,000	106,000	6,499	99.12%	89,669,500	84.81%
105	107,000 - 107,000	1	107,000	107,000	6,500	99.13%	89,776,500	84.91%
106	109,000 - 109,000	1	109,000	109,000	6,501	99.15%	89,885,500	85.01%
107	110,000 - 110,000	1	110,000	110,000	6,502	99.16%	89,995,500	85.11%
108	111,000 - 111,000	1	111,000	111,000	6,503	99.18%	90,106,500	85.22%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 1"
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	18.75	\$ 35.00
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20	\$ 1.10
Tier Two Breakover (M gal):	18	25	Tier Two Rate: \$	1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
109	113,000 - 113,000	1	113,000	113,000	6,504	99.19%	90,219,500	85.33%
110	115,000 - 115,000	1	115,000	115,000	6,505	99.21%	90,334,500	85.43%
111	118,000 - 118,000	1	118,000	118,000	6,506	99.22%	90,452,500	85.55%
112	123,000 - 123,000	1	123,000	123,000	6,507	99.24%	90,575,500	85.66%
113	123,000 - 123,000	1	123,000	123,000	6,508	99.25%	90,698,500	85.78%
114	124,000 - 124,000	1	124,000	124,000	6,509	99.27%	90,822,500	85.90%
115	129,000 - 129,000	1	129,000	129,000	6,510	99.28%	90,951,500	86.02%
116	130,000 - 130,000	1	130,000	130,000	6,511	99.30%	91,081,500	86.14%
117	130,000 - 130,000	1	130,000	130,000	6,512	99.31%	91,211,500	86.26%
118	132,000 - 132,000	1	132,000	132,000	6,513	99.33%	91,343,500	86.39%
119	133,000 - 133,000	1	133,000	133,000	6,514	99.34%	91,476,500	86.51%
120	135,000 - 135,000	1	135,000	135,000	6,515	99.36%	91,611,500	86.64%
121	137,000 - 137,000	1	137,000	137,000	6,516	99.37%	91,748,500	86.77%
122	137,000 - 137,000	1	137,000	137,000	6,517	99.39%	91,885,500	86.90%
123	140,000 - 140,000	1	140,000	140,000	6,518	99.41%	92,025,500	87.03%
124	142,000 - 142,000	1	142,000	142,000	6,519	99.42%	92,167,500	87.17%
125	145,000 - 145,000	1	145,000	145,000	6,520	99.44%	92,312,500	87.30%
126	149,000 - 149,000	1	149,000	149,000	6,521	99.45%	92,461,500	87.45%
127	153,000 - 153,000	1	153,000	153,000	6,522	99.47%	92,614,500	87.59%
128	154,000 - 154,000	1	154,000	154,000	6,523	99.48%	92,768,500	87.74%
129	157,000 - 157,000	1	157,000	157,000	6,524	99.50%	92,925,500	87.88%
130	157,000 - 157,000	1	157,000	157,000	6,525	99.51%	93,082,500	88.03%
131	158,000 - 158,000	1	158,000	158,000	6,526	99.53%	93,240,500	88.18%
132	192,000 - 192,000	1	192,000	192,000	6,527	99.54%	93,432,500	88.36%
133	210,000 - 210,000	1	210,000	210,000	6,528	99.56%	93,642,500	88.56%
134	215,000 - 215,000	1	215,000	215,000	6,529	99.57%	93,857,500	88.77%
135	240,000 - 240,000	1	240,000	240,000	6,530	99.59%	94,097,500	88.99%
136	242,000 - 242,000	1	242,000	242,000	6,531	99.60%	94,339,500	89.22%
137	243,000 - 243,000	1	243,000	243,000	6,532	99.62%	94,582,500	89.45%
138	246,000 - 246,000	1	246,000	246,000	6,533	99.63%	94,828,500	89.68%
139	253,000 - 253,000	1	253,000	253,000	6,534	99.65%	95,081,500	89.92%
140	255,000 - 255,000	1	255,000	255,000	6,535	99.66%	95,336,500	90.16%
141	264,000 - 264,000	1	264,000	264,000	6,536	99.68%	95,600,500	90.41%
142	274,000 - 274,000	1	274,000	274,000	6,537	99.69%	95,874,500	90.67%
143	284,000 - 284,000	1	284,000	284,000	6,538	99.71%	96,158,500	90.94%
144	294,000 - 294,000	1	294,000	294,000	6,539	99.73%	96,452,500	91.22%
145	298,000 - 298,000	1	298,000	298,000	6,540	99.74%	96,750,500	91.50%
146	315,000 - 315,000	1	315,000	315,000	6,541	99.76%	97,065,500	91.80%
147	324,000 - 324,000	1	324,000	324,000	6,542	99.77%	97,389,500	92.11%
148	333,000 - 333,000	1	333,000	333,000	6,543	99.79%	97,722,500	92.42%
149	347,000 - 347,000	1	347,000	347,000	6,544	99.80%	98,069,500	92.75%
150	376,000 - 376,000	1	376,000	376,000	6,545	99.82%	98,445,500	93.10%
151	408,000 - 408,000	1	408,000	408,000	6,546	99.83%	98,853,500	93.49%
152	463,000 - 463,000	1	463,000	463,000	6,547	99.85%	99,316,500	93.93%
153	476,500 - 476,500	1	476,500	476,500	6,548	99.86%	99,793,000	94.38%
154	479,000 - 479,000	1	479,000	479,000	6,549	99.88%	100,272,000	94.83%
155	512,000 - 512,000	1	512,000	512,000	6,550	99.89%	100,784,000	95.32%
156	549,000 - 549,000	1	549,000	549,000	6,551	99.91%	101,333,000	95.84%
157	568,000 - 568,000	1	568,000	568,000	6,552	99.92%	101,901,000	96.37%
158	585,000 - 585,000	1	585,000	585,000	6,553	99.94%	102,486,000	96.93%
159	600,500 - 600,500	1	600,500	600,500	6,554	99.95%	103,086,500	97.49%
160	790,500 - 790,500	1	790,500	790,500	6,555	99.97%	103,877,000	98.24%
161	804,000 - 804,000	1	804,000	804,000	6,556	99.98%	104,681,000	99.00%
162	##### - #####	1	1,055,000	1,055,000	6,557	100.00%	105,736,000	100.00%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 1"
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	
			Present Rates	Proposed Rates
			Base Charge:	\$ 18.75 \$ 35.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20 \$ 1.10
Tier Two Breakover (M gal):	18	25	Tier Two Rate:	\$ 1.40 \$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60 \$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
163								
164	Totals	6,557		105,736,000	6,557		105,736,000	
165								
166	Total Bills	6,557						
167								
168								
169	Average Number of Customers		546					
170								
171	Average Consumption (gallons)		16,126					
172								
173	Median Consumption (gallons)		10,505					
174								
175								
176								

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
Base Charge	6,557	\$ 122,944	6,557	\$ 229,495
<u>Usage (gallons)</u>				
Tier One	59,313,000	\$ 71,176	-	\$ -
Tier Two	13,692,000	19,169	81,350,000	209,883
Tier Three	32,731,000	52,370	24,386,000	78,035
Usage Totals	105,736,000		105,736,000	
Revenue Totals		\$ 265,658		\$ 517,413

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 1-1/2"
 Rate Code: R4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 37.50	\$ 70.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	11	-	-	11	8.33%	-	0.00%
2	1	5	1,000	5,000	16	12.12%	5,000	0.09%
3	1,001	7	2,000	14,000	23	17.42%	19,000	0.33%
4	2,001	15	3,000	45,000	38	28.79%	64,000	1.11%
5	3,001	23	4,000	92,000	61	46.21%	156,000	2.70%
6	4,001	6	5,000	30,000	67	50.76%	186,000	3.22%
7	5,001	6	6,000	36,000	73	55.30%	222,000	3.85%
8	6,001	8	7,000	56,000	81	61.36%	278,000	4.82%
9	7,001	4	8,000	32,000	85	64.39%	310,000	5.37%
10	8,001	2	9,000	18,000	87	65.91%	328,000	5.68%
11	9,001	5	10,000	50,000	92	69.70%	378,000	6.55%
12	10,001	1	11,000	11,000	93	70.45%	389,000	6.74%
13	11,001	1	12,000	12,000	94	71.21%	401,000	6.95%
14	12,001	3	13,000	39,000	97	73.48%	440,000	7.62%
15	13,001	-	-	-	97	73.48%	440,000	7.62%
16	14,001	1	15,000	15,000	98	74.24%	455,000	7.88%
17	15,001	1	16,000	16,000	99	75.00%	471,000	8.16%
18	16,001	-	-	-	99	75.00%	471,000	8.16%
19	17,001	1	18,000	18,000	100	75.76%	489,000	8.47%
20	18,001	-	-	-	100	75.76%	489,000	8.47%
21	19,001	-	-	-	100	75.76%	489,000	8.47%
22	20,001	1	21,000	21,000	101	76.52%	510,000	8.84%
23	21,001	-	-	-	101	76.52%	510,000	8.84%
24	22,001	-	-	-	101	76.52%	510,000	8.84%
25	23,001	2	24,000	48,000	103	78.03%	558,000	9.67%
26	24,001	2	25,000	50,000	105	79.55%	608,000	10.53%
27	25,001	-	-	-	105	79.55%	608,000	10.53%
28	26,001	1	27,000	27,000	106	80.30%	635,000	11.00%
29	27,001	-	-	-	106	80.30%	635,000	11.00%
30	28,001	-	-	-	106	80.30%	635,000	11.00%
31	29,001	-	-	-	106	80.30%	635,000	11.00%
32	30,001	-	-	-	106	80.30%	635,000	11.00%
33	31,001	-	-	-	106	80.30%	635,000	11.00%
34	32,001	1	33,000	33,000	107	81.06%	668,000	11.57%
35	33,001	-	-	-	107	81.06%	668,000	11.57%
36	34,001	-	-	-	107	81.06%	668,000	11.57%
37	35,001	-	-	-	107	81.06%	668,000	11.57%
38	36,001	-	-	-	107	81.06%	668,000	11.57%
39	37,001	-	-	-	107	81.06%	668,000	11.57%
40	38,001	1	39,000	39,000	108	81.82%	707,000	12.25%
41	39,001	-	-	-	108	81.82%	707,000	12.25%
42	40,001	-	-	-	108	81.82%	707,000	12.25%
43	41,001	1	42,000	42,000	109	82.58%	749,000	12.98%
44	42,001	-	-	-	109	82.58%	749,000	12.98%
45	43,001	-	-	-	109	82.58%	749,000	12.98%
46	44,001	-	-	-	109	82.58%	749,000	12.98%
47	45,001	-	-	-	109	82.58%	749,000	12.98%
48	46,001	1	47,000	47,000	110	83.33%	796,000	13.79%
49	47,001	-	-	-	110	83.33%	796,000	13.79%
50	48,001	-	-	-	110	83.33%	796,000	13.79%
51	49,001	1	50,000	50,000	111	84.09%	846,000	14.66%
52	50,001	-	-	-	111	84.09%	846,000	14.66%
53	51,001	1	52,000	52,000	112	84.85%	898,000	15.56%
54	52,001	-	-	-	112	84.85%	898,000	15.56%

Meter Size: 1-1/2"
 Rate Code: R4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 37.50	\$ 70.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
55	53,001 - 54,000	-	-	-	112	84.85%	898,000	15.56%
56	54,001 - 55,000	1	55,000	55,000	113	85.61%	953,000	16.51%
57	55,001 - 56,000	-	-	-	113	85.61%	953,000	16.51%
58	56,001 - 57,000	-	-	-	113	85.61%	953,000	16.51%
59	57,001 - 58,000	-	-	-	113	85.61%	953,000	16.51%
60	58,001 - 59,000	-	-	-	113	85.61%	953,000	16.51%
61	59,001 - 60,000	1	60,000	60,000	114	86.36%	1,013,000	17.55%
62	60,001 - 61,000	-	-	-	114	86.36%	1,013,000	17.55%
63	61,001 - 62,000	-	-	-	114	86.36%	1,013,000	17.55%
64	62,001 - 63,000	1	63,000	63,000	115	87.12%	1,076,000	18.64%
65	63,001 - 64,000	-	-	-	115	87.12%	1,076,000	18.64%
66	64,001 - 65,000	-	-	-	115	87.12%	1,076,000	18.64%
67	65,001 - 66,000	-	-	-	115	87.12%	1,076,000	18.64%
68	66,001 - 67,000	-	-	-	115	87.12%	1,076,000	18.64%
69	67,001 - 68,000	-	-	-	115	87.12%	1,076,000	18.64%
70	68,001 - 69,000	-	-	-	115	87.12%	1,076,000	18.64%
71	69,001 - 70,000	-	-	-	115	87.12%	1,076,000	18.64%
72	70,001 - 71,000	1	71,000	71,000	116	87.88%	1,147,000	19.87%
73	71,001 - 72,000	2	72,000	144,000	118	89.39%	1,291,000	22.37%
74	72,001 - 73,000	-	-	-	118	89.39%	1,291,000	22.37%
75	73,001 - 74,000	-	-	-	118	89.39%	1,291,000	22.37%
76	74,001 - 75,000	-	-	-	118	89.39%	1,291,000	22.37%
77	75,001 - 76,000	1	76,000	76,000	119	90.15%	1,367,000	23.68%
78	76,001 - 77,000	-	-	-	119	90.15%	1,367,000	23.68%
79	77,001 - 78,000	-	-	-	119	90.15%	1,367,000	23.68%
80	78,001 - 79,000	-	-	-	119	90.15%	1,367,000	23.68%
81	79,001 - 80,000	-	-	-	119	90.15%	1,367,000	23.68%
82	80,001 - 81,000	-	-	-	119	90.15%	1,367,000	23.68%
83	81,001 - 82,000	-	-	-	119	90.15%	1,367,000	23.68%
84	82,001 - 83,000	-	-	-	119	90.15%	1,367,000	23.68%
85	83,001 - 84,000	-	-	-	119	90.15%	1,367,000	23.68%
86	84,001 - 85,000	1	85,000	85,000	120	90.91%	1,452,000	25.16%
87	85,001 - 86,000	-	-	-	120	90.91%	1,452,000	25.16%
88	86,001 - 87,000	-	-	-	120	90.91%	1,452,000	25.16%
89	87,001 - 88,000	-	-	-	120	90.91%	1,452,000	25.16%
90	88,001 - 89,000	1	89,000	89,000	121	91.67%	1,541,000	26.70%
91	89,001 - 90,000	-	-	-	121	91.67%	1,541,000	26.70%
92	90,001 - 91,000	-	-	-	121	91.67%	1,541,000	26.70%
93	91,001 - 92,000	-	-	-	121	91.67%	1,541,000	26.70%
94	92,001 - 93,000	-	-	-	121	91.67%	1,541,000	26.70%
95	93,001 - 94,000	1	94,000	94,000	122	92.42%	1,635,000	28.33%
96	94,001 - 95,000	-	-	-	122	92.42%	1,635,000	28.33%
97	95,001 - 96,000	-	-	-	122	92.42%	1,635,000	28.33%
98	96,001 - 97,000	-	-	-	122	92.42%	1,635,000	28.33%
99	97,001 - 98,000	-	-	-	122	92.42%	1,635,000	28.33%
100	98,001 - 99,000	-	-	-	122	92.42%	1,635,000	28.33%
101	99,001 - 100,000	-	-	-	122	92.42%	1,635,000	28.33%
102	130,000 - 130,000	1	130,000	130,000	123	93.18%	1,765,000	30.58%
103	175,000 - 175,000	1	175,000	175,000	124	93.94%	1,940,000	33.61%
104	185,000 - 185,000	1	185,000	185,000	125	94.70%	2,125,000	36.82%
105	247,000 - 247,000	1	247,000	247,000	126	95.45%	2,372,000	41.09%
106	334,000 - 334,000	1	334,000	334,000	127	96.21%	2,706,000	46.88%
107	361,000 - 361,000	1	361,000	361,000	128	96.97%	3,067,000	53.14%
108	404,000 - 404,000	1	404,000	404,000	129	97.73%	3,471,000	60.14%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 1-1/2"
 Rate Code: R4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 37.50	\$ 70.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
109	614,000 - 614,000	1	614,000	614,000	130	98.48%	4,085,000	70.77%
110	795,000 - 795,000	1	795,000	795,000	131	99.24%	4,880,000	84.55%
111	892,000 - 892,000	1	892,000	892,000	132	100.00%	5,772,000	100.00%
112								
113	Totals	132		5,772,000	132		5,772,000	
114								
115	Total Bills	132						

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
116				
117	Base Charge	132 \$ 4,950	132	\$ 9,240
118	Average Number of Customers	11		
119				
120	Average Consumption (gallons)	43,727		
121				
122	Median Consumption (gallons)	4,833		
123				
124	Usage (gallons)			
125				
	Tier One	857,000 \$ 1,028	-	\$ -
	Tier Two	208,000 291	1,896,000	4,892
	Tier Three	4,707,000	3,876,000	12,403
	Usage Totals	5,772,000	5,772,000	
	Revenue Totals	\$ 13,801	\$ 26,535	

Meter Size: 2"
 Rate Code: R5

Rate Tiers	Present	Proposed	Charges		Present	Proposed
	Rates	Rates	Base Charge:	\$	Rates	Rates
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$	60.00	\$ 112.00
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$	1.20	\$ 1.10
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$	1.40	\$ 2.58
						\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	195	-	-	195	14.38%	-	0.00%
2	1 - 1,000	24	1,000	24,000	219	16.15%	24,000	0.02%
3	1,001 - 2,000	27	2,000	54,000	246	18.14%	78,000	0.05%
4	2,001 - 3,000	40	3,000	120,000	286	21.09%	198,000	0.13%
5	3,001 - 4,000	43	4,000	172,000	329	24.26%	370,000	0.25%
6	4,001 - 5,000	38	5,000	190,000	367	27.06%	560,000	0.38%
7	5,001 - 6,000	34	6,000	204,000	401	29.57%	764,000	0.52%
8	6,001 - 7,000	23	7,000	161,000	424	31.27%	925,000	0.63%
9	7,001 - 8,000	12	8,000	96,000	436	32.15%	1,021,000	0.69%
10	8,001 - 9,000	14	9,000	126,000	450	33.19%	1,147,000	0.78%
11	9,001 - 10,000	16	10,000	160,000	466	34.37%	1,307,000	0.89%
12	10,001 - 11,000	16	11,000	176,000	482	35.55%	1,483,000	1.01%
13	11,001 - 12,000	5	12,000	60,000	487	35.91%	1,543,000	1.05%
14	12,001 - 13,000	12	13,000	156,000	499	36.80%	1,699,000	1.15%
15	13,001 - 14,000	9	14,000	126,000	508	37.46%	1,825,000	1.24%
16	14,001 - 15,000	14	15,000	210,000	522	38.50%	2,035,000	1.38%
17	15,001 - 16,000	13	16,000	208,000	535	39.45%	2,243,000	1.52%
18	16,001 - 17,000	7	17,000	119,000	542	39.97%	2,362,000	1.60%
19	17,001 - 18,000	13	18,000	234,000	555	40.93%	2,596,000	1.76%
20	18,001 - 19,000	13	19,000	247,000	568	41.89%	2,843,000	1.93%
21	19,001 - 20,000	18	20,000	360,000	586	43.22%	3,203,000	2.17%
22	20,001 - 21,000	9	21,000	189,000	595	43.88%	3,392,000	2.30%
23	21,001 - 22,000	10	22,000	220,000	605	44.62%	3,612,000	2.45%
24	22,001 - 23,000	12	23,000	276,000	617	45.50%	3,888,000	2.64%
25	23,001 - 24,000	14	24,000	336,000	631	46.53%	4,224,000	2.86%
26	24,001 - 25,000	9	25,000	225,000	640	47.20%	4,449,000	3.02%
27	25,001 - 26,000	9	26,000	234,000	649	47.86%	4,683,000	3.18%
28	26,001 - 27,000	9	27,000	243,000	658	48.53%	4,926,000	3.34%
29	27,001 - 28,000	10	28,000	280,000	668	49.26%	5,206,000	3.53%
30	28,001 - 29,000	18	29,000	522,000	686	50.59%	5,728,000	3.88%
31	29,001 - 30,000	2	30,000	60,000	688	50.74%	5,788,000	3.92%
32	30,001 - 31,000	9	31,000	279,000	697	51.40%	6,067,000	4.11%
33	31,001 - 32,000	7	32,000	224,000	704	51.92%	6,291,000	4.27%
34	32,001 - 33,000	7	33,000	231,000	711	52.43%	6,522,000	4.42%
35	33,001 - 34,000	10	34,000	340,000	721	53.17%	6,862,000	4.65%
36	34,001 - 35,000	6	35,000	210,000	727	53.61%	7,072,000	4.80%
37	35,001 - 36,000	6	36,000	216,000	733	54.06%	7,288,000	4.94%
38	36,001 - 37,000	6	37,000	222,000	739	54.50%	7,510,000	5.09%
39	37,001 - 38,000	-	-	-	739	54.50%	7,510,000	5.09%
40	38,001 - 39,000	23	38,391	883,000	762	56.19%	8,393,000	5.69%
41	39,001 - 40,000	6	40,000	240,000	768	56.64%	8,633,000	5.85%
42	40,001 - 41,000	6	40,917	245,500	774	57.08%	8,878,500	6.02%
43	41,001 - 42,000	4	42,000	168,000	778	57.37%	9,046,500	6.13%
44	42,001 - 43,000	-	-	-	778	57.37%	9,046,500	6.13%
45	43,001 - 44,000	-	-	-	778	57.37%	9,046,500	6.13%
46	44,001 - 45,000	20	43,950	879,000	798	58.85%	9,925,500	6.73%
47	45,001 - 46,000	7	46,000	322,000	805	59.37%	10,247,500	6.95%
48	46,001 - 47,000	5	47,000	235,000	810	59.73%	10,482,500	7.11%
49	47,001 - 48,000	3	48,000	144,000	813	59.96%	10,626,500	7.21%
50	48,001 - 49,000	5	49,000	245,000	818	60.32%	10,871,500	7.37%
51	49,001 - 50,000	4	50,000	200,000	822	60.62%	11,071,500	7.51%
52	50,001 - 51,000	4	51,000	204,000	826	60.91%	11,275,500	7.65%
53	51,001 - 52,000	2	52,000	104,000	828	61.06%	11,379,500	7.72%
54	52,001 - 53,000	1	53,000	53,000	829	61.14%	11,432,500	7.75%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 2"
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$	1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
55	53,001 - 54,000	3	54,000	162,000	832	61.36%	11,594,500	7.86%
56	54,001 - 55,000	2	55,000	110,000	834	61.50%	11,704,500	7.94%
57	55,001 - 56,000	2	56,000	112,000	836	61.65%	11,816,500	8.01%
58	56,001 - 57,000	4	57,000	228,000	840	61.95%	12,044,500	8.17%
59	57,001 - 58,000	1	58,000	58,000	841	62.02%	12,102,500	8.21%
60	58,001 - 59,000	1	59,000	59,000	842	62.09%	12,161,500	8.25%
61	59,001 - 60,000	2	60,000	120,000	844	62.24%	12,281,500	8.33%
62	60,001 - 61,000	7	61,000	427,000	851	62.76%	12,708,500	8.62%
63	61,001 - 62,000	4	62,000	248,000	855	63.05%	12,956,500	8.79%
64	62,001 - 63,000	6	63,000	378,000	861	63.50%	13,334,500	9.04%
65	63,001 - 64,000	4	64,000	256,000	865	63.79%	13,590,500	9.22%
66	64,001 - 65,000	1	65,000	65,000	866	63.86%	13,655,500	9.26%
67	65,001 - 66,000	3	66,000	198,000	869	64.09%	13,853,500	9.39%
68	66,001 - 67,000	7	67,000	469,000	876	64.60%	14,322,500	9.71%
69	67,001 - 68,000	-	-	-	876	64.60%	14,322,500	9.71%
70	68,001 - 69,000	3	69,000	207,000	879	64.82%	14,529,500	9.85%
71	69,001 - 70,000	6	70,000	420,000	885	65.27%	14,949,500	10.14%
72	70,001 - 71,000	2	71,000	142,000	887	65.41%	15,091,500	10.23%
73	71,001 - 72,000	4	72,000	288,000	891	65.71%	15,379,500	10.43%
74	72,001 - 73,000	5	73,000	365,000	896	66.08%	15,744,500	10.68%
75	73,001 - 74,000	3	74,000	222,000	899	66.30%	15,966,500	10.83%
76	74,001 - 75,000	5	74,900	374,500	904	66.67%	16,341,000	11.08%
77	75,001 - 76,000	3	76,000	228,000	907	66.89%	16,569,000	11.24%
78	76,001 - 77,000	5	77,000	385,000	912	67.26%	16,954,000	11.50%
79	77,001 - 78,000	3	78,000	234,000	915	67.48%	17,188,000	11.66%
80	78,001 - 79,000	-	-	-	915	67.48%	17,188,000	11.66%
81	79,001 - 80,000	5	80,000	400,000	920	67.85%	17,588,000	11.93%
82	80,001 - 81,000	4	81,000	324,000	924	68.14%	17,912,000	12.15%
83	81,001 - 82,000	6	82,000	492,000	930	68.58%	18,404,000	12.48%
84	82,001 - 83,000	1	83,000	83,000	931	68.66%	18,487,000	12.54%
85	83,001 - 84,000	2	84,000	168,000	933	68.81%	18,655,000	12.65%
86	84,001 - 85,000	5	85,000	425,000	938	69.17%	19,080,000	12.94%
87	85,001 - 86,000	1	86,000	86,000	939	69.25%	19,166,000	13.00%
88	86,001 - 87,000	2	87,000	174,000	941	69.40%	19,340,000	13.11%
89	87,001 - 88,000	2	88,000	176,000	943	69.54%	19,516,000	13.23%
90	88,001 - 89,000	1	89,000	89,000	944	69.62%	19,605,000	13.29%
91	89,001 - 90,000	1	90,000	90,000	945	69.69%	19,695,000	13.36%
92	90,001 - 91,000	2	91,000	182,000	947	69.84%	19,877,000	13.48%
93	91,001 - 92,000	1	92,000	92,000	948	69.91%	19,969,000	13.54%
94	92,001 - 93,000	2	93,000	186,000	950	70.06%	20,155,000	13.67%
95	93,001 - 94,000	1	94,000	94,000	951	70.13%	20,249,000	13.73%
96	94,001 - 95,000	1	95,000	95,000	952	70.21%	20,344,000	13.80%
97	95,001 - 96,000	1	96,000	96,000	953	70.28%	20,440,000	13.86%
98	96,001 - 97,000	2	97,000	194,000	955	70.43%	20,634,000	13.99%
99	97,001 - 98,000	1	98,000	98,000	956	70.50%	20,732,000	14.06%
100	98,001 - 99,000	1	99,000	99,000	957	70.58%	20,831,000	14.13%
101	99,001 - 100,000	3	100,000	300,000	960	70.80%	21,131,000	14.33%
102	101,000 - 101,000	2	101,000	202,000	962	70.94%	21,333,000	14.47%
103	102,000 - 102,000	2	102,000	204,000	964	71.09%	21,537,000	14.60%
104	103,000 - 103,000	3	103,000	309,000	967	71.31%	21,846,000	14.81%
105	104,000 - 104,000	2	104,000	208,000	969	71.46%	22,054,000	14.96%
106	105,000 - 105,000	3	105,000	315,000	972	71.68%	22,369,000	15.17%
107	106,000 - 106,000	2	106,000	212,000	974	71.83%	22,581,000	15.31%
108	108,000 - 108,000	1	108,000	108,000	975	71.90%	22,689,000	15.39%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 2"
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$	1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
109	109,000 - 109,000	1	109,000	109,000	976	71.98%	22,798,000	15.46%
110	110,000 - 110,000	3	110,000	330,000	979	72.20%	23,128,000	15.68%
111	111,000 - 111,000	3	111,000	333,000	982	72.42%	23,461,000	15.91%
112	112,000 - 112,000	2	112,000	224,000	984	72.57%	23,685,000	16.06%
113	113,000 - 113,000	4	113,000	452,000	988	72.86%	24,137,000	16.37%
114	114,000 - 114,000	2	114,000	228,000	990	73.01%	24,365,000	16.52%
115	115,000 - 115,000	1	115,000	115,000	991	73.08%	24,480,000	16.60%
116	116,000 - 116,000	2	116,000	232,000	993	73.23%	24,712,000	16.76%
117	117,000 - 117,000	2	117,000	234,000	995	73.38%	24,946,000	16.92%
118	118,000 - 118,000	2	118,000	236,000	997	73.53%	25,182,000	17.08%
119	119,000 - 119,000	2	119,000	238,000	999	73.67%	25,420,000	17.24%
120	120,000 - 120,000	1	120,000	120,000	1,000	73.75%	25,540,000	17.32%
121	121,000 - 121,000	2	121,000	242,000	1,002	73.89%	25,782,000	17.48%
122	122,000 - 122,000	2	122,000	244,000	1,004	74.04%	26,026,000	17.65%
123	123,000 - 123,000	2	123,000	246,000	1,006	74.19%	26,272,000	17.82%
124	124,000 - 124,000	2	124,000	248,000	1,008	74.34%	26,520,000	17.98%
125	125,000 - 125,000	2	125,000	250,000	1,010	74.48%	26,770,000	18.15%
126	129,000 - 129,000	2	129,000	258,000	1,012	74.63%	27,028,000	18.33%
127	131,000 - 131,000	2	131,000	262,000	1,014	74.78%	27,290,000	18.51%
128	134,000 - 134,000	1	134,000	134,000	1,015	74.85%	27,424,000	18.60%
129	135,000 - 135,000	7	135,000	945,000	1,022	75.37%	28,369,000	19.24%
130	136,000 - 136,000	2	136,000	272,000	1,024	75.52%	28,641,000	19.42%
131	137,000 - 137,000	2	137,000	274,000	1,026	75.66%	28,915,000	19.61%
132	138,000 - 138,000	1	138,000	138,000	1,027	75.74%	29,053,000	19.70%
133	139,000 - 139,000	3	139,000	417,000	1,030	75.96%	29,470,000	19.98%
134	140,000 - 140,000	2	140,000	280,000	1,032	76.11%	29,750,000	20.17%
135	141,000 - 141,000	1	141,000	141,000	1,033	76.18%	29,891,000	20.27%
136	142,000 - 142,000	3	142,000	426,000	1,036	76.40%	30,317,000	20.56%
137	143,000 - 143,000	1	143,000	143,000	1,037	76.47%	30,460,000	20.66%
138	144,000 - 144,000	1	144,000	144,000	1,038	76.55%	30,604,000	20.75%
139	145,000 - 145,000	2	145,000	290,000	1,040	76.70%	30,894,000	20.95%
140	147,000 - 147,000	3	147,000	441,000	1,043	76.92%	31,335,000	21.25%
141	148,000 - 148,000	3	148,000	444,000	1,046	77.14%	31,779,000	21.55%
142	149,000 - 149,000	2	149,000	298,000	1,048	77.29%	32,077,000	21.75%
143	150,000 - 150,000	3	150,000	450,000	1,051	77.51%	32,527,000	22.06%
144	151,000 - 151,000	3	151,000	453,000	1,054	77.73%	32,980,000	22.36%
145	152,000 - 152,000	4	152,000	608,000	1,058	78.02%	33,588,000	22.78%
146	153,000 - 153,000	1	153,000	153,000	1,059	78.10%	33,741,000	22.88%
147	154,000 - 154,000	2	154,000	308,000	1,061	78.24%	34,049,000	23.09%
148	155,000 - 155,000	4	155,000	620,000	1,065	78.54%	34,669,000	23.51%
149	156,000 - 156,000	1	156,000	156,000	1,066	78.61%	34,825,000	23.62%
150	158,000 - 158,000	2	158,000	316,000	1,068	78.76%	35,141,000	23.83%
151	159,000 - 159,000	2	159,000	318,000	1,070	78.91%	35,459,000	24.05%
152	160,000 - 160,000	1	160,000	160,000	1,071	78.98%	35,619,000	24.15%
153	161,000 - 161,000	3	161,000	483,000	1,074	79.20%	36,102,000	24.48%
154	162,000 - 162,000	2	162,000	324,000	1,076	79.35%	36,426,000	24.70%
155	163,000 - 163,000	2	163,000	326,000	1,078	79.50%	36,752,000	24.92%
156	165,000 - 165,000	1	165,000	165,000	1,079	79.57%	36,917,000	25.03%
157	166,000 - 166,000	4	166,000	664,000	1,083	79.87%	37,581,000	25.48%
158	167,000 - 167,000	2	167,000	334,000	1,085	80.01%	37,915,000	25.71%
159	168,000 - 168,000	2	168,000	336,000	1,087	80.16%	38,251,000	25.94%
160	169,000 - 169,000	2	169,000	338,000	1,089	80.31%	38,589,000	26.17%
161	170,000 - 170,000	2	170,000	340,000	1,091	80.46%	38,929,000	26.40%
162	171,000 - 171,000	1	171,000	171,000	1,092	80.53%	39,100,000	26.51%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-S
 Witness: Jones

Meter Size: 2"
 Rate Code: R5

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$	1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
163	172,000 - 172,000	2	172,000	344,000	1,094	80.68%	39,444,000	26.75%
164	173,000 - 173,000	2	173,000	346,000	1,096	80.83%	39,790,000	26.98%
165	174,000 - 174,000	1	174,000	174,000	1,097	80.90%	39,964,000	27.10%
166	175,000 - 175,000	1	175,000	175,000	1,098	80.97%	40,139,000	27.22%
167	177,000 - 177,000	2	177,000	354,000	1,100	81.12%	40,493,000	27.46%
168	178,000 - 178,000	1	178,000	178,000	1,101	81.19%	40,671,000	27.58%
169	179,000 - 179,000	1	179,000	179,000	1,102	81.27%	40,850,000	27.70%
170	180,000 - 180,000	2	180,000	360,000	1,104	81.42%	41,210,000	27.95%
171	181,000 - 181,000	4	181,000	724,000	1,108	81.71%	41,934,000	28.44%
172	182,000 - 182,000	5	182,000	910,000	1,113	82.08%	42,844,000	29.05%
173	183,000 - 183,000	2	183,000	366,000	1,115	82.23%	43,210,000	29.30%
174	184,000 - 184,000	1	184,000	184,000	1,116	82.30%	43,394,000	29.43%
175	186,000 - 186,000	2	186,000	372,000	1,118	82.45%	43,766,000	29.68%
176	189,000 - 189,000	1	189,000	189,000	1,119	82.52%	43,955,000	29.81%
177	190,000 - 190,000	2	190,000	380,000	1,121	82.67%	44,335,000	30.06%
178	191,000 - 191,000	5	191,000	955,000	1,126	83.04%	45,290,000	30.71%
179	192,000 - 192,000	1	192,000	192,000	1,127	83.11%	45,482,000	30.84%
180	194,000 - 194,000	3	194,000	582,000	1,130	83.33%	46,064,000	31.24%
181	195,000 - 195,000	1	195,000	195,000	1,131	83.41%	46,259,000	31.37%
182	197,000 - 197,000	2	197,000	394,000	1,133	83.55%	46,653,000	31.64%
183	200,000 - 200,000	1	200,000	200,000	1,134	83.63%	46,853,000	31.77%
184	201,000 - 201,000	1	201,000	201,000	1,135	83.70%	47,054,000	31.91%
185	202,000 - 202,000	4	202,000	808,000	1,139	84.00%	47,862,000	32.46%
186	204,000 - 204,000	1	204,000	204,000	1,140	84.07%	48,066,000	32.59%
187	205,000 - 205,000	3	205,000	615,000	1,143	84.29%	48,681,000	33.01%
188	208,000 - 208,000	1	208,000	208,000	1,144	84.37%	48,889,000	33.15%
189	211,000 - 211,000	1	211,000	211,000	1,145	84.44%	49,100,000	33.30%
190	212,000 - 212,000	2	212,000	424,000	1,147	84.59%	49,524,000	33.58%
191	213,000 - 213,000	3	213,000	639,000	1,150	84.81%	50,163,000	34.02%
192	215,000 - 215,000	1	215,000	215,000	1,151	84.88%	50,378,000	34.16%
193	218,000 - 218,000	2	218,000	436,000	1,153	85.03%	50,814,000	34.46%
194	220,000 - 220,000	1	220,000	220,000	1,154	85.10%	51,034,000	34.61%
195	221,000 - 221,000	1	221,000	221,000	1,155	85.18%	51,255,000	34.76%
196	225,000 - 225,000	1	225,000	225,000	1,156	85.25%	51,480,000	34.91%
197	226,000 - 226,000	1	226,000	226,000	1,157	85.32%	51,706,000	35.06%
198	227,000 - 227,000	1	227,000	227,000	1,158	85.40%	51,933,000	35.22%
199	228,000 - 228,000	3	228,000	684,000	1,161	85.62%	52,617,000	35.68%
200	229,000 - 229,000	2	229,000	458,000	1,163	85.77%	53,075,000	35.99%
201	230,000 - 230,000	1	230,000	230,000	1,164	85.84%	53,305,000	36.15%
202	231,000 - 231,000	1	231,000	231,000	1,165	85.91%	53,536,000	36.30%
203	232,000 - 232,000	1	232,000	232,000	1,166	85.99%	53,768,000	36.46%
204	233,000 - 233,000	1	233,000	233,000	1,167	86.06%	54,001,000	36.62%
205	234,000 - 234,000	1	234,000	234,000	1,168	86.14%	54,235,000	36.78%
206	235,000 - 235,000	1	235,000	235,000	1,169	86.21%	54,470,000	36.94%
207	236,000 - 236,000	2	236,000	472,000	1,171	86.36%	54,942,000	37.26%
208	237,000 - 237,000	1	237,000	237,000	1,172	86.43%	55,179,000	37.42%
209	239,000 - 239,000	1	239,000	239,000	1,173	86.50%	55,418,000	37.58%
210	240,000 - 240,000	1	240,000	240,000	1,174	86.58%	55,658,000	37.74%
211	243,000 - 243,000	1	243,000	243,000	1,175	86.65%	55,901,000	37.91%
212	245,000 - 245,000	1	245,000	245,000	1,176	86.73%	56,146,000	38.07%
213	250,000 - 250,000	4	250,000	1,000,000	1,180	87.02%	57,146,000	38.75%
214	251,000 - 251,000	1	251,000	251,000	1,181	87.09%	57,397,000	38.92%
215	252,000 - 252,000	3	252,000	756,000	1,184	87.32%	58,153,000	39.44%
216	253,000 - 253,000	1	253,000	253,000	1,185	87.39%	58,406,000	39.61%

Meter Size: 2"
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
217	255,000 - 255,000	1	255,000	255,000	1,186	87.46%	58,661,000	39.78%
218	256,000 - 256,000	2	256,000	512,000	1,188	87.61%	59,173,000	40.13%
219	257,000 - 257,000	1	257,000	257,000	1,189	87.68%	59,430,000	40.30%
220	258,000 - 258,000	1	258,000	258,000	1,190	87.76%	59,688,000	40.48%
221	260,000 - 260,000	1	260,000	260,000	1,191	87.83%	59,948,000	40.65%
222	261,000 - 261,000	2	261,000	522,000	1,193	87.98%	60,470,000	41.01%
223	262,000 - 262,000	2	262,000	524,000	1,195	88.13%	60,994,000	41.36%
224	264,000 - 264,000	1	264,000	264,000	1,196	88.20%	61,258,000	41.54%
225	265,000 - 265,000	1	265,000	265,000	1,197	88.27%	61,523,000	41.72%
226	269,000 - 269,000	1	269,000	269,000	1,198	88.35%	61,792,000	41.90%
227	272,000 - 272,000	1	272,000	272,000	1,199	88.42%	62,064,000	42.09%
228	273,000 - 273,000	1	273,000	273,000	1,200	88.50%	62,337,000	42.27%
229	275,000 - 275,000	1	275,000	275,000	1,201	88.57%	62,612,000	42.46%
230	277,000 - 277,000	1	277,000	277,000	1,202	88.64%	62,889,000	42.65%
231	279,000 - 279,000	1	279,000	279,000	1,203	88.72%	63,168,000	42.84%
232	283,000 - 283,000	2	283,000	566,000	1,205	88.86%	63,734,000	43.22%
233	285,000 - 285,000	2	285,000	570,000	1,207	89.01%	64,304,000	43.61%
234	287,000 - 287,000	1	287,000	287,000	1,208	89.09%	64,591,000	43.80%
235	291,000 - 291,000	1	291,000	291,000	1,209	89.16%	64,882,000	44.00%
236	292,000 - 292,000	2	292,000	584,000	1,211	89.31%	65,466,000	44.39%
237	294,000 - 294,000	2	294,000	588,000	1,213	89.45%	66,054,000	44.79%
238	295,000 - 295,000	1	295,000	295,000	1,214	89.53%	66,349,000	44.99%
239	301,000 - 301,000	2	301,000	602,000	1,216	89.68%	66,951,000	45.40%
240	302,000 - 302,000	1	302,000	302,000	1,217	89.75%	67,253,000	45.61%
241	303,000 - 303,000	1	303,000	303,000	1,218	89.82%	67,556,000	45.81%
242	304,000 - 304,000	1	304,000	304,000	1,219	89.90%	67,860,000	46.02%
243	307,000 - 307,000	1	307,000	307,000	1,220	89.97%	68,167,000	46.23%
244	308,000 - 308,000	1	308,000	308,000	1,221	90.04%	68,475,000	46.43%
245	310,000 - 310,000	1	310,000	310,000	1,222	90.12%	68,785,000	46.64%
246	315,000 - 315,000	1	315,000	315,000	1,223	90.19%	69,100,000	46.86%
247	316,000 - 316,000	1	316,000	316,000	1,224	90.27%	69,416,000	47.07%
248	317,000 - 317,000	1	317,000	317,000	1,225	90.34%	69,733,000	47.29%
249	320,000 - 320,000	2	320,000	640,000	1,227	90.49%	70,373,000	47.72%
250	322,000 - 322,000	1	322,000	322,000	1,228	90.56%	70,695,000	47.94%
251	323,000 - 323,000	2	323,000	646,000	1,230	90.71%	71,341,000	48.38%
252	323,500 - 323,500	1	323,500	323,500	1,231	90.78%	71,664,500	48.60%
253	325,000 - 325,000	1	325,000	325,000	1,232	90.86%	71,989,500	48.82%
254	331,000 - 331,000	1	331,000	331,000	1,233	90.93%	72,320,500	49.04%
255	343,000 - 343,000	1	343,000	343,000	1,234	91.00%	72,663,500	49.28%
256	344,000 - 344,000	1	344,000	344,000	1,235	91.08%	73,007,500	49.51%
257	345,000 - 345,000	1	345,000	345,000	1,236	91.15%	73,352,500	49.74%
258	349,000 - 349,000	2	349,000	698,000	1,238	91.30%	74,050,500	50.22%
259	352,000 - 352,000	1	352,000	352,000	1,239	91.37%	74,402,500	50.45%
260	353,000 - 353,000	1	353,000	353,000	1,240	91.45%	74,755,500	50.69%
261	360,000 - 360,000	1	360,000	360,000	1,241	91.52%	75,115,500	50.94%
262	361,000 - 361,000	1	361,000	361,000	1,242	91.59%	75,476,500	51.18%
263	362,000 - 362,000	1	362,000	362,000	1,243	91.67%	75,838,500	51.43%
264	364,000 - 364,000	1	364,000	364,000	1,244	91.74%	76,202,500	51.67%
265	365,000 - 365,000	1	365,000	365,000	1,245	91.81%	76,567,500	51.92%
266	371,000 - 371,000	1	371,000	371,000	1,246	91.89%	76,938,500	52.17%
267	375,000 - 375,000	1	375,000	375,000	1,247	91.96%	77,313,500	52.43%
268	377,000 - 377,000	1	377,000	377,000	1,248	92.04%	77,690,500	52.68%
269	381,000 - 381,000	1	381,000	381,000	1,249	92.11%	78,071,500	52.94%
270	383,000 - 383,000	1	383,000	383,000	1,250	92.18%	78,454,500	53.20%

New River Utility Company
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 2"
 Rate Code: R5

Rate Tiers		Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):		12	-	Base Charge: \$	60.00	\$ 112.00
Tier Two Breakover (M gal):		18	50	Tier One Rate: \$	1.20	\$ 1.10
Tier Three Breakover (M gal):		999,999	999,999	Tier Two Rate: \$	1.40	\$ 2.58
				Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
271	384,000 - 384,000	1	384,000	384,000	1,251	92.26%	78,838,500	53.46%
272	385,000 - 385,000	1	385,000	385,000	1,252	92.33%	79,223,500	53.72%
273	389,000 - 389,000	1	389,000	389,000	1,253	92.40%	79,612,500	53.99%
274	396,000 - 396,000	1	396,000	396,000	1,254	92.48%	80,008,500	54.26%
275	399,000 - 399,000	2	399,000	798,000	1,256	92.63%	80,806,500	54.80%
276	400,000 - 400,000	1	400,000	400,000	1,257	92.70%	81,206,500	55.07%
277	401,000 - 401,000	2	401,000	802,000	1,259	92.85%	82,008,500	55.61%
278	402,000 - 402,000	2	402,000	804,000	1,261	92.99%	82,812,500	56.16%
279	404,000 - 404,000	2	404,000	808,000	1,263	93.14%	83,620,500	56.71%
280	406,000 - 406,000	1	406,000	406,000	1,264	93.22%	84,026,500	56.98%
281	408,000 - 408,000	1	408,000	408,000	1,265	93.29%	84,434,500	57.26%
282	411,000 - 411,000	1	411,000	411,000	1,266	93.36%	84,845,500	57.54%
283	412,000 - 412,000	2	412,000	824,000	1,268	93.51%	85,669,500	58.09%
284	413,000 - 413,000	3	413,000	1,239,000	1,271	93.73%	86,908,500	58.94%
285	415,000 - 415,000	2	415,000	830,000	1,273	93.88%	87,738,500	59.50%
286	416,000 - 416,000	2	416,000	832,000	1,275	94.03%	88,570,500	60.06%
287	420,000 - 420,000	1	420,000	420,000	1,276	94.10%	88,990,500	60.35%
288	421,000 - 421,000	2	421,000	842,000	1,278	94.25%	89,832,500	60.92%
289	422,000 - 422,000	1	422,000	422,000	1,279	94.32%	90,254,500	61.20%
290	423,000 - 423,000	1	423,000	423,000	1,280	94.40%	90,677,500	61.49%
291	427,000 - 427,000	1	427,000	427,000	1,281	94.47%	91,104,500	61.78%
292	430,000 - 430,000	2	430,000	860,000	1,283	94.62%	91,964,500	62.36%
293	438,000 - 438,000	1	438,000	438,000	1,284	94.69%	92,402,500	62.66%
294	440,000 - 440,000	1	440,000	440,000	1,285	94.76%	92,842,500	62.96%
295	452,000 - 452,000	1	452,000	452,000	1,286	94.84%	93,294,500	63.27%
296	463,000 - 463,000	1	463,000	463,000	1,287	94.91%	93,757,500	63.58%
297	472,500 - 472,500	1	472,500	472,500	1,288	94.99%	94,230,000	63.90%
298	480,000 - 480,000	1	480,000	480,000	1,289	95.06%	94,710,000	64.23%
299	481,000 - 481,000	1	481,000	481,000	1,290	95.13%	95,191,000	64.55%
300	487,000 - 487,000	1	487,000	487,000	1,291	95.21%	95,678,000	64.88%
301	488,000 - 488,000	1	488,000	488,000	1,292	95.28%	96,166,000	65.21%
302	490,000 - 490,000	1	490,000	490,000	1,293	95.35%	96,656,000	65.55%
303	491,000 - 491,000	1	491,000	491,000	1,294	95.43%	97,147,000	65.88%
304	497,000 - 497,000	1	497,000	497,000	1,295	95.50%	97,644,000	66.22%
305	500,000 - 500,000	1	500,000	500,000	1,296	95.58%	98,144,000	66.55%
306	507,000 - 507,000	1	507,000	507,000	1,297	95.65%	98,651,000	66.90%
307	508,000 - 508,000	1	508,000	508,000	1,298	95.72%	99,159,000	67.24%
308	509,000 - 509,000	1	509,000	509,000	1,299	95.80%	99,668,000	67.59%
309	509,000 - 509,000	1	509,000	509,000	1,300	95.87%	100,177,000	67.93%
310	513,000 - 513,000	1	513,000	513,000	1,301	95.94%	100,690,000	68.28%
311	513,000 - 513,000	1	513,000	513,000	1,302	96.02%	101,203,000	68.63%
312	514,000 - 514,000	1	514,000	514,000	1,303	96.09%	101,717,000	68.98%
313	516,000 - 516,000	1	516,000	516,000	1,304	96.17%	102,233,000	69.33%
314	522,000 - 522,000	1	522,000	522,000	1,305	96.24%	102,755,000	69.68%
315	523,000 - 523,000	1	523,000	523,000	1,306	96.31%	103,278,000	70.04%
316	527,000 - 527,000	1	527,000	527,000	1,307	96.39%	103,805,000	70.39%
317	531,000 - 531,000	1	531,000	531,000	1,308	96.46%	104,336,000	70.75%
318	537,000 - 537,000	1	537,000	537,000	1,309	96.53%	104,873,000	71.12%
319	540,000 - 540,000	1	540,000	540,000	1,310	96.61%	105,413,000	71.48%
320	543,000 - 543,000	1	543,000	543,000	1,311	96.68%	105,956,000	71.85%
321	544,000 - 544,000	1	544,000	544,000	1,312	96.76%	106,500,000	72.22%
322	557,000 - 557,000	1	557,000	557,000	1,313	96.83%	107,057,000	72.60%
323	563,000 - 563,000	1	563,000	563,000	1,314	96.90%	107,620,000	72.98%
324	569,000 - 569,000	1	569,000	569,000	1,315	96.98%	108,189,000	73.37%

Meter Size: 2"
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
325	575,000 - 575,000	1	575,000	575,000	1,316	97.05%	108,764,000	73.76%
326	591,000 - 591,000	1	591,000	591,000	1,317	97.12%	109,355,000	74.16%
327	592,000 - 592,000	1	592,000	592,000	1,318	97.20%	109,947,000	74.56%
328	592,000 - 592,000	1	592,000	592,000	1,319	97.27%	110,539,000	74.96%
329	597,000 - 597,000	1	597,000	597,000	1,320	97.35%	111,136,000	75.36%
330	606,000 - 606,000	1	606,000	606,000	1,321	97.42%	111,742,000	75.78%
331	623,000 - 623,000	1	623,000	623,000	1,322	97.49%	112,365,000	76.20%
332	640,000 - 640,000	1	640,000	640,000	1,323	97.57%	113,005,000	76.63%
333	663,000 - 663,000	1	663,000	663,000	1,324	97.64%	113,668,000	77.08%
334	675,000 - 675,000	1	675,000	675,000	1,325	97.71%	114,343,000	77.54%
335	686,000 - 686,000	1	686,000	686,000	1,326	97.79%	115,029,000	78.00%
336	687,000 - 687,000	1	687,000	687,000	1,327	97.86%	115,716,000	78.47%
337	690,000 - 690,000	1	690,000	690,000	1,328	97.94%	116,406,000	78.94%
338	694,000 - 694,000	1	694,000	694,000	1,329	98.01%	117,100,000	79.41%
339	705,000 - 705,000	1	705,000	705,000	1,330	98.08%	117,805,000	79.89%
340	715,000 - 715,000	1	715,000	715,000	1,331	98.16%	118,520,000	80.37%
341	725,000 - 725,000	1	725,000	725,000	1,332	98.23%	119,245,000	80.86%
342	728,000 - 728,000	1	728,000	728,000	1,333	98.30%	119,973,000	81.36%
343	732,000 - 732,000	1	732,000	732,000	1,334	98.38%	120,705,000	81.85%
344	732,000 - 732,000	1	732,000	732,000	1,335	98.45%	121,437,000	82.35%
345	744,000 - 744,000	1	744,000	744,000	1,336	98.53%	122,181,000	82.85%
346	823,000 - 823,000	1	823,000	823,000	1,337	98.60%	123,004,000	83.41%
347	842,000 - 842,000	1	842,000	842,000	1,338	98.67%	123,846,000	83.98%
348	846,000 - 846,000	1	846,000	846,000	1,339	98.75%	124,692,000	84.56%
349	847,000 - 847,000	1	847,000	847,000	1,340	98.82%	125,539,000	85.13%
350	865,000 - 865,000	1	865,000	865,000	1,341	98.89%	126,404,000	85.72%
351	891,000 - 891,000	1	891,000	891,000	1,342	98.97%	127,295,000	86.32%
352	900,000 - 900,000	1	900,000	900,000	1,343	99.04%	128,195,000	86.93%
353	927,000 - 927,000	1	927,000	927,000	1,344	99.12%	129,122,000	87.56%
354	935,000 - 935,000	1	935,000	935,000	1,345	99.19%	130,057,000	88.20%
355	946,000 - 946,000	1	946,000	946,000	1,346	99.26%	131,003,000	88.84%
356	##### - #####	1	1,017,000	1,017,000	1,347	99.34%	132,020,000	89.53%
357	##### - #####	1	1,065,000	1,065,000	1,348	99.41%	133,085,000	90.25%
358	##### - #####	1	1,074,000	1,074,000	1,349	99.48%	134,159,000	90.98%
359	##### - #####	1	1,200,000	1,200,000	1,350	99.56%	135,359,000	91.79%
360	##### - #####	1	1,280,000	1,280,000	1,351	99.63%	136,639,000	92.66%
361	##### - #####	1	1,504,000	1,504,000	1,352	99.71%	138,143,000	93.68%
362	##### - #####	1	1,686,000	1,686,000	1,353	99.78%	139,829,000	94.82%
363	##### - #####	1	2,329,000	2,329,000	1,354	99.85%	142,158,000	96.40%
364	##### - #####	1	2,487,000	2,487,000	1,355	99.93%	144,645,000	98.09%
365	##### - #####	1	2,820,000	2,820,000	1,356	100.00%	147,465,000	100.00%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 2"
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
366								
367	Totals	1,356		147,465,000	1,356		147,465,000	
368								
369	Total Bills	1,356						
370								
371								
372	Average Number of Customers		113					
373								
374	Average Consumption (gallons)		108,750					
375								
376	Median Consumption (gallons)		28,556					
377								
378								
379								

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
Base Charge	1,356	\$ 81,360	1,356	\$ 151,872
<u>Usage (gallons)</u>				
Tier One	11,971,000	\$ 14,365	-	\$ -
Tier Two	5,043,000	7,060	37,771,500	97,450
Tier Three	130,451,000	208,722	109,693,500	351,019
Usage Totals	147,465,000		147,465,000	
Revenue Totals		\$ 311,507		\$ 600,342

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 2" (Hand Billed)
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$	1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	-	-	-	-	0.00%	-	0.00%
2	1	-	1,000	-	-	0.00%	-	0.00%
3	1,001	-	2,000	-	-	0.00%	-	0.00%
4	2,001	-	3,000	-	-	0.00%	-	0.00%
5	3,001	-	4,000	-	-	0.00%	-	0.00%
6	4,001	1	4,700	4,700	1	11.11%	4,700	0.51%
7	5,001	-	6,000	-	1	11.11%	4,700	0.51%
8	6,001	-	7,000	-	1	11.11%	4,700	0.51%
9	7,001	-	8,000	-	1	11.11%	4,700	0.51%
10	8,001	-	9,000	-	1	11.11%	4,700	0.51%
11	9,001	-	10,000	-	1	11.11%	4,700	0.51%
12	10,001	-	11,000	-	1	11.11%	4,700	0.51%
13	11,001	-	12,000	-	1	11.11%	4,700	0.51%
14	12,001	-	13,000	-	1	11.11%	4,700	0.51%
15	13,001	-	14,000	-	1	11.11%	4,700	0.51%
16	14,001	-	15,000	-	1	11.11%	4,700	0.51%
17	15,001	-	16,000	-	1	11.11%	4,700	0.51%
18	16,001	-	17,000	-	1	11.11%	4,700	0.51%
19	17,001	2	17,500	35,000	3	33.33%	39,700	4.29%
20	18,001	-	19,000	-	3	33.33%	39,700	4.29%
21	19,001	-	20,000	-	3	33.33%	39,700	4.29%
22	20,001	-	21,000	-	3	33.33%	39,700	4.29%
23	21,001	-	22,000	-	3	33.33%	39,700	4.29%
24	22,001	-	23,000	-	3	33.33%	39,700	4.29%
25	23,001	-	24,000	-	3	33.33%	39,700	4.29%
26	24,001	1	25,000	25,000	4	44.44%	64,700	6.99%
27	25,001	-	26,000	-	4	44.44%	64,700	6.99%
28	26,001	-	27,000	-	4	44.44%	64,700	6.99%
29	27,001	-	28,000	-	4	44.44%	64,700	6.99%
30	28,001	-	29,000	-	4	44.44%	64,700	6.99%
31	29,001	-	30,000	-	4	44.44%	64,700	6.99%
32	30,001	-	31,000	-	4	44.44%	64,700	6.99%
33	31,001	-	32,000	-	4	44.44%	64,700	6.99%
34	32,001	-	33,000	-	4	44.44%	64,700	6.99%
35	33,001	-	34,000	-	4	44.44%	64,700	6.99%
36	34,001	-	35,000	-	4	44.44%	64,700	6.99%
37	35,001	-	36,000	-	4	44.44%	64,700	6.99%
38	36,001	-	37,000	-	4	44.44%	64,700	6.99%
39	37,001	-	38,000	-	4	44.44%	64,700	6.99%
40	38,001	-	39,000	-	4	44.44%	64,700	6.99%
41	39,001	-	40,000	-	4	44.44%	64,700	6.99%
42	40,001	-	41,000	-	4	44.44%	64,700	6.99%
43	41,001	-	42,000	-	4	44.44%	64,700	6.99%
44	42,001	-	43,000	-	4	44.44%	64,700	6.99%
45	43,001	-	44,000	-	4	44.44%	64,700	6.99%
46	44,001	-	45,000	-	4	44.44%	64,700	6.99%
47	45,001	-	46,000	-	4	44.44%	64,700	6.99%
48	46,001	-	47,000	-	4	44.44%	64,700	6.99%
49	47,001	-	48,000	-	4	44.44%	64,700	6.99%
50	48,001	-	49,000	-	4	44.44%	64,700	6.99%
51	49,001	-	50,000	-	4	44.44%	64,700	6.99%
52	50,001	-	51,000	-	4	44.44%	64,700	6.99%
53	51,001	-	52,000	-	4	44.44%	64,700	6.99%
54	52,001	-	53,000	-	4	44.44%	64,700	6.99%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLI-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 2" (Hand Billed)
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
55	53,001 - 54,000				4	44.44%	64,700	6.99%
56	54,001 - 55,000				4	44.44%	64,700	6.99%
57	55,001 - 56,000				4	44.44%	64,700	6.99%
58	56,001 - 57,000				4	44.44%	64,700	6.99%
59	57,001 - 58,000				4	44.44%	64,700	6.99%
60	58,001 - 59,000				4	44.44%	64,700	6.99%
61	59,001 - 60,000				4	44.44%	64,700	6.99%
62	60,001 - 61,000				4	44.44%	64,700	6.99%
63	61,001 - 62,000				4	44.44%	64,700	6.99%
64	62,001 - 63,000				4	44.44%	64,700	6.99%
65	63,001 - 64,000				4	44.44%	64,700	6.99%
66	64,001 - 65,000				4	44.44%	64,700	6.99%
67	65,001 - 66,000				4	44.44%	64,700	6.99%
68	66,001 - 67,000				4	44.44%	64,700	6.99%
69	67,001 - 68,000				4	44.44%	64,700	6.99%
70	68,001 - 69,000				4	44.44%	64,700	6.99%
71	69,001 - 70,000				4	44.44%	64,700	6.99%
72	70,001 - 71,000				4	44.44%	64,700	6.99%
73	71,001 - 72,000				4	44.44%	64,700	6.99%
74	72,001 - 73,000				4	44.44%	64,700	6.99%
75	73,001 - 74,000				4	44.44%	64,700	6.99%
76	74,001 - 75,000				4	44.44%	64,700	6.99%
77	75,001 - 76,000				4	44.44%	64,700	6.99%
78	76,001 - 77,000				4	44.44%	64,700	6.99%
79	77,001 - 78,000				4	44.44%	64,700	6.99%
80	78,001 - 79,000				4	44.44%	64,700	6.99%
81	79,001 - 80,000				4	44.44%	64,700	6.99%
82	80,001 - 81,000				4	44.44%	64,700	6.99%
83	81,001 - 82,000				4	44.44%	64,700	6.99%
84	82,001 - 83,000				4	44.44%	64,700	6.99%
85	83,001 - 84,000				4	44.44%	64,700	6.99%
86	84,001 - 85,000				4	44.44%	64,700	6.99%
87	85,001 - 86,000				4	44.44%	64,700	6.99%
88	86,001 - 87,000				4	44.44%	64,700	6.99%
89	87,001 - 88,000				4	44.44%	64,700	6.99%
90	88,001 - 89,000				4	44.44%	64,700	6.99%
91	89,001 - 90,000				4	44.44%	64,700	6.99%
92	90,001 - 91,000				4	44.44%	64,700	6.99%
93	91,001 - 92,000				4	44.44%	64,700	6.99%
94	92,001 - 93,000				4	44.44%	64,700	6.99%
95	93,001 - 94,000				4	44.44%	64,700	6.99%
96	94,001 - 95,000				4	44.44%	64,700	6.99%
97	95,001 - 96,000				4	44.44%	64,700	6.99%
98	96,001 - 97,000				4	44.44%	64,700	6.99%
99	97,001 - 98,000				4	44.44%	64,700	6.99%
100	98,001 - 99,000	1	99,000	99,000	5	55.56%	163,700	17.68%
101	99,001 - 100,000				5	55.56%	163,700	17.68%
102	127,000 - 127,000	1	127,000	127,000	6	66.67%	290,700	31.39%
103	170,000 - 170,000	1	170,000	170,000	7	77.78%	460,700	49.75%
104	190,000 - 190,000	1	190,000	190,000	8	88.89%	650,700	70.26%
105	275,400 - 275,400	1	275,400	275,400	9	100.00%	926,100	100.00%
106								
107	Totals	9		926,100	9		926,100	
108								

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 2" (Hand Billed)
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 60.00	\$ 112.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
109	Total Bills	9						
110								
111								
112	Average Number of Customers	1						
113								
114	Average Consumption (gallons)	102,900						
115								
116	Median Consumption (gallons)	62,000						
117								
118								
119								

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
Base Charge	9	\$ 540	9	\$ 1,008
<u>Usage (gallons)</u>				
Tier One	100,700	\$ 121	-	\$ -
Tier Two	47,000	66	314,700	812
Tier Three	778,400	1,245	611,400	1,956
Usage Totals	926,100		926,100	
Revenue Totals		\$ 1,972		\$ 3,776

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 3"
 Rate Code: R6

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	120.00	\$ 224.00
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$	1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	-	17	-	17	34.69%	-	0.00%
2	1	1,000	2	1,000	19	38.78%	2,000	0.59%
3	1,001	- 2,000	7	2,000	26	53.06%	16,000	4.71%
4	2,001	- 3,000	3	3,000	29	59.18%	25,000	7.35%
5	3,001	- 4,000	-	-	29	59.18%	25,000	7.35%
6	4,001	- 5,000	-	-	29	59.18%	25,000	7.35%
7	5,001	- 6,000	-	-	29	59.18%	25,000	7.35%
8	6,001	- 7,000	1	7,000	30	61.22%	32,000	9.41%
9	7,001	- 8,000	-	-	30	61.22%	32,000	9.41%
10	8,001	- 9,000	-	-	30	61.22%	32,000	9.41%
11	9,001	- 10,000	1	10,000	31	63.27%	42,000	12.35%
12	10,001	- 11,000	1	11,000	32	65.31%	53,000	15.59%
13	11,001	- 12,000	-	-	32	65.31%	53,000	15.59%
14	12,001	- 13,000	3	13,000	35	71.43%	92,000	27.06%
15	13,001	- 14,000	-	-	35	71.43%	92,000	27.06%
16	14,001	- 15,000	2	15,000	37	75.51%	122,000	35.88%
17	15,001	- 16,000	2	16,000	39	79.59%	154,000	45.29%
18	16,001	- 17,000	4	17,000	43	87.76%	222,000	65.29%
19	17,001	- 18,000	2	18,000	45	91.84%	258,000	75.88%
20	18,001	- 19,000	1	19,000	46	93.88%	277,000	81.47%
21	19,001	- 20,000	1	20,000	47	95.92%	297,000	87.35%
22	20,001	- 21,000	1	21,000	48	97.96%	318,000	93.53%
23	21,001	- 22,000	1	22,000	49	100.00%	340,000	100.00%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 3"
 Rate Code: R6

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 120.00	\$ 224.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
24	Totals	49		340,000	49		340,000	
26								
27	Total Bills	49						
28								
29								
30	Average Number of Customers	4						
31								
32	Average Consumption (gallons)	6,939						
33								
34	Median Consumption (gallons)	1,786						
35								
36								
37								

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
Base Charge	49	\$ 5,880	49	\$ 10,976
<u>Usage (gallons)</u>				
Tier One	257,000	\$ 308	-	\$ -
Tier Two	73,000	102	340,000	877
Tier Three	10,000	16	-	-
Usage Totals	340,000		340,000	
Revenue Totals		\$ 6,307		\$ 11,853

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 3" (Hand Billed)
 Rate Code: R6

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 120.00	\$ 224.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.20
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	-	-	-	-	0.00%	-	0.00%
2	1	-	1,000	-	-	0.00%	-	0.00%
3	1,001	-	2,000	-	-	0.00%	-	0.00%
4	2,001	-	3,000	-	-	0.00%	-	0.00%
5	3,001	-	4,000	-	-	0.00%	-	0.00%
6	4,001	-	5,000	-	-	0.00%	-	0.00%
7	5,001	-	6,000	-	-	0.00%	-	0.00%
8	6,001	-	7,000	-	-	0.00%	-	0.00%
9	7,001	-	8,000	-	-	0.00%	-	0.00%
10	8,001	-	9,000	-	-	0.00%	-	0.00%
11	9,001	-	10,000	-	-	0.00%	-	0.00%
12	10,001	-	11,000	-	-	0.00%	-	0.00%
13	11,001	-	12,000	-	-	0.00%	-	0.00%
14	12,001	-	13,000	-	-	0.00%	-	0.00%
15	13,001	-	14,000	-	-	0.00%	-	0.00%
16	14,001	-	15,000	-	-	0.00%	-	0.00%
17	15,001	-	16,000	-	-	0.00%	-	0.00%
18	16,001	-	17,000	-	-	0.00%	-	0.00%
19	17,001	-	18,000	-	-	0.00%	-	0.00%
20	18,001	-	19,000	-	-	0.00%	-	0.00%
21	19,001	-	20,000	-	-	0.00%	-	0.00%
22	20,001	-	21,000	-	-	0.00%	-	0.00%
23	21,001	-	22,000	-	-	0.00%	-	0.00%
24	22,001	-	23,000	-	-	0.00%	-	0.00%
25	23,001	-	24,000	-	-	0.00%	-	0.00%
26	24,001	-	25,000	-	-	0.00%	-	0.00%
27	25,001	-	26,000	-	-	0.00%	-	0.00%
28	26,001	-	27,000	-	-	0.00%	-	0.00%
29	27,001	-	28,000	-	-	0.00%	-	0.00%
30	28,001	-	29,000	-	-	0.00%	-	0.00%
31	29,001	-	30,000	-	-	0.00%	-	0.00%
32	30,001	-	31,000	-	-	0.00%	-	0.00%
33	31,001	-	32,000	-	-	0.00%	-	0.00%
34	32,001	-	33,000	-	-	0.00%	-	0.00%
35	33,001	-	34,000	-	-	0.00%	-	0.00%
36	34,001	-	35,000	-	-	0.00%	-	0.00%
37	35,001	-	36,000	-	-	0.00%	-	0.00%
38	36,001	-	37,000	-	-	0.00%	-	0.00%
39	37,001	-	38,000	-	-	0.00%	-	0.00%
40	38,001	-	39,000	-	-	0.00%	-	0.00%
41	39,001	-	40,000	-	-	0.00%	-	0.00%
42	40,001	-	41,000	-	-	0.00%	-	0.00%
43	41,001	-	42,000	-	-	0.00%	-	0.00%
44	42,001	-	43,000	-	-	0.00%	-	0.00%
45	43,001	-	44,000	-	-	0.00%	-	0.00%
46	44,001	-	45,000	-	-	0.00%	-	0.00%
47	45,001	-	46,000	-	-	0.00%	-	0.00%
48	46,001	-	47,000	-	-	0.00%	-	0.00%
49	47,001	-	48,000	-	-	0.00%	-	0.00%
50	48,001	-	49,000	-	-	0.00%	-	0.00%
51	49,001	-	50,000	-	-	0.00%	-	0.00%
52	50,001	-	51,000	-	-	0.00%	-	0.00%
53	51,001	-	52,000	-	-	0.00%	-	0.00%
54	52,001	-	53,000	-	-	0.00%	-	0.00%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 3" (Hand Billed)
 Rate Code: R6

Rate Tiers	Present Rates	Proposed Rates	Charges	
			Present Rates	Proposed Rates
			Base Charge: \$	120.00 \$
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20 \$
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$	1.40 \$
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60 \$

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
55	53,001 - 54,000				-	0.00%	-	0.00%
56	54,001 - 55,000				-	0.00%	-	0.00%
57	55,001 - 56,000				-	0.00%	-	0.00%
58	56,001 - 57,000				-	0.00%	-	0.00%
59	57,001 - 58,000				-	0.00%	-	0.00%
60	58,001 - 59,000				-	0.00%	-	0.00%
61	59,001 - 60,000				-	0.00%	-	0.00%
62	60,001 - 61,000				-	0.00%	-	0.00%
63	61,001 - 62,000				-	0.00%	-	0.00%
64	62,001 - 63,000				-	0.00%	-	0.00%
65	63,001 - 64,000				-	0.00%	-	0.00%
66	64,001 - 65,000				-	0.00%	-	0.00%
67	65,001 - 66,000				-	0.00%	-	0.00%
68	66,001 - 67,000				-	0.00%	-	0.00%
69	67,001 - 68,000				-	0.00%	-	0.00%
70	68,001 - 69,000				-	0.00%	-	0.00%
71	69,001 - 70,000				-	0.00%	-	0.00%
72	70,001 - 71,000				-	0.00%	-	0.00%
73	71,001 - 72,000				-	0.00%	-	0.00%
74	72,001 - 73,000				-	0.00%	-	0.00%
75	73,001 - 74,000				-	0.00%	-	0.00%
76	74,001 - 75,000				-	0.00%	-	0.00%
77	75,001 - 76,000				-	0.00%	-	0.00%
78	76,001 - 77,000				-	0.00%	-	0.00%
79	77,001 - 78,000				-	0.00%	-	0.00%
80	78,001 - 79,000				-	0.00%	-	0.00%
81	79,001 - 80,000				-	0.00%	-	0.00%
82	80,001 - 81,000				-	0.00%	-	0.00%
83	81,001 - 82,000				-	0.00%	-	0.00%
84	82,001 - 83,000				-	0.00%	-	0.00%
85	83,001 - 84,000				-	0.00%	-	0.00%
86	84,001 - 85,000				-	0.00%	-	0.00%
87	85,001 - 86,000				-	0.00%	-	0.00%
88	86,001 - 87,000				-	0.00%	-	0.00%
89	87,001 - 88,000				-	0.00%	-	0.00%
90	88,001 - 89,000				-	0.00%	-	0.00%
91	89,001 - 90,000				-	0.00%	-	0.00%
92	90,001 - 91,000				-	0.00%	-	0.00%
93	91,001 - 92,000				-	0.00%	-	0.00%
94	92,001 - 93,000				-	0.00%	-	0.00%
95	93,001 - 94,000				-	0.00%	-	0.00%
96	94,001 - 95,000				-	0.00%	-	0.00%
97	95,001 - 96,000				-	0.00%	-	0.00%
98	96,001 - 97,000				-	0.00%	-	0.00%
99	97,001 - 98,000				-	0.00%	-	0.00%
100	98,001 - 99,000				-	0.00%	-	0.00%
101	99,001 - 100,000				-	0.00%	-	0.00%
102	102,800 - 102,800	2	102,800	205,600	2	8.33%	-	0.00%
103	131,100 - 131,100	2	131,100	262,200	4	16.67%	-	0.00%
104	141,400 - 141,400	2	141,400	282,800	6	25.00%	-	0.00%
105	154,600 - 154,600	2	154,600	309,200	8	33.33%	-	0.00%
106	175,600 - 175,600	2	175,600	351,200	10	41.67%	-	0.00%
107	206,000 - 206,000	2	206,000	412,000	12	50.00%	-	0.00%
108	248,350 - 248,350	2	248,350	496,700	14	58.33%	-	0.00%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 6"
 Rate Code: R8

Rate Tiers	Present Rates	Proposed Rates	Charges	
			Present Rates	Proposed Rates
			Base Charge: \$	375.00 \$
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20 \$
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$	1.40 \$
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60 \$

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	-	-	-	-	0.00%	-	0.00%
2	1	1,000	-	-	-	0.00%	-	0.00%
3	1,001	2,000	-	-	-	0.00%	-	0.00%
4	2,001	3,000	-	-	-	0.00%	-	0.00%
5	3,001	4,000	-	-	-	0.00%	-	0.00%
6	4,001	5,000	-	-	-	0.00%	-	0.00%
7	5,001	6,000	-	-	-	0.00%	-	0.00%
8	6,001	7,000	-	-	-	0.00%	-	0.00%
9	7,001	8,000	-	-	-	0.00%	-	0.00%
10	8,001	9,000	-	-	-	0.00%	-	0.00%
11	9,001	10,000	-	-	-	0.00%	-	0.00%
12	10,001	11,000	-	-	-	0.00%	-	0.00%
13	11,001	12,000	-	-	-	0.00%	-	0.00%
14	12,001	13,000	-	-	-	0.00%	-	0.00%
15	13,001	14,000	-	-	-	0.00%	-	0.00%
16	14,001	15,000	-	-	-	0.00%	-	0.00%
17	15,001	16,000	-	-	-	0.00%	-	0.00%
18	16,001	17,000	-	-	-	0.00%	-	0.00%
19	17,001	18,000	-	-	-	0.00%	-	0.00%
20	18,001	19,000	-	-	-	0.00%	-	0.00%
21	19,001	20,000	-	-	-	0.00%	-	0.00%
22	20,001	21,000	-	-	-	0.00%	-	0.00%
23	21,001	22,000	-	-	-	0.00%	-	0.00%
24	22,001	23,000	-	-	-	0.00%	-	0.00%
25	23,001	24,000	-	-	-	0.00%	-	0.00%
26	24,001	25,000	-	-	-	0.00%	-	0.00%
27	25,001	26,000	-	-	-	0.00%	-	0.00%
28	26,001	27,000	-	-	-	0.00%	-	0.00%
29	27,001	28,000	-	-	-	0.00%	-	0.00%
30	28,001	29,000	-	-	-	0.00%	-	0.00%
31	29,001	30,000	-	-	-	0.00%	-	0.00%
32	30,001	31,000	-	-	-	0.00%	-	0.00%
33	31,001	32,000	-	-	-	0.00%	-	0.00%
34	32,001	33,000	-	-	-	0.00%	-	0.00%
35	33,001	34,000	-	-	-	0.00%	-	0.00%
36	34,001	35,000	-	-	-	0.00%	-	0.00%
37	35,001	36,000	-	-	-	0.00%	-	0.00%
38	36,001	37,000	-	-	-	0.00%	-	0.00%
39	37,001	38,000	-	-	-	0.00%	-	0.00%
40	38,001	39,000	-	-	-	0.00%	-	0.00%
41	39,001	40,000	-	-	-	0.00%	-	0.00%
42	40,001	41,000	-	-	-	0.00%	-	0.00%
43	41,001	42,000	-	-	-	0.00%	-	0.00%
44	42,001	43,000	-	-	-	0.00%	-	0.00%
45	43,001	44,000	-	-	-	0.00%	-	0.00%
46	44,001	45,000	-	-	-	0.00%	-	0.00%
47	45,001	46,000	-	-	-	0.00%	-	0.00%
48	46,001	47,000	-	-	-	0.00%	-	0.00%
49	47,001	48,000	-	-	-	0.00%	-	0.00%
50	48,001	49,000	-	-	-	0.00%	-	0.00%
51	49,001	50,000	-	-	-	0.00%	-	0.00%
52	50,001	51,000	-	-	-	0.00%	-	0.00%
53	51,001	52,000	-	-	-	0.00%	-	0.00%
54	52,001	53,000	-	-	-	0.00%	-	0.00%

New River Utility Company
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 6"
 Rate Code: R8

Rate Tiers	Present Rates	Proposed Rates	Charges	
			Present Rates	Proposed Rates
			Base Charge: \$	375.00 \$
Tier One Breakover (M gal):	12	-	Tier One Rate: \$	1.20 \$
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$	1.40 \$
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	1.60 \$

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
55	53,001 - 54,000	-	-	-	-	0.00%	-	0.00%
56	54,001 - 55,000	-	-	-	-	0.00%	-	0.00%
57	55,001 - 56,000	-	-	-	-	0.00%	-	0.00%
58	56,001 - 57,000	-	-	-	-	0.00%	-	0.00%
59	57,001 - 58,000	-	-	-	-	0.00%	-	0.00%
60	58,001 - 59,000	-	-	-	-	0.00%	-	0.00%
61	59,001 - 60,000	-	-	-	-	0.00%	-	0.00%
62	60,001 - 61,000	-	-	-	-	0.00%	-	0.00%
63	61,001 - 62,000	-	-	-	-	0.00%	-	0.00%
64	62,001 - 63,000	-	-	-	-	0.00%	-	0.00%
65	63,001 - 64,000	-	-	-	-	0.00%	-	0.00%
66	64,001 - 65,000	-	-	-	-	0.00%	-	0.00%
67	65,001 - 66,000	-	-	-	-	0.00%	-	0.00%
68	66,001 - 67,000	-	-	-	-	0.00%	-	0.00%
69	67,001 - 68,000	-	-	-	-	0.00%	-	0.00%
70	68,001 - 69,000	-	-	-	-	0.00%	-	0.00%
71	69,001 - 70,000	-	-	-	-	0.00%	-	0.00%
72	70,001 - 71,000	-	-	-	-	0.00%	-	0.00%
73	71,001 - 72,000	-	-	-	-	0.00%	-	0.00%
74	72,001 - 73,000	-	-	-	-	0.00%	-	0.00%
75	73,001 - 74,000	-	-	-	-	0.00%	-	0.00%
76	74,001 - 75,000	-	-	-	-	0.00%	-	0.00%
77	75,001 - 76,000	-	-	-	-	0.00%	-	0.00%
78	76,001 - 77,000	-	-	-	-	0.00%	-	0.00%
79	77,001 - 78,000	-	-	-	-	0.00%	-	0.00%
80	78,001 - 79,000	-	-	-	-	0.00%	-	0.00%
81	79,001 - 80,000	-	-	-	-	0.00%	-	0.00%
82	80,001 - 81,000	-	-	-	-	0.00%	-	0.00%
83	81,001 - 82,000	-	-	-	-	0.00%	-	0.00%
84	82,001 - 83,000	-	-	-	-	0.00%	-	0.00%
85	83,001 - 84,000	-	-	-	-	0.00%	-	0.00%
86	84,001 - 85,000	-	-	-	-	0.00%	-	0.00%
87	85,001 - 86,000	-	-	-	-	0.00%	-	0.00%
88	86,001 - 87,000	-	-	-	-	0.00%	-	0.00%
89	87,001 - 88,000	-	-	-	-	0.00%	-	0.00%
90	88,001 - 89,000	-	-	-	-	0.00%	-	0.00%
91	89,001 - 90,000	-	-	-	-	0.00%	-	0.00%
92	90,001 - 91,000	-	-	-	-	0.00%	-	0.00%
93	91,001 - 92,000	-	-	-	-	0.00%	-	0.00%
94	92,001 - 93,000	-	-	-	-	0.00%	-	0.00%
95	93,001 - 94,000	-	-	-	-	0.00%	-	0.00%
96	94,001 - 95,000	-	-	-	-	0.00%	-	0.00%
97	95,001 - 96,000	-	-	-	-	0.00%	-	0.00%
98	96,001 - 97,000	-	-	-	-	0.00%	-	0.00%
99	97,001 - 98,000	-	-	-	-	0.00%	-	0.00%
100	98,001 - 99,000	-	-	-	-	0.00%	-	0.00%
101	99,001 - 100,000	-	-	-	-	0.00%	-	0.00%
102	115,000 - 115,000	1	115,000	115,000	1	4.17%	115,000	3.26%
103	115,000 - 115,000	1	115,000	115,000	2	8.33%	230,000	6.52%
104	115,000 - 115,000	1	115,000	115,000	3	12.50%	345,000	9.79%
105	125,000 - 125,000	1	125,000	125,000	4	16.67%	470,000	13.33%
106	125,000 - 125,000	1	125,000	125,000	5	20.83%	595,000	16.88%
107	125,000 - 125,000	1	125,000	125,000	6	25.00%	720,000	20.43%
108	130,000 - 130,000	1	130,000	130,000	7	29.17%	850,000	24.11%

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 8" (Hand Billed)
 Rate Code: R9

Rate Tiers	Present Rates	Proposed Rates	Charges	
			Base Charge: \$	Present Rates / Proposed Rates
			\$ 750.00	\$ 1,400.00
Tier One Breakover (M gal):	12	-	Tier One Rate: \$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate: \$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	-	-	24	100.00%	-	#DIV/0!	
2	1	-	1,000	24	100.00%	-	#DIV/0!	
3	1,001	-	2,000	24	100.00%	-	#DIV/0!	
4	2,001	-	3,000	24	100.00%	-	#DIV/0!	
5	3,001	-	4,000	24	100.00%	-	#DIV/0!	
6	4,001	-	5,000	24	100.00%	-	#DIV/0!	
7	5,001	-	6,000	24	100.00%	-	#DIV/0!	
8	6,001	-	7,000	24	100.00%	-	#DIV/0!	
9	7,001	-	8,000	24	100.00%	-	#DIV/0!	
10	8,001	-	9,000	24	100.00%	-	#DIV/0!	
11	9,001	-	10,000	24	100.00%	-	#DIV/0!	
12	10,001	-	11,000	24	100.00%	-	#DIV/0!	
13	11,001	-	12,000	24	100.00%	-	#DIV/0!	
14	12,001	-	13,000	24	100.00%	-	#DIV/0!	
15	13,001	-	14,000	24	100.00%	-	#DIV/0!	
16	14,001	-	15,000	24	100.00%	-	#DIV/0!	
17	15,001	-	16,000	24	100.00%	-	#DIV/0!	
18	16,001	-	17,000	24	100.00%	-	#DIV/0!	
19	17,001	-	18,000	24	100.00%	-	#DIV/0!	
20	18,001	-	19,000	24	100.00%	-	#DIV/0!	
21	19,001	-	20,000	24	100.00%	-	#DIV/0!	
22	20,001	-	21,000	24	100.00%	-	#DIV/0!	
23	21,001	-	22,000	24	100.00%	-	#DIV/0!	
24	22,001	-	23,000	24	100.00%	-	#DIV/0!	
25	23,001	-	24,000	24	100.00%	-	#DIV/0!	
26	24,001	-	25,000	24	100.00%	-	#DIV/0!	
27	25,001	-	26,000	24	100.00%	-	#DIV/0!	
28	26,001	-	27,000	24	100.00%	-	#DIV/0!	
29	27,001	-	28,000	24	100.00%	-	#DIV/0!	
30	28,001	-	29,000	24	100.00%	-	#DIV/0!	
31	29,001	-	30,000	24	100.00%	-	#DIV/0!	
32	30,001	-	31,000	24	100.00%	-	#DIV/0!	
33	31,001	-	32,000	24	100.00%	-	#DIV/0!	
34	32,001	-	33,000	24	100.00%	-	#DIV/0!	
35	33,001	-	34,000	24	100.00%	-	#DIV/0!	
36	34,001	-	35,000	24	100.00%	-	#DIV/0!	
37	35,001	-	36,000	24	100.00%	-	#DIV/0!	
38	36,001	-	37,000	24	100.00%	-	#DIV/0!	
39	37,001	-	38,000	24	100.00%	-	#DIV/0!	
40	38,001	-	39,000	24	100.00%	-	#DIV/0!	
41	39,001	-	40,000	24	100.00%	-	#DIV/0!	
42	40,001	-	41,000	24	100.00%	-	#DIV/0!	
43	41,001	-	42,000	24	100.00%	-	#DIV/0!	
44	42,001	-	43,000	24	100.00%	-	#DIV/0!	
45	43,001	-	44,000	24	100.00%	-	#DIV/0!	
46	44,001	-	45,000	24	100.00%	-	#DIV/0!	
47	45,001	-	46,000	24	100.00%	-	#DIV/0!	
48	46,001	-	47,000	24	100.00%	-	#DIV/0!	
49	47,001	-	48,000	24	100.00%	-	#DIV/0!	
50	48,001	-	49,000	24	100.00%	-	#DIV/0!	
51	49,001	-	50,000	24	100.00%	-	#DIV/0!	
52	50,001	-	51,000	24	100.00%	-	#DIV/0!	
53	51,001	-	52,000	24	100.00%	-	#DIV/0!	
54	52,001	-	53,000	24	100.00%	-	#DIV/0!	

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLI-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 8" (Hand Billed)
 Rate Code: R9

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 750.00	\$ 1,400.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20	\$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40	\$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60	\$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
55	53,001 - 54,000				24	100.00%	-	#DIV/0!
56	54,001 - 55,000				24	100.00%	-	#DIV/0!
57	55,001 - 56,000				24	100.00%	-	#DIV/0!
58	56,001 - 57,000				24	100.00%	-	#DIV/0!
59	57,001 - 58,000				24	100.00%	-	#DIV/0!
60	58,001 - 59,000				24	100.00%	-	#DIV/0!
61	59,001 - 60,000				24	100.00%	-	#DIV/0!
62	60,001 - 61,000				24	100.00%	-	#DIV/0!
63	61,001 - 62,000				24	100.00%	-	#DIV/0!
64	62,001 - 63,000				24	100.00%	-	#DIV/0!
65	63,001 - 64,000				24	100.00%	-	#DIV/0!
66	64,001 - 65,000				24	100.00%	-	#DIV/0!
67	65,001 - 66,000				24	100.00%	-	#DIV/0!
68	66,001 - 67,000				24	100.00%	-	#DIV/0!
69	67,001 - 68,000				24	100.00%	-	#DIV/0!
70	68,001 - 69,000				24	100.00%	-	#DIV/0!
71	69,001 - 70,000				24	100.00%	-	#DIV/0!
72	70,001 - 71,000				24	100.00%	-	#DIV/0!
73	71,001 - 72,000				24	100.00%	-	#DIV/0!
74	72,001 - 73,000				24	100.00%	-	#DIV/0!
75	73,001 - 74,000				24	100.00%	-	#DIV/0!
76	74,001 - 75,000				24	100.00%	-	#DIV/0!
77	75,001 - 76,000				24	100.00%	-	#DIV/0!
78	76,001 - 77,000				24	100.00%	-	#DIV/0!
79	77,001 - 78,000				24	100.00%	-	#DIV/0!
80	78,001 - 79,000				24	100.00%	-	#DIV/0!
81	79,001 - 80,000				24	100.00%	-	#DIV/0!
82	80,001 - 81,000				24	100.00%	-	#DIV/0!
83	81,001 - 82,000				24	100.00%	-	#DIV/0!
84	82,001 - 83,000				24	100.00%	-	#DIV/0!
85	83,001 - 84,000				24	100.00%	-	#DIV/0!
86	84,001 - 85,000				24	100.00%	-	#DIV/0!
87	85,001 - 86,000				24	100.00%	-	#DIV/0!
88	86,001 - 87,000				24	100.00%	-	#DIV/0!
89	87,001 - 88,000				24	100.00%	-	#DIV/0!
90	88,001 - 89,000				24	100.00%	-	#DIV/0!
91	89,001 - 90,000				24	100.00%	-	#DIV/0!
92	90,001 - 91,000				24	100.00%	-	#DIV/0!
93	91,001 - 92,000				24	100.00%	-	#DIV/0!
94	92,001 - 93,000				24	100.00%	-	#DIV/0!
95	93,001 - 94,000				24	100.00%	-	#DIV/0!
96	94,001 - 95,000				24	100.00%	-	#DIV/0!
97	95,001 - 96,000				24	100.00%	-	#DIV/0!
98	96,001 - 97,000				24	100.00%	-	#DIV/0!
99	97,001 - 98,000				24	100.00%	-	#DIV/0!
100	98,001 - 99,000				24	100.00%	-	#DIV/0!
101	99,001 - 100,000				24	100.00%	-	#DIV/0!
102								
103	Totals	24		-	24		-	
104								
105	Total Bills	24						
106								
107								

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
Base Charge	24	\$ 18,000	24	\$ 33,600

New River Utility Company
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT2
 Schedule H-5
 Witness: Jones

Meter Size: 8" (Hand Billed)
 Rate Code: R9

Rate Tiers	Present Rates	Proposed Rates	Charges	
			Present Rates	Proposed Rates
			Base Charge:	\$ 750.00 \$ 1,400.00
Tier One Breakover (M gal):	12	-	Tier One Rate:	\$ 1.20 \$ 1.10
Tier Two Breakover (M gal):	18	50	Tier Two Rate:	\$ 1.40 \$ 2.58
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 1.60 \$ 3.20

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption		
					No.	% of Total	Amount	% of Total	
108	Average Number of Customers		2						
109					<u>Usage (gallons)</u>				
110	Average Consumption (gallons)		-		Tier One	-	\$ -	-	\$ -
111					Tier Two	-	-	-	-
112	Median Consumption (gallons)		-		Tier Three	-	-	-	-
113					Usage Totals	-	-	-	-
114					Revenue Totals		\$ 18,000		\$ 33,600
115									

EXHIBIT RLJ-DT3

New River Utility Company

Direct Testimony of Ray L. Jones

Exhibit RLJ-DT3

201 East Washington Street, Suite 500
Phoenix, Arizona 85004

Prepared for: New River Utility Company
Project Title: Asset Evaluation Update
Project No.: 138224

Date: October 29, 2009

Subject: Valuation

To: Mr. R.L. "Bob" Fletcher, New River Utility Company

From: Mr. AJ Oswood, Senior Operations Specialist, Brown and Caldwell
Mr. Ken Harlow, Director of Management Services, Brown and Caldwell

Copy to: Ms. Tracy Moraca, P.E., Brown and Caldwell



Expires 9/30/12

1.0 Introduction

Brown and Caldwell prepared a valuation of New River Utility Company water utility assets in 2005, including the condition and capacity of the assets, and their value and cost to the City of Peoria. This Report Amendment updates that prior valuation to 2009 values and new assets identified are adjusted to 2009 from the date of installation, using a replacement cost less depreciation methodology. The text of the report is largely unchanged except where subsequent events (i.e., new assets) call for additions.

The update consisted of:

1. Modifying the original inventory to account for new assets or assets taken out of service.
2. Adjusting the remaining useful lives of assets due to the passage of time.
3. Adjusting the reproduction costs of assets due to interim cost escalation. This adjustment was based on the Engineering News-Record 20-City Construction Cost Index series, comparing the 2005 index (average for the year) with the 2009 index (for September).

2.0 Inventory and Condition Assessment

The inventory of the New River Utility Company water utility assets was created using available records and field inspection. Distribution pipelines, hydrants, valves, and services were taken off of existing as-built drawings made available in the New River Utility Company office. Mechanical and electrical equipment was identified in the field and nameplate data captured where available. All aboveground facilities and equipment were also documented with photographs. See Figure 1 for a depiction of the New River Utility Company 2009 service area.

A visual assessment of the condition of aboveground assets was made based on a relative scale:

- 5: Excellent:** Basically sound or new equipment. Needs no work.

- 4: **Good:** Acceptable condition. Minor wear. Requires little work.
- 3: **Fair:** Showing wear but functionally sound. Rehabilitation required within 5 years to avoid excessive degradation.
- 2: **Poor:** Functions but only with high degree of maintenance. Major work required.
- 1: **Failed:** Asset has failed or will fail soon.

3.0 Basis of Cost Estimates

Cost estimates for this valuation were reproduction (“repro” in the tabular column headings) costs as new—that is, the cost of the facilities if reproduced today to the same quality and standards as originally built. Reproduction costs are different than replacement costs, which are the total costs to replace the asset today in accordance with current standards and requirements.

Reproduction costs were depreciated, where specified, based on the percentage of total expected useful life passed since original installation. Straight line depreciation was used in all cases.

Reproduction costs for existing and new facilities were based on multiple sources, including judgment based on recent experience with actual construction projects in the Phoenix area and knowledge of the New River Utility Company service area. Unit costs were also normalized with cost estimates used by the City of Peoria and in association with other cost estimates developed by Malcolm Pirnie as part of the overall utility company evaluation by Raftelis Financial Consultants.

Well installation costs were based on actual local drilling/installation costs according to depth and diameter of the well, including casing cost but excluding equipment.

Recent bid costs for mechanical and electrical equipment for Brown and Caldwell projects in Arizona and California were used to estimate reproduction costs of water supply facilities. California costs were adjusted for differentials between California and Arizona. Means cost data were used to supplement the existing bid database.

4.0 Distribution System Valuation

Pipeline size, length and number of valves and hydrants in the distribution were determined by takeoffs from the as-built construction drawings of the system and are believed to be accurate. Number of meters and services was based on the number of customer accounts and an estimated average service length of 30 feet.

Table 1 lists the distribution pipeline values by pipe size and includes unit costs, expected life, remaining life, and Reproduction Cost New Less Depreciation (RCNLD).

Size (in.)	Type & Specification	Total Feet	Repro cost/foot	Repro cost total	Appr. Year Installed	Expected Life, yrs	Current Age, yrs	Remaining Useful Life	RCNLD in 2009
1.5	Copper Fire Loop- Tuscany Ridge Apts.	2,260	\$83	\$187,580	2007	50	2	48	\$180,077
2	Copper Fire Loop- Tuscany Ridge Apts.	297	\$83	24,651	2007	50	2	48	23,665
2	CPVC Fire Loop- Tuscany Ridge Apts.	1,018	\$83	84,494	2007	50	2	48	81,114
2	DIP Fire loop- Sonoma Ridge Apts.	2,980	\$83	247,340	2007	50	2	48	237,446
4	DI, Class 350 Main and Fittings	287	\$83	23,821	2007	50	2	48	22,868

BROWN AND CALDWELL

Table 1. Pipelines Valuation

Size (in.)	Type & Specification	Total Feet	Repro cost/foot	Repro cost total	Appr. Year Installed	Expected Life, yrs	Current Age, yrs	Remaining Useful Life	RCNLD in 2009
4	PVC per AWWA C900, Class 150 Main and Fittings	120	\$83	9,960	2007	50	2	48	9,562
6	DI, Class 350 Main and Fittings	368	\$83	30,544	2007	50	2	48	29,322
6	PVC per AWWA C900	25,442	\$83	2,111,686	1998	50	11	39	1,647,115
6	PVC per AWWA C900, Class 200 Main and Fittings	9,140	\$83	758,620	2007	50	2	48	728,275
8	DI, Class 350	1,620	\$93	150,660	2000	50	9	41	123,541
8	DI, Class 350 Main and Fittings	4,008	\$93	372,744	2007	50	2	48	357,834
8	PVC per AWWA C900	74,675	\$93	6,944,775	1998	50	11	39	5,416,925
8	PVC per AWWA C900, Class 150 Main and Fittings	33,574	\$93	3,122,382	2007	50	2	48	2,997,487
8	PVC per AWWA C900, Class 200 Main and Fittings	10,632	\$93	988,776	2007	50	2	48	949,225
10	DI, Class 350 Main and Fittings	54	\$110	5,940	2007	50	2	48	5,702
10	PVC per AWWA C900	8,024	\$110	882,640	1997	50	12	38	670,806
10	PVC per AWWA C900, Class 150 Main and Fittings	7,696	\$110	846,560	2007	50	2	48	812,698
12	DI, Class 350	6,366	\$133	846,678	2000	50	9	41	694,276
12	PVC per AWWA C900	9,487	\$133	1,261,771	1996	50	13	37	933,711
12	PVC per AWWA C900, Class 150 Main and Fittings	1,523	\$133	202,559	2007	50	2	48	194,457
12	PVC per AWWA C900, Class 200 Main and Fittings	240	\$133	31,920	2007	50	2	48	30,643
16	C-905 DR 18 PVC	140	\$152	21,280	1996	50	13	37	15,747
16	C-905 DR 18 PVC	52	\$152	7,904	2000	50	9	41	6,481
	Totals	200,003		\$19,165,285					\$16,168,978

Table 2 lists the values of the distribution valves, hydrants, meters, and service lines.

Table 2. Valve, Hydrant and Meter Valuation

Size (in.)	Type and Specification	Total Count	Repro cost each	Repro cost total	Year Installed	Expected Life, yrs	Current Age, yrs	Remaining Useful Life	RCNLD in 2009
Valves									
6	Gate - MAG STD. DTL. 391-1 Type A with valve box and cover	87	\$1,384	120,408	1997	30	12	18	72,245
6		52	\$1,384	71,968	2007	30	2	28	67,170
8		249	\$2,018	502,482	1997	30	12	18	301,489
8		175	\$2,018	353,150	2007	30	2	28	329,607
10		26	\$2,767	71,942	1997	30	12	18	43,165
10		21	\$2,767	58,107	2007	30	2	28	54,233
12		39	\$3,229	125,931	1996	30	13	17	71,361
12		9	\$3,229	29,061	2007	30	2	28	27,124
Totals			658		\$1,333,049				
Hydrants									
6	Peoria Std. Detail PS-360 with 6" gate valve, 6" DIP	243	\$2,537	\$616,491	1997	30	12	18	\$369,895
6		143	\$2,537	362,791	2007	30	2	28	338,605
Totals		386		\$979,282					\$708,500

Table 2. Valve, Hydrant and Meter Valuation

Size (in.)	Type and Specification	Total Count	Repro cost each	Repro cost total	Year Installed	Expected Life, yrs	Current Age, yrs	Remaining Useful Life	RCNLD in 2009
Water Meters									
5/8"x3/4"	Varies	2,201	\$259	\$570,059	1999	15	10	5	\$190,020
3/4"		3	\$311	933	1999	15	10	5	311
1"		516	\$415	214,140	1999	15	10	5	71,380
1.5"		11	\$623	6,853	1999	15	10	5	2,284
2"		107	\$830	88,810	1999	15	10	5	29,603
8"		14	\$3,321	46,494	1999	15	10	5	15,498
Totals		2,852		\$927,289					\$309,096
Service Lines									
All	Varies	85,560	\$63	\$5,390,280	1999	45	10	35	\$4,192,440

5.0 Water Production Facilities Valuation

Identification of water production facilities was accomplished by visual inspection of each site and review of limited available records provided by New River Utility Company. Almost all the aboveground equipment and facilities are in generally good condition, with a few exceptions; and less than 10 years old.

Equipment records on the existing well pumps' age and condition were not readily available but were believed to be older than the associate aboveground equipment based on conversations with Mr. Bob Fletcher, Owner of New River Utility Company. Assumptions were made on age and remaining life to arrive at a value. Table 3 lists the values of major water production facilities.

Table 3. Water Production Facilities Valuation

Site	Asset	Repro Cost	Appr Yr Installed	Typical Expected Life, yrs	Condition	Life Based on Condition	Current Age, yrs	Remaining Useful Life	RCNLD in 2009
Well 1	Well 1 and Casing	\$598,460	1947	50	2	50	62	0	\$0
	Pump and Motor	61,114	2004	20	5	20	5	15	45,836
	Piping and Appurtenances	59,961	1996	30	4	30	13	17	33,978
	Electrical and Instrumentation	36,899	1996	15	3	10	13	0	0
Well 2	Well 2 and Casing	522,355	1952	50	2	50	57	0	0
	Pump and Motor	19,833	2004	20	5	20	5	15	14,875
	Piping and Appurtenances	175,272	1998	30	4	30	11	19	111,006
	Electrical and Instrumentation	25,368	1998	15	3	10	11	0	0
Well 4	Well 4 and Casing	598,460	1969	50	3	50	40	10	119,692
	Pump and Motor	18,219	2004	20	5	20	5	15	13,664
	Piping and Appurtenances	19,603	1998	30	4	30	11	19	12,415
	Electrical and Instrumentation	28,828	2004	15	4	15	5	10	19,219
Storage Tank 1 and Booster Pumps	Tank and Base	784,110	1996	50	5	50	13	37	580,241
	Pumps and Motors	114,272	1996	20	4	20	13	7	39,995
	25HP Centrifugal Pump	5,600	2006	20	2	20	3	17	4,760
	Chlorination	9,225	1996	15	5	15	13	2	1,230
	Piping, Valves and Appurtenances	63,305	1996	30	4	30	13	17	35,873
	Hydrotank and Appurtenances	8,648	1996	25	4	25	13	12	4,151
	Electrical and Instrumentation	61,691	1996	15	4	15	13	2	8,225

Table 3. Water Production Facilities Valuation

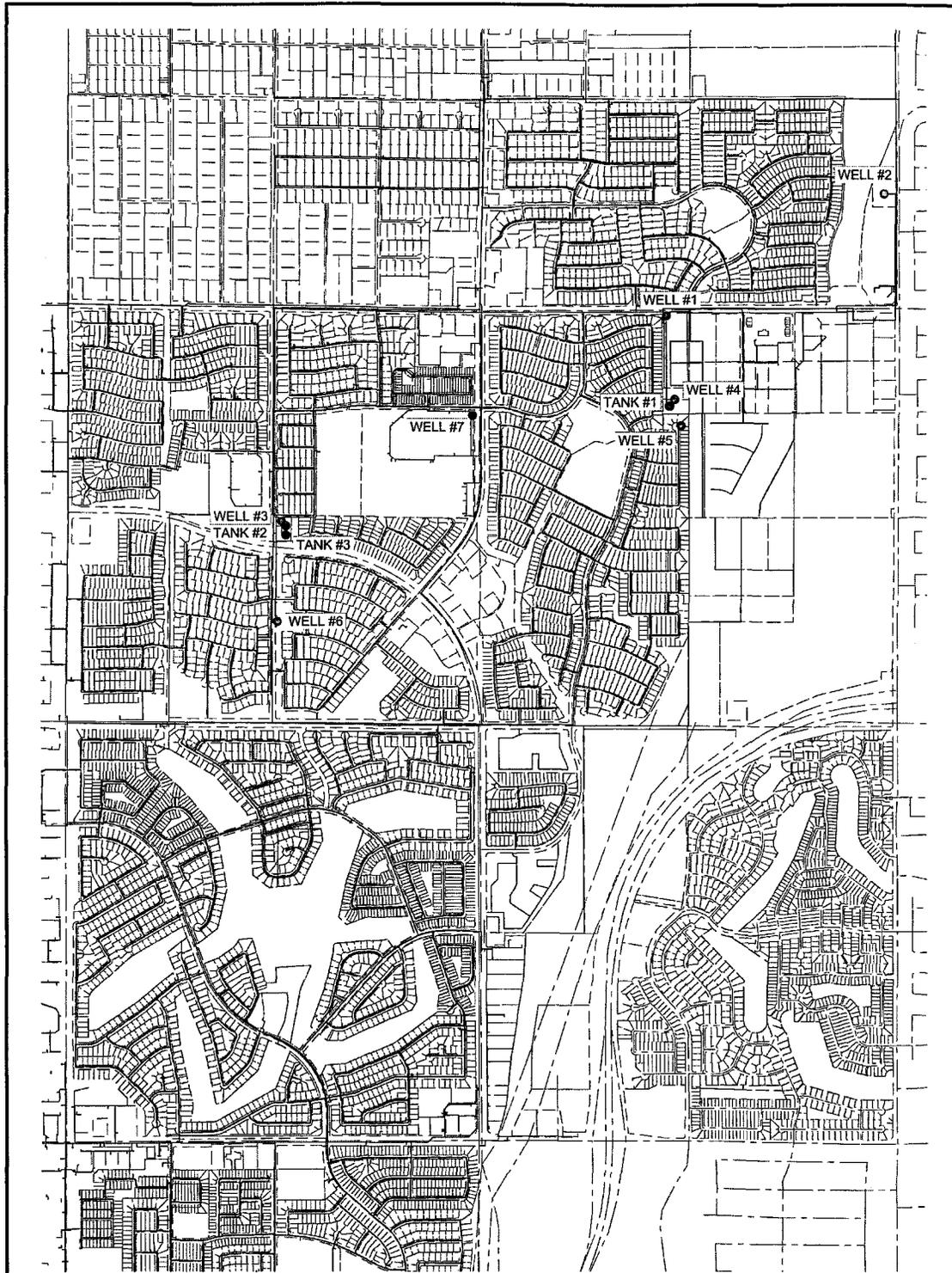
Site	Asset	Repro Cost	Appr Yr Installed	Typical Expected Life, yrs	Condition	Life Based on Condition	Current Age, yrs	Remaining Useful Life	RCNLD in 2009
Well 3	Well 3 and Casing	649,197	1958	50	3	50	51	0	0
	Pump and Motor	68,033	2004	20	5	20	5	15	51,025
	Piping and Appurtenances	23,062	2004	30	5	30	5	25	19,218
	Electrical and Instrumentation	4,036	2004	15	5	15	5	10	2,691
Storage Tank 2 and 3 and Booster Pumps	Tanks and Base	1,568,219	2000	50	5	50	9	41	1,285,940
	Booster Pumps and Motors	130,301	2000	20	5	20	9	11	71,666
	Arsenic Treatment System	550,000	2009	30	2	30	0	30	550,000
	Chlorination	5,189	2004	15	5	15	5	10	3,459
	Piping, Valves and Appurtenances	121,076	2000	30	5	30	9	21	84,753
	Hydrotank and Appurtenances	8,648	1999	25	3	20	10	10	4,324
	Electrical and Instrumentation	134,913	2000	15	5	15	9	6	53,965
Well 5	Well 5 and Casing	598,460	1970	50	3	50	39	11	131,661
	Pump and Motor	51,890	1996	20	2	10	13	0	0
	Electrical and Instrumentation	69,186	2002	15	3	10	7	3	20,756
Well 6	Well 6 and Casing	649,197	1975	50	3	50	34	16	207,743
	Pump and Motor	68,033	2001	20	4	20	8	12	40,820
	Chlorination	4,036	2001	3	2	3	8	0	0
	Piping and Appurtenances	64,574	2001	30	4	30	8	22	47,354
Well 7	Electrical and Instrumentation	7,495	2001	15	2	5	8	0	0
	Well 7 and Casing	649,197	1959	50	2	50	50	0	0
	Pump and Motor	1,730	2004	20	4	20	5	15	1,298
	Electrical and Instrumentation	21,909	1997	15	4	15	12	3	4,382
Totals		\$8,659,604							\$3,626,214

6.0 Summary of Valuation

Based on the information above, the total reproduction cost of New River Utility Company assets identified in this Report Amendment in 2009 value is about \$36.5 million. RCNLD is in 2009 values and is about \$26 million. These costs are detailed by asset group in Table 4.

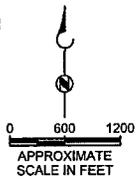
Table 4. Summary of Valuation

Asset Group	Repro Cost	RCNLD in 2009
Pipelines	\$19,165,285	\$16,168,978
Valves	1,333,049	966,394
Hydrants	979,282	708,500
Water Meters	927,289	309,096
Service Lines	5,390,280	4,192,440
Water Production	8,659,604	3,626,214
Totals	\$36,454,789	\$25,971,621



LEGEND:

- WELL LOCATION
- STORAGE TANK LOCATION
- WATER LINE



**BROWN AND
CALDWELL**

Figure 1
NEW RIVER UTILITY COMPANY
2009 SERVICE AREA

EXHIBIT RLJ-DT4

New River Utility Company

Direct Testimony of Ray L. Jones

Exhibit RLJ-DT4

New River Utility Company
 RCND Study
 Summary

Summary						
Description	Acct No.	Reproduction Cost New	Depletion Percent	Accumulated Depreciation	RCND	Source
Organization Cost	301					
Franchise Cost	302					
Land and Land Rights	303					
Structures & Improvements	304					
Collecting & Impounding Reservoirs	305					
Lake, River, Canal Intakes	306					
Wells & Springs	307	\$ 2,368,472.00	88.8%	\$ 2,103,419.81	\$ 265,052.19	RCND Study Table 1
Infiltration Galleries	308					
Raw Water Supply Mains	309					
Power Generation Equipment	310					
Pumping Equipment	311	1,216,357.00	52.8%	\$ 641,846.46	574,510.54	RCND Study Table 1
Water Treatment Equipment	320	568,450.00	7.4%	\$ 41,837.20	526,612.80	RCND Study Table 1
Distribution Reservoirs & Standpipes	330	2,369,625.00	28.0%	\$ 662,511.93	1,707,113.07	RCND Study Table 1
Transmission & Distribution Mains	331	8,170,084.00	23.7%	\$ 1,938,046.76	6,232,037.24	RCND Study Table 2 & 3
Services	333	2,397,643.00	40.1%	\$ 961,784.08	1,435,858.92	RCND Study Table 5
Meters	334	126,139.04		112,517	13,621.89	OCRB - Schedule B-2, Pg. 2
Hydrants	335	1,810,765.00	22.7%	\$ 411,015.55	1,399,749.45	RCND Study Table 4
Backflow Prevention Devices	336					
Other Plant & Misc Equipment	339					
Office Furniture & Equipment	340	19,272.50	89.1%	17,177	2,095.13	OCRB - Schedule B-2, Pg. 2
Computers & Software	340.1					
Transportation Equipment	341	1,200.00	100.0%	1,200	-	OCRB - Schedule B-2, Pg. 2
Stores Equipment	342					
Tools, Shop & Garage Equipment	343					
Laboratory Equipment	344					
Power Operated Equipment	345	115,725.00	37.6%	43,556	72,169.37	OCRB - Schedule B-2, Pg. 2
Communication Equipment	346					
Miscellaneous Equipment	347					
Other Tangible Plant	348	26,238.91	10.0%	2,624	23,615.02	OCRB - Schedule B-2, Pg. 2
TOTALS		\$ 19,189,971.45	36.2%	\$ 6,937,535.82	\$ 12,252,435.63	

**New River Utility Company
RCND Study
Detail - Water Production Facilities**

Table 1 - Water Production Facilities								
Site	Year	Asset	NARUC Acct.	Repro Cost	Expected Life	Age at TY End	Remaining Life	RCNLD at 12/31/2011
Well 1	1947	Well and Casing	307	\$ 598,460.00	50.0	64.5	0.0	\$ -
	2004	Pump and Motor	311	61,114.00	10.0	7.5	2.5	15,278.50
	1996	Piping and Appurtenances	311	59,961.00	30.0	15.5	14.5	28,981.15
	1996	Electrical and Instrumentation	311	36,899.00	30.0	15.5	14.5	17,834.52
Well 2	1952	Well and Casing	307	522,355.00	50.0	59.5	0.0	-
	2004	Pump and Motor	311	19,833.00	10.0	7.5	2.5	4,958.25
	1998	Piping and Appurtenances	311	175,272.00	30.0	13.5	16.5	96,399.60
	1998	Electrical and Instrumentation	311	25,368.00	30.0	13.5	16.5	13,952.40
Well 4	1969	Well and Casing	307	598,460.00	50.0	42.5	7.5	89,769.00
	2004	Pump and Motor	311	18,219.00	10.0	7.5	2.5	4,554.75
	1998	Piping and Appurtenances	311	19,603.00	30.0	13.5	16.5	10,781.65
	2004	Electrical and Instrumentation	311	28,828.00	30.0	7.5	22.5	21,621.00
Well 6	1975	Well and Casing	307	649,197.00	50.0	36.5	13.5	175,283.19
	2001	Pump and Motor	311	68,033.00	10.0	10.5	0.0	-
	2001	Chlorination	320	4,036.00	15.0	10.5	4.5	1,210.80
	2001	Piping and Appurtenances	311	64,574.00	30.0	10.5	19.5	41,973.10
	2001	Electrical and Instrumentation	311	7,495.00	30.0	10.5	19.5	4,871.75
Storage Tank 1 & Booster Pumps	1997	Tanks and Base	330	784,110.00	45.0	14.5	30.5	531,704.99
	1997	Pumps and Motors	311	114,272.00	20.0	14.5	5.5	31,424.80
	2006	25hp Centrifugal Pump	311	5,600.00	20.0	5.5	14.5	4,060.00
	1997	Chlorination	320	9,225.00	15.0	14.5	0.5	307.50
	1997	Piping and Appurtenances	311	63,305.00	30.0	14.5	15.5	32,707.58
	1997	Hydrotank and Appurtenances	330	8,648.00	25.0	14.5	10.5	3,632.16
Storage Tank 2&3 & Booster Pumps	1997	Electrical and Instrumentation	311	61,691.00	30.0	14.5	15.5	31,873.68
	2000	Tanks and Base	330	1,568,219.00	45.0	11.5	33.5	1,167,451.92
	2000	Pumps and Motors	311	130,301.00	20.0	11.5	8.5	55,377.93
	2010	Arsenic Treatment System	320	550,000.00	30.0	1.5	28.5	522,500.00
	2004	Chlorination	320	5,189.00	15.0	7.5	7.5	2,594.50
	2000	Piping and Appurtenances	311	121,076.00	30.0	11.5	18.5	74,663.53
	1999	Hydrotank and Appurtenances	330	8,648.00	25.0	12.5	12.5	4,324.00
	2000	Electrical and Instrumentation	311	134,913.00	30.0	11.5	18.5	83,196.35
		TOTALS		\$ 6,522,904.00				\$ 3,073,288.60

New River Utility Company
 RCND Study
 Detail - Distribution Facilities

Table 2 - Pipeline Valuation										
Year	Size	Type	Length	Repro Cost	Repro Total Cost	Authorized Depreciation Rate	Expected Life	Age at TY End	Remaining Life	RCNLD at 12/31/2011
1996	16	PVC	140	\$ 61.00	\$ 8,540.00	2.00%	50	15.5	34.5	\$ 5,892.60
1996	12	PVC	5,450	\$ 43.00	234,350.00	2.00%	50	15.5	34.5	161,701.50
1996	10	PVC	1,922	\$ 38.00	73,036.00	2.00%	50	15.5	34.5	50,394.84
1996	8	PVC	248	\$ 30.00	7,440.00	2.00%	50	15.5	34.5	5,133.60
1996	6	PVC	80	\$ 27.00	2,160.00	2.00%	50	15.5	34.5	1,490.40
1997	12	PVC	1,408	\$ 43.00	60,544.00	2.00%	50	14.5	35.5	42,986.24
1997	10	PVC	8,172	\$ 38.00	310,536.00	2.00%	50	14.5	35.5	220,480.56
1997	8	PVC	29,103	\$ 30.00	873,090.00	2.00%	50	14.5	35.5	619,893.90
1997	6	PVC	15,177	\$ 27.00	409,779.00	2.00%	50	14.5	35.5	290,943.09
1997	12	DIP	5,043	\$ 61.00	307,623.00	2.00%	50	14.5	35.5	218,412.33
1997	10	DIP	29	\$ 55.00	1,595.00	2.00%	50	14.5	35.5	1,132.45
1997	8	DIP	2,026	\$ 43.00	87,118.00	2.00%	50	14.5	35.5	61,853.78
1997	6	DIP	435	\$ 40.00	17,400.00	2.00%	50	14.5	35.5	12,354.00
1998	8	PVC	21,555	\$ 30.00	646,650.00	2.00%	50	13.5	36.5	472,054.50
1998	6	PVC	9,510	\$ 27.00	256,770.00	2.00%	50	13.5	36.5	187,442.10
1998	12	DIP	3,488	\$ 61.00	212,768.00	2.00%	50	13.5	36.5	155,320.64
1998	8	DIP	78	\$ 43.00	3,354.00	2.00%	50	13.5	36.5	2,448.42
1999	8	PVC	3,778	\$ 30.00	113,340.00	2.00%	50	12.5	37.5	85,005.00
1999	6	PVC	9,030	\$ 27.00	243,810.00	2.00%	50	12.5	37.5	182,857.50
1999	12	DIP	1,732	\$ 61.00	105,652.00	2.00%	50	12.5	37.5	79,239.00
1999	6	DIP	749	\$ 40.00	29,960.00	2.00%	50	12.5	37.5	22,470.00
2000	8	PVC	8,614	\$ 30.00	258,420.00	2.00%	50	11.5	38.5	198,983.40
2000	6	PVC	6,870	\$ 27.00	185,490.00	2.00%	50	11.5	38.5	142,827.30
2000	16	DIP	52	\$ 91.00	4,732.00	2.00%	50	11.5	38.5	3,643.64
2000	12	DIP	6,366	\$ 61.00	388,326.00	2.00%	50	11.5	38.5	299,011.02
2000	8	DIP	1,620	\$ 43.00	69,660.00	2.00%	50	11.5	38.5	53,638.20
2001	12	PVC	2,629	\$ 43.00	113,047.00	2.00%	50	10.5	39.5	89,307.13
2001	8	PVC	10,169	\$ 30.00	305,070.00	2.00%	50	10.5	39.5	241,005.30
2002	12	PVC	1,111	\$ 43.00	47,773.00	2.00%	50	9.5	40.5	38,696.13
2002	8	PVC	28,774	\$ 30.00	863,220.00	2.00%	50	9.5	40.5	699,208.20
2002	6	PVC	267	\$ 27.00	7,209.00	2.00%	50	9.5	40.5	5,839.29
2002	8	DIP	260	\$ 43.00	11,180.00	2.00%	50	9.5	40.5	9,055.80
2003	8	PVC	2,953	\$ 30.00	88,590.00	2.00%	50	8.5	41.5	73,529.70
2003	8	DIP	540	\$ 43.00	23,220.00	2.00%	50	8.5	41.5	19,272.60
2003	6	DIP	300	\$ 40.00	12,000.00	2.00%	50	8.5	41.5	9,960.00
2004	8	PVC	145	\$ 30.00	4,350.00	2.00%	50	7.5	42.5	3,697.50
2005	12	PVC	1,069	\$ 43.00	45,967.00	2.00%	50	6.5	43.5	39,991.29
2005	10	PVC	855	\$ 38.00	32,490.00	2.00%	50	6.5	43.5	28,266.30
2005	8	PVC	14,032	\$ 30.00	420,960.00	2.00%	50	6.5	43.5	366,235.20
2005	6	PVC	202	\$ 27.00	5,454.00	2.00%	50	6.5	43.5	4,744.98
2005	8	DIP	3,621	\$ 43.00	155,703.00	2.00%	50	6.5	43.5	135,461.61
2005	6	DIP	427	\$ 40.00	17,080.00	2.00%	50	6.5	43.5	14,859.60
2006	8	DIP	1,514	\$ 43.00	65,102.00	2.00%	50	5.5	44.5	57,940.78
2006	6	DIP	108	\$ 40.00	4,320.00	2.00%	50	5.5	44.5	3,844.80
2007	8	DIP	696	\$ 43.00	29,928.00	2.00%	50	4.5	45.5	27,234.48
2009	8	DIP	1,626	\$ 43.00	69,918.00	2.00%	50	2.5	47.5	66,422.10
2009	6	DIP	506	\$ 40.00	20,240.00	2.00%	50	2.5	47.5	19,228.00
TOTALS			214,479		\$ 7,254,964.00					\$ 5,531,410.80

New River Utility Company
 RCND Study
 Detail - Distribution Facilities

Table 3 - Valve Valuation										
Year	Size	Descrip.	Quantity	Repro Cost	Repro Total Cost	Authorized Depreciation Rate	Expected Life	Current Age	Remaining Life	RCNLD at 12/31/2011
1996	12	VB&C	17	\$ 2,434.00	41,378.00	2.00%	50	15.5	34.5	28,550.82
1996	10	VB&C	5	\$ 1,886.00	9,430.00	2.00%	50	15.5	34.5	6,506.70
1996	8	VB&C	5	\$ 1,278.00	6,390.00	2.00%	50	15.5	34.5	4,409.10
1997	12	VB&C	11	\$ 2,434.00	26,774.00	2.00%	50	14.5	35.5	19,009.54
1997	10	VB&C	26	\$ 1,886.00	49,036.00	2.00%	50	14.5	35.5	34,815.56
1997	8	VB&C	108	\$ 1,278.00	138,024.00	2.00%	50	14.5	35.5	97,997.04
1997	6	VB&C	58	\$ 882.00	51,156.00	2.00%	50	14.5	35.5	36,320.76
1998	12	VB&C	9	\$ 2,434.00	21,906.00	2.00%	50	13.5	36.5	15,991.38
1998	8	VB&C	72	\$ 1,278.00	92,016.00	2.00%	50	13.5	36.5	67,171.68
1998	6	VB&C	25	\$ 882.00	22,050.00	2.00%	50	13.5	36.5	16,096.50
1999	12	VB&C	3	\$ 2,434.00	7,302.00	2.00%	50	12.5	37.5	5,476.50
1999	8	VB&C	10	\$ 1,278.00	12,780.00	2.00%	50	12.5	37.5	9,585.00
1999	6	VB&C	25	\$ 882.00	22,050.00	2.00%	50	12.5	37.5	16,537.50
1999	4	VB&C	5	\$ 730.00	3,650.00	2.00%	50	12.5	37.5	2,737.50
2000	12	VB&C	12	\$ 2,434.00	29,208.00	2.00%	50	11.5	38.5	22,490.16
2000	8	VB&C	29	\$ 1,278.00	37,062.00	2.00%	50	11.5	38.5	28,537.74
2000	6	VB&C	22	\$ 882.00	19,404.00	2.00%	50	11.5	38.5	14,941.08
2001	8	VB&C	15	\$ 1,278.00	19,170.00	2.00%	50	10.5	39.5	15,144.30
2002	12	VB&C	9	\$ 2,434.00	21,906.00	2.00%	50	9.5	40.5	17,743.86
2002	8	VB&C	88	\$ 1,278.00	112,464.00	2.00%	50	9.5	40.5	91,095.84
2002	6	VB&C	7	\$ 882.00	6,174.00	2.00%	50	9.5	40.5	5,000.94
2003	8	VB&C	7	\$ 1,278.00	8,946.00	2.00%	50	8.5	41.5	7,425.18
2003	6	VB&C	15	\$ 882.00	13,230.00	2.00%	50	8.5	41.5	10,980.90
2003	4	VB&C	1	\$ 730.00	730.00	2.00%	50	8.5	41.5	605.90
2004	6	VB&C	1	\$ 882.00	882.00	2.00%	50	7.5	42.5	749.70
2005	12	VB&C	4	\$ 2,434.00	9,736.00	2.00%	50	6.5	43.5	8,470.32
2005	8	VB&C	62	\$ 1,278.00	79,236.00	2.00%	50	6.5	43.5	68,935.32
2005	6	VB&C	9	\$ 882.00	7,938.00	2.00%	50	6.5	43.5	6,906.06
2005	4	VB&C	2	\$ 730.00	1,460.00	2.00%	50	6.5	43.5	1,270.20
2006	8	VB&C	25	\$ 1,278.00	31,950.00	2.00%	50	5.5	44.5	28,435.50
2006	6	VB&C	5	\$ 882.00	4,410.00	2.00%	50	5.5	44.5	3,924.90
2007	8	VB&C	2	\$ 1,278.00	2,556.00	2.00%	50	4.5	45.5	2,325.96
2008	8	VB&C	1	\$ 1,278.00	1,278.00	2.00%	50	3.5	46.5	1,188.54
2008	6	VB&C	1	\$ 882.00	882.00	2.00%	50	3.5	46.5	820.26
2009	8	VB&C	2	\$ 1,278.00	2,556.00	2.00%	50	2.5	47.5	2,428.20
TOTALS			698		\$ 915,120.00					\$ 700,626.44

Table 4 - Hydrant Valuation										
Year	Size	Descrip.	Quantity	Repro Cost	Repro Total Cost	Authorized Depreciation Rate	Expected Life	Current Age	Remaining Life	RCNLD at 12/31/2011
1996	6	Hydrant	5	\$ 4,015.00	\$ 20,075.00	2.00%	50	15.5	34.5	\$ 13,851.75
1997	6	Hydrant	103	\$ 4,015.00	413,545.00	2.00%	50	14.5	35.5	293,616.95
1998	6	Hydrant	78	\$ 4,015.00	313,170.00	2.00%	50	13.5	36.5	228,614.10
1999	6	Hydrant	31	\$ 4,015.00	124,465.00	2.00%	50	12.5	37.5	93,348.75
2000	6	Hydrant	48	\$ 4,015.00	192,720.00	2.00%	50	11.5	38.5	148,394.40
2001	6	Hydrant	23	\$ 4,015.00	92,345.00	2.00%	50	10.5	39.5	72,952.55
2002	6	Hydrant	80	\$ 4,015.00	321,200.00	2.00%	50	9.5	40.5	260,172.00
2003	6	Hydrant	22	\$ 4,015.00	88,330.00	2.00%	50	8.5	41.5	73,313.90
2004	6	Hydrant	7	\$ 4,015.00	28,105.00	2.00%	50	7.5	42.5	23,889.25
2005	6	Hydrant	40	\$ 4,015.00	160,600.00	2.00%	50	6.5	43.5	139,722.00
2006	6	Hydrant	4	\$ 4,015.00	16,060.00	2.00%	50	5.5	44.5	14,293.40
2007	6	Hydrant	3	\$ 4,015.00	12,045.00	2.00%	50	4.5	45.5	10,960.95
2008	6	Hydrant	1	\$ 4,015.00	4,015.00	2.00%	50	3.5	46.5	3,733.95
2009	6	Hydrant	6	\$ 4,015.00	24,090.00	2.00%	50	2.5	47.5	22,885.50
TOTALS			451		\$ 1,810,765.00					\$ 1,399,749.45

New River Utility Company
 RCND Study
 Detail - Distribution Facilities

Table 5 - Service Valuation										
Year	Size	Descrip.	Quantity	Repro Cost	Repro Total Cost	Authorized Depreciation Rate	Expected Life	Current Age	Remaining Life	RCNLD at 12/31/2011
1996	8	Service	2	\$ 9,734.00	19,468.00	3.33%	30.0	15.5	14.5	9,409.53
1997	1	Service	950	\$ 761.00	722,950.00	3.33%	30.0	14.5	15.5	373,524.17
1997	1.5	Service	4	\$ 1,460.00	5,840.00	3.33%	30.0	14.5	15.5	3,017.33
1998	1	Service	612	\$ 761.00	465,732.00	3.33%	30.0	13.5	16.5	256,152.60
1998	2	Service	1	\$ 1,825.00	1,825.00	3.33%	30.0	13.5	16.5	1,003.75
1999	1	Service	162	\$ 761.00	123,282.00	3.33%	30.0	12.5	17.5	71,914.50
2000	1	Service	443	\$ 761.00	337,123.00	3.33%	30.0	11.5	18.5	207,892.52
2000	1.5	Service	5	\$ 1,460.00	7,300.00	3.33%	30.0	11.5	18.5	4,501.67
2001	1	Service	125	\$ 761.00	95,125.00	3.33%	30.0	10.5	19.5	61,831.25
2002	1	Service	326	\$ 761.00	248,086.00	3.33%	30.0	9.5	20.5	169,525.43
2002	2	Service	52	\$ 1,825.00	94,900.00	3.33%	30.0	9.5	20.5	64,848.33
2002	6	Service	2	\$ 6,692.00	13,384.00	3.33%	30.0	9.5	20.5	9,145.73
2003	1	Service	2	\$ 761.00	1,522.00	3.33%	30.0	8.5	21.5	1,090.77
2003	1.5	Service	2	\$ 1,460.00	2,920.00	3.33%	30.0	8.5	21.5	2,092.67
2003	2	Service	24	\$ 1,825.00	43,800.00	3.33%	30.0	8.5	21.5	31,390.00
2004	1	Service	1	\$ 761.00	761.00	3.33%	30.0	7.5	22.5	570.75
2004	2	Service	14	\$ 1,825.00	25,550.00	3.33%	30.0	7.5	22.5	19,162.50
2005	1	Service	168	\$ 761.00	127,848.00	3.33%	30.0	6.5	23.5	100,147.60
2005	2	Service	17	\$ 1,825.00	31,025.00	3.33%	30.0	6.5	23.5	24,302.92
2005	3	Service	6	\$ 3,042.00	18,252.00	3.33%	30.0	6.5	23.5	14,297.40
2009	2	Service	6	\$ 1,825.00	10,950.00	3.33%	30.0	2.5	27.5	10,037.50
TOTALS			2,924		\$ 2,397,643.00					\$ 1,435,858.92
TOTAL Distribution Facilities						\$ 12,378,492.00				\$ 9,067,645.61

ATTACHMENT 2

COMPANY NAME	<i>New River Utility Co.</i>		
Name of System:	<i>New River Utility</i>	ADEQ Public Water System Number:	<i>07051</i>

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
<i>55-805437</i>	<i>300</i>	<i>960</i>	<i>1200</i>	<i>20"</i>	<i>8</i>	<i>1980</i>
<i>55-616944</i>	<i>150</i>	<i>300</i>	<i>1262</i>	<i>20"-16"</i>	<i>6</i>	<i>1952</i>
<i>55-616945</i>	<i>300</i>	<i>100</i>	<i>1650</i>	<i>16"</i>	<i>8</i>	<i>1958</i>
<i>55-616946</i>	<i>150</i>	<i>400</i>	<i>1300</i>	<i>16"</i>	<i>6</i>	<i>1969</i>
<i>55-616947</i>	<i>150</i>	<i>800</i>	<i>1515</i>	<i>16"</i>	<i>8</i>	<i>1982</i>
<i>55-616948</i>	<i>300</i>	<i>1000</i>	<i>1500</i>	<i>16"</i>	<i>8</i>	<i>1983</i>

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>100</i>	<i>2</i>	<i>451</i>	
<i>25</i>	<i>6</i>		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>1,000,000</i>	<i>3</i>	<i>5,000</i>	<i>2</i>

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	New River Utility Co.		
Name of System:	New River Utility	ADEQ Public Water System Number:	07051

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
16 X	PVC	140
12 X	PVC	11,667
10 X	PVC	10,949
8 X	PVC	11,937
6 X	PVC	4,136
16 X	DIP	52
12 X	DIP	16,629
10 X	DIP	29
8	DIP	11,981
0	PIP	2,525

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	2240
3/4	3
1	546
1 1/2	11
2	114
Comp. 3	6
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	2
Turbo 6	
8"	2

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

3 - Chlorine Gas Stations
 4 - Arsenic treatment filters

STRUCTURES:

1,400 Foot Block Wall

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	<u>New River Utility</u>		
Name of System:	<u>New River Utility</u>	ADEQ Public Water System Number:	<u>07051</u>

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2011

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	2921	30,479,700	42,066,000	None
FEBRUARY	2921	34,820,800	33,860,000	
MARCH	2923	27,501,200	39,867,000	
APRIL	2924	43,190,000	51,120,000	
MAY	2926	48,139,600	67,451,000	
JUNE	2926	63,004,800	83,231,000	
JULY	2924	64,180,210	63,851,000	
AUGUST	2924	63,980,600	58,873,000	
SEPTEMBER	2923	70,607,200	55,821,000	
OCTOBER	2923	51,622,700	50,102,000	
NOVEMBER	2923	45,813,700	54,703,000	
DECEMBER	2924	31,294,600	27,937,100	
TOTALS →		574,635,110	628,882,000	

What is the level of arsenic for each well on your system? 6-8 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1500 GPM for 1 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.