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BEFORE THE ARIZONA CORPORATION

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COMMISSIONERS

BOB STUMP - Chairman
GARY PIERCE
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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF
VALENCIA WATER COMPANY - TOWN
DIVISION FOR THE ESTABLISHMENT OF JUST
AND REASONABLE RATES AND CHARGES FOR
UTILITY SERVICE DESIGNED TO REALIZE A
REASONABLE RATE OF RETURN ON THE FAIR
VALUE OF ITS PROPERTY THROUGHOUT THE
STATE OF ARIZONA.

DOCKET NO. W-01212A-12-0309

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER - PALO VERDE UTILITIES
COMPANY FOR THE ESTABLISHMENT OF JUST
AND REASONABLE RATES AND CHARGES FOR
UTILITY SERVICE DESIGNED TO REALIZE A
REASONABLE RATE OF RETURN ON THE FAIR
VALUE OF ITS PROPERTY THROUGHOUT THE
STATE OF ARIZONA.

DOCKET NO. SW-20445A-12-0310

IN THE MATTER OF THE APPLICATION OF
WATER UTILITY OF NORTHERN SCOTTSDALE,
INC. FOR APPROVAL OF A RATE INCREASE.

DOCKET NO. W-03720A-12-0311

IN THE MATTER OF THE APPLICATION OF
WATER UTILITY OF GREATER TONOPAH, INC.
FOR THE ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES FOR
UTILITY SERVICE DESIGNED TO REALIZE A
REASONABLE RATE OF RETURN ON THE FAIR
VALUE OF ITS PROPERTY THROUGHOUT THE
STATE OF ARIZONA.

DOCKET NO. W-02450A-12-0312

IN THE MATTER OF THE APPLICATION OF
VALENCIA WATER COMPANY - GREATER
BUCKEYE DIVISION FOR THE
ESTABLISHMENT OF JUST AND REASONABLE
RATES AND CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE RATE
OF RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE OF
ARIZONA.

DOCKET NO. W-02451A-12-0313

Arizona Corporation Commission

DOCKETED

AUG 13 2013

DOCKETED BY
NR

1 IN THE MATTER OF THE APPLICATION OF
2 GLOBAL WATER – SANTA CRUZ WATER
3 COMPANY FOR THE ESTABLISHMENT OF JUST
4 AND REASONABLE RATES AND CHARGES FOR
5 UTILITY SERVICE DESIGNED TO REALIZE A
6 REASONABLE RATE OF RETURN ON THE FAIR
7 VALUE OF ITS PROPERTY THROUGHOUT THE
8 STATE OF ARIZONA.

DOCKET NO. W-20446A-12-0314

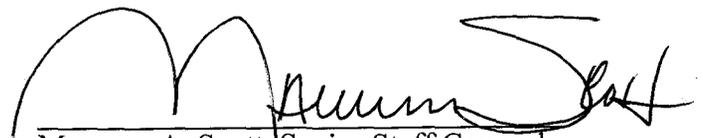
6 IN THE MATTER OF THE APPLICATION OF
7 WILLOW VALLEY WATER COMPANY FOR THE
8 ESTABLISHMENT OF JUST AND REASONABLE
9 RATES AND CHARGES FOR UTILITY SERVICE
10 DESIGNED TO REALIZE A REASONABLE RATE
11 OF RETURN ON THE FAIR VALUE OF ITS
12 PROPERTY THROUGHOUT THE STATE OF
13 ARIZONA.

DOCKET NO. W-01732A-12-0315

**STAFF'S NOTICE OF FILING
SETTLEMENT AGREEMENT**

11
12 Staff of the Arizona Corporation Commission (“Staff”) hereby files the proposed Settlement
13 Agreement between Staff, the Residential Utility Consumer Office (“RUCO”), the Global
14 Applicants,¹ the Global Intervenors,² the Province Community Homeowners Association, the Rancho
15 El Dorado Phase III Homeowners Association, the Cobblestone Farms Homeowners Association and
16 any additional parties signing on pursuant to § 11.7 of the Settlement Agreement.

17 RESPECTFULLY SUBMITTED this 13th day of August, 2013.

18
19
20 

21 Maureen A. Scott, Senior Staff Counsel
22 Wesley C. Van Cleve, Attorney
23 Brian E. Smith, Attorney
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25 Arizona Corporation Commission
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¹ Valencia Water Company, Inc. – Town Division, Global Water – Palo Verde Utilities, Water Utility of Northern Scottsdale, Inc., Water Utility of Greater Tonopah, Inc., Valencia Water Company, Inc. – Greater Buckeye Division, Global Water – Santa Cruz Water Company, and Willow Valley Water Company, Inc.

² Global Water – Picacho Cove Water Company, Global Water – Picacho Cove Utilities Company, Hassayampa Utilities Company, Inc. , and Global Water Resources, Inc.

1 Original and thirteen (13) copies
2 of the foregoing filed this 13th day
of August, 2013, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
Phoenix, Arizona 85007

6 Copy of the foregoing mailed this
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**PROPOSED SETTLEMENT AGREEMENT OF RATE
ADJUSTMENT APPLICATIONS OF**

**Valencia Water Company, Inc. – Town Division
Docket No. W-01212A-12-0309**

**Global Water – Palo Verde Utilities Company
Docket No. SW-20445A-12-0310**

**Water Utility of Northern Scottsdale, Inc.
Docket No. 03720A-12-0311**

**Water Utility of Greater Tonopah, Inc.
Docket No. 02450A-12-0312**

**Valencia Water Company, Inc. – Greater Buckeye Division
Docket No. 02451A-12-0313**

**Global Water – Santa Cruz Water Company
Docket No. W-20446A-12-0314**

**Willow Valley Water Co., Inc.
Docket No. 01732A-12-0315**

AUGUST 12, 2013

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**PROPOSED SETTLEMENT AGREEMENT OF
GLOBAL WATER UTILITIES RATE CASE
DOCKET NOS. W-01212A-12-309 et al.**

The purpose of this Settlement Agreement (“Agreement”) is to settle disputed issues related to Docket Nos. W-01212A-12-0309, SW-20445A-12-0310, W-03720A-12-0311, W-02450A-12-0312, W-02451A-12-0313, W-20446A-12-0314 and W-01732A-12-0315 (collectively, the “Global Rate Dockets”). This Agreement is entered into by the following entities:

STAFF and RUCO

Arizona Corporation Commission Utilities Division (“Staff”)
Residential Utility Consumer Office (“RUCO”)

Global Applicants

Valencia Water Company, Inc. – Town Division (“Valencia – Town”)
Global Water– Palo Verde Utilities Company (“Palo Verde”)
Water Utility of Northern Scottsdale, Inc. (“Northern Scottsdale”)
Water Utility of Greater Tonopah, Inc. (“Tonopah”)
Valencia Water Company, Inc. – Greater Buckeye Division
 (“Valencia – Buckeye”)
Global Water – Santa Cruz Water Company (“Santa Cruz”)
Willow Valley Water Co., Inc. (“Willow”)

Global Intervenors

Global Water – Picacho Cove Water Company (“Picacho Water”)
Global Water – Picacho Cove Utilities Company (“Picacho Utilities”)
Hassayampa Utilities Company, Inc. (“Hassayampa”)
Global Water Resources, Inc. (“Global Parent”)

Other Intervenors

Province Community Homeowners Association
Rancho El Dorado Phase III Homeowners Association
Cobblestone Farms Homeowners Association

And such other intervenors or parties that may sign on pursuant to Section 11.7 of the proposed Settlement Agreement.

These entities will be referred to collectively as "Signatories;" a single entity will be referred to individually as a "Signatory." Santa Cruz, Palo Verde, Valencia – Town, Willow, Valencia – Buckeye, Tonopah, and Northern Scottsdale will be collectively referred to as the "Applicants" or the "Global Water and Wastewater Utilities." Picacho Water, Picacho Utilities, Hassayampa, and Global Parent will be collectively referred to as the "Global Intervenors," and the Global Intervenors and the Applicants will be collectively referred to as "Global."

I. RECITALS.

- 1.1 The Global Water and Wastewater Utilities each filed a separate rate application on July 9, 2012. Staff filed a letter of sufficiency on October 26, 2012, and by Procedural Order dated November 20, 2012, the applications were deemed sufficient as of November 7, 2012. The November 20, 2012 Procedural Order also established a hearing schedule and consolidated all seven of the Global Rate Dockets. The hearing was subsequently rescheduled by a Procedural Order dated April 30, 2013.
- 1.2 By Procedural Orders, the following parties were granted intervention in the Global Rate Dockets: RUCO, New World, Maricopa, the Maricopa HOAs, SNR, Willow Club, the Global Intervenors, Steven P. Tardiff, Dana J. Jennings, and Andy and Marilyn Mausser.
- 1.3 The Global Water and Wastewater Utilities filed a notice of settlement discussions on July 11, 2013, and a revised notice of settlement discussions on July 15, 2013. Settlement discussions began on July 18, 2013, and continued on July 19, 2013. The settlement discussions were open, transparent, and inclusive of all Parties to this Docket who desired to participate. All Parties to this Docket were notified of the settlement discussion process, were encouraged to participate in the negotiations, and were provided with an equal opportunity to participate. Participants in the settlement discussions included Global, Staff, RUCO, Maricopa, the Maricopa HOAs, New World, SNR, and the Willow Club.
- 1.4 The terms of this Agreement are just, reasonable, fair, and in the public interest in that they, among other things, establish just and reasonable rates for the Global Water and Wastewater Utilities; promote the convenience, comfort and safety, and the preservation of health, of the employees and patrons of the Global Water Utilities; avoid unnecessary litigation expense and delay, and resolve all issues arising from the Global Rate Dockets except the issue of a Distribution System Improvement Charge ("DISC") type mechanism for Willow. Global is working to provide the necessary information to Staff as soon as possible for a System Improvement Benefit ("SIB") mechanism so Staff can

complete its review prior to the commencement of the hearing in this matter. Global waives the right to request any acquisition premium for any of its existing systems involved in this docket.

1.5 The Signatories believe that this Agreement balances the interests of both the Global Water and Wastewater Utilities and their customers. These benefits include:

- A phase-in of rates with no rate increase in year one of the phase-in for any of the Global Water and Wastewater Utilities;
- A rate phase-in for the Santa Cruz and Palo Verde Companies over a period of eight years;
- A rate phase-in for Valencia Town, Valencia Buckeye, Willow, and Tonopah over a period of three years;
- A phase-in of the rate increases attributable to recovery of expenses in years two and three of the phase-in;
- There will be no change in revenue requirement for Northern Scottsdale as a result of this case;
- The Global Water and Wastewater Utilities agree to a rate stay-out until May 31, 2016; and if the City of Maricopa signs onto the Agreement, the stay-out will be extended to May 31, 2017 for Santa Cruz and Palo Verde;
- Continuing bill assistance for low income customers in existing Global Utilities with such programs, and expansion of the low income bill assistance program into the other Global Utilities;
- The rate design will continue to allow customers an opportunity to reduce their bill by providing a rebate when customers use less than the Conservation Rebate Threshold (“CRT”); and
- Resolution of issues regarding Infrastructure Coordination and Financing Agreements (“ICFAs”).

1.6 The Signatories agree to ask the Commission: (1) to find that the terms and conditions of this Agreement are just and reasonable and in the public interest, along with any and all other necessary findings, and (2) to approve the Agreement such that it and the rates contained herein may become effective on January 1, 2014.

TERMS AND CONDITIONS

II. REVENUE REQUIREMENT AND RATE INCREASE PROVISIONS.

2.1 Rate Stay Out Agreement.

2.1.1 None of the Applicants will file a rate application before May 31, 2016. The test year for the next rate application filed by any of the Applicants shall not end before December 31, 2015. However, if the City of Maricopa joins this Agreement as a Signatory, then Santa Cruz and Palo Verde will not file a rate application before May 31, 2017, and the test year for the next rate case for Santa Cruz and Palo Verde may not end before December 31, 2016.

2.2 Rate Increase.

2.2.1 The revenue requirements and rate increases for all years of the phase-in for each of the Global Water and Wastewater Utilities are shown on Attachment A.

2.3 Fair Value Rate Base.

2.3.1 The jurisdictional fair value rate base used to establish the rates agreed to herein for each of the Global Water and Wastewater Utilities is shown on Attachment A. The Global Water and Wastewater Utilities agree to the use of original cost rate base as the fair value rate base for each of the Global Water and Wastewater Utilities for purposes of setting rates in this case.

2.3.2 The rate bases set forth on Attachment A exclude Post Test Year Plant as recommended by Staff, except for the following projects: (1) Palo Verde Lagoon Clean Closure and Conversion Project; (2) Valencia – Town Bales Fill Line; and (3) Valencia - Town Buena Vista Fill Line.

2.4 The rates agreed to herein are based on a test year ending December 31, 2011, with adjustments for known and measurable changes.

2.5 The expense levels agreed to herein are based upon the expense levels recommended by Staff, with the exception of the modified depreciation expense discussed in Section 5.1.

2.6 There will be no change in the revenue requirement for Northern Scottsdale as a result of this case.

III. BILL IMPACT AND RATE DESIGN.

- 3.1 Upon the effective date of the new rates, the monthly bill for a residential customer, with median usage, for each year of the phase-in is shown on Attachment A.
- 3.2 For the water company Applicants, the rate design includes six tiers and a CRT.¹ This follows the rate design approved in Decision No. 71878. The new CRTs will not take effect until January 1, 2015.
- 3.3 For Palo Verde and Santa Cruz, the recycled and nonpotable water rate will be \$1.6380 per 1,000 gallons, to be phased-in over eight years as shown on Attachment A. For the other Global Applicants with no existing recycled or nonpotable customers, the rate shall be \$1.6380 per thousand gallons with no phase-in.
- 3.4 The rate increase for Santa Cruz and Palo Verde will be phased in over eight years in accordance with Section 6.3.2.3. The rates of the remaining Applicants, except Northern Scottsdale, will be phased-in over three years. For all Applicants, there will be no rate increase in the first year. The Applicants waive their right to recover the revenues forgone or lost and carrying costs under the phase-ins.
- 3.5 Global withdraws its consolidation proposal for the three West Valley Systems.
- 3.6 Northern Scottsdale revenue requirements are unchanged but the rates shall be redesigned and be implemented with no phase-in.

IV. COST OF CAPITAL.

- 4.1 Staff's proposed consolidated capital structure comprised of 57.80% long term debt, 42.20% common equity will be adopted.
- 4.2 A return on common equity of 9.5% will be adopted.
- 4.3 An embedded cost of debt of 6.1 % will be adopted.
- 4.4 A fair value rate of return of 7.5% will be adopted.

¹ The Conservation Rebate is a component of Global's water utility rate design that promotes water conservation by customers. The Conservation Rebate applies to all customers who use less than the Conservation Rebate Threshold ("CRT") amount. The CRT amount for each utility is set forth in Settlement Schedule H-3 for each utility. Each Global water utility also has a Conservation Rebate percentage specified in the utility's Settlement Schedule H-3. For customers that qualify for the Conservation Rebate by using less than the specified CRT amount, the conservation rebate percentage is applied to the otherwise applicable volumetric portion of their bill.

- 4.5 The provisions set forth herein regarding the quantification of cost of capital, fair value rate base, fair value rate of return, and the revenue requirement are made for purposes of settlement only and should not be construed as admissions against interest or waivers of litigation positions related to other or future cases.

V. DEPRECIATION/AMORTIZATION.

- 5.1 The depreciation and amortization rates proposed by Staff and contained in the Direct Testimony of Staff witness Jian W. Liu will be adopted until further order of the Commission, except that a 10 year life will be used for National Association of Regulatory Utility Commissioners accounts 348 Other Tangible Plant and 398 Other Tangible Plant. The approved depreciation rates are set forth in Attachment A. The reclassifications of assets proposed by Staff (discussed at page 15 in the Direct Testimony of Staff witness Gerald Becker) are adopted.

VI. TREATMENT OF INFRASTRUCTURE COORDINATION AND FINANCE AGREEMENTS.

6.1 General.

- 6.1.1 The provisions of this Agreement regarding ICFAs are divided into three parts: (1) future ICFAs; (2) treatment of past funds received under existing ICFAs; and (3) treatment of future funds received under existing ICFAs.
- 6.1.2 Staff and RUCO reserve the right to monitor Global's compliance with this Settlement Agreement and review all ICFA related transactions in future rate applications that Global files, and take appropriate steps, if necessary, to ensure the continued resolution of the issues regarding ICFAs as set forth in this Agreement.
- 6.1.3 All future capital requirements will be met with debt, equity, hook-up fees, or through main extension agreements.

6.2 Future ICFAs.

- 6.2.1 Global agrees that Global Parent (and any and all affiliates of Global Parent) will not enter into any new ICFAs or any other ICFA type agreements. This provision does not prohibit Global Parent from entering into amendments to existing ICFAs from time to time, as long as the amendments do not increase the dollar amount of the ICFA funds to be paid to Global Parent or any of its affiliates. Attachment B is a list of ICFAs or ICFA type agreements entered into by Global as of the date of this Agreement.

- 6.2.2 The Global Water and Wastewater Utilities, Hassayampa, Picacho Water, and Picacho Utilities will establish hook-up fees as set forth in Section VII.
- 6.2.3 The Global Water and Wastewater Utilities, Hassayampa, Picacho Water, and Picacho Utilities will continue to use main extension agreements in accordance with Commission rules. Any associated funds or infrastructure (or land associated with the infrastructure which is conveyed to Global) used to provide water or wastewater service will be segregated to or owned by the Global Water and Wastewater Utilities, Hassayampa, Picacho Water or Picacho Utilities.

6.3 Past Funds Received Under Existing ICFAs.

- 6.3.1 The Parties agree as follows with respect to the treatment of past ICFA funds received under existing ICFAs:
 - 6.3.2 The total amounts imputed as Contributions In Aid of Construction (“CIAC”) against the active rate base of Santa Cruz and Palo Verde in accordance with Exhibit B to Decision No. 71878 will be reversed and restored to rate base upon the effective date of the Commission’s order in this docket.
 - 6.3.2.1 The imputed amount to be reversed for Palo Verde is \$10,991,128 on a gross basis or \$10,323,747 net of amortization.
 - 6.3.2.2 The imputed amount to be reversed for Santa Cruz is \$6,600,076 on a gross basis or \$6,105,227 net of amortization.
 - 6.3.2.3 The revenue requirement impact of this restoration will be phased in over time (Years 2-8) limiting the impact to customers.
 - 6.3.3 The \$32,391,318 attributed to the Southwest Plant Held for Future Use (“PHFFU”) of Santa Cruz and Palo Verde (referred to as excess capacity in Exhibit B of Decision No. 71878) will no longer be reflected as CIAC upon the effective date of the Commission’s order in this docket. (The gross and net CIAC amounts are equal because there has been no amortization associated with this level of CIAC.)
 - 6.3.3.1 The reversal of the \$32,391,318 from CIAC Reserve for the Southwest Plant has no impact on rates in this case because this plant is not presently used and useful.

- 6.3.3.2 The Southwest Plant will be treated as PHFFU until it is placed into service, and the Southwest Plant will not be placed into rate base until it is found used and useful by the Commission in a future rate case.
- 6.3.3.3 In the event that Santa Cruz or Palo Verde seeks, during the phase-in period described in Sections 6.3.2.3 and 1.5, to include the Southwest Plant in rates, they will be limited to seeking inclusion of no more than 12.5% of the \$32,391,318 per year, with such calculation beginning January 1, 2014. An additional 12.5% will be phased-in each January 1st thereafter until the full 100% of the aforesaid value of such plant has been determined by the Commission to be suitable for inclusion in rate base in one or more future rate proceedings. Notwithstanding, Santa Cruz and Palo Verde may not seek to include such plant prior to May 31, 2016, the end of the agreed upon stay out period. The amount of Southwest Plant to be included in rate base for rate-making purposes in future rate cases shall be the lesser of the above percentages or the amount of plant determined by the Commission to be used and useful.
- 6.3.4 The total amounts imputed as CIAC against the active rate base of Tonopah in accordance with Exhibit B to Decision No. 71878 will be reversed and restored to rate base upon the effective date of the Commission's order in this docket.
- 6.3.4.1 The imputed amount to be reversed for Tonopah is \$7,085,645 on a gross basis or \$6,784,409 net of amortization.
- 6.3.4.2 There will be no revenue impact of this restoration in this case because Tonopah's rates will be set on an operating margin basis in this case.
- 6.3.4.3 For purposes of this case, Tonopah's rates will be set based upon a 10% operating margin. In subsequent rate cases filed within the 8 year phase-in referred to in Section 1.5 and 6.3.2.3 above, the rates for Tonopah will be reviewed from both a rate of return and 10 percent operating margin perspective. The rates will be set based upon whichever method results in the lowest rates for Tonopah customers.
- 6.3.4.4 In subsequent rate cases filed within the 8 year phase-in referred to above, Tonopah may include no more than

12.5% of the \$6,784,409 per year, with such calculation beginning January 1, 2014. An additional 12.5% will be phased-in each January 1st thereafter until the full 100% has been recognized.

6.3.5 The ICFA funds allocated to Hassayampa by Exhibit B to Decision No. 71878 and accounted for as "CIAC Reserve" will be reversed upon the effective date of the Commission's order in this docket.

6.3.5.1 The imputed amount to be reversed for Hassayampa is \$2,140,455 (the gross and net CIAC amounts are equal because there has been no amortization.)

6.3.5.2 Hassayampa has no customers and no rate base; and its rates will remain unchanged at this time.

6.3.6 The \$8,897,600 in ICFA funds received since December 31, 2008, the test year of the last Global Water and Wastewater Utilities rate case through December 31, 2012, will not be imputed or treated as CIAC.

6.4 Future ICFA Fees Received Under Existing ICFAs.

6.4.1 ICFA fees received after December 31, 2013, will be handled as follows: a portion of funds received by Global Parent will be paid to the associated utility as a hook-up fee ("HUF") to be established in accordance with this Agreement, and the remaining portion of the funds will be available to Global Parent for use pursuant to the provisions of the applicable ICFA.

6.4.2 For amounts due after the effective date of the Commission's order in this docket, Global Parent will agree to accept separate checks for the ICFA fees owed, as follows: (1) a check payable to the applicable water utility in the amount of the water HUF; (2) a check payable to the applicable wastewater utility in the amount of the wastewater HUF; and (3) a check payable to Global Parent for the remainder of the ICFA fee.

6.4.2.1 However, if only one check is received (regardless of the payee) for an ICFA payment, Global Parent will immediately pay the required HUFs to the applicable water and wastewater utilities out of the fees received in the check, with the remaining funds going to Global Parent in accordance with Section 6.4.4. Global Parent is prohibited from using HUF monies for any purpose. The Global Utilities and Global Intervenors shall use the

HUF monies solely for the purposes set forth in the Commission approved HUF tariffs.

- 6.4.3 The Global Parent portion (ICFA Fee minus HUFs) is to be used only in accordance with the terms of the applicable ICFA.
- 6.4.4 Because all the ICFA fees due for each Equivalent Dwelling Unit (“EDU”) are not due at the same time, it is necessary to allocate any payment received between the HUF and the portion of the payment which will go to Global Parent. The Signatories agree that each payment received under the ICFA shall be allocated on the following basis: 70% of the payment shall go toward payment of the HUF and the remaining payment shall be allocated to Global Parent. However, regardless of the timing of payments that may be required for any particular ICFA, Global Parent shall be responsible for ensuring that the entire HUF is paid no later than the time the ICFA payment is received for: (1) final plat, (2) the start work date, or (3) the date required by the HUF tariffs, whichever is earliest. When constructing facilities required under a HUF or ICFA, Global Utilities shall first use the HUF moneys received, and only after those funds are spent, shall it use debt or equity financing.
- 6.4.5 All ICFA fees that are not otherwise accounted for under this Agreement, will be treated in accordance with Section 6.4.1. This shall not apply to past due amounts due prior to December 31, 2012, that otherwise would have been paid under the existing ICFA. These shall be treated in accordance with Section 6.3.6.

VII. HOOK-UP FEES.

- 7.1 The Global Water and Wastewater Utilities, Hassayampa, Picacho Water, and Picacho Utilities will establish hook-up fees in the following amounts:
- 7.1.1 Santa Cruz: \$1,250
 - 7.1.2 Palo Verde: \$1,250
 - 7.1.3 Picacho Water: \$1,250
 - 7.1.4 Picacho Utilities: \$1,250
 - 7.1.5 Valencia – Town: \$1,750
 - 7.1.6 Valencia – Greater Buckeye: \$1,750

- 7.1.7 Tonopah: \$1,750
- 7.1.8 Willow: \$1,750
- 7.1.9 Northern Scottsdale: \$1,750
- 7.1.10 Hassayampa: \$1,750
- 7.2 The HUF will be in the form of Staff's standard HUF appended hereto as Attachment C. In the case of the Applicants, the HUF tariffs will take effect upon the effective date of the Commission's order in these consolidated dockets. In the case of Picacho Water, Picacho Utilities, and Hassayampa, those utilities will file, within 30 days of a Commission Decision in this case, separate applications for a HUF tariff for the amounts described in Section 7.1.
- 7.3 As required in Staff's standard form HUF tariff, each Global water and wastewater utility will maintain a separate, segregated bank account for all funds received under the HUF tariff and file annual reports as outlined in the tariffs. The HUF funds may only be used by the Global water and wastewater utilities for the purposes specified in the HUF tariff. Global's Chief Executive Officer or Chief Financial Officer shall be required to file an affidavit annually which states that the conditions of this paragraph have been met.

VIII. TARIFFS AND CODE OF CONDUCT.

- 8.1 The Global Water Utilities' existing low income tariff will remain in effect, and will apply to Northern Scottsdale upon the effective date of the Commission's order in these consolidated dockets.
- 8.2 The Central Arizona Groundwater Replenishment District ("CAGRDR") adjustor mechanism discussed in the Direct Testimony of Global Utilities' witness Ron Fleming (pages 13-18) and Staff witness Becker (page 27) will be approved subject to the same requirements of the adjustor mechanism approved for Johnson Utilities, L.L.C. in Decision No. 71854 pages 38-44 and appended hereto as Attachment D.
- 8.3 The Global Water and Wastewater Utilities agree to withdraw their request to eliminate their BMP tariffs. Northern Scottsdale agrees to file a BMP tariff in accordance with the Direct Testimony of Staff witness Liu.
- 8.4 The Signatories agree to the Global Water and Wastewater Utilities' Terms and Conditions tariff (Attachment 4 to the Direct Testimony of Mr. Fleming), as modified by Staff, in Attachment E.

- 8.5 The Global Water and Wastewater Utilities shall file revised tariffs reflecting all of the changes discussed in this agreement within 30 days from the date of the Commission's decision in this matter. A list of revised tariffs that the Applicants will file for each of the Global Utilities is attached as Attachment F.
- 8.6 The Global Water and Wastewater Utilities agree to withdraw their request for an Individual Case Basis ("ICB") tariff.
- 8.7 The Global Water and Wastewater Utilities will work with Staff to adopt a Code of Conduct to apply to transactions that are between or involve the Applicants and their unregulated affiliates and to assure confidential treatment of customer specific information including water and wastewater usage information. This Code of Conduct shall include, at a minimum, the recommendations of Staff Witness Armstrong on page 34 of his Direct Testimony as well as measures designed to ensure that the Global Utilities are independent and stand-alone entities separate and apart from the Global Parent and its other unregulated affiliates and that all transactions between these entities are on an arms-length basis. The Applicants shall file the agreed upon Code of Conduct by May 2, 2014.

IX. WATER LOSS.

- 9.1 The Global Water Utilities agree to file the water loss reports recommended in the Direct Testimony of Staff witness Mr. Liu.

X. COMMISSION EVALUATION OF PROPOSED SETTLEMENT.

- 10.1 All currently filed testimony and exhibits will be offered into the Commission's record as evidence.
- 10.2 The Signatories recognize that Staff does not have the power to bind the Commission. For purposes of proposing a settlement agreement, Staff acts in the same manner as any party to a Commission proceeding.
- 10.3 This Agreement will serve as a procedural device by which the Signatories will submit their proposed settlement of the Global Rate Dockets to the Commission.
- 10.4 The Signatories recognize that the Commission will independently consider and evaluate the terms of this Agreement. If the Commission issues an order adopting all material terms of this Agreement, such action will constitute Commission approval of the Agreement. Thereafter, the Signatories will abide by the terms as approved by the Commission.

- 10.5 If the Commission fails to issue an order adopting all material terms of this Agreement, any or all of the Signatories may withdraw from this Agreement, and such Signatory or Signatories may pursue without prejudice their respective remedies at law. For purposes of this Agreement, whether a term is material will be left to the discretion of the Signatory choosing to withdraw from the Agreement. If a Signatory withdraws from the Agreement pursuant to this paragraph and files an application for rehearing, the other Signatories, except for Staff, will support the application for rehearing by filing a document with the Commission that supports approval of the Agreement in its entirety. Staff will not be obligated to file any document or take any position regarding the withdrawing Signatory's application for rehearing.

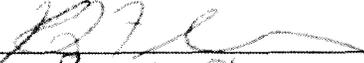
XI. MISCELLANEOUS PROVISIONS.

- 11.1 This case has attracted participants with widely diverse interests. To achieve consensus for settlement, many participants are accepting positions that, in any other circumstances, they would be unwilling to accept. They are doing so because this Agreement, as a whole, is consistent with their long-term interests and with the broad public interest. The acceptance by any Signatory of a specific element of this Agreement will not be considered as precedent for acceptance of that element in any other context.
- 11.2 No Signatory is bound by any position asserted in negotiations, except as expressly stated in this Agreement. No Signatory will offer evidence of conduct or statements made in the course of negotiating this Agreement before this Commission, any other regulatory agency, or any court.
- 11.3 Neither this Agreement nor any of the positions taken in this Agreement by any of the Signatories may be referred to, cited, and/or relied upon as precedent in any proceeding before the Commission, any other regulatory agency, or any court for any purpose except to secure approval of this Agreement and enforce its terms.
- 11.4 To the extent any provision of this Agreement is inconsistent with any existing Commission order, rule, or regulation, this Agreement will control.
- 11.5 Each of the terms of this Agreement is in consideration of all other terms of this Agreement. Accordingly, the terms are not severable.
- 11.6 The Signatories will make reasonable and good faith efforts necessary to obtain a Commission order approving this Agreement. The Signatories will support and defend this Agreement before the Commission. Subject to Paragraph 10.5 above, if the Commission adopts an order approving all material terms of the Agreement, the Signatories will support and

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

- 11.7 This Agreement may be executed in any number of counterparts and by each Signatory on separate counterparts, each of which when so executed and delivered will be deemed an original and all of which taken together will constitute one and the same instrument. This Agreement may also be executed electronically or by facsimile. Further, any party to the Global Rate Dockets may join in this Settlement Agreement as a Signatory by filing a signed signature page for that party with the Commission's Docket Control in the Global Rate Dockets listed above.

GLOBAL WATER – PALO VERDE
UTILITIES COMPANY

By: 
Name: Ben L. Fleming
Its: President

GLOBAL WATER – SANTA CRUZ
WATER COMPANY

By: 
Name: Ben L. Fleming
Its: President

VALENCIA WATER COMPANY – TOWN
DIVISION

By: 
Name: Ben L. Fleming
Its: President

VALENCIA WATER COMPANY –
GREATER BUCKEYE DIVISION

By: 
Name: Ben L. Fleming
Its: President

WATER UTILITY OF GREATER
TONOPAHO, INC.

By: [Signature]
Name: Ben L. Fleming
Its: President

WILLOW VALLEY WATER CO., INC.

By: [Signature]
Name: Ben L. Fleming
Its: President

WATER UTILITY OF NORTHERN
SCOTTSDALE, INC.

By: [Signature]
Name: Ben L. Fleming
Its: President

GLOBAL WATER – PICACHO COVE
UTILITIES COMPANY

By: [Signature]
Name: Ben L. Fleming
Its: President

GLOBAL WATER – PICACHO COVE
WATER COMPANY

By: [Signature]
Name: Ben L. Fleming
Its: President

HASSAYAMPA UTILITIES COMPANY,
INC.

By: [Signature]
Name: Ben L. Fleming
Its: President

GLOBAL WATER RESOURCES, INC.

By: [Signature]
Name: Bob L. Fleming
Its: President

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

By: _____
Name: _____
Its: _____

RESIDENTIAL UTILITY CONSUMER
OFFICE

By: _____
Name: _____
Its: _____

CITY OF MARICOPA

By: _____
Name: _____
Its: _____

WILLOW VALLEY CLUB ASSOCIATION

By: _____
Name: _____
Its: _____

NEW WORLD PROPERTIES, INC.

By: _____
Name: _____
Its: _____

GLOBAL WATER RESOURCES, INC.

By: _____
Name: _____
Its: _____

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

By: _____
Name: STEVE OLEA
Its: DIRECTOR

RESIDENTIAL UTILITY CONSUMER
OFFICE

By: _____
Name: PATRICK J QUINN
Its: EXECUTIVE DIRECTOR

CITY OF MARICOPA

By: _____
Name: _____
Its: _____

WILLOW VALLEY CLUB ASSOCIATION

By: _____
Name: _____
Its: _____

NEW WORLD PROPERTIES, INC.

By: _____
Name: _____
Its: _____

SIERRA NEGRA RANCH, LLC

By: _____
Name: _____
Its: _____

ACACIA CROSSINGS HOMEOWNERS
ASSOCIATION

By: _____
Name: _____
Its: _____

ALTERRA HOMEOWNERS
ASSOCIATION

By: _____
Name: _____
Its: _____

COBBLESTONE FARMS HOMEOWNERS
ASSOCIATION

By:  _____
Name: RYAN ATWOOD
Its: PRESIDENT

DESERT CEDARS HOMEOWNERS
ASSOCIATION

By: _____
Name: _____
Its: _____

DESERT PASSAGE COMMUNITY
ASSOCIATION

By: _____
Name: _____
Its: _____

GLENNWILDE HOMEOWNERS'
ASSOCIATION

By: _____
Name: _____
Its: _____

HOMESTEAD NORTH HOMEOWNERS
ASSOCIATION

By: _____
Name: _____
Its: _____

MARICOPA MEADOWS HOMEOWNERS
ASSOCIATION

By: _____
Name: _____
Its: _____

PROVINCE COMMUNITY ASSOCIATION

By: Lori L. Crabtree
Name: Lori L. Crabtree
Its: HOA President

RANCHO EL DORADO HOMEOWNERS
ASSOCIATION

By: _____
Name: _____
Its: _____

RANCHO EL DORADO PHASE III
HOMEOWNERS ASSOCIATION

By: Lori L. Crabtree
Name: Lori L. Crabtree
Its: HOA President

**RANCHO MIRAGE MASTER PLANNED
COMMUNITY HOMEOWNERS
ASSOCIATION**

By: _____
Name: _____
Its: _____

SENITA COMMUNITY ASSOCIATION

By: _____
Name: _____
Its: _____

**SORRENTO COMMUNITY MASTER
ASSOCIATION**

By: _____
Name: _____
Its: _____

ATTACHMENT A

ATTACHMENT A

Valencia Water Company, Inc. – Town Division

Schedules

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) SETTLEMENT ORIGINAL COST	(D) SETTLEMENT FAIR VALUE
1	Adjusted Rate Base	\$ 2,323,475	\$ 2,323,475	\$ 2,251,949	\$ 2,251,949
2	Adjusted Operating Income (Loss)	\$ (263,809)	\$ (263,809)	\$ 17,649	\$ 17,649
3	Current Rate of Return (L2 / L1)	-11.35%	-11.35%	0.78%	0.78%
4	Required Rate of Return	10.27%	10.27%	7.50%	7.50%
5	Required Operating Income (L4 * L1)	\$ 238,621	\$ 238,621	\$ 168,896	\$ 168,896
6	Operating Income Deficiency (L5 - L2)	\$ 502,430	\$ 502,430	\$ 151,247	\$ 151,247
7	Gross Revenue Conversion Factor	1.6389	1.6389	1.6698	1.6698
8	Required Revenue Increase (L7 * L6)	\$ 823,424	\$ 823,424	\$ 252,554	\$ 252,554
9	Adjusted Test Year Revenue	\$ 4,940,316	\$ 4,940,316	\$ 4,940,316	\$ 4,940,316
10	Proposed Annual Revenue (L8 + L9)	\$ 5,763,740	\$ 5,763,740	\$ 5,192,870	\$ 5,192,870
11	Required Increase in Revenue (%)	16.67%	16.67%	5.11%	5.11%
12	Rate of Return on Common Equity (%)	11.44%	11.44%	9.50%	9.50%

References:

Column [A]: Company Schedule A-1
Column (B): Company Schedule A-1
Column (C): Company Schedules A-1, A-2, & D-1
Column (C): Settlement Schedules GRCF, B-1, and C-1

Global Water - Valencia Water Company, Town Division
W-01212A-12-0309
Test Year Ended December 31, 2011

Schedule: A-1a
Settlement Phase In

REVENUE PHASE IN PER SETTLEMENT

<u>Year</u>	<u>Revenue Increase (Relative to Test Year)</u>	<u>Revenue Increase (Relative to Previous Year)</u>
2014	-	-
2015	126,277	126,277
2016	252,554	126,277

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)
<u>Calculation of Gross Revenue Conversion Factor:</u>				
1	Revenue	100.0000%		
2	Uncollectible Factor (Line 11)	0.4052%		
3	Revenues (L1 - L2)	99.5948%		
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	39.7078%		
5	Subtotal (L3 - L4)	59.8870%		
6	Revenue Conversion Factor (L1 / L5)	1.669812		
<u>Calculation of Uncollectible Factor:</u>				
7	Unity	100.0000%		
8	Combined Federal and State Tax Rate (Line 17)	38.5989%		
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%		
10	Uncollectible Rate	0.6600%		
11	Uncollectible Factor (L9 * L10)		0.4052%	
<u>Calculation of Effective Tax Rate:</u>				
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%		
13	Arizona State Income Tax Rate	6.9680%		
14	Federal Taxable Income (L12 - L13)	93.0320%		
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%		
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%		
17	Combined Federal and State Income Tax Rate (L13 +L16)		38.5989%	
<u>Calculation of Effective Property Tax Factor</u>				
18	Unity	100.0000%		
19	Combined Federal and State Income Tax Rate (L17)	38.5989%		
20	One Minus Combined Income Tax Rate (L18-L19)	61.4011%		
21	Property Tax Factor (ADJ 7, L25)	1.8060%		
22	Effective Property Tax Factor (L20*L21)		1.1089%	
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			39.7078%

24	Required Operating Income (Schedule A-1, Line 5)	\$ 168,896		
25	Adjusted Test Year Operating Income (Loss) (Schedule C-1, Line 36)	\$ 17,649		
26	Required Increase in Operating Income (L24 - L25)		\$ 151,247	
27	Income Taxes on Recommended Revenue (Col. (C), L48)	\$ 56,626		
28	Income Taxes on Test Year Revenue (Col. (A), L48)	\$ (38,453)		
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		\$ 95,079	
30	Required Revenue Increase (Schedule A-1, Line 8)	\$ 252,554		
31	Uncollectible Rate (Line 10)	0.6600%		
32	Uncollectible Expense on Recommended Revenue (L30 * L31)	\$ 1,667		
33	Adjusted Test Year Uncollectible Expense - N/A	\$ -		
34	Required Increase in Revenue to Provide for Uncollectible Exp.		\$ 1,667	
35	Property Tax with Recommended Revenue (ADJ 7, Line 21)	\$ 278,241		
36	Property Tax on Test Year Revenue (ADJ 7, Col A, L19)	\$ 273,680		
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		\$ 4,561	
38	Total Required Increase in Revenue (L26 + L29 + L34+ L37)		\$ 252,554	

	(A) Test Year	(B)	(C) Settlement Recommended
<u>Calculation of Income Tax:</u>			
39	Revenue (Schedule C 1)	\$ 4,940,316	\$ 5,192,870
40	Operating Expenses Excluding Income Taxes	\$ 4,961,119	\$ 4,967,347
41	Synchronized Interest (L53)	\$ 78,818	\$ 78,818
42	Arizona Taxable Income (L39 - L40 - L41)	\$ (99,622)	\$ 146,704
43	Arizona State Income Tax Rate	6.9680%	6.9680%
44	Arizona Income Tax (L42 x L43)	\$ (6,942)	\$ 10,222
45	Federal Taxable Income (L42 - L44)	\$ (92,680)	\$ 136,482
46	Federal Tax	\$ (31,511)	\$ 46,404
47	Total Federal Income Tax	\$ (31,511)	\$ 46,404
48	Combined Federal and State Income Tax (L43 + L47)	\$ (38,453)	\$ 56,626

50 Effective Tax Rate

Calculation of Interest Synchronization:

51	Rate Base (Schedule B-1)	N/A
52	Weighted Average Cost of Debt	\$ 2,251,949
53	Synchronized Interest (L50 X L51)	\$ 3,500.00%
		\$ 78,818

RATE BASE - ORIGINAL COST

LINE NO.	(A) COMPANY AS FILED	(B) SETTLEMENT ADJUSTMENTS	(C) SETTLEMENT AS ADJUSTED
1	Plant in Service	\$ 53,624,734	\$ 53,553,208
2	Less: Accumulated Depreciation	9,419,952	9,419,952
3	Net Plant in Service	<u>\$ 44,204,782</u>	<u>\$ 44,133,256</u>
<u>LESS:</u>			
4	Contributions in Aid of Construction (CIAC)	\$ 1,860,537	\$ 1,860,537
5	Less: Accumulated Amortization	272,596	272,596
6	Net CIAC	<u>1,587,941</u>	<u>1,587,941</u>
7	Advances in Aid of Construction (AIAC)	39,299,151	39,299,151
8	Imputed Reg AIAC	-	-
9	Imputed Reg CIAC	-	-
10	Accumulated Deferred Income Tax Credits	1,159,524	1,159,524
	Customer Meter Deposits	395,015	395,015
<u>ADD:</u>			
11	Accumulated Deferred Income Tax Debits	560,324	560,324
12	Cash Working Capital	-	-
13	Prepayments	-	-
14	Supplies Inventory	-	-
15	Projected Capital Expenditures	-	-
16	Deferred Debits	-	-
17	Purchase Wastewater Treatment Charges	-	-
18	Original Cost Rate Base	<u>\$ 2,323,475</u>	<u>\$ 2,251,949</u>

References:

Column (A), Company Schedule B-2
Column (B): Schedule B-2
Column (C): Column (A) + Column (B)

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Post Test Year Plant ADJ #1 B-2a	[C] Reclassification ADJ #2 Per Staff Testimony	[C] SETTLEMENT ADJUSTED	
<u>PLANT IN SERVICE:</u>							
1	303	Land and Land Rights	\$ 150,432	\$ -	\$ -	\$ 150,432	
2	304	Structures and Improvements	1,037,614			1,037,614	
3	307	Wells and Springs	1,859,615			1,859,615	
4	309	Supply Mains	46,790			46,790	
5	310	Power Generation Equipment	67,508			67,508	
6	311	Pumping Equipment	8,217,566			8,217,566	
7	320	Water Treatment Equipment	4,091,843		(4,091,843)	-	
8	320.1	Water Treatment Plant			4,091,843	4,091,843	
9	320.2	Solution Chemical Feeders				-	
10	330	Distribution Reservoirs and Standpipes	4,800,409		(4,800,409)	-	
11	330.1	Storage Tanks			4,255,136	4,255,136	
12	330.2	Pressure Tanks			545,273	545,273	
13	331	Transmission and Distribution Mains	21,453,994			21,453,994	
14	333	Services	3,278,935			3,278,935	
15	334	Meters and Meter Installations	1,470,247			1,470,247	
16	335	Hydrants	1,981,787			1,981,787	
17	336	Backflow Prevention Devices	13,916			13,916	
18	339	Other Plant and Miscellaneous Equipment	177,934			177,934	
19	340	Office Furniture and Equipment	50,956			50,956	
20	341	Transportation Equipment	319,350			319,350	
21	343	Tools, Shop and Garage Equipment	94,283			94,283	
22	344	Laboratory Equipment	42,598			42,598	
23	345	Power Operated Equipment	61,507			61,507	
24	346	Communication Equipment	790,032			790,032	
25	347	Miscellaneous Equipment	17,310			17,310	
26	348	Other Tangible Plant	3,597,358	(71,526)		3,525,832	
27	390	Office Furniture	2,753			2,753	
28	Total Plant in Service		53,624,734	(71,526)	(0)	53,553,208	
29							
30	Accumulated Depreciation		9,419,952	-		9,419,952	
31	Net Plant in Service		\$ 44,204,782	\$ (71,526)	\$ (0)	\$ 44,133,256	
32							
33	<u>LESS:</u>						
34	Contributions in Aid of Construction (CIAC)		\$ 1,860,537		\$ -	\$ 1,860,537	
35	Less: Accumulated Amortization		272,596	-		272,596	
36	Net CIAC (L63 - L64)		1,587,941	-	-	1,587,941	
37	Advances in Aid of Construction (AIAC)		39,299,151	-	-	39,299,151	
38	Imputed Reg Advances		-	-	-	-	
39	Imputed Reg CIAC		-	-	-	-	
40	Accumulated Deferred Income Tax Credits		1,159,524			1,159,524	
41	Customer Meter Deposits		395,015			395,015	
42	<u>ADD:</u>						
43	Accumulated Deferred Income Tax Debits		560,324			560,324	
44	Working Capital Allowance					-	
51	Original Cost Rate Base		\$ 2,323,475	\$ (71,526)	\$ (0)	\$ 2,251,949	

Global Water - Valencia Water Company, Town Division
W-01212A-12-0309
Test Year Ended December 31, 2011

Settlement B-2a
Post Test Year Plant

RATE BASE ADJUSTMENT #1 POST TEST YEAR PLANT

LINE NO.	ACCT NO.	Description	[A] COMPANY AS FILED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT AS ADJUSTED
1	348	Other Tangible Plant	71,526	(71,526)	-
		Disallowed PTYP			
		SWWDC Optimization	\$ 71,526		
			\$ 71,526		

References:
Column [A] : Disallowed Amount reflected in Acct. 348, PTYP, Per Co Schedule B-2.1
Column [B] , Col [C] less Col [A]
Column [C] , Per Staff testimony GWB and Engineering testimony

OPERATING INCOME STATEMENT - TEST YEAR AND SETTLEMENT

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] SETTLEMENT TEST YEAR ADJUSTMENTS	[C] SETTLEMENT TEST YEAR AS ADJUSTED	[D] SETTLEMENT RECOMMENDED CHANGES	[E] SETTLEMENT RECOMMENDED
		\$ -	\$ -	\$ -	\$ 252,554	\$ 252,554
1	461 Metered Water Revenue	4,803,374	-	4,803,374	-	4,803,374
2	460 Unmetered Water Revenue	-	-	-	-	-
3	474 Other Water Revenues	136,942	-	136,942	-	136,942
4	Total Operating Revenues	<u>\$ 4,940,316</u>	<u>\$ -</u>	<u>\$ 4,940,316</u>	<u>\$ 252,554</u>	<u>\$ 5,192,870</u>
5	601 Salary and Wages - Employees	\$ 893,501	\$ (39,959)	\$ 853,542	\$ -	\$ 853,542
6	610 Purchased Water	269	-	269	-	269
7	615 Purchased Power	464,076	(12,401)	451,675	-	451,675
8	618 Chemicals	33,613	(898)	32,715	-	32,715
9	620 Materials and Supplies	79,398	(22,096)	57,302	-	57,302
10	621 Office Supplies and Expense	62,865	-	62,865	-	62,865
11	630 Outside Services	531,316	(153,707)	377,609	-	377,609
12	635 Contractual Services - Testing	14,571	-	14,571	-	14,571
13	636 Contractual Services - Other	-	-	-	-	-
14	641 Rental of Building/Real Propert	43,412	-	43,412	-	43,412
15	650 Transportation Expenses	88,775	-	88,775	-	88,775
16	657 Insurance - General Liability	33,142	-	33,142	-	33,142
17	659 Insurance - Other	5,460	-	5,460	-	5,460
18	666 Regulatory Commission Expen	35,298	(17,362)	17,936	-	17,936
19	670 Bad Debt Expense	30,898	1,708	32,606	1,667	34,273
20	675 Miscellaneous Expenses	79,463	-	79,463	-	79,463
21	403 Depreciation Expense	2,832,046	(247,436)	2,584,610	-	2,584,610
22	403 Depreciation Expense - CIAC /	(63,825)	-	(63,825)	-	(63,825)
23	408 Taxes Other Than Income	15,312	-	15,312	-	15,312
24	408.11 Taxes Other Than Income -	273,680	-	273,680	4,561	278,241
25	409 Income Taxes	(249,144)	210,691	(38,453)	95,079	56,626
26	Total Operating Expenses	<u>5,204,124</u>	<u>(281,458)</u>	<u>4,922,666</u>	<u>101,307</u>	<u>5,023,973</u>
27	Operating Income (Loss)	<u>\$ (263,809)</u>	<u>\$ 281,458</u>	<u>\$ 17,649</u>	<u>\$ 151,247</u>	<u>\$ 168,896</u>

References:

- Column (A): Company Schedule C-1
- Column (B): Schedule C 2
- Column (C): Column (A) + Column (B)
- Column (D): Schedules GRCF, Lines 29, 34 and 37
- Column (E): Column (C) + Column (D)

Global Water - Valencia Water Company, Town Division
 W-01212A-12-0309
 Test Year Ended December 31, 2011

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) Excess Water Loss ADJ #1	(C) Bad Debts Exp ADJ #2	(D) Rate Case Exp ADJ #3	(E) Expense Normalizations ADJ #4	(F) Deprec. Exp ADJ #5	(G) Income Taxes ADJ #6	(H) SETTLEMENT ADJUSTED
1	461 Metered Water Revenue	4,803,374	-	-	-	-	-	-	4,803,374
2	460 Unmetered Water Revenue	-	-	-	-	-	-	-	-
3	474 Other Water Revenues	136,942	-	-	-	-	-	-	136,942
4	Total Operating Revenues	\$ 4,940,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,940,316
Operating Expenses									
5	601 Salary and Wages - Employees	893,501	-	-	-	(39,959)	-	-	853,542
6	610 Purchased Water	269	-	-	-	-	-	-	269
7	615 Purchased Power	464,076	(12,401)	-	-	-	-	-	451,675
8	618 Chemicals	33,613	(898)	-	-	-	-	-	32,715
9	620 Materials and Supplies	79,398	-	-	-	(22,096)	-	-	57,302
10	621 Office Supplies and Expense	62,865	-	-	-	-	-	-	62,865
11	630 Outside Services	531,316	-	-	-	(153,707)	-	-	377,609
12	635 Contractual Services - Testing	14,571	-	-	-	-	-	-	14,571
13	636 Contractual Services - Other	-	-	-	-	-	-	-	-
14	641 Rental of Building/Real Property	43,412	-	-	-	-	-	-	43,412
15	650 Transportation Expenses	88,775	-	-	-	-	-	-	88,775
16	657 Insurance - General Liability	33,142	-	-	-	-	-	-	33,142
17	659 Insurance - Other	5,460	-	-	-	-	-	-	5,460
18	666 Regulatory Commission Expense - I	35,298	-	-	(17,362)	-	-	-	17,936
19	670 Bad Debt Expense	30,898	-	1,708	-	-	-	-	32,606
20	675 Miscellaneous Expenses	79,463	-	-	-	-	-	-	79,463
21	403 Depreciation Expense	2,832,046	-	-	-	-	(247,436)	-	2,584,610
22	403 Depreciation Expense - CIAC Amor	(63,825)	-	-	-	-	-	-	(63,825)
23	408 Taxes Other Than Income	15,312	-	-	-	-	-	-	15,312
24	408.11 Taxes Other Than Income - Prop	273,680	-	-	-	-	-	-	273,680
25	409 Income Taxes	(249,144)	-	-	-	-	-	210,691	(38,453)
26	Total Operating Expenses	\$ 5,204,124	\$ (13,299)	\$ 1,708	\$ (17,362)	\$ (215,761)	\$ (247,436)	\$ 210,691	\$ 4,922,666
27	Operating Income	\$ (263,809)	\$ 13,299	\$ (1,708)	\$ 17,362	\$ 215,761	\$ 247,436	\$ (210,691)	\$ 17,649

Global Water - Valencia Water Company, Town Division
W-01212A-12-0309
Test Year Ended December 31, 2011

Settlement ADJ 1
Water Loss

OPERATING INCOME ADJUSTMENT #1 - EXCESS WATER LOSS

LINE
NO.

1	One plus allowable water loss	110.00%
2	One plus actual water loss	113.02%
3	Allowable portion	97.33%
4	Disallowable portion	<u>2.67%</u>
5	Power Expense	464,076
6	Disallowance	\$ 12,401
7	Chemical Expense	33,613
8	Disallowance	\$ 898

Line 1: Maximum acceptable level of water losses

Line 2: Actual level of water losses

Line 3: Line 2 / line 3

Line 4: 1 minus line 4

Line 6: Line 1 times line 5

Lines 1 - 6: See also Staff testimony GWB

Global Water - Valencia Water Company, Town Division
W-01212A-12-0309
Test Year Ended December 31, 2011

Settlement ADJ 2
Bad Debt Expense

OPERATING INCOME ADJUSTMENT #2 - BAD DEBT EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED*
1		\$ 30,898	\$ 1,708	\$ 32,606

References:

Column (A), Company Workpapers

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B), Per Co Response
to Staff DR 5.8

Adjusted Test Year Revenues C 1	\$ 4,940,316
Bad Debt Expense Rate	0.0066
Expected Bad Debt Expense	\$ 32,606
Co Proposed	\$ 30,898
	\$ 1,708

OPERATING INCOME ADJUSTMENT #3 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED
1		\$ 35,298	\$ (17,362)	\$ 17,936

Company Proposed Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS
2 Allocation Percentages		39.86%	40.32%	13.45%	3.78%	0.82%	1.58%	0.19%
3 Desert Mountain Analytical Services	\$ 122,063	\$ 48,652	\$ 49,218	\$ 16,420	\$ 4,616	\$ 996	\$ 1,927	\$ 234
4 Insight Consulting, LLC	\$ 216,000	\$ 86,094	\$ 87,095	\$ 29,057	\$ 8,168	\$ 1,762	\$ 3,410	\$ 413
5 Roshka Dewulf & Patten, PLC	\$ 370,303	\$ 147,597	\$ 149,313	\$ 49,814	\$ 14,004	\$ 3,021	\$ 5,846	\$ 709
6 Ullmann & Company P C	\$ 78,809	\$ 31,412	\$ 31,777	\$ 10,602	\$ 2,980	\$ 643	\$ 1,244	\$ 151
7 Total	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506
8 Amortization over 3 years:								
9 Year 1	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
10 Year 2	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
11 Year 3	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
12 Totals	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506

Settlement Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS
13 Description								
14 Settlement Amount	\$ 400,000	\$ 159,434	\$ 161,287	\$ 53,809	\$ 15,127	\$ 3,263	\$ 6,315	\$ 765
15 Amortization over 3 years:								
16 Year 1	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
17 Year 2	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
18 Year 3	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
19 Totals	\$ 400,000	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506
20 Adjustment Total, by System	\$ (129,058)	\$ (51,441)	\$ (52,038)	\$ (17,361)	\$ (4,881)	\$ (1,053)	\$ (2,037)	\$ (247)

References:

Column (A): Company Workpapers
Column (B): Line 20 for respective system
Column (C): Line 16 for respective system

Global Water - Valencia Water Company, Town Division
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Test Year Ended December 31, 2011

Settlement ADJ 4
Expense Normalizations

OPERATING INCOME ADJUSTMENT #4 - EXPENSE NORMALIZATIONS

<u>LINE NO.</u>	<u>ACCT / DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	601 Salary and Wages - Employees	\$ 893,501	\$ (39,959)	\$ 853,542
2	620 Materials and Supplies	\$ 79,398	\$ (22,096)	\$ 57,302
3	630 Outside Services	\$ 531,316	\$ (153,707)	\$ 377,609
		<u>\$ 1,504,215</u>	<u>\$ (215,761)</u>	<u>\$ 1,288,454</u>

References:

Column (A), Company Workpapers
Column (B): Staff Testimony GWB
Column (C): Column (A) + Column (B)

OPERATING INCOME ADJUSTMENT #5 - DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1		<u>PLANT IN SERVICE:</u>			
2	303	Land and Land Rights	150,432	0.00%	-
3	304	Structures and Improvements	1,037,614	3.33%	34,553
4	307	Wells and Springs	1,859,615	3.33%	61,925
5	309	Supply Mains	46,790	2.00%	936
6	310	Power Generation Equipment	67,508	5.00%	3,375
7	311	Pumping Equipment	8,217,566	12.50%	1,027,196
8	320	Water Treatment Equipment	-	-	-
9	320.1	Water Treatment Plant	4,091,843	3.33%	136,258
10	320.2	Solution Chemical Feeders	-	20.00%	-
11	330	Distribution Reservoirs and Standpipes	-	-	-
12	330.1	Storage Tanks	4,255,136	2.22%	94,464
13	330.2	Pressure Tanks	545,273	5.00%	27,264
14	331	Transmission and Distribution Mains	21,453,994	2.00%	429,080
15	333	Services	3,278,935	3.33%	109,189
16	334	Meters and Meter Installations	1,470,247	8.33%	122,472
17	335	Hydrants	1,981,787	2.00%	39,636
18	336	Backflow Prevention Devices	13,916	6.67%	928
19	339	Other Plant and Miscellaneous Equipment	177,934	6.67%	11,868
20	340	Office Furniture and Equipment	50,956	6.67%	3,399
21	341	Transportation Equipment	319,350	20.00%	63,870
22	343	Tools, Shop and Garage Equipment	94,283	5.00%	4,714
23	344	Laboratory Equipment	42,598	10.00%	4,260
24	345	Power Operated Equipment	61,507	5.00%	3,075
25	346	Communication Equipment	790,032	10.00%	79,003
26	347	Miscellaneous Equipment	17,310	10.00%	1,731
27	348	Other Tangible Plant	3,525,832	10.00%	352,583
28	390	Office Furniture	2,753	4.50%	124
29		Total Plant	53,553,208		2,611,778
30		Less: Non Depreciable Plant			
31		Land and Land Rights	150,432		
32		Net Depreciable Plant and Depreciation Amounts	\$ 53,402,776		\$ 2,611,778
33					
34					
35		Amortization of CIAC	\$ 1,860,537	4.8907%	\$ 90,994
36		Settlement Depreciation Expense			\$ 2,520,785
37		Company Proposed Depreciation Expense			\$ 2,768,221
38		Settlement Adjustment			\$ (247,436)

<u>References:</u>	
Col [A]	Schedule B 2
Col [B]	Proposed Rates per Staff Engineering Report
Col [C]	Col [A] times Col [B]

Global Water - Valencia Water Company, Town Division
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Settlement ADJ 6
Income Taxes

OPERATING INCOME ADJUSTMENT #6 - INCOME TAXES

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	Income Taxes	<u>\$ (249,144)</u>	<u>\$ 210,691</u>	<u>\$ (38,453)</u>

References:

Column (A), Company Schedule C-2
Column (B): Staff Testimony GWB
Column (C): Column (A) + Column (B),

OPERATING INCOME ADJUSTMENT #7 - PROPERTY TAX EXPENSE GRCF COMPONENT

LINE NO.	DESCRIPTION	[A]	[B]
		SETTLEMENT AS ADJUSTED	SETTLEMENT RECOMMENDED
1	Adjusted Test Year Revenues - 2011	\$ 4,940,316	\$ 4,940,316
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	9,880,631	9,880,631
4	Adjusted Test Year Revenues - 2011	4,940,316	
5	Settlement Recommended Revenue		5,192,870
6	Subtotal (Line 4 + Line 5)	14,820,947	15,073,501
7	Number of Years	3	3
8	Three Year Average (Line 5 / Line 6)	4,940,316	5,024,500
9	Department of Revenue Multiplier	2	2
10	Revenue Base Value (Line 7 * Line 8)	9,880,631	10,049,000
11	Plus: 10% of CWIP	265,232	265,232
12	Less: Net Book Value of Licensed Vehicles	43,247	43,247
13	Full Cash Value (Line 10 + Line 11 - Line 12)	10,102,616	10,270,985
14	Assessment Ratio	21.0%	21.0%
15	Assessment Value (Line 13 * Line 14)	2,121,549	2,156,907
16	Composite Property Tax Rate	12.9000%	12.9000%
17	Test Year Adjusted Property Tax Expense (Line 15 * Line 16)	\$ 273,680	
18	Company Proposed Property Tax	\$ 273,680	
19	Test Year Adjustment (Line 17 - Line 18)	\$ 0	
20	Property Tax on Recommended Revenue (Line 15 * Line 16)		\$ 278,241
21	Test Year Adjusted Property Tax Expense (Line 17)		\$ 273,680
22	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 4,561
23	Increase in Property Tax Due to Increase in Revenue Requirement (Line 22)		\$ 4,561
24	Increase in Revenue Requirement		\$ 252,554
25	Increase in Property Tax Per Dollar Increase in Revenue (Line 23 / Line 24)		1.80600%

REFERENCES:

Line 15: Composite Tax Rate, per Company
Line 18: Company Schedule C-1, Line 36

CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL - REQUIRED RATE OF RETURN

	<u>Percent of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>	
Debt	57.8%	6.1%	3.5%	
<u>Equity</u>	<u>42.2%</u>	<u>9.5%</u>	<u>4.0%</u>	
Required Rate of Return			<table border="1"><tr><td>7.5%</td></tr></table>	7.5%
7.5%				

Changes in Representative Rate Schedules

Potable Water - All Meter Sizes and Classes*

Monthly Minimum Charges:

Meter Size (All Classes*)	Basic Service Charge			
	Present	Proposed		
		2014	2015	2016
5/8" X 3/4" Meter	\$ 30.88	\$ 30.88	\$ 31.34	\$ 31.87
3/4" Meter	30.88	30.88	31.34	31.87
1" Meter	77.20	77.20	79.34	79.67
1.5" Meter	154.40	154.40	156.69	159.34
2" Meter	247.04	247.04	250.70	254.95
3" Meter	494.08	494.08	501.39	509.89
4" Meter	772.00	772.00	783.50	796.75
6" Meter	1,544.00	1,544.00	1,566.85	1,594.41
8" Meter	2,470.40	2,470.40	2,507.20	2,549.60

Commodity Rate Charges (per 1,000 gallons):

	Rate Block		Volumetric Charge			
	Present	Proposed	Present	Proposed		
				2014	2015	2016
Tier One Breakover	1,000 Gallons	1,000 Gallons	\$ 1.10	\$ 1.10	\$ 1.10	\$ 1.10
Tier Two Breakover	5,000 Gallons	5,000 Gallons	1.98	1.98	1.98	1.98
Tier Three Breakover	10,000 Gallons	10,000 Gallons	2.85	2.85	2.85	2.85
Tier Four Breakover	18,000 Gallons	18,000 Gallons	3.83	3.83	3.93	4.12
Tier Five Breakover	25,000 Gallons	25,000 Gallons	4.90	4.90	5.01	5.25
Tier Six Breakover	Over 25,000	Over 25,000	6.02	6.02	6.15	6.42

Conservation Rebate

	Present	Proposed	
		2014	2015 and thereafter
Threshold ("CRT") in Gallons	6,701	6,701	6,001
Commodity rate rebate :	59%	59%	50%

(applied if consumption is below the CRT)

*Includes all potable water meters including irrigation meters.

Non-Potable Water - All Meter Sizes and Classes	Present	Proposed	Change
All Gallons (Per Acre Foot)	185.74	533.76	348.02
All Gallons (Per 1,000 Gallons)	0.57	1.638	1.07

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 35.16	\$ 35.16	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 30.88	\$ -	\$ 30.88	\$ 30.88	\$ -	\$ 30.88	0.0%
1,000	31.98	(0.65)	31.33	31.98	(0.65)	31.33	0.0%
2,000	33.96	(1.82)	32.14	33.96	(1.82)	32.14	0.0%
3,000	35.94	(2.99)	32.95	35.94	(2.99)	32.95	0.0%
4,000	37.92	(4.15)	33.77	37.92	(4.15)	33.77	0.0%
5,000	39.90	(5.32)	34.58	39.90	(5.32)	34.58	0.0%
6,000	42.75	(7.00)	35.75	42.75	(7.00)	35.75	0.0%
7,000	45.60	-	45.60	45.60	-	45.60	0.0%
8,000	48.45	-	48.45	48.45	-	48.45	0.0%
9,000	51.30	-	51.30	51.30	-	51.30	0.0%
10,000	54.15	-	54.15	54.15	-	54.15	0.0%
15,000	73.30	-	73.30	73.30	-	73.30	0.0%
20,000	94.59	-	94.59	94.59	-	94.59	0.0%
25,000	119.09	-	119.09	119.09	-	119.09	0.0%
50,000	269.59	-	269.59	269.59	-	269.59	0.0%
75,000	420.09	-	420.09	420.09	-	420.09	0.0%
100,000	570.59	-	570.59	570.59	-	570.59	0.0%
125,000	721.09	-	721.09	721.09	-	721.09	0.0%
150,000	871.59	-	871.59	871.59	-	871.59	0.0%
175,000	1,022.09	-	1,022.09	1,022.09	-	1,022.09	0.0%
200,000	1,172.59	-	1,172.59	1,172.59	-	1,172.59	0.0%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 35.16	\$ 36.56	\$ 1.40	4.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 30.88	\$ -	\$ 30.88	\$ 31.34	\$ -	\$ 31.34	1.5%
1,000	31.98	(0.65)	31.33	32.44	(0.55)	31.89	1.8%
2,000	33.96	(1.82)	32.14	34.42	(1.54)	32.88	2.3%
3,000	35.94	(2.99)	32.95	36.40	(2.53)	33.87	2.8%
4,000	37.92	(4.15)	33.77	38.38	(3.52)	34.86	3.2%
5,000	39.90	(5.32)	34.58	40.36	(4.51)	35.85	3.7%
6,000	42.75	(7.00)	35.75	43.21	(5.94)	37.28	4.3%
7,000	45.60	-	45.60	46.06	-	46.06	1.0%
8,000	48.45	-	48.45	48.91	-	48.91	0.9%
9,000	51.30	-	51.30	51.76	-	51.76	0.9%
10,000	54.15	-	54.15	54.61	-	54.61	0.8%
15,000	73.30	-	73.30	74.26	-	74.26	1.3%
20,000	94.59	-	94.59	96.07	-	96.07	1.6%
25,000	119.09	-	119.09	121.12	-	121.12	1.7%
50,000	269.59	-	269.59	274.87	-	274.87	2.0%
75,000	420.09	-	420.09	428.62	-	428.62	2.0%
100,000	570.59	-	570.59	582.37	-	582.37	2.1%
125,000	721.09	-	721.09	736.12	-	736.12	2.1%
150,000	871.59	-	871.59	889.87	-	889.87	2.1%
175,000	1,022.09	-	1,022.09	1,043.62	-	1,043.62	2.1%
200,000	1,172.59	-	1,172.59	1,197.37	-	1,197.37	2.1%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 35.16	\$ 37.09	\$ 1.93	5.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 30.88	\$ -	\$ 30.88	\$ 31.87	\$ -	\$ 31.87	3.2%
1,000	31.98	(0.65)	31.33	32.97	(0.55)	32.42	3.5%
2,000	33.96	(1.82)	32.14	34.95	(1.54)	33.41	3.9%
3,000	35.94	(2.99)	32.95	36.93	(2.53)	34.40	4.4%
4,000	37.92	(4.15)	33.77	38.91	(3.52)	35.39	4.8%
5,000	39.90	(5.32)	34.58	40.89	(4.51)	36.38	5.2%
6,000	42.75	(7.00)	35.75	43.74	(5.94)	37.81	5.8%
7,000	45.60	-	45.60	46.59	-	46.59	2.2%
8,000	48.45	-	48.45	49.44	-	49.44	2.0%
9,000	51.30	-	51.30	52.29	-	52.29	1.9%
10,000	54.15	-	54.15	55.14	-	55.14	1.8%
15,000	73.30	-	73.30	75.74	-	75.74	3.3%
20,000	94.59	-	94.59	98.60	-	98.60	4.2%
25,000	119.09	-	119.09	124.85	-	124.85	4.8%
50,000	269.59	-	269.59	285.35	-	285.35	5.8%
75,000	420.09	-	420.09	445.85	-	445.85	6.1%
100,000	570.59	-	570.59	606.35	-	606.35	6.3%
125,000	721.09	-	721.09	766.85	-	766.85	6.3%
150,000	871.59	-	871.59	927.35	-	927.35	6.4%
175,000	1,022.09	-	1,022.09	1,087.85	-	1,087.85	6.4%
200,000	1,172.59	-	1,172.59	1,248.35	-	1,248.35	6.5%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 81.48	\$ 81.48	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 77.20	\$ -	\$ 77.20	\$ 77.20	\$ -	\$ 77.20	0.0%
1,000	78.30	(0.65)	77.65	78.30	(0.65)	77.65	0.0%
2,000	80.28	(1.82)	78.46	80.28	(1.82)	78.46	0.0%
3,000	82.26	(2.99)	79.27	82.26	(2.99)	79.27	0.0%
4,000	84.24	(4.15)	80.09	84.24	(4.15)	80.09	0.0%
5,000	86.22	(5.32)	80.90	86.22	(5.32)	80.90	0.0%
6,000	89.07	(7.00)	82.07	89.07	(7.00)	82.07	0.0%
7,000	91.92	-	91.92	91.92	-	91.92	0.0%
8,000	94.77	-	94.77	94.77	-	94.77	0.0%
9,000	97.62	-	97.62	97.62	-	97.62	0.0%
10,000	100.47	-	100.47	100.47	-	100.47	0.0%
15,000	119.62	-	119.62	119.62	-	119.62	0.0%
20,000	140.91	-	140.91	140.91	-	140.91	0.0%
25,000	165.41	-	165.41	165.41	-	165.41	0.0%
50,000	315.91	-	315.91	315.91	-	315.91	0.0%
75,000	466.41	-	466.41	466.41	-	466.41	0.0%
100,000	616.91	-	616.91	616.91	-	616.91	0.0%
125,000	767.41	-	767.41	767.41	-	767.41	0.0%
150,000	917.91	-	917.91	917.91	-	917.91	0.0%
175,000	1,068.41	-	1,068.41	1,068.41	-	1,068.41	0.0%
200,000	1,218.91	-	1,218.91	1,218.91	-	1,218.91	0.0%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 81.48	\$ 83.56	\$ 2.08	2.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 77.20	\$ -	\$ 77.20	\$ 78.34	\$ -	\$ 78.34	1.5%
1,000	78.30	(0.65)	77.65	79.44	(0.55)	78.89	1.6%
2,000	80.28	(1.82)	78.46	81.42	(1.54)	79.88	1.8%
3,000	82.26	(2.99)	79.27	83.40	(2.53)	80.87	2.0%
4,000	84.24	(4.15)	80.09	85.38	(3.52)	81.86	2.2%
5,000	86.22	(5.32)	80.90	87.36	(4.51)	82.85	2.4%
6,000	89.07	(7.00)	82.07	90.21	(5.94)	84.28	2.7%
7,000	91.92	-	91.92	93.06	-	93.06	1.2%
8,000	94.77	-	94.77	95.91	-	95.91	1.2%
9,000	97.62	-	97.62	98.76	-	98.76	1.2%
10,000	100.47	-	100.47	101.61	-	101.61	1.1%
15,000	119.62	-	119.62	121.26	-	121.26	1.4%
20,000	140.91	-	140.91	143.07	-	143.07	1.5%
25,000	165.41	-	165.41	168.12	-	168.12	1.6%
50,000	315.91	-	315.91	321.87	-	321.87	1.9%
75,000	466.41	-	466.41	475.62	-	475.62	2.0%
100,000	616.91	-	616.91	629.37	-	629.37	2.0%
125,000	767.41	-	767.41	783.12	-	783.12	2.0%
150,000	917.91	-	917.91	936.87	-	936.87	2.1%
175,000	1,068.41	-	1,068.41	1,090.62	-	1,090.62	2.1%
200,000	1,218.91	-	1,218.91	1,244.37	-	1,244.37	2.1%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 81.48	\$ 84.89	\$ 3.41	4.2%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 77.20	\$ -	\$ 77.20	\$ 79.67	\$ -	\$ 79.67	3.2%
1,000	78.30	(0.65)	77.65	80.77	(0.55)	80.22	3.3%
2,000	80.28	(1.82)	78.46	82.75	(1.54)	81.21	3.5%
3,000	82.26	(2.99)	79.27	84.73	(2.53)	82.20	3.7%
4,000	84.24	(4.15)	80.09	86.71	(3.52)	83.19	3.9%
5,000	86.22	(5.32)	80.90	88.69	(4.51)	84.18	4.1%
6,000	89.07	(7.00)	82.07	91.54	(5.94)	85.61	4.3%
7,000	91.92	-	91.92	94.39	-	94.39	2.7%
8,000	94.77	-	94.77	97.24	-	97.24	2.6%
9,000	97.62	-	97.62	100.09	-	100.09	2.5%
10,000	100.47	-	100.47	102.94	-	102.94	2.5%
15,000	119.62	-	119.62	123.54	-	123.54	3.3%
20,000	140.91	-	140.91	146.40	-	146.40	3.9%
25,000	165.41	-	165.41	172.65	-	172.65	4.4%
50,000	315.91	-	315.91	333.15	-	333.15	5.5%
75,000	466.41	-	466.41	493.65	-	493.65	5.8%
100,000	616.91	-	616.91	654.15	-	654.15	6.0%
125,000	767.41	-	767.41	814.65	-	814.65	6.2%
150,000	917.91	-	917.91	975.15	-	975.15	6.2%
175,000	1,068.41	-	1,068.41	1,135.65	-	1,135.65	6.3%
200,000	1,218.91	-	1,218.91	1,296.15	-	1,296.15	6.3%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: 1.5" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19500	\$ 216.20	\$ 216.20	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 154.40	\$ -	\$ 154.40	\$ 154.40	\$ -	\$ 154.40	0.0%
1,000	155.50	(0.65)	154.85	155.50	(0.65)	154.85	0.0%
2,000	157.48	(1.82)	155.66	157.48	(1.82)	155.66	0.0%
3,000	159.46	(2.99)	156.47	159.46	(2.99)	156.47	0.0%
4,000	161.44	(4.15)	157.29	161.44	(4.15)	157.29	0.0%
5,000	163.42	(5.32)	158.10	163.42	(5.32)	158.10	0.0%
6,000	166.27	(7.00)	159.27	166.27	(7.00)	159.27	0.0%
7,000	169.12	-	169.12	169.12	-	169.12	0.0%
8,000	171.97	-	171.97	171.97	-	171.97	0.0%
9,000	174.82	-	174.82	174.82	-	174.82	0.0%
10,000	177.67	-	177.67	177.67	-	177.67	0.0%
15,000	196.82	-	196.82	196.82	-	196.82	0.0%
20,000	218.11	-	218.11	218.11	-	218.11	0.0%
25,000	242.61	-	242.61	242.61	-	242.61	0.0%
50,000	393.11	-	393.11	393.11	-	393.11	0.0%
75,000	543.61	-	543.61	543.61	-	543.61	0.0%
100,000	694.11	-	694.11	694.11	-	694.11	0.0%
125,000	844.61	-	844.61	844.61	-	844.61	0.0%
150,000	995.11	-	995.11	995.11	-	995.11	0.0%
175,000	1,145.61	-	1,145.61	1,145.61	-	1,145.61	0.0%
200,000	1,296.11	-	1,296.11	1,296.11	-	1,296.11	0.0%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19500	\$ 216.20	\$ 219.51	\$ 3.31	1.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 154.40	\$ -	\$ 154.40	\$ 156.69	\$ -	\$ 156.69	1.5%
1,000	155.50	(0.65)	154.85	157.79	(0.55)	157.24	1.5%
2,000	157.48	(1.82)	155.66	159.77	(1.54)	158.23	1.6%
3,000	159.46	(2.99)	156.47	161.75	(2.53)	159.22	1.8%
4,000	161.44	(4.15)	157.29	163.73	(3.52)	160.21	1.9%
5,000	163.42	(5.32)	158.10	165.71	(4.51)	161.20	2.0%
6,000	166.27	(7.00)	159.27	168.56	(5.94)	162.63	2.1%
7,000	169.12	-	169.12	171.41	-	171.41	1.4%
8,000	171.97	-	171.97	174.26	-	174.26	1.3%
9,000	174.82	-	174.82	177.11	-	177.11	1.3%
10,000	177.67	-	177.67	179.96	-	179.96	1.3%
15,000	196.82	-	196.82	199.61	-	199.61	1.4%
20,000	218.11	-	218.11	221.42	-	221.42	1.5%
25,000	242.61	-	242.61	246.47	-	246.47	1.6%
50,000	393.11	-	393.11	400.22	-	400.22	1.8%
75,000	543.61	-	543.61	553.97	-	553.97	1.9%
100,000	694.11	-	694.11	707.72	-	707.72	2.0%
125,000	844.61	-	844.61	861.47	-	861.47	2.0%
150,000	995.11	-	995.11	1,015.22	-	1,015.22	2.0%
175,000	1,145.61	-	1,145.61	1,168.97	-	1,168.97	2.0%
200,000	1,296.11	-	1,296.11	1,322.72	-	1,322.72	2.1%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: 1.5" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19500	\$ 216.20	\$ 224.16	\$ 7.96	3.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 154.40	\$ -	\$ 154.40	\$ 159.34	\$ -	\$ 159.34	3.2%
1,000	155.50	(0.55)	154.95	160.44	(0.55)	159.89	3.2%
2,000	157.48	(1.54)	155.94	162.42	(1.54)	160.88	3.2%
3,000	159.46	(2.53)	156.93	164.40	(2.53)	161.87	3.1%
4,000	161.44	(3.52)	157.92	166.38	(3.52)	162.86	3.1%
5,000	163.42	(4.51)	158.91	168.36	(4.51)	163.85	3.1%
6,000	166.27	(5.94)	160.34	171.21	(5.94)	165.28	3.1%
7,000	169.12	-	169.12	174.06	-	174.06	2.9%
8,000	171.97	-	171.97	176.91	-	176.91	2.9%
9,000	174.82	-	174.82	179.76	-	179.76	2.8%
10,000	177.67	-	177.67	182.61	-	182.61	2.8%
15,000	196.82	-	196.82	203.21	-	203.21	3.2%
20,000	218.11	-	218.11	226.07	-	226.07	3.6%
25,000	242.61	-	242.61	252.32	-	252.32	4.0%
50,000	393.11	-	393.11	412.82	-	412.82	5.0%
75,000	543.61	-	543.61	573.32	-	573.32	5.5%
100,000	694.11	-	694.11	733.82	-	733.82	5.7%
125,000	844.61	-	844.61	894.32	-	894.32	5.9%
150,000	995.11	-	995.11	1,054.82	-	1,054.82	6.0%
175,000	1,145.61	-	1,145.61	1,215.32	-	1,215.32	6.1%
200,000	1,296.11	-	1,296.11	1,375.82	-	1,375.82	6.1%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	39500	\$ 422.54	\$ 422.54	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 247.04	\$ -	\$ 247.04	\$ 247.04	\$ -	\$ 247.04	0.0%
1,000	248.14	(0.65)	247.49	248.14	(0.65)	247.49	0.0%
2,000	250.12	(1.82)	248.30	250.12	(1.82)	248.30	0.0%
3,000	252.10	(2.99)	249.11	252.10	(2.99)	249.11	0.0%
4,000	254.08	(4.15)	249.93	254.08	(4.15)	249.93	0.0%
5,000	256.06	(5.32)	250.74	256.06	(5.32)	250.74	0.0%
6,000	258.91	(7.00)	251.91	258.91	(7.00)	251.91	0.0%
7,000	261.76	-	261.76	261.76	-	261.76	0.0%
8,000	264.61	-	264.61	264.61	-	264.61	0.0%
9,000	267.46	-	267.46	267.46	-	267.46	0.0%
10,000	270.31	-	270.31	270.31	-	270.31	0.0%
15,000	289.46	-	289.46	289.46	-	289.46	0.0%
20,000	310.75	-	310.75	310.75	-	310.75	0.0%
25,000	335.25	-	335.25	335.25	-	335.25	0.0%
50,000	485.75	-	485.75	485.75	-	485.75	0.0%
75,000	636.25	-	636.25	636.25	-	636.25	0.0%
100,000	786.75	-	786.75	786.75	-	786.75	0.0%
125,000	937.25	-	937.25	937.25	-	937.25	0.0%
150,000	1,087.75	-	1,087.75	1,087.75	-	1,087.75	0.0%
175,000	1,238.25	-	1,238.25	1,238.25	-	1,238.25	0.0%
200,000	1,388.75	-	1,388.75	1,388.75	-	1,388.75	0.0%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	39500	\$ 422.54	\$ 429.66	\$ 7.11	1.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 247.04	\$ -	\$ 247.04	\$ 250.70	\$ -	\$ 250.70	1.5%
1,000	248.14	(0.65)	247.49	251.80	(0.55)	251.25	1.5%
2,000	250.12	(1.82)	248.30	253.78	(1.54)	252.24	1.6%
3,000	252.10	(2.99)	249.11	255.76	(2.53)	253.23	1.7%
4,000	254.08	(4.15)	249.93	257.74	(3.52)	254.22	1.7%
5,000	256.06	(5.32)	250.74	259.72	(4.51)	255.21	1.8%
6,000	258.91	(7.00)	251.91	262.57	(5.94)	256.64	1.9%
7,000	261.76	-	261.76	265.42	-	265.42	1.4%
8,000	264.61	-	264.61	268.27	-	268.27	1.4%
9,000	267.46	-	267.46	271.12	-	271.12	1.4%
10,000	270.31	-	270.31	273.97	-	273.97	1.4%
15,000	289.46	-	289.46	293.62	-	293.62	1.4%
20,000	310.75	-	310.75	315.43	-	315.43	1.5%
25,000	335.25	-	335.25	340.48	-	340.48	1.6%
50,000	485.75	-	485.75	494.23	-	494.23	1.7%
75,000	636.25	-	636.25	647.98	-	647.98	1.8%
100,000	786.75	-	786.75	801.73	-	801.73	1.9%
125,000	937.25	-	937.25	955.48	-	955.48	1.9%
150,000	1,087.75	-	1,087.75	1,109.23	-	1,109.23	2.0%
175,000	1,238.25	-	1,238.25	1,262.98	-	1,262.98	2.0%
200,000	1,388.75	-	1,388.75	1,416.73	-	1,416.73	2.0%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	39500	\$ 422.54	\$ 441.02	\$ 18.48	4.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 247.04	\$ -	\$ 247.04	\$ 254.95	\$ -	\$ 254.95	3.2%
1,000	248.14	(0.65)	247.49	256.05	(0.55)	255.50	3.2%
2,000	250.12	(1.82)	248.30	258.03	(1.54)	256.49	3.3%
3,000	252.10	(2.99)	249.11	260.01	(2.53)	257.48	3.4%
4,000	254.08	(4.15)	249.93	261.99	(3.52)	258.47	3.4%
5,000	256.06	(5.32)	250.74	263.97	(4.51)	259.46	3.5%
6,000	258.91	(7.00)	251.91	266.82	(5.94)	260.89	3.6%
7,000	261.76	-	261.76	269.67	-	269.67	3.0%
8,000	264.61	-	264.61	272.52	-	272.52	3.0%
9,000	267.46	-	267.46	275.37	-	275.37	3.0%
10,000	270.31	-	270.31	278.22	-	278.22	2.9%
15,000	289.46	-	289.46	298.82	-	298.82	3.2%
20,000	310.75	-	310.75	321.68	-	321.68	3.5%
25,000	335.25	-	335.25	347.93	-	347.93	3.8%
50,000	485.75	-	485.75	508.43	-	508.43	4.7%
75,000	636.25	-	636.25	668.93	-	668.93	5.1%
100,000	786.75	-	786.75	829.43	-	829.43	5.4%
125,000	937.25	-	937.25	989.93	-	989.93	5.6%
150,000	1,087.75	-	1,087.75	1,150.43	-	1,150.43	5.8%
175,000	1,238.25	-	1,238.25	1,310.93	-	1,310.93	5.9%
200,000	1,388.75	-	1,388.75	1,471.43	-	1,471.43	6.0%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	215000	\$ 1,726.09	\$ 1,726.09	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 494.08	\$ -	\$ 494.08	\$ 494.08	\$ -	\$ 494.08	0.0%
1,000	495.18	(0.65)	494.53	495.18	(0.65)	494.53	0.0%
2,000	497.16	(1.82)	495.34	497.16	(1.82)	495.34	0.0%
3,000	499.14	(2.99)	496.15	499.14	(2.99)	496.15	0.0%
4,000	501.12	(4.15)	496.97	501.12	(4.15)	496.97	0.0%
5,000	503.10	(5.32)	497.78	503.10	(5.32)	497.78	0.0%
6,000	505.95	(7.00)	498.95	505.95	(7.00)	498.95	0.0%
7,000	508.80	-	508.80	508.80	-	508.80	0.0%
8,000	511.65	-	511.65	511.65	-	511.65	0.0%
9,000	514.50	-	514.50	514.50	-	514.50	0.0%
10,000	517.35	-	517.35	517.35	-	517.35	0.0%
15,000	536.50	-	536.50	536.50	-	536.50	0.0%
20,000	557.79	-	557.79	557.79	-	557.79	0.0%
25,000	582.29	-	582.29	582.29	-	582.29	0.0%
50,000	732.79	-	732.79	732.79	-	732.79	0.0%
75,000	883.29	-	883.29	883.29	-	883.29	0.0%
100,000	1,033.79	-	1,033.79	1,033.79	-	1,033.79	0.0%
125,000	1,184.29	-	1,184.29	1,184.29	-	1,184.29	0.0%
150,000	1,334.79	-	1,334.79	1,334.79	-	1,334.79	0.0%
175,000	1,485.29	-	1,485.29	1,485.29	-	1,485.29	0.0%
200,000	1,635.79	-	1,635.79	1,635.79	-	1,635.79	0.0%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	215000	\$ 1,726.09	\$ 1,759.67	\$ 33.58	1.9%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 494.08	\$ -	\$ 494.08	\$ 501.39	\$ -	\$ 501.39	1.5%
1,000	495.18	(0.65)	494.53	502.49	(0.55)	501.94	1.5%
2,000	497.16	(1.82)	495.34	504.47	(1.54)	502.93	1.5%
3,000	499.14	(2.99)	496.15	506.45	(2.53)	503.92	1.6%
4,000	501.12	(4.15)	496.97	508.43	(3.52)	504.91	1.6%
5,000	503.10	(5.32)	497.78	510.41	(4.51)	505.90	1.6%
6,000	505.95	(7.00)	498.95	513.26	(5.94)	507.33	1.7%
7,000	508.80	-	508.80	516.11	-	516.11	1.4%
8,000	511.65	-	511.65	518.96	-	518.96	1.4%
9,000	514.50	-	514.50	521.81	-	521.81	1.4%
10,000	517.35	-	517.35	524.66	-	524.66	1.4%
15,000	536.50	-	536.50	544.31	-	544.31	1.5%
20,000	557.79	-	557.79	566.12	-	566.12	1.5%
25,000	582.29	-	582.29	591.17	-	591.17	1.5%
50,000	732.79	-	732.79	744.92	-	744.92	1.7%
75,000	883.29	-	883.29	898.67	-	898.67	1.7%
100,000	1,033.79	-	1,033.79	1,052.42	-	1,052.42	1.8%
125,000	1,184.29	-	1,184.29	1,206.17	-	1,206.17	1.8%
150,000	1,334.79	-	1,334.79	1,359.92	-	1,359.92	1.9%
175,000	1,485.29	-	1,485.29	1,513.67	-	1,513.67	1.9%
200,000	1,635.79	-	1,635.79	1,667.42	-	1,667.42	1.9%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	215000	\$ 1,726.09	\$ 1,822.67	\$ 96.58	5.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 494.08	\$ -	\$ 494.08	\$ 509.89	\$ -	\$ 509.89	3.2%
1,000	495.18	(0.65)	494.53	510.99	(0.55)	510.44	3.2%
2,000	497.16	(1.82)	495.34	512.97	(1.54)	511.43	3.2%
3,000	499.14	(2.99)	496.15	514.95	(2.53)	512.42	3.3%
4,000	501.12	(4.15)	496.97	516.93	(3.52)	513.41	3.3%
5,000	503.10	(5.32)	497.78	518.91	(4.51)	514.40	3.3%
6,000	505.95	(7.00)	498.95	521.76	(5.94)	515.83	3.4%
7,000	508.80	-	508.80	524.61	-	524.61	3.1%
8,000	511.65	-	511.65	527.46	-	527.46	3.1%
9,000	514.50	-	514.50	530.31	-	530.31	3.1%
10,000	517.35	-	517.35	533.16	-	533.16	3.1%
15,000	536.50	-	536.50	553.76	-	553.76	3.2%
20,000	557.79	-	557.79	576.62	-	576.62	3.4%
25,000	582.29	-	582.29	602.87	-	602.87	3.5%
50,000	732.79	-	732.79	763.37	-	763.37	4.2%
75,000	883.29	-	883.29	923.87	-	923.87	4.6%
100,000	1,033.79	-	1,033.79	1,084.37	-	1,084.37	4.9%
125,000	1,184.29	-	1,184.29	1,244.87	-	1,244.87	5.1%
150,000	1,334.79	-	1,334.79	1,405.37	-	1,405.37	5.3%
175,000	1,485.29	-	1,485.29	1,565.87	-	1,565.87	5.4%
200,000	1,635.79	-	1,635.79	1,726.37	-	1,726.37	5.5%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: **6" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	4000	\$ 1,546.89	\$ 1,546.89	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 1,544.00	\$ -	\$ 1,544.00	\$ 1,544.00	\$ -	\$ 1,544.00	0.0%
1,000	1,545.10	(0.65)	1,544.45	1,545.10	(0.65)	1,544.45	0.0%
2,000	1,547.08	(1.82)	1,545.26	1,547.08	(1.82)	1,545.26	0.0%
3,000	1,549.06	(2.99)	1,546.07	1,549.06	(2.99)	1,546.07	0.0%
4,000	1,551.04	(4.15)	1,546.89	1,551.04	(4.15)	1,546.89	0.0%
5,000	1,553.02	(5.32)	1,547.70	1,553.02	(5.32)	1,547.70	0.0%
6,000	1,555.87	(7.00)	1,548.87	1,555.87	(7.00)	1,548.87	0.0%
7,000	1,558.72	-	1,558.72	1,558.72	-	1,558.72	0.0%
8,000	1,561.57	-	1,561.57	1,561.57	-	1,561.57	0.0%
9,000	1,564.42	-	1,564.42	1,564.42	-	1,564.42	0.0%
10,000	1,567.27	-	1,567.27	1,567.27	-	1,567.27	0.0%
15,000	1,586.42	-	1,586.42	1,586.42	-	1,586.42	0.0%
20,000	1,607.71	-	1,607.71	1,607.71	-	1,607.71	0.0%
25,000	1,632.21	-	1,632.21	1,632.21	-	1,632.21	0.0%
50,000	1,782.71	-	1,782.71	1,782.71	-	1,782.71	0.0%
75,000	1,933.21	-	1,933.21	1,933.21	-	1,933.21	0.0%
100,000	2,083.71	-	2,083.71	2,083.71	-	2,083.71	0.0%
125,000	2,234.21	-	2,234.21	2,234.21	-	2,234.21	0.0%
150,000	2,384.71	-	2,384.71	2,384.71	-	2,384.71	0.0%
175,000	2,535.21	-	2,535.21	2,535.21	-	2,535.21	0.0%
200,000	2,685.71	-	2,685.71	2,685.71	-	2,685.71	0.0%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: **6" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	4000	\$ 1,546.89	\$ 1,570.37	\$ 23.48	1.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 1,544.00	\$ -	\$ 1,544.00	\$ 1,566.85	\$ -	\$ 1,566.85	1.5%
1,000	1,545.10	(0.65)	1,544.45	1,567.95	(0.55)	1,567.40	1.5%
2,000	1,547.08	(1.82)	1,545.26	1,569.93	(1.54)	1,568.39	1.5%
3,000	1,549.06	(2.99)	1,546.07	1,571.91	(2.53)	1,569.38	1.5%
4,000	1,551.04	(4.15)	1,546.89	1,573.89	(3.52)	1,570.37	1.5%
5,000	1,553.02	(5.32)	1,547.70	1,575.87	(4.51)	1,571.36	1.5%
6,000	1,555.87	(7.00)	1,548.87	1,578.72	(5.94)	1,572.79	1.5%
7,000	1,558.72	-	1,558.72	1,581.57	-	1,581.57	1.5%
8,000	1,561.57	-	1,561.57	1,584.42	-	1,584.42	1.5%
9,000	1,564.42	-	1,564.42	1,587.27	-	1,587.27	1.5%
10,000	1,567.27	-	1,567.27	1,590.12	-	1,590.12	1.5%
15,000	1,586.42	-	1,586.42	1,609.77	-	1,609.77	1.5%
20,000	1,607.71	-	1,607.71	1,631.58	-	1,631.58	1.5%
25,000	1,632.21	-	1,632.21	1,656.63	-	1,656.63	1.5%
50,000	1,782.71	-	1,782.71	1,810.38	-	1,810.38	1.6%
75,000	1,933.21	-	1,933.21	1,964.13	-	1,964.13	1.6%
100,000	2,083.71	-	2,083.71	2,117.88	-	2,117.88	1.6%
125,000	2,234.21	-	2,234.21	2,271.63	-	2,271.63	1.7%
150,000	2,384.71	-	2,384.71	2,425.38	-	2,425.38	1.7%
175,000	2,535.21	-	2,535.21	2,579.13	-	2,579.13	1.7%
200,000	2,685.71	-	2,685.71	2,732.88	-	2,732.88	1.8%

Valencia Water Company, Town Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: **6" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	4000	\$ 1,546.89	\$ 1,597.93	\$ 51.04	3.3%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 1,544.00	\$ -	\$ 1,544.00	\$ 1,594.41	\$ -	\$ 1,594.41	3.3%
1,000	1,545.10	(0.65)	1,544.45	1,595.51	(0.55)	1,594.96	3.3%
2,000	1,547.08	(1.82)	1,545.26	1,597.49	(1.54)	1,595.95	3.3%
3,000	1,549.06	(2.99)	1,546.07	1,599.47	(2.53)	1,596.94	3.3%
4,000	1,551.04	(4.15)	1,546.89	1,601.45	(3.52)	1,597.93	3.3%
5,000	1,553.02	(5.32)	1,547.70	1,603.43	(4.51)	1,598.92	3.3%
6,000	1,555.87	(7.00)	1,548.87	1,606.28	(5.94)	1,600.35	3.3%
7,000	1,558.72	-	1,558.72	1,609.13	-	1,609.13	3.2%
8,000	1,561.57	-	1,561.57	1,611.98	-	1,611.98	3.2%
9,000	1,564.42	-	1,564.42	1,614.83	-	1,614.83	3.2%
10,000	1,567.27	-	1,567.27	1,617.68	-	1,617.68	3.2%
15,000	1,586.42	-	1,586.42	1,638.28	-	1,638.28	3.3%
20,000	1,607.71	-	1,607.71	1,661.14	-	1,661.14	3.3%
25,000	1,632.21	-	1,632.21	1,687.39	-	1,687.39	3.4%
50,000	1,782.71	-	1,782.71	1,847.89	-	1,847.89	3.7%
75,000	1,933.21	-	1,933.21	2,008.39	-	2,008.39	3.9%
100,000	2,083.71	-	2,083.71	2,168.89	-	2,168.89	4.1%
125,000	2,234.21	-	2,234.21	2,329.39	-	2,329.39	4.3%
150,000	2,384.71	-	2,384.71	2,489.89	-	2,489.89	4.4%
175,000	2,535.21	-	2,535.21	2,650.39	-	2,650.39	4.5%
200,000	2,685.71	-	2,685.71	2,810.89	-	2,810.89	4.7%

ATTACHMENT A

Global Water – Palo Verde Utilities Company

Schedules

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) SETTLEMENT ORIGINAL COST	(D) SETTLEMENT FAIR VALUE
1	Adjusted Rate Base	\$ 60,166,756	\$ 60,166,756	\$ 60,166,756	\$ 60,166,756
2	Adjusted Operating Income (Loss)	\$ 3,066,067	\$ 3,066,067	\$ 3,393,928	\$ 3,393,928
3	Current Rate of Return (L2 / L1)	5.10%	5.10%	5.64%	5.64%
4	Required Rate of Return	8.81%	8.81%	7.50%	7.50%
5	Required Operating Income (L4 * L1)	\$ 5,300,691	\$ 5,300,691	\$ 4,512,507	\$ 4,512,507
6	Operating Income Deficiency (L5 - L2)	\$ 2,234,623	\$ 2,234,623	\$ 1,118,579	\$ 1,118,579
7	Gross Revenue Conversion Factor	1.639005	1.639005	1.688694	1.688694
8	Required Revenue Increase (L7 * L6)	\$ 3,662,560	\$ 3,662,560	\$ 1,888,939	\$ 1,888,939
9	Adjusted Test Year Revenue	\$ 13,107,528	\$ 13,107,528	\$ 13,107,528	\$ 13,107,528
10	Proposed Annual Revenue (L8 + L9)	\$ 16,770,088	\$ 16,770,088	\$ 14,996,467	\$ 14,996,467
11	Required Increase in Revenue (%)	27.94%	27.94%	14.41%	14.41%
12	Rate of Return on Common Equity (%)	11.44%	11.44%	9.50%	9.50%

References:

- Column (A): Company Schedule A-1
- Column (B): Company Schedule A-1
- Column (C): Company Schedules A-1, A-2, & D-1
- Column (C): Settlement Schedules GRCF, B-1, and C-1

REVENUE PHASE IN PER SETTLEMENT

<u>Year</u>	<u>Revenue Increase (Relative to Test Year)</u>	<u>Revenue Increase (Relative to Previous Year)</u>
2014	-	-
2015	428,148	428,148
2016	856,298	428,150
2017	1,062,826	206,528
2018	1,269,354	206,528
2019	1,475,882	206,528
2020	1,682,411	206,529
2021	1,888,939	206,528

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)
<u>Calculation of Gross Revenue Conversion Factor:</u>				
1	Revenue	100.0000%		
2	Uncollectible Factor (Line 11)	0.6202%		
3	Revenues (L1 - L2)	99.3798%		
4	Combined Federal and State Income Tax and Property Tax Rate (Line 2)	40.1625%		
5	Subtotal (L3 - L4)	59.2173%		
6	Revenue Conversion Factor (L1 / L5)	1.688694		
<u>Calculation of Uncollectible Factor:</u>				
7	Unity	100.0000%		
8	Combined Federal and State Tax Rate (Line 17)	38.5989%		
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%		
10	Uncollectible Rate	1.0100%		
11	Uncollectible Factor (L9 * L10)		0.6202%	
<u>Calculation of Effective Tax Rate:</u>				
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%		
13	Arizona State Income Tax Rate	6.9680%		
14	Federal Taxable Income (L12 - L13)	93.0320%		
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%		
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%		
17	Combined Federal and State Income Tax Rate (L13 +L16)		38.5989%	
<u>Calculation of Effective Property Tax Factor</u>				
18	Unity	100.0000%		
19	Combined Federal and State Income Tax Rate (L17)	38.5989%		
20	One Minus Combined Income Tax Rate (L18-L19)	61.4011%		
21	Property Tax Factor (ADJ 6, L25)	2.5466%		
22	Effective Property Tax Factor (L20*L21)		1.5636%	
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			40.1625%

24	Required Operating Income (Schedule A-1, Line 5)	\$ 4,512,507		
25	Adjusted Test Year Operating Income (Loss) (Schedule C-1, Line 36)	\$ 3,393,928		
26	Required Increase in Operating Income (L24 - L25)		\$ 1,118,579	
27	Income Taxes on Recommended Revenue (Col. (C), L48)	\$ 1,512,917		
28	Income Taxes on Test Year Revenue (Col. (A), L48)	\$ 809,739		
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		\$ 703,178	
30	Required Revenue Increase (Schedule A-1, Line 8)	\$ 1,888,939		
31	Uncollectible Rate (Line 10)	1.0100%		
32	Uncollectible Expense on Recommended Revenue (L30 * L31)	\$ 19,078		
33	Adjusted Test Year Uncollectible Expense - N/A	\$ -		
34	Required Increase in Revenue to Provide for Uncollectible Exp.		\$ 19,078	
35	Property Tax with Recommended Revenue (ADJ 6, Line 21)	\$ 1,112,176		
36	Property Tax on Test Year Revenue (GWB-18, Col A, L19)	\$ 1,064,073		
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		\$ 48,104	
38	Total Required Increase in Revenue (L26 + L29 + L34+ L37)		\$ 1,888,938	

	(A) Test Year	(B)	(C) Settlement Recommended
<u>Calculation of Income Tax:</u>			
39	Revenue (Sch C-1, Col.(C) L4, A-1, Col. (D), L10)	\$ 13,107,528	\$ 14,996,467
40	Operating Expenses Excluding Income Taxes	\$ 8,903,861	\$ 8,971,043
41	Synchronized Interest (L53)	\$ 2,105,836	\$ 2,105,836
42	Arizona Taxable Income (L39 - L40 - L41)	\$ 2,097,831	\$ 3,919,587
43	Arizona State Income Tax Rate	6.9680%	6.9680%
44	Arizona Income Tax (L42 x L43)	\$ 146,177	\$ 273,117
45	Federal Taxable Income (L42 - L44)	\$ 1,951,654	\$ 3,646,470
46	Federal Tax	\$ 663,562	\$ 1,239,800
47	Total Federal Income Tax	\$ 663,562	\$ 1,239,800
48	Combined Federal and State Income Tax (L43 + L47)	\$ 809,739	\$ 1,512,917
50	<u>Effective Tax Rate</u>		
<u>Calculation of Interest Synchronization:</u>			
51	Rate Base (Schedule B-1)		\$ 60,166,756
52	Weighted Average Cost of Debt		3.5000%
53	Synchronized Interest (L50 X L51)		\$ 2,105,836

RATE BASE - ORIGINAL COST

LINE NO.	(A) COMPANY AS FILED	(B) SETTLEMENT ADJUSTMENTS	(C) SETTLEMENT AS ADJUSTED
1	Plant in Service	\$ 109,787,648	\$ 109,787,648
2	Less: Accumulated Depreciation	(19,012,634)	(19,012,634)
3	Net Plant in Service	<u>\$ 90,775,014</u>	<u>\$ 90,775,014</u>
<u>LESS:</u>			
4	Contributions in Aid of Construction (CIAC)	\$ 30,362	\$ 30,362
5	Less: Accumulated Amortization	-	-
6	Net CIAC	<u>30,362</u>	<u>30,362</u>
7	Advances in Aid of Construction (AIAC)	27,839,315	27,839,315
8	Imputed Reg AIAC	-	-
9	Imputed Reg CIAC	-	-
10	Accumulated Deferred Income Tax Credits	2,165,735	2,165,735
	Customer Meter Deposits	669,926	669,926
<u>ADD:</u>			
11	Deferred Compensation	49,669	49,669
12	Cash Working Capital	-	-
13	Bad Debt	32,615	32,615
14	CIAC	11,735	11,735
15	Projected Capital Expenditures	-	-
16	Deferred Gain	3,062	3,062
17	Purchase Wastewater Treatment Charges	-	-
18	Original Cost Rate Base	<u>\$ 60,166,756</u>	<u>\$ 60,166,756</u>

References:

Column (A), Schedule B-2
Column (B): Schedule B-2
Column (C): Column (A) + Column (B)

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Settlement ADJUSTMENTS	[D] SETTLEMENT AS ADJUSTED
<u>PLANT IN SERVICE:</u>					
1	353	Land and Land Rights	\$ 186,342	\$ -	\$ 186,342
2	354	Structures and Improvements	22,916,934		22,916,934
3	355	Power Generation Equipment	361,096		361,096
4	360	Collection Sewers - Force	3,865,315		3,865,315
5	361	Collection Sewers - Gravity	47,785,285		47,785,285
6	363	Services to Customers	5,244,342		5,244,342
7	364	Flow Measuring Devices	23,636		23,636
8	370	Receiving Wells	1,921,877		1,921,877
9	371	Pumping Equipment	4,039,011		4,039,011
10	374	Reuse Distribution Reservoirs	34,021		34,021
11	375	Reuse Transmission and Distribution System	11,089,457		11,089,457
12	380	Treatment and Disposal Equipment	5,975,575		5,975,575
13	381	Plant Sewers	78,384		78,384
14	382	Outfall Sewer Lines	353,645		353,645
15	389	Other Plant and Miscellaneous Equipment	2,295,565		2,295,565
16	390	Office Furniture and Equipment	403,174		403,174
17	391	Transportation Equipment	173,522		173,522
18	393	Tools, Shop and Garage Equipment	114,250		114,250
19	394	Laboratory Equipment	24,941		24,941
20	395	Power Operated Equipment	41,148		41,148
21	396	Communication Equipment	76,238		76,238
22	397	Miscellaneous Equipment	369,323		369,323
23	398	Other Tangible Plant	2,414,565	-	2,414,565
32	Total Plant in Service		<u>109,787,648</u>	<u>-</u>	<u>109,787,648</u>
33					
34	Accumulated Depreciation		(19,012,634)	-	(19,012,634)
35	Net Plant in Service		<u>\$ 90,775,014</u>	<u>\$ -</u>	<u>\$ 90,775,014</u>
36					
37	<u>LESS:</u>				
38	Net Contributions in Aid of Construction (CIAC)		\$ 30,362		\$ 30,362
39	Less: Accumulated Amortization		-		-
40	Net CIAC (L63 - L64)		30,362		30,362
41	Advances in Aid of Construction (AIAC)		27,839,315		27,839,315
42	Customer Meter Deposits		669,926		669,926
43	Accumulated Deferred Income Tax Credits		2,165,735		2,165,735
44	<u>ADD:</u>				
45	Deferred Tax Assets				-
46	Deferred Gain		3,062		3,062
47	Bad Debt		32,615	-	32,615
48	Deferred Compensation		49,669	-	49,669
49	CIAC		11,735	-	11,735
50	Working Capital		-	-	-
51	Original Cost Rate Base		<u>\$ 60,166,756</u>	<u>\$ -</u>	<u>\$ 60,166,756</u>

OPERATING INCOME STATEMENT - TEST YEAR AND SETTLEMENT

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] SETTLEMENT TEST YEAR ADJUSTMENTS	[C] SETTLEMENT TEST YEAR AS ADJUSTED	[D] SETTLEMENT RECOMMENDED CHANGES	[E] SETTLEMENT RECOMMENDED
1	Flat Rate Revenue	12,423,785	-	12,423,785	1,888,939	14,312,724
2	Other Sewer Revenues	345,001	-	345,001	-	345,001
3	Metered Reuse Revenue	338,742	-	338,742	-	338,742
4	Total Operating Revenues	\$ 13,107,528	\$ -	\$ 13,107,528	\$ 1,888,939	\$ 14,996,467
5	701 Salary and Wages - Employees	\$ 1,472,381	\$ (223,764)	\$ 1,248,617	\$ -	\$ 1,248,617
6	704 Employee Pensions and Benefits	-	-	-	-	-
7	715 Purchased Power	530,509	-	530,509	-	530,509
8	716 Fuel for Power Production	-	-	-	-	-
9	718 Chemicals	408,431	0	408,431	-	408,431
10	720 Materials and Supplies	114,852	-	114,852	-	114,852
11	721 Office Expense	120,122	-	120,122	-	120,122
12	731 Contractual Services - Professional	901,541	(294,223)	607,319	-	607,319
13	735 Contractual Services - Testing	40,577	-	40,577	-	40,577
14	736 Contractual Services - Other	197,061	-	197,061	-	197,061
15	740 Rents	119,990	-	119,990	-	119,990
16	742 Rental of Equipment	-	-	-	-	-
17	750 Transportation Expense	76,568	-	76,568	-	76,568
18	755 Insurance Expense	102,147	-	102,147	-	102,147
19	759 Insurance - Other	-	-	-	-	-
20	765 Regulatory Commission Expenses	112,973	(59,828)	53,145	-	53,145
21	767 Rate Case Expense	-	-	-	-	-
22	770 Bad Debt Expense	82,936	49,450	132,386	19,078	151,464
23	775 Miscellaneous Expenses	485,686	-	485,686	-	485,686
24	403 Depreciation Expense	3,520,714	73,457	3,594,171	-	3,594,171
25	403 Depreciation Expense - CIAC /	(1,292)	-	(1,292)	-	(1,292)
26	408 Taxes Other Than Income	9,500	-	9,500	-	9,500
27	408.11 Taxes Other Than Income -	1,064,073	-	1,064,073	48,104	1,112,176
28	409 Income Taxes	682,693	127,047	809,739	\$ 703,178	\$ 1,512,917
	Intentionally Left Blank	-	-	-	-	-
29	Total Operating Expenses	10,041,461	(327,861)	9,713,600	770,360	10,483,960
30	Operating Income (Loss)	\$ 3,066,067	\$ 327,861	\$ 3,393,928	\$ 1,118,579	\$ 4,512,507

References:

Column (A): Company Schedule C-1

Column (B): Schedule C-2

0

Column (C): Column (A) + Column (B)

0

Column (D): Schedules A-1, ADJ 1, ADJ 5 and ADJ 6

Column (E): Column (C) + Column (D)

Global Water-Palo Verde Sewer
 Docket No. SW-20445A-12-0310
 Test Year Ended December 31, 2011

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Bad Debts Exp ADJ #1	[C] Rate Case Exp ADJ #2	[D] Expense Normalizations ADJ #3	[E] Deprec. Exp ADJ #4	[F] Income Taxes ADJ #5	[H] SETTLEMENT AS ADJUSTED
1	Flat Rate Revenue	\$ 12,423,785	-	-	-	-	-	\$ 12,423,785
2	Other Sewer Revenues	345,001	-	-	-	-	-	345,001
3	Metered Reuse Revenue	338,742	-	-	-	-	-	338,742
4	Total Operating Revenues	\$ 13,107,528	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,107,528
Operating Expenses								
5	701 Salary and Wages - Employees	1,472,381	\$ -	\$ -	\$ (223,764)	\$ -	\$ -	1,248,617
6	704 Employee Pensions and Benefits	-	-	-	-	-	-	-
7	715 Purchased Power	530,509	-	-	-	-	-	530,509
8	716 Fuel for Power Production	-	-	-	0	-	-	408,431
9	718 Chemicals	114,852	-	-	-	-	-	114,852
10	720 Materials and Supplies	120,122	-	-	-	-	-	120,122
11	721 Office Expense	901,541	-	-	(294,223)	-	-	607,319
12	731 Contractual Services - Professional	40,577	-	-	-	-	-	40,577
13	735 Contractual Services - Testing	197,061	-	-	-	-	-	197,061
14	736 Contractual Services - Other	119,990	-	-	-	-	-	119,990
15	740 Rents	-	-	-	-	-	-	-
16	742 Rental of Equipment	-	-	-	-	-	-	-
17	750 Transportation Expense	76,568	-	-	-	-	-	76,568
18	755 Insurance Expense	102,147	-	-	-	-	-	102,147
19	759 Insurance - Other	-	-	(59,828)	-	-	-	53,145
20	765 Regulatory Commission Expense	112,973	-	-	-	-	-	-
21	767 Rate Case Expense	-	-	-	-	-	-	-
22	770 Bad Debt Expense	82,936	49,450	-	-	-	-	132,386
23	775 Miscellaneous Expenses	485,686	-	-	-	-	-	485,686
24	403 Depreciation Expense	3,520,714	-	-	-	73,457	-	3,594,171
25	403 Depreciation Expense - CIAC Amortization	(1,292)	-	-	-	-	-	(1,292)
26	408 Taxes Other Than Income	9,500	-	-	-	-	-	9,500
27	408.11 Taxes Other Than Income - Property Taxes	1,064,073	-	-	-	-	-	1,064,073
28	409 Income Taxes	682,693	-	-	-	-	127,047	809,739
29	Intentionally Left Blank	-	-	-	-	-	-	-
30	Total Operating Expenses	\$ 10,041,461	\$ 49,450	\$ (59,828)	\$ (517,986)	\$ 73,457	\$ 127,047	\$ 9,713,600
31	Operating Income (Loss)	\$ 3,066,067	\$ (49,450)	\$ 59,828	\$ 517,986	\$ (73,457)	\$ (127,047)	\$ 3,393,928

Global Water-Palo Verde Sewer
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Settlement ADJ 1
 Bad Debt Expense

OPERATING INCOME ADJUSTMENT #1 - BAD DEBT EXPENSE

[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED
\$ 82,936	\$ 49,450	\$ 132,386

References:

Column (A), Company Workpapers

Column (B): Settlement

Column (C): Column (A) + Column (B), Per Co Response
 to Staff DR 5.8

Adjusted Test Year Revenues (Sch C-2)	\$ 13,107,528
Bad Debt Expense Rate	1.01%
Expected Bad Debt Expense	<u>\$ 132,386</u>
Co Proposed	<u>\$ 82,936</u>
	\$ 49,450

OPERATING INCOME ADJUSTMENT #2 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED
1	See Note	\$ 112,973	\$ (59,828)	\$ 53,145

Company Proposed Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS
2 Allocation Percentages		39.86%	40.32%	13.45%	3.78%	0.82%	1.58%	0.19%
3 Desert Mountain Analytical Services	\$ 122,063	\$ 48,652	\$ 49,218	\$ 16,420	\$ 4,616	\$ 996	\$ 1,927	\$ 234
4 Insight Consulting, LLC	\$ 216,000	\$ 86,094	\$ 87,095	\$ 29,057	\$ 8,168	\$ 1,762	\$ 3,410	\$ 413
5 Roshka Dewulf & Patten, PLC	\$ 370,303	\$ 147,597	\$ 149,313	\$ 49,814	\$ 14,004	\$ 3,021	\$ 5,846	\$ 709
6 Ullmann & Company P C	\$ 78,809	\$ 31,412	\$ 31,777	\$ 10,602	\$ 2,980	\$ 643	\$ 1,244	\$ 151
7 Total	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506
8 Amortization over 3 years:								
9 Year 1	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
10 Year 2	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
11 Year 3	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
12 Totals	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506

Settlement Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS
13 Description								
14 Settlement Amount	\$ 400,000	\$ 159,434	\$ 161,287	\$ 53,809	\$ 15,127	\$ 3,263	\$ 6,315	\$ 765
15 Amortization over 3 years:								
16 Year 1	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
17 Year 2	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
18 Year 3	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
19 Totals	\$ 400,000	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506
20 Adjustment Total, by System	\$ (129,058)	\$ (51,441)	\$ (52,038)	\$ (17,361)	\$ (4,881)	\$ (1,053)	\$ (2,037)	\$ (247)

References:

Column (A): Company Workpapers
Column (B): Line 20 for respective system
Column (C): Line 16 for respective system

Global Water-Palo Verde Sewer
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Settlement ADJ 3
Expense Normalizations

OPERATING INCOME ADJUSTMENT #3 - EXPENSE NORMALIZATIONS

<u>LINE NO.</u>	<u>ACCT / DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	701 Salary and Wages - Employees	\$ 1,472,381	\$ (223,764)	\$ 1,248,617
2	731 Contractual Services – Professional	\$ 901,541	\$ (294,223)	\$ 607,319
		<u>\$ 2,373,922</u>	<u>\$ (517,987)</u>	<u>\$ 1,855,936</u>

References:

Column (A), Company Workpapers

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B)

OPERATING INCOME ADJUSTMENT #4 - DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1		<u>PLANT IN SERVICE:</u>			
2	351	Organization Cost	-	0.00%	-
3	352	Franchise Cost	-	0.00%	-
4	353	Land and Land Rights	186,342	0.00%	-
5	354	Structures & Improvements	22,916,934	3.33%	763,134
6	355	Power Generating Equipment	361,096	5.00%	18,055
7	360	Collection Sewers - Force	3,865,315	2.00%	77,306
8	361	Collection Sewers - Gravity	47,785,285	2.00%	955,706
9	362	Special Collecting Structures		2.00%	-
10	363	Sevices to Customers	5,244,342	2.00%	104,887
11	364	Flow Measuring Devices	23,636	10.00%	2,364
12	365	Flow Measuring Installations		10.00%	-
13	366	Reuse Services		2.00%	-
14	367	Reuse Meters and Meter Installations		8.33%	-
15	370	Receiving Wells	1,921,877	3.33%	63,999
16	371	Pumping Equipment	4,039,011	12.50%	504,876
17	374	Reuse Distribution Reservoirs	34,021	2.50%	851
18	375	Reuse Transmission and Dist. Sys.	11,089,457	2.50%	277,236
19	380	Treatment and Disposal Equipment	5,975,575	5.00%	298,779
20	381	Plant Sewers	78,384	5.00%	3,919
21	382	Outfall Sewer Lines	353,645	3.33%	11,776
22	389	Other Plant and Misc. Equipment	2,295,565	6.67%	153,114
23	390	Office Furniture & Equipment	403,174	6.67%	26,892
24	390.1	Computers & Software		20.00%	-
25	391	Transportation Equipment	173,522	20.00%	34,704
26	392	Stores Equipment		4.00%	-
27	393	Tools, Shop & Garage Equipment	114,250	5.00%	5,713
28	394	Laboratory Equipment	24,941	10.00%	2,494
29	395	Power Operated Equipment	41,148	5.00%	2,057
30	396	Communications Equipment	76,238	10.00%	7,624
31	397	Miscellaneous Equipment	369,323	10.00%	36,932
32	398	Other Tangible Plant	2,414,565	10.00%	241,457
33			<u>109,787,648</u>		<u>3,593,874</u>
34		Less: Non Depreciable Plant			
35		Land and Land Rights	\$ 186,342		
36		Net Depreciable Plant and Dep. Amount	\$ 109,601,306		\$ 3,593,874
37					
38					
39		Amortization of CIAC at Company's Rate	\$ 30,362	3.2790%	\$ 996
40		Settlement Recommended Depreciation Expense			\$ 3,592,879
41		Company Proposed Depreciation Expense			\$ 3,519,422
42		Settlement Adjustment			\$ 73,457

<u>References:</u>	
Col [A]	Schedule B-2
Col [B]	Proposed Rates per Staff Engineering Report
Col [C]	Col [A] times Col [B]

Global Water-Palo Verde Sewer
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Settlement ADJ 5
Income Taxes

OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	Income Taxes	<u>\$ 682,693</u>	<u>\$ 127,047</u>	<u>\$ 809,739</u>

References:

Column (A), Company Schedule C-2
Column (B): Staff Testimony GWB
Column (C): Column (A) + Column (B),

OPERATING INCOME ADJUSTMENT #6 - PROPERTY TAX EXPENSE GRCF COMPONENT

LINE NO.	DESCRIPTION	[A] SETTLEMENT AS ADJUSTED	[B] SETTLEMENT RECOMMENDED
1	Adjusted Test Year Revenues - 2011	\$ 13,107,528	\$ 13,107,528
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	26,215,056	26,215,056
4	Adjusted Test Year Revenues - 2011	13,107,528	
5	Settlement Recommended Revenue		14,996,467
6	Subtotal (Line 4 + Line 5)	39,322,584	41,211,523
7	Number of Years	3	3
8	Three Year Average (Line 5 / Line 6)	13,107,528	13,737,174
9	Department of Revenue Mutilplier	2	2
10	Revenue Base Value (Line 7 * Line 8)	26,215,056	27,474,349
11	Plus: 10% of CWIP	1,648,165	1,648,165
12	Less: Net Book Value of Licensed Vehicles	7,190	7,190
13	Full Cash Value (Line 10 + Line 11 - Line 12)	27,856,031	29,115,324
14	Assessment Ratio	21.0%	21.0%
15	Assessment Value (Line 13 * Line 14)	5,849,767	6,114,218
16	Composite Property Tax Rate	18.1900%	18.1900%
17	Test Year Adjusted Property Tax Expense (Line 15 * Line 16)	\$ 1,064,073	
18	Company Proposed Property Tax	\$ 1,064,073	
19	Settlement Test Year Adjustment (Line 17 - Line 18)	\$ 0	
20	Property Tax on Recommended Revenue (Line 15 * Line 16)		\$ 1,112,176
21	Test Year Adjusted Property Tax Expense (Line 17)		\$ 1,064,073
22	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 48,104
23	Increase in Property Tax Due to Increase in Revenue Requirement (Line 22)		\$ 48,104
24	Increase in Revenue Requirement		\$ 1,888,939
25	Increase in Property Tax Per Dollar Increase in Revenue (Line 23 / Line 24)		2.54660%

REFERENCES:

Line 15: Composite Tax Rate, per Company
Line 18: Company Schedule C-1, Line 36

CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL - REQUIRED RATE OF RETURN

	<u>Percent of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
Debt	57.8%	6.1%	3.5%
<u>Equity</u>	<u>42.2%</u>	<u>9.5%</u>	<u>4.0%</u>
Required Rate of Return			7.5%

**Global Water-Palo Verde Sewer
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Test Year Ended December 31, 2011**

**Changes in Representative Rate Schedules
Potable Water - All Meter Sizes and Classes*
Monthly Minimum Charges:**

Meter Size (All Classes*)	Basic Service Charge								
	Present	2014	2015	2016	2017	2018	2019	2020	2021
5/8" X 3/4" Meter	\$ 62.91	\$ 64.34	\$ 64.34	\$ 65.88	\$ 66.61	\$ 67.34	\$ 68.06	\$ 68.79	\$ 69.53
3/4" Meter	62.91	64.34	64.34	65.88	66.61	67.34	68.06	68.79	69.53
1" Meter	157.28	160.87	160.87	164.70	166.53	168.35	170.16	171.99	173.83
1.5" Meter	314.55	321.72	321.72	329.40	333.05	336.69	340.31	343.96	347.64
2" Meter	503.28	514.75	514.75	527.30	532.87	538.71	544.50	550.34	556.23
3" Meter	1,006.56	1,029.51	1,029.51	1,054.07	1,065.75	1,077.42	1,089.00	1,100.67	1,112.45
4" Meter	1,572.75	1,608.61	1,608.61	1,646.98	1,665.23	1,683.47	1,701.56	1,719.80	1,738.20
6" Meter	3,154.50	3,217.00	3,217.00	3,294.00	3,330.50	3,367.00	3,403.00	3,439.50	3,476.50
8" Meter	5,032.80	5,147.20	5,147.20	5,270.40	5,328.80	5,387.20	5,444.80	5,503.20	5,562.40

Effluent Charge - All Meter Sizes and Classes

	Volumetric Charge								
	Present	2014	2015	2016	2017	2018	2019	2020	2021
All Gallons (Per Acre Foot)	\$ 185.74	\$ 260.89	\$ 338.89	\$ 378.00	\$ 417.10	\$ 456.20	\$ 495.31	\$ 533.76	
All Gallons (Per 1,000 Gallons)	0.57	0.80	1.04	1.16	1.28	1.40	1.52	1.638	

Miscellaneous Service Charges

	Present		Proposed		Change
	\$		\$		
Establishment of Service	35.00		35.00		\$ -
Establishment of Service (After Hours)	50.00	(a)	Eliminate		NA
Re-establishment of Service (Within 12 Months)	35.00		Eliminate		NA
Reconnection of Service (Delinquent)	50.00		50.00		-
Reconnection of Service - After Hours (Delinquent)	NA		NA		NA
Meter Move at Customer Request	50.00		Eliminate		NA
After Hours Service Charge, Per Hour**	NA		\$35.00		
After-Hours Service Charge	(b)		(b)		
Deposit	N/A		N/A		
Meter Re-Read (If Correct)	N/A		N/A		
Meter Test Fee (If Correct)	N/A		N/A		
NSF Check	30.00		30.00		-
Late Payment Charge (Per Month)	1.50%		1.50%		-
Deferred Payment Charge (Per Month)	1.50%		1.50%		-

(a) Number of Months off System times the monthly minimum per A.A.C. R14-2-603(D).

(b) Per A.A.C. R14-2-603(B).

*In addition to the collection of its regular rates and charges, the Company shall collect from customers their proportionate share of any privilege, sales or use tax in accordance with A.A.C. R14-2-608(D)(5).

** For After Hour Service Calls for work performed on the customer's property, not to be charged in addition to an establishment or a reconnection after hours charge.

Global Water-Palo Verde Sewer
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Note on Phase in of Rates

Rates approved in Palo Verde's last rate case were phased in per the following schedule:

	Effective Date of Phase in Rate		
	8/1/2010	1/1/2011	1/1/2012
5/8" x 3/4" Meter	\$42.97	\$52.94	\$62.91
3/4" Meter	\$42.97	\$52.94	\$62.91
1" Meter	\$107.43	\$132.35	\$157.28
1-1/2" Meter	\$214.85	\$264.70	\$314.55
2" Meter	\$343.76	\$423.52	\$503.28
3" Meter	\$687.52	\$847.04	\$1,006.56
4" Meter	\$1,074.25	\$1,323.50	\$1,572.75
6" Meter	\$2,148.50	\$2,647.00	\$3,145.50
8" Meter	\$1,677.50	\$3,355.20	\$5,032.80

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Meter Size (All Classes)	Basic Service Charge											
	Proposed*						Proposed*					
	Present		2014		2015		2016		2017		2017	
	Bill	% Increase	Bill	% Increase	Bill	% Increase	Bill	% Increase	Bill	% Increase	Bill	% Increase
5/8" X 3/4" Meter	\$ 62.91	0.0%	\$ 62.91	0.0%	\$ 64.34	2.3%	\$ 65.88	4.7%	\$ 66.61	4.7%	\$ 66.61	5.9%
3/4" Meter	62.91	0.0%	62.91	0.0%	64.34	2.3%	65.88	4.7%	66.61	4.7%	66.61	5.9%
1" Meter	157.28	0.0%	157.28	0.0%	160.87	2.3%	164.70	4.7%	166.53	4.7%	166.53	5.9%
1.5" Meter	314.55	0.0%	314.55	0.0%	321.72	2.3%	329.40	4.7%	333.05	4.7%	333.05	5.9%
2" Meter	503.28	0.0%	503.28	0.0%	514.75	2.3%	527.30	4.8%	532.87	4.8%	532.87	5.9%
3" Meter	1,006.56	0.0%	1,006.56	0.0%	1,029.51	2.3%	1,054.07	4.7%	1,065.75	4.7%	1,065.75	5.9%
4" Meter	1,572.75	0.0%	1,572.75	0.0%	1,608.61	2.3%	1,646.98	4.7%	1,665.23	4.7%	1,665.23	5.9%
6" Meter	3,154.50	0.0%	3,154.50	0.0%	3,217.00	2.0%	3,294.00	4.4%	3,330.50	4.4%	3,330.50	5.6%
8" Meter	5,032.80	0.0%	5,032.80	0.0%	5,147.20	2.3%	5,270.40	4.7%	5,328.80	4.7%	5,328.80	5.9%

Meter Size (All Classes)	Basic Service Charge											
	Proposed*						Proposed*					
	Present		2018		2019		2020		2021		2021	
	Bill	% Increase	Bill	% Increase	Bill	% Increase	Bill	% Increase	Bill	% Increase	Bill	% Increase
5/8" X 3/4" Meter	\$ 62.91	7.0%	\$ 67.34	7.0%	\$ 68.06	8.2%	\$ 68.79	9.3%	\$ 69.53	9.3%	\$ 69.53	10.5%
3/4" Meter	62.91	7.0%	67.34	7.0%	68.06	8.2%	68.79	9.3%	69.53	9.3%	69.53	10.5%
1" Meter	157.28	7.0%	168.35	7.0%	170.16	8.2%	171.99	9.4%	173.83	9.4%	173.83	10.5%
1.5" Meter	314.55	7.0%	336.69	7.0%	340.31	8.2%	343.96	9.3%	347.64	9.3%	347.64	10.5%
2" Meter	503.28	7.0%	538.71	7.0%	544.50	8.2%	550.34	9.4%	556.23	9.4%	556.23	10.5%
3" Meter	1,006.56	7.0%	1,077.42	7.0%	1,089.00	8.2%	1,100.67	9.3%	1,112.45	9.3%	1,112.45	10.5%
4" Meter	1,572.75	7.0%	1,683.47	7.0%	1,701.56	8.2%	1,719.80	9.3%	1,738.20	9.3%	1,738.20	10.5%
6" Meter	3,154.50	6.7%	3,367.00	6.7%	3,403.00	7.9%	3,439.50	9.0%	3,476.50	9.0%	3,476.50	10.2%
8" Meter	5,032.80	7.0%	5,387.20	7.0%	5,444.80	8.2%	5,503.20	9.3%	5,562.40	9.3%	5,562.40	10.5%

*% increases are all relative to present rates.

ATTACHMENT A

Water Utility of Northern Scottsdale, Inc.

Schedules

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) SETTLEMENT ORIGINAL COST	(D) SETTLEMENT FAIR VALUE
1	Adjusted Rate Base	\$ (181,978)	\$ (181,978)	\$ (181,978)	\$ (181,978)
2	Adjusted Operating Income (Loss)	\$ 21,301	\$ 21,301	\$ 23,472	\$ 23,472
3	Current Rate of Return (L2 / L1)	N/A	N/A	N/A	N/A
4	Required Rate of Return	N/A	N/A	N/A	N/A
5	Required Operating Income (L4 * L1)	\$ 21,301	\$ 21,301	\$ 23,472	\$ 23,472
	Current Operating Margin (Sch.C.1)	14.44%	14.44%	15.91%	15.91%
6	Operating Income Deficiency (L5 - L2)	\$ -	\$ -	\$ -	\$ -
7	Gross Revenue Conversion Factor	1.629	1.629	1.629	1.629
8	Required Revenue Increase (L7 * L6)	\$ -	\$ -	\$ -	\$ -
9	Adjusted Test Year Revenue	\$ 147,513	\$ 147,513	\$ 147,513	\$ 147,513
10	Proposed Annual Revenue (L8 + L9)	\$ 147,513	\$ 147,513	\$ 147,513	\$ 147,513
11	Required Increase in Revenue (%)	0.00%	0.00%	0.00%	0.00%
12	Rate of Return on Common Equity (%)	10.00%	10.00%		

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)																																																																													
<u>Calculation of Gross Revenue Conversion Factor:</u>																																																																																	
1	Revenue	100.0000%																																																																															
2	Uncollectible Factor (Line 11)	0.06140%																																																																															
3	Revenues (L1 - L2)	99.9386%																																																																															
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	38.5989%																																																																															
5	Subtotal (L3 - L4)	60.7871%																																																																															
6	Revenue Conversion Factor (L1 / L5)	1.645086																																																																															
<u>Calculation of Uncollectible Factor:</u>																																																																																	
7	Unity	100.0000%																																																																															
8	Combined Federal and State Tax Rate (Line 17)	38.5989%																																																																															
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%																																																																															
10	Uncollectible Rate	1.0000%																																																																															
11	Uncollectible Factor (L9 * L10)		0.61401%																																																																														
<u>Calculation of Effective Tax Rate:</u>																																																																																	
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%																																																																															
13	Arizona State Income Tax Rate	6.9680%																																																																															
14	Federal Taxable Income (L12 - L13)	93.0320%																																																																															
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%																																																																															
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%																																																																															
17	Combined Federal and State Income Tax Rate (L13 + L16)		38.5989%																																																																														
<u>Calculation of Effective Property Tax Factor</u>																																																																																	
18	Unity		6.968%																																																																														
19	Combined Federal and State Income Tax Rate (L17)	100.0000%																																																																															
20	One Minus Combined Income Tax Rate (L18-L19)	6.9680%																																																																															
21	Property Tax Factor (L19-L20)	93.0320%																																																																															
22	Effective Property Tax Factor (L20*L21)		0.0000%																																																																														
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			38.5989%																																																																													
24	Required Operating Income (Schedule A-1, Line 5)	\$ 23,472																																																																															
25	Adjusted Test Year Operating Income (Loss) (Schedule C-1)	\$ 23,472																																																																															
26	Required Increase in Operating Income (L24 - L25)	\$ -	\$ -																																																																														
27	Income Taxes on Recommended Revenue (Col. (C), L48)	\$ 43,548																																																																															
28	Income Taxes on Test Year Revenue (Col. (A), L48)	\$ 14,755																																																																															
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)	\$ 28,792	\$ 28,792																																																																														
30	Required Revenue Increase (A-1, Line 8)	\$ -																																																																															
31	Uncollectible Rate (Line 10)	1.0000%																																																																															
32	Uncollectible Expense on Recommended Revenue (L30 * L31)	\$ -																																																																															
33	Adjusted Test Year Uncollectible Expense - N/A	\$ -																																																																															
34	Required Increase in Revenue to Provide for Uncollectible Exp.	\$ -	\$ -																																																																														
35	Property Tax with Recommended Revenue (ADJ 5, Line 21)	\$ 3,104																																																																															
36	Property Tax on Test Year Revenue (ADJ 5, Col A, L19)	\$ 3,104																																																																															
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)	\$ -	\$ -																																																																														
38	Total Required Increase in Revenue (L26 + L29 + L34+ L37)		\$ 28,792																																																																														
<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th></th> <th>(A)</th> <th>(B)</th> <th>(C)</th> </tr> <tr> <th></th> <th>Test Year</th> <th></th> <th>Settlement Recommended</th> </tr> </thead> <tbody> <tr> <td><u>Calculation of Income Tax:</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td>39</td> <td>Revenue (Sch C-1)</td> <td>\$ 147,513</td> <td>\$ 147,513</td> </tr> <tr> <td>40</td> <td>Operating Expenses Excluding Income Taxes</td> <td>\$ 109,286</td> <td>\$ 34,692</td> </tr> <tr> <td>41</td> <td>Synchronized Interest (L53)</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>42</td> <td>Arizona Taxable Income (L39 - L40 - L41)</td> <td>\$ 38,228</td> <td>\$ 112,821</td> </tr> <tr> <td>43</td> <td>Arizona State Income Tax Rate</td> <td>6.9680%</td> <td>6.9680%</td> </tr> <tr> <td>44</td> <td>Arizona Income Tax (L42 x L43)</td> <td>\$ 2,664</td> <td>\$ 7,861</td> </tr> <tr> <td>45</td> <td>Federal Taxable Income (L42 - L44)</td> <td>\$ 35,564</td> <td>\$ 104,960</td> </tr> <tr> <td>46</td> <td>Federal Tax</td> <td>\$ 12,092</td> <td>\$ 35,686</td> </tr> <tr> <td>47</td> <td>Total Federal Income Tax</td> <td>\$ 12,092</td> <td>\$ 35,686</td> </tr> <tr> <td>48</td> <td>Combined Federal and State Income Tax (L43 + L47)</td> <td>\$ 14,755</td> <td>\$ 43,548</td> </tr> <tr> <td>50</td> <td><u>Effective Tax Rate</u></td> <td></td> <td></td> </tr> <tr> <td colspan="5"><u>Calculation of Interest Synchronization:</u></td> </tr> <tr> <td>51</td> <td>Rate Base (Schedule B-1)</td> <td></td> <td>N/A</td> </tr> <tr> <td>52</td> <td>Weighted Average Cost of Debt</td> <td>N/A</td> <td>\$ (181,978)</td> </tr> <tr> <td>53</td> <td>Synchronized Interest (L50 X L51)</td> <td></td> <td>0.0000%</td> </tr> <tr> <td></td> <td></td> <td></td> <td>\$ -</td> </tr> </tbody> </table>						(A)	(B)	(C)		Test Year		Settlement Recommended	<u>Calculation of Income Tax:</u>				39	Revenue (Sch C-1)	\$ 147,513	\$ 147,513	40	Operating Expenses Excluding Income Taxes	\$ 109,286	\$ 34,692	41	Synchronized Interest (L53)	\$ -	\$ -	42	Arizona Taxable Income (L39 - L40 - L41)	\$ 38,228	\$ 112,821	43	Arizona State Income Tax Rate	6.9680%	6.9680%	44	Arizona Income Tax (L42 x L43)	\$ 2,664	\$ 7,861	45	Federal Taxable Income (L42 - L44)	\$ 35,564	\$ 104,960	46	Federal Tax	\$ 12,092	\$ 35,686	47	Total Federal Income Tax	\$ 12,092	\$ 35,686	48	Combined Federal and State Income Tax (L43 + L47)	\$ 14,755	\$ 43,548	50	<u>Effective Tax Rate</u>			<u>Calculation of Interest Synchronization:</u>					51	Rate Base (Schedule B-1)		N/A	52	Weighted Average Cost of Debt	N/A	\$ (181,978)	53	Synchronized Interest (L50 X L51)		0.0000%				\$ -
	(A)	(B)	(C)																																																																														
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53	Synchronized Interest (L50 X L51)		0.0000%																																																																														
			\$ -																																																																														

RATE BASE - ORIGINAL COST

LINE NO.	(A) COMPANY AS FILED	(B) SETTLEMENT ADJUSTMENTS	(C) SETTLEMENT AS ADJUSTED
1	Plant in Service	\$ 1,921,063	\$ 1,921,063
2	Less: Accumulated Depreciation	(424,824)	(424,824)
3	Net Plant in Service	<u>\$ 1,496,239</u>	<u>\$ 1,496,239</u>
<u>LESS:</u>			
4	Contributions in Aid of Construction (CIAC)	\$ -	\$ -
5	Less: Accumulated Amortization	-	-
6	Net CIAC	<u>-</u>	<u>-</u>
7	Advances in Aid of Construction (AIAC)	1,824,411	1,824,411
8	Imputed Reg AIAC	-	-
9	Imputed Reg CIAC	-	-
10	Accumulated Deferred Income Tax Credits	-	-
	Customer Meter Deposits	10,765	10,765
<u>ADD:</u>			
11	Accumulated Deferred Income Tax Debits	9,246	9,246
12	Cash Working Capital	483	483
13	Deferred Compensation	232	232
14	CIAC	-	-
15	Fixed Asset Depreciation	146,998	146,998
16	Deferred Debits	-	-
17	Purchase Wastewater Treatment Charges	-	-
18	Original Cost Rate Base	<u>\$ (181,978)</u>	<u>\$ (181,978)</u>

References:

Column (A), Company Schedule B-2
Column (B): Schedule B-2
Column (C): Column (A) + Column (B)

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Reclassifications Per Staff Testimony GWB	[I] SETTLEMENT ADJUSTED	
<u>PLANT IN SERVICE:</u>						
1	303	Land and Land Rights	\$ 30,374	\$ -	\$ 30,374	
2	304	Structures and Improvements	20,000		20,000	
3	307	Wells and Springs	130,000		130,000	
4	309	Supply Mains	-		-	
5	310	Power Generation Equipment	-		-	
6	311	Pumping Equipment	216,158		216,158	
7	320	Water Treatment Equipment	377	(377)	0	
8	320.1	Water Treatment Plant		377	377	
9	320.2	Solution Chemical Feeders			-	
10	330	Distribution Reservoirs and Standpipes	182,972	(182,972)	0	
11	330.1	Storage Tanks		182,972	182,972	
12	330.2	Pressure Tanks			-	
13	331	Transmission and Distribution Mains	1,155,497		1,155,497	
14	333	Services	60,047		60,047	
15	334	Meters and Meter Installations	11,303		11,303	
16	335	Hydrants	108,312		108,312	
17	336	Backflow Prevention Devices	775		775	
18	339	Other Plant and Miscellaneous Equipment	2,390		2,390	
19	340	Office Furniture and Equipment	-		-	
20	341	Transportation Equipment	-		-	
21	343	Tools, Shop and Garage Equipment	515		515	
22	344	Laboratory Equipment	-		-	
23	345	Power Operated Equipment	-		-	
24	346	Communication Equipment	-		-	
25	347	Miscellaneous Equipment	-		-	
26	348	Other Tangible Plant	-		-	
27	390	Office Furniture & Equipment	2,343		2,343	
28	Total Plant in Service		<u>1,921,063</u>	-	<u>1,921,063</u>	
29						
30	Accumulated Depreciation		(424,824)	-	(424,824)	
31	Net Plant in Service		<u>\$ 1,496,239</u>	<u>\$ -</u>	<u>1,496,239</u>	
32						
33	<u>LESS:</u>					
34	Contributions in Aid of Construction (CIAC)		\$ -		\$ -	
35	Less: Accumulated Amortization		-	-	-	
36	Net CIAC (L63 - L64)		-	-	-	
37	Advances in Aid of Construction (AIAC)		1,824,411	-	1,824,411	
38	Customer Meter Deposits		10,765		10,765	
39	<u>ADD:</u>					
40	Meter deposits		9,246		9,246	
41	Bad Debt		483		483	
42	Deferred Compensation		232	-	232	
43	CIAC		-	-	-	
44	Fixed asset depreciation		146,998	-	146,998	
45	Prepayments			-	-	
48						
49						
50						
51	Original Cost Rate Base		<u>\$ (181,978)</u>	<u>\$ -</u>	<u>\$ (181,978)</u>	

OPERATING INCOME STATEMENT - TEST YEAR AND SETTLEMENT

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] SETTLEMENT TEST YEAR ADJUSTMENTS	[C] SETTLEMENT TEST YEAR AS ADJUSTED	[D] SETTLEMENT RECOMMENDED CHANGES	[E] SETTLEMENT RECOMMENDED
1	Metered Water Sales	\$ 145,963	\$ -	\$ 145,963	\$ -	\$ 145,963
2	Water Sales - Unmetered	-	-	-	-	-
3	Other Operating Revenue	1,550	-	1,550	-	1,550
4	Total Operating Revenues	<u>\$ 147,513</u>	<u>\$ -</u>	<u>\$ 147,513</u>	<u>\$ -</u>	<u>\$ 147,513</u>
5	601 Salary and Wages - Employees	\$ 19,787	\$ -	\$ 19,787	\$ -	\$ 19,787
6	604 Employee Pensions and Benefits	-	-	-	-	-
7	610 Purchased Water	-	-	-	-	-
8	615 Purchased Power	10,050	-	10,050	-	10,050
9	616 Fuel for Power Production	-	-	-	-	-
10	618 Chemicals	1,286	-	1,286	-	1,286
11	620 Materials and Supplies	(779)	-	(779)	-	(779)
12	620.08 Materials and Supplies	-	-	-	-	-
13	621 Office Supplies and Expense	1,494	-	1,494	-	1,494
14	630 Outside Services	4,483	-	4,483	-	4,483
15	635 Contractual Services - Testing	728	-	728	-	728
16	636 Contractual Services - Other	-	-	-	-	-
17	641 Rental of Building/Real Property	504	-	504	-	504
18	642 Rental of Equipment	-	-	-	-	-
19	650 Transportation Expenses	1,508	-	1,508	-	1,508
20	657 Insurance - General Liability	475	-	475	-	475
21	659 Insurance - Other	664	-	664	-	664
22	660 Advertising Expense	-	-	-	-	-
23	666 Regulatory Commission Expense - Rate	502	-	502	-	502
24	667 Rate Case Expense	-	(247)	(247)	-	(247)
25	670 Bad Debt Expense	-	1,003	1,003	-	1,003
26	675 Miscellaneous Expenses	4,137	-	4,137	-	4,137
27	403 Depreciation Expense	64,552	(4,292)	60,260	-	60,260
28	403 Depreciation Expense - CIAC Amortizat	326	-	326	-	326
29	408 Taxes Other Than Income	3,104	-	3,104	-	3,104
30	408.11 Property Taxes	-	-	-	-	-
31	409 Income Taxes	13,391	1,365	14,755	-	14,755
32	Total Operating Expenses	<u>126,212</u>	<u>(2,171)</u>	<u>124,041</u>	<u>-</u>	<u>124,041</u>
33	Operating Income (Loss)	<u>\$ 21,301</u>	<u>\$ 2,171</u>	<u>\$ 23,472</u>	<u>\$ -</u>	<u>\$ 23,472</u>

References:

- Column (A): Company Schedule C-1
- Column (B): Schedule C-2
- Column (C): Column (A) + Column (B)
- Column (D): Schedule A-1
- Column (E): Column (C) + Column (D)

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Bad Debts Exp ADJ #1	[D] Rate Case Exp ADJ #2	[C] Deprec. Exp ADJ #3	[F] Income Taxes ADJ #4	[H] SETTLEMENT ADJUSTED
Revenues							
1	Metered Water Sales	145,963	-	-	-	-	145,963
2	Water Sales - Unmetered	-	-	-	-	-	-
3	Other Operating Revenue	1,550	-	-	-	-	1,550
4	Total Operating Revenues	\$ 147,513	\$ -	\$ -	\$ -	\$ -	\$ 147,513
Operating Expenses							
5	601 Salary and Wages - Employee	19,787	\$ -	\$ -	\$ -	\$ -	19,787
6	604 Employee Pensions and Benef	-	-	-	-	-	-
7	610 Purchased Water	-	-	-	-	-	-
8	615 Purchased Power	10,050	-	-	-	-	10,050
9	616 Fuel for Power Production	-	-	-	-	-	-
10	618 Chemicals	1,286	-	-	-	-	1,286
11	620 Materials and Supplies	(779)	-	-	-	-	(779)
12	620.08 Materials and Supplies	-	-	-	-	-	-
13	621 Office Supplies and Expense	1,494	-	-	-	-	1,494
14	630 Outside Services	4,483	-	-	-	-	4,483
15	635 Contractual Services - Testing	728	-	-	-	-	728
16	636 Contractual Services - Other	-	-	-	-	-	-
17	641 Rental of Building/Real Propert	504	-	-	-	-	504
18	642 Rental of Equipment	-	-	-	-	-	-
19	650 Transportation Expenses	1,508	-	-	-	-	1,508
20	657 Insurance - General Liability	475	-	-	-	-	475
21	659 Insurance-- Other	664	-	-	-	-	664
22	660 Advertising Expense	-	-	-	-	-	-
23	666 Regulatory Commission Expen	502	-	-	-	-	502
24	667 Rate Case Expense	-	-	(247)	-	-	(247)
25	670 Bad Debt Expense	-	1,003	-	-	-	1,003
26	675 Miscellaneous Expenses	4,137	-	-	-	-	4,137
27	403 Depreciation Expense	64,552	-	-	(4,292)	-	60,260
28	403 Depreciation Expense - CIAC ,	326	-	-	-	-	326
29	408 Taxes Other Than Income	3,104	-	-	-	-	3,104
30	408.11 Property Taxes	-	-	-	-	-	-
31	409 Income Taxes	13,391	-	-	-	1,365	14,755
32	Total Operating Expenses	\$ 126,212	\$ 1,003	\$ (247)	\$ (4,292)	\$ 1,365	\$ 124,041
33	Operating Income	\$ 21,301	\$ (1,003)	\$ 247	\$ 4,292	\$ (1,365)	\$ 23,472

Global Water - Water Utility of Northern Scottsdale
 Docket No. W-03720A-12-0311
 Test Year Ended December 31, 2011

Settlement ADJ 1
 Water Loss

OPERATING INCOME ADJUSTMENT #1 - BAD DEBT EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED
1		\$ -	\$ 1,003	\$ 1,003

References:

Column (A), Company Workpapers

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B), Per Co Response
 to Staff DR 5.8

Adjusted Test Year Revenues (Sch C-2)	\$ 147,513
Bad Debt Expense Rate	0.68%
Expected Bad Debt Expense	\$ 1,003
Co Proposed	\$ -
	\$ (1,003)

OPERATING INCOME ADJUSTMENT #2 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED
1		\$ 502	\$ (247)	\$ 255

Company Proposed Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS	
2	Allocation Percentages	39.86%	40.32%	13.45%	3.78%	0.82%	1.58%	0.19%	
3	Desert Mountain Analytical Services	\$ 122,063	\$ 48,652	\$ 49,218	\$ 16,420	\$ 4,616	\$ 996	\$ 1,927	234
4	Insight Consulting, LLC	\$ 216,000	\$ 86,094	\$ 87,095	\$ 29,057	\$ 8,168	\$ 1,762	\$ 3,410	413
5	Roshka Dewulf & Patten, PLC	\$ 370,303	\$ 147,597	\$ 149,313	\$ 49,814	\$ 14,004	\$ 3,021	\$ 5,846	709
6	Ullmann & Company P C	\$ 78,809	\$ 31,412	\$ 31,777	\$ 10,602	\$ 2,980	\$ 643	\$ 1,244	151
7	Total	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	1,506
8	Amortization over 3 years:								
9	Year 1	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	502
10	Year 2	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	502
11	Year 3	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	502
12	Totals	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	1,506

Settlement Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS	
13	Description								
14	Recommended Amount	\$ 400,000	\$ 159,434	\$ 161,287	\$ 53,809	\$ 15,127	\$ 3,263	\$ 6,315	765
15	Amortization:								
16	Year 1	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	255
17	Year 2	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	255
18	Year 3	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	255
19	Totals	\$ 400,000	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	1,506
20	Adjustment Total, by System	\$ (129,058)	\$ (51,441)	\$ (52,038)	\$ (17,361)	\$ (4,881)	\$ (1,053)	\$ (2,037)	(247)

References:

Column (A): Company Workpapers
Column (B): Line 20 for respective system
Column (C): Line 16 for respective system

OPERATING INCOME ADJUSTMENT #3 - DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
<u>PLANT IN SERVICE:</u>					
1	303	Land and Land Rights	\$ 30,374	0.00%	-
2	304	Structures and Improvements	\$ 20,000	3.33%	666
3	307	Wells and Springs	\$ 130,000	3.33%	4,329
4	309	Supply Mains	\$ -	2.00%	-
5	310	Power Generation Equipment	\$ -	5.00%	-
6	311	Pumping Equipment	\$ 216,158	12.50%	27,020
7	320	Water Treatment Equipment	\$ 0	0.00%	-
8	320.1	Water Treatment Plant	\$ 377		-
9	320.1	Solution Chemical Feeders	\$ -	3.33%	-
10	320.2	Distribution Reservoirs and Standpipes	\$ 0	20.00%	0
11	330	Storage Tanks	\$ 182,972		-
12	330.1	Pressure Tanks	\$ -	2.22%	-
13	331	Transmission and Distribution Mains	\$ 1,155,497	2.00%	23,110
14	333	Services	\$ 60,047	3.33%	2,000
15	334	Meters and Meter Installations	\$ 11,303	8.33%	942
16	335	Hydrants	\$ 108,312	2.00%	2,166
17	336	Backflow Prevention Devices	\$ 775	6.67%	52
18	339	Other Plant and Miscellaneous Equipment	\$ 2,390	6.67%	159
19	340	Office Furniture and Equipment	\$ -	6.67%	-
20	341	Transportation Equipment	\$ -	20.00%	-
21	343	Tools, Shop and Garage Equipment	\$ 515	5.00%	26
22	344	Laboratory Equipment	\$ -	10.00%	-
23	345	Power Operated Equipment	\$ -	5.00%	-
24	346	Communication Equipment	\$ -	10.00%	-
25	347	Miscellaneous Equipment	\$ -	10.00%	-
26	348	Other Tangible Plant	\$ -	5.00%	-
27	390	Office Furniture & Equipment	\$ 2,343	5.00%	117
28			1,921,063		60,586
29		Less: Non Depreciable Plant			
30		Land and Land Rights	\$ 30,374		
31		Net Depreciable Plant and Depreciation Amounts	\$ 1,890,689		\$ 60,586
32					
33					
34		Amortization of CIAC at Company's Rate	\$ -	3.2044%	\$ -
35		Settlement Depreciation Expense			\$ 60,586
36		Company Proposed Depreciation Expense			\$ 64,878
37		Settlement Adjustment			\$ (4,292)
38					

<u>References:</u>	
Col [A]	Schedule B-2
Col [B]	Proposed Rates per Staff Engineering Report
Col [C]	Col [A] times Col [B]

Global Water - Water Utility of Northern Scottsdale
Docket No. W-03720A-12-0311
Test Year Ended December 31, 2011

Settlement ADJ 4
Income Taxes

OPERATING INCOME ADJUSTMENT #4 - INCOME TAXES

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	Income Taxes	<u>\$ 13,391</u>	<u>\$ 1,365</u>	<u>\$ 14,755</u>

References:

Column (A), Company Schedule C-2

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B),

OPERATING INCOME ADJUSTMENT #5 - PROPERTY TAX EXPENSE GRFC COMPONENT

LINE NO.	DESCRIPTION	[A]	[B]
		SETTLEMENT AS ADJUSTED	SETTLEMENT RECOMMENDED
1	Adjusted Test Year Revenues - 2011	\$ 147,513	\$ 147,513
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	295,027	295,027
4	Adjusted Test Year Revenues - 2011	147,513	
5	Recommended Revenue		147,513
6	Subtotal (Line 4 + Line 5)	442,540	442,540
7	Number of Years	3	3
8	Three Year Average (Line 5 / Line 6)	147,513	147,513
9	Department of Revenue Mutilplier	2	2
10	Revenue Base Value (Line 7 * Line 8)	295,027	295,027
11	Plus: 10% of CWIP	-	-
12	Less: Net Book Value of Licensed Vehicles	-	-
13	Full Cash Value (Line 10 + Line 11 - Line 12)	295,027	295,027
14	Assessment Ratio	21.0%	21.0%
15	Assessment Value (Line 13 * Line 14)	61,956	61,956
16	Composite Property Tax Rate	5.0100%	5.0100%
17	Test Year Adjusted Property Tax Expense (Line 15 * Line 16)	\$ 3,104	
18	Company Proposed Property Tax	\$ 3,104	
19	Test Year Adjustment (Line 17 - Line 18)	\$ -	
20	Property Tax on Recommended Revenue (Line 15 * Line 16)		\$ 3,104
21	Test Year Adjusted Property Tax Expense (Line 17)		\$ 3,104
22	Increase in Property Tax Due to Increase in Revenue Requirement		\$ -
23	Increase in Property Tax Due to Increase in Revenue Requirement (Line 22)		\$ -
24	Increase in Revenue Requirement		\$ -
25	Increase in Property Tax Per Dollar Increase in Revenue (Line 23 / Line 24)		

REFERENCES:

Line 15: Composite Tax Rate, per Company
Line 18: Company Schedule C-1, Line 36

Monthly Minimum Charges:

Meter Size (All Classes)	Basic Service Charge		
	Present	Proposed	
		2014	2015
5/8" by 3/4" Meter	\$ 27.00	\$ 27.00	\$ 27.00
3/4" Meter	27.00	27.00	27.00
1" Meter	57.00	57.00	57.00
1.5" Meter	120.00	120.00	120.00
2" Meter	128.00	128.00	128.00
3" Meter	340.00	340.00	340.00
4" Meter	550.00	550.00	550.00
6" Meter	1,100.00	1,100.00	1,100.00
8" Meter	NA	2,160.00	2,160.00

Commodity Rate Charges:

Potable Water	Present and 2014		Proposed (2015)	
	Rate Block (Gallons)	Volumetric Charge (Per 1,000 Gallons)	Rate Block	Volumetric Charge (Per 1,000 Gallons)
5/8 x 3/4", 3/4", 1", and 1 1/2" Residential Meters				
Tier One Breakover	4,000	\$ 5.00	1,000	3.45
Tier Two Breakover	10,000	6.00	5,000	4.59
Tier Three Breakover	over 10,000	7.00	10,000	5.59
Tier Four Breakover	NA	NA	18,000	6.80
Tier Five Breakover	NA	NA	25,000	7.80
Tier Six Breakover	NA	NA	over 25,000	8.80
5/8 x 3/4" and 3/4" Non-residential Meters				
Tier One Breakover	7,000	\$ 6.00	1,000	3.45
Tier Two Breakover	over 7,000	7.00	5,000	4.59
Tier three Breakover	NA	NA	10,000	5.59
Tier Four Breakover	NA	NA	18,000	6.80
Tier Five Breakover	NA	NA	25,000	7.80
Tier Six Breakover	NA	NA	over 25,000	8.80
1" Non-residential Meters				
Tier One Breakover	18,000	\$ 6.00	1,000	3.45
Tier Two Breakover	over 18,000	7.00	5,000	4.59
Tier three Breakover	NA	NA	10,000	5.59
Tier Four Breakover	NA	NA	18,000	6.80
Tier Five Breakover	NA	NA	25,000	7.80
Tier Six Breakover	NA	NA	over 25,000	8.80
1 1/2" Non-residential Meters				
Tier One Breakover	32,000	\$ 6.00	1,000	3.45
Tier Two Breakover	over 32,000	7.00	5,000	4.59
Tier three Breakover	NA	NA	10,000	5.59
Tier Four Breakover	NA	NA	18,000	6.80
Tier Five Breakover	NA	NA	25,000	7.80
Tier Six Breakover	NA	NA	over 25,000	8.80
2" Meters - All Classes				
Tier One Breakover	60,000	\$ 6.00	1,000	3.45
Tier Two Breakover	over 60,000	7.00	5,000	4.59
Tier three Breakover	NA	NA	10,000	5.59
Tier Four Breakover	NA	NA	18,000	6.80
Tier Five Breakover	NA	NA	25,000	7.80
Tier Six Breakover	NA	NA	over 25,000	8.80
3" Meters - All Classes				
Tier One Breakover	120,000	\$ 6.00	1,000	3.45
Tier Two Breakover	over 120,000	7.00	5,000	4.59
Tier three Breakover	NA	NA	10,000	5.59
Tier Four Breakover	NA	NA	18,000	6.80
Tier Five Breakover	NA	NA	25,000	7.80
Tier Six Breakover	NA	NA	over 25,000	8.80
4" Meters - All Classes				
Tier One Breakover	200,000	\$ 6.00	1,000	3.45
Tier Two Breakover	over 200,000	7.00	5,000	4.59
Tier three Breakover	NA	NA	10,000	5.59
Tier Four Breakover	NA	NA	18,000	6.80
Tier Five Breakover	NA	NA	25,000	7.80
Tier Six Breakover	NA	NA	over 25,000	8.80
6" Meters - All Classes				
Tier One Breakover	400,000	\$ 6.00	1,000	3.45
Tier Two Breakover	over 400,000	7.00	5,000	4.59
Tier three Breakover	NA	NA	10,000	5.59
Tier Four Breakover	NA	NA	18,000	6.80
Tier Five Breakover	NA	NA	25,000	7.80
Tier Six Breakover	NA	NA	over 25,000	8.80
Standpipe Rate - per 1,000 gallons		all gallons \$ 7.00		all gallons \$ 7.00

	Present	Proposed
Conservation Rebate Threshold ("CRT") in Gallons	N/A	7,001
Commodity rate rebate applied if consumption is below the CRT:	N/A	20%

Miscellaneous Service Charges	Present	Proposed	Change
Establishment of Service	\$ 30.00	\$ 30.00	\$ -
Establishment of Service (After Hours)	45.00	Eliminate	N/A
Re-establishment of Service (Within 12 Months)	**	**	
Reconnection of Service (Delinquent)	30.00	30.00	-
Reconnection of Service - After Hours (Delinquent)	N/A	Eliminate	N/A
Meter Move at Customer Request	N/A	at cost	N/A
After-Hours Service Charge	N/A	35.00	N/A
Deposit	-	-	
Deposit Interest	*	*	
Meter Re-Read (If Correct)	25.00	25.00	-
Meter Test Fee (If Correct)	30.00	30.00	-
NSF Check	30.00	30.00	-
Late Payment Charge (Per Month)	3.00	1.50%	N/A
Deferred Payment Charge (Per Month)	1.50%	1.50%	-
Fire Sprinkler, Monthly Service Charge	***	***	

* Per A.A.C. R14-2-403(B).
 ** Number of Months off System times the monthly minimum per A.A.C. R14-2-403(D).
 *** One percent (1.00%) of monthly minimum for a comparable sized meter connection, but not less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.
 In addition to the collection of its regular rates and charges, the Company shall collect from customers their proportionate share of any privilege, sales or use tax in accordance with A.A.C. R14-2-409(D)(5).

Service Line and Meter Installation Charges (Refundable Pursuant to A.A.C. R14-2-405)

Meter Size	Present			Proposed			Change
	Service Line Charges	Meter Charges	Total Charges	Service Line Charges	Meter Charges	Total Charges	
5/8 x 3/4" Meter	\$370.00	\$115.00	\$485.00	\$370.00	\$115.00	\$485.00	0.00%
3/4" Meter	375.00	145.00	520.00	375.00	145.00	520.00	0.00%
1" Meter	405.00	205.00	610.00	405.00	205.00	610.00	0.00%
1 1/2" Meter	440.00	415.00	855.00	440.00	415.00	855.00	0.00%
2" Turbine Meter	615.00	900.00	1,515.00	615.00	900.00	1,515.00	0.00%
2" Compound Meter	615.00	1,625.00	2,240.00	615.00	1,625.00	2,240.00	0.00%
3" Turbine Meter	790.00	1,405.00	2,195.00	790.00	1,405.00	2,195.00	0.00%
3" Compound Meter	830.00	2,200.00	3,030.00	830.00	2,200.00	3,030.00	0.00%
4" Turbine Meter	1,100.00	2,260.00	3,360.00	1,100.00	2,260.00	3,360.00	0.00%
4" Compound Meter	1,155.00	3,160.00	4,315.00	1,155.00	3,160.00	4,315.00	0.00%
6" Turbine Meter	1,655.00	4,460.00	6,115.00	1,655.00	4,460.00	6,115.00	0.00%
6" Compound Meter	1,700.00	6,190.00	7,890.00	1,700.00	6,190.00	7,890.00	0.00%
8" and Larger Meters	NA	NA	NA	NA	NA	cost	

Water Utility of Northern Scottsdale
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Schedule H-4

2014

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	10500	116.50	116.50	-	0%

Monthly Consumption	Present Bill (No CRT)	Proposed Bill			Percent Increase
		Gross	CRT	Net	
-	\$ 57.00	\$ 57.00	\$ -	\$ 57.00	0.00%
1,000	62.00	62.00	-	62.00	0.00%
2,000	67.00	67.00	-	67.00	0.00%
3,000	72.00	72.00	-	72.00	0.00%
4,000	77.00	77.00	-	77.00	0.00%
5,000	83.00	83.00	-	83.00	0.00%
6,000	89.00	89.00	-	89.00	0.00%
7,000	95.00	95.00	-	95.00	0.00%
8,000	101.00	101.00	-	101.00	0.00%
9,000	107.00	107.00	-	107.00	0.00%
10,000	113.00	113.00	-	113.00	0.00%
15,000	148.00	148.00	-	148.00	0.00%
20,000	183.00	183.00	-	183.00	0.00%
25,000	218.00	218.00	-	218.00	0.00%
50,000	393.00	393.00	-	393.00	0.00%
75,000	568.00	568.00	-	568.00	0.00%
100,000	743.00	743.00	-	743.00	0.00%
125,000	918.00	918.00	-	918.00	0.00%
150,000	1,093.00	1,093.00	-	1,093.00	0.00%
175,000	1,268.00	1,268.00	-	1,268.00	0.00%
200,000	1,443.00	1,443.00	-	1,443.00	0.00%

Water Utility of Northern Scottsdale
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Schedule H-4

Rate Schedule: **1" Meters All Classes**

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	10500	116.50	110.16	(6.34)	-5%

Monthly Consumption	Present Bill (No CRT)	Proposed Bill			Percent Increase
		Gross	CRT	Net	
-	\$ 57.00	\$ 57.00	\$ -	\$ 57.00	0.00%
1,000	62.00	\$ 60.45	\$ (0.69)	\$ 59.76	-3.61%
2,000	67.00	\$ 65.04	\$ (1.61)	\$ 63.43	-5.33%
3,000	72.00	\$ 69.63	\$ (2.53)	\$ 67.10	-6.80%
4,000	77.00	\$ 74.22	\$ (3.44)	\$ 70.78	-8.08%
5,000	83.00	\$ 78.81	\$ (4.36)	\$ 74.45	-10.30%
6,000	89.00	\$ 84.40	\$ (5.48)	\$ 78.92	-11.33%
7,000	95.00	\$ 89.99	\$ (6.60)	\$ 83.39	-12.22%
8,000	101.00	\$ 95.58	\$ -	\$ 95.58	-5.37%
9,000	107.00	\$ 101.17	\$ -	\$ 101.17	-5.45%
10,000	113.00	\$ 106.76	\$ -	\$ 106.76	-5.52%
15,000	148.00	\$ 140.76	\$ -	\$ 140.76	-4.89%
20,000	183.00	\$ 176.76	\$ -	\$ 176.76	-3.41%
25,000	218.00	\$ 259.76	\$ -	\$ 259.76	19.16%
50,000	393.00	\$ 479.76	\$ -	\$ 479.76	22.08%
75,000	568.00	\$ 699.76	\$ -	\$ 699.76	23.20%
100,000	743.00	\$ 919.76	\$ -	\$ 919.76	23.79%
125,000	918.00	\$ 1,139.76	\$ -	\$ 1,139.76	24.16%
150,000	1,093.00	\$ 1,359.76	\$ -	\$ 1,359.76	24.41%
175,000	1,268.00	\$ 1,579.76	\$ -	\$ 1,579.76	24.59%
200,000	1,443.00	\$ 1,799.76	\$ -	\$ 1,799.76	24.72%

Water Utility of Northern Scottsdale
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Schedule H-4

Rate Schedule: **1.5" Meters All Classes**

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	13500	200.50	179.50	(21.00)	-10%

Monthly Consumption	Present Bill (No CRT)	Proposed Bill			Percent Increase
		Gross	CRT	Net	
-	\$ 120.00	\$ 120.00	\$ -	\$ 120.00	0.00%
1,000	125.00	125.00	-	125.00	0.00%
2,000	130.00	130.00	-	130.00	0.00%
3,000	135.00	135.00	-	135.00	0.00%
4,000	140.00	140.00	-	140.00	0.00%
5,000	146.00	146.00	-	146.00	0.00%
6,000	152.00	152.00	-	152.00	0.00%
7,000	158.00	158.00	-	158.00	0.00%
8,000	164.00	164.00	-	164.00	0.00%
9,000	170.00	170.00	-	170.00	0.00%
10,000	176.00	176.00	-	176.00	0.00%
15,000	211.00	211.00	-	211.00	0.00%
20,000	246.00	246.00	-	246.00	0.00%
25,000	281.00	281.00	-	281.00	0.00%
50,000	456.00	456.00	-	456.00	0.00%
75,000	631.00	631.00	-	631.00	0.00%
100,000	806.00	806.00	-	806.00	0.00%
125,000	981.00	981.00	-	981.00	0.00%
150,000	1,156.00	1,156.00	-	1,156.00	0.00%
175,000	1,331.00	1,331.00	-	1,331.00	0.00%
200,000	1,506.00	1,506.00	-	1,506.00	0.00%

Water Utility of Northern Scottsdale
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Schedule H-4

Rate Schedule: **1.5" Meters All Classes**

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	13500	200.50	193.56	(6.94)	-3%

Monthly Consumption	Present Bill (No CRT)	Proposed Bill			Percent Increase
		Gross	CRT	Net	
-	\$ 120.00	\$ 120.00	\$ -	\$ 120.00	0.00%
1,000	125.00	123.45	(0.69)	122.76	-1.79%
2,000	130.00	128.04	(1.61)	126.43	-2.74%
3,000	135.00	132.63	(2.53)	130.10	-3.63%
4,000	140.00	137.22	(3.44)	133.78	-4.45%
5,000	146.00	141.81	(4.36)	137.45	-5.86%
6,000	152.00	147.40	(5.48)	141.92	-6.63%
7,000	158.00	152.99	(6.60)	146.39	-7.35%
8,000	164.00	158.58	-	158.58	-3.30%
9,000	170.00	164.17	-	164.17	-3.43%
10,000	176.00	169.76	-	169.76	-3.55%
15,000	211.00	203.76	-	203.76	-3.43%
20,000	246.00	239.76	-	239.76	-2.54%
25,000	281.00	322.76	-	322.76	14.86%
50,000	456.00	542.76	-	542.76	19.03%
75,000	631.00	762.76	-	762.76	20.88%
100,000	806.00	982.76	-	982.76	21.93%
125,000	981.00	1,202.76	-	1,202.76	22.61%
150,000	1,156.00	1,422.76	-	1,422.76	23.08%
175,000	1,331.00	1,642.76	-	1,642.76	23.42%
200,000	1,506.00	1,862.76	-	1,862.76	23.69%

Water Utility of Northern Scottsdale
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Schedule H-4

Rate Schedule: **2" Meters All Classes**

		Proposed		Increase	% Increase
		Present Bill	Bill		
Median Usage	19500	250.50	250.50	-	0%

Monthly Consumption	Present Bill (No CRT)	Proposed Bill			Percent Increase
		Gross	CRT	Net	
-	\$ 128.00	\$ 128.00	\$ -	\$ 128.00	0.00%
1,000	133.00	133.00	-	133.00	0.00%
2,000	138.00	138.00	-	138.00	0.00%
3,000	143.00	143.00	-	143.00	0.00%
4,000	148.00	148.00	-	148.00	0.00%
5,000	154.00	154.00	-	154.00	0.00%
6,000	160.00	160.00	-	160.00	0.00%
7,000	166.00	166.00	-	166.00	0.00%
8,000	172.00	172.00	-	172.00	0.00%
9,000	178.00	178.00	-	178.00	0.00%
10,000	184.00	184.00	-	184.00	0.00%
15,000	219.00	219.00	-	219.00	0.00%
20,000	254.00	254.00	-	254.00	0.00%
25,000	289.00	289.00	-	289.00	0.00%
50,000	464.00	464.00	-	464.00	0.00%
75,000	639.00	639.00	-	639.00	0.00%
100,000	814.00	814.00	-	814.00	0.00%
125,000	989.00	989.00	-	989.00	0.00%
150,000	1,164.00	1,164.00	-	1,164.00	0.00%
175,000	1,339.00	1,339.00	-	1,339.00	0.00%
200,000	1,514.00	1,514.00	-	1,514.00	0.00%

Water Utility of Northern Scottsdale
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Schedule H-4

2015

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19500	250.50	244.26	(6.24)	-2%

Monthly Consumption	Present Bill (No CRT)	Proposed Bill			Percent Increase
		Gross	CRT	Net	
-	\$ 128.00	\$ 128.00	\$ -	\$ 128.00	0.00%
1,000	133.00	131.45	(0.69)	130.76	-1.68%
2,000	138.00	136.04	(1.61)	134.43	-2.59%
3,000	143.00	140.63	(2.53)	138.10	-3.42%
4,000	148.00	145.22	(3.44)	141.78	-4.21%
5,000	154.00	149.81	(4.36)	145.45	-5.55%
6,000	160.00	155.40	(5.48)	149.92	-6.30%
7,000	166.00	160.99	(6.60)	154.39	-6.99%
8,000	172.00	166.58	-	166.58	-3.15%
9,000	178.00	172.17	-	172.17	-3.28%
10,000	184.00	177.76	-	177.76	-3.39%
15,000	219.00	211.76	-	211.76	-3.31%
20,000	254.00	247.76	-	247.76	-2.46%
25,000	289.00	330.76	-	330.76	14.45%
50,000	464.00	550.76	-	550.76	18.70%
75,000	639.00	770.76	-	770.76	20.62%
100,000	814.00	990.76	-	990.76	21.71%
125,000	989.00	1,210.76	-	1,210.76	22.42%
150,000	1,164.00	1,430.76	-	1,430.76	22.92%
175,000	1,339.00	1,650.76	-	1,650.76	23.28%
200,000	1,514.00	1,870.76	-	1,870.76	23.56%

ATTACHMENT A

Water Utility of Greater Tonopah, Inc.

Schedules

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) SETTLEMENT ORIGINAL COST	(D) SETTLEMENT FAIR VALUE
1	Adjusted Rate Base	\$ 2,206,816	\$ 2,206,816	\$ 2,206,817	\$ 2,206,817
2	Adjusted Operating Income (Loss)	\$ (175,170)	\$ (175,170)	\$ (78,593)	\$ (78,593)
3	Current Rate of Return (L2 / L1)	-7.94%	-7.94%	-3.56%	-3.56%
4	Required Rate of Return or Operating Margin	10.72%	10.72%	10.0%	10.0%
5	Required Operating Income (L4 * L1)	\$ 236,637	\$ 236,637	\$ 40,786	\$ 220,770
6	Operating Income Deficiency (L5 - L2)	\$ 411,807	\$ 411,807	\$ 119,379	\$ 299,363
7	Gross Revenue Conversion Factor	1.6451	1.6451	1.6752	1.6752
8	Required Revenue Increase (L7 * L6)	\$ 677,458	\$ 677,458	\$ 199,983	\$ 199,983
9	Adjusted Test Year Revenue	\$ 207,705	\$ 207,705	\$ 207,705	\$ 207,705
10	Proposed Annual Revenue (L8 + L9)	\$ 885,163	\$ 885,163	\$ 407,689	\$ 407,689
11	Required Increase in Revenue (%)	326.16%	326.16%	96.28%	96.28%
12	Rate of Return on Common Equity (%)	11.44%	11.44%	NA	NA

Water Utility of Greater Tonopah, Inc.
W-02450A-12-0312
Test Year Ended December 31, 2011

Schedule: A-1a
Settlement Phase In

REVENUE PHASE IN PER SETTLEMENT

<u>Year</u>	<u>Revenue Increase (Relative to Test Year)</u>	<u>Revenue Increase (Relative to Previous Year)</u>
2014	-	-
2015	99,992	99,992
2016	199,983	99,992

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)																																																																												
<u>Calculation of Gross Revenue Conversion Factor:</u>																																																																																
1	Revenue	100.0000%																																																																														
2	Uncollectible Factor (Line 11)	0.6570%																																																																														
3	Revenues (L1 - L2)	99.3430%																																																																														
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	39.6485%																																																																														
5	Subtotal (L3 - L4)	59.6945%																																																																														
6	Revenue Conversion Factor (L1 / L5)	1.675195																																																																														
<u>Calculation of Uncollectible Factor:</u>																																																																																
7	Unity	100.0000%																																																																														
8	Combined Federal and State Tax Rate (Line 17)	38.5989%																																																																														
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%																																																																														
10	Uncollectible Rate	1.0700%																																																																														
11	Uncollectible Factor (L9 * L10)		0.6570%																																																																													
<u>Calculation of Effective Tax Rate:</u>																																																																																
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%																																																																														
13	Arizona State Income Tax Rate	6.9680%																																																																														
14	Federal Taxable Income (L12 - L13)	93.0320%																																																																														
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%																																																																														
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%																																																																														
17	Combined Federal and State Income Tax Rate (L13 +L16)		38.5989%																																																																													
<u>Calculation of Effective Property Tax Factor</u>																																																																																
18	Unity	100.0000%																																																																														
19	Combined Federal and State Income Tax Rate (L17)	38.5989%																																																																														
20	One Minus Combined Income Tax Rate (L18-L19)	61.4011%																																																																														
21	Property Tax Factor (ADJ 6, L25)	1.7094%																																																																														
22	Effective Property Tax Factor (L20*L21)		1.0496%																																																																													
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			39.6485%																																																																												
24	Required Operating Income (Schedule A-1, Line 5)	\$ 220,770																																																																														
25	Adjusted Test Year Operating Income (Loss) (Schedule C-1)	\$ (78,593)																																																																														
26	Required Increase in Operating Income (L24 - L25)		\$ 299,363																																																																													
27	Income Taxes on Recommended Revenue (Col. (C), L48)	\$ 31,350																																																																														
28	Income Taxes on Test Year Revenue (Col. (A), L48)	\$ (43,695)																																																																														
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		\$ 75,046																																																																													
30	Required Revenue Increase (Schedule A-1)	\$ 199,983																																																																														
31	Uncollectible Rate (Line 10)	1.0700%																																																																														
32	Uncollectible Expense on Recommended Revenue (L30 * L31)	\$ 2,140																																																																														
33	Adjusted Test Year Uncollectible Expense - N/A	\$ -																																																																														
34	Required Increase in Revenue to Provide for Uncollectible Exp.		\$ 2,140																																																																													
35	Property Tax with Recommended Revenue (ADJ 6, Line 21)	\$ 14,673																																																																														
36	Property Tax on Test Year Revenue (ADJ 6, Col A, L19)	\$ 11,254																																																																														
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		\$ 3,419																																																																													
38	Total Required Increase in Revenue (L26 + L29 + L34+ L37)		\$ 379,968																																																																													
<table border="1" style="width:100%; margin-top:10px;"> <thead> <tr> <th></th> <th>(A)</th> <th>(B)</th> <th>(C)</th> </tr> <tr> <th></th> <th>Test Year</th> <th></th> <th>Settlement Recommended</th> </tr> </thead> <tbody> <tr> <td colspan="4"><u>Calculation of Income Tax:</u></td> </tr> <tr> <td>39</td> <td>Revenue (Sch C-1)</td> <td>\$ 207,705</td> <td>\$ 407,689</td> </tr> <tr> <td>40</td> <td>Operating Expenses Excluding Income Taxes</td> <td>\$ 329,994</td> <td>\$ 335,553</td> </tr> <tr> <td>41</td> <td>Synchronized Interest (L53)</td> <td>\$ (9,085)</td> <td>\$ (9,085)</td> </tr> <tr> <td>42</td> <td>Arizona Taxable Income (L39 - L40 - L41)</td> <td>\$ (113,204)</td> <td>\$ 81,221</td> </tr> <tr> <td>43</td> <td>Arizona State Income Tax Rate</td> <td>6.9680%</td> <td>6.9680%</td> </tr> <tr> <td>44</td> <td>Arizona Income Tax (L42 x L43)</td> <td>\$ (7,888)</td> <td>\$ 5,659</td> </tr> <tr> <td>45</td> <td>Federal Taxable Income (L42 - L44)</td> <td>\$ (105,316)</td> <td>\$ 75,562</td> </tr> <tr> <td>46</td> <td>Federal Tax</td> <td>\$ (35,807)</td> <td>\$ 25,691</td> </tr> <tr> <td>47</td> <td>Total Federal Income Tax</td> <td>\$ (35,807)</td> <td>\$ 25,691</td> </tr> <tr> <td>48</td> <td>Combined Federal and State Income Tax (L43 + L47)</td> <td>\$ (43,695)</td> <td>\$ 31,350</td> </tr> <tr> <td>50</td> <td>Effective Tax Rate</td> <td></td> <td></td> </tr> <tr> <td colspan="4"><u>Calculation of Interest Synchronization:</u></td> </tr> <tr> <td>51</td> <td>Rate Base (Schedule B-1)</td> <td></td> <td>N/A</td> </tr> <tr> <td>52</td> <td>SETTLEMENT FACTOR</td> <td></td> <td>2,206,817</td> </tr> <tr> <td>53</td> <td>Synchronized Interest (L50 X L51)</td> <td></td> <td>-0.41%</td> </tr> <tr> <td></td> <td></td> <td></td> <td>\$ (9,085)</td> </tr> </tbody> </table>						(A)	(B)	(C)		Test Year		Settlement Recommended	<u>Calculation of Income Tax:</u>				39	Revenue (Sch C-1)	\$ 207,705	\$ 407,689	40	Operating Expenses Excluding Income Taxes	\$ 329,994	\$ 335,553	41	Synchronized Interest (L53)	\$ (9,085)	\$ (9,085)	42	Arizona Taxable Income (L39 - L40 - L41)	\$ (113,204)	\$ 81,221	43	Arizona State Income Tax Rate	6.9680%	6.9680%	44	Arizona Income Tax (L42 x L43)	\$ (7,888)	\$ 5,659	45	Federal Taxable Income (L42 - L44)	\$ (105,316)	\$ 75,562	46	Federal Tax	\$ (35,807)	\$ 25,691	47	Total Federal Income Tax	\$ (35,807)	\$ 25,691	48	Combined Federal and State Income Tax (L43 + L47)	\$ (43,695)	\$ 31,350	50	Effective Tax Rate			<u>Calculation of Interest Synchronization:</u>				51	Rate Base (Schedule B-1)		N/A	52	SETTLEMENT FACTOR		2,206,817	53	Synchronized Interest (L50 X L51)		-0.41%				\$ (9,085)
	(A)	(B)	(C)																																																																													
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			\$ (9,085)																																																																													

RATE BASE - ORIGINAL COST

LINE NO.	(A) COMPANY AS FILED	(B) SETTLEMENT ADJUSTMENTS	(C) SETTLEMENT AS ADJUSTED
1	\$ 5,766,393	\$ 0	\$ 5,766,394
2	1,863,416	-	1,863,416
3	<u>\$ 3,902,977</u>	<u>\$ 0</u>	<u>\$ 3,902,978</u>
<u>LESS:</u>			
4	\$ 73,118	\$ -	\$ 73,118
5	13,653	-	13,653
6	<u>59,465</u>	<u>-</u>	<u>59,465</u>
7	1,619,985	-	1,619,985
8	-	-	-
9	-	-	-
10	27,797	-	27,797
	22,030	-	22,030
<u>ADD:</u>			
11	33,116	-	33,116
12	-	-	-
13	-	-	-
14	-	-	-
15	-	-	-
16	-	-	-
17	-	-	-
18	<u>\$ 2,206,816</u>	<u>\$ 0</u>	<u>\$ 2,206,817</u>

References:

Column (A), Company Schedule B-2
Column (B): Schedule B-2
Column (C): Column (A) + Column (B)

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Reassignments per Staff Testimony GWB	[I] SETTLEMENT ADJUSTED
<u>PLANT IN SERVICE:</u>					
1	303	Land and Land Rights	\$ 177,430	\$ -	\$ 177,430
2	304	Structures and Improvements	47,677		47,677
3	307	Wells and Springs	299,601		299,601
4	309	Supply Mains	-		-
5	310	Power Generation Equipment	-		-
6	311	Pumping Equipment	1,787,637		1,787,637
7	320	Water Treatment Equipment	1,626,520	(1,626,520)	0
	320.1	Water Treatment Plant		1,625,072	1,625,072
	320.2	Solution Chemical Feeders		1,448	1,448
8	330	Distribution Reservoirs and Standpipes	228,655	(228,655)	-
	330.1	Storage Tanks		103,612	103,612
	330.2	Pressure Tanks		125,043	125,043
9	331	Transmission and Distribution Mains	890,943		890,943
10	333	Services	43,069		43,069
11	334	Meters and Meter Installations	147,178		147,178
12	335	Hydrants	38,386		38,386
13	336	Backflow Prevention Devices	5,894		5,894
14	339	Other Plant and Miscellaneous Equipment	5,427		5,427
15	340	Office Furniture and Equipment	-		-
16	341	Transportation Equipment	-		-
17	343	Tools, Shop and Garage Equipment	1,977		1,977
18	344	Laboratory Equipment	663		663
19	345	Power Operated Equipment	838		838
20	346	Communication Equipment	12,408		12,408
21	347	Miscellaneous Equipment	5,210		5,210
22	348	Other Tangible Plant	446,880		446,880
23		Total Plant in Service	5,766,393	0	5,766,394
24					
25		Accumulated Depreciation	1,863,416	-	1,863,416
26		Net Plant in Service	\$ 3,902,977	\$ 0	\$ 3,902,978
27					
28		<u>LESS:</u>			
29		Contributions in Aid of Construction (CIAC)	\$ 73,118		\$ 73,118
30		Less: Accumulated Amortization	13,653		13,653
31		Net CIAC (L63 - L64)	59,465	-	59,465
32		Advances in Aid of Construction (AIAC)	1,619,985	-	1,619,985
33		Imputed Reg Advances	-	-	-
34		Imputed Reg CIAC	-	-	-
35		Accumulated Deferred Income Tax Credits	27,797		27,797
36		Customer Meter Deposits	22,030		22,030
37		<u>ADD:</u>			
38		Accumulated Deferred Income Tax Debits	33,116		33,116
39		Working Capital Allowance	-		-
40		Original Cost Rate Base	\$ 2,206,816	\$ 0	\$ 2,206,817

OPERATING INCOME STATEMENT - TEST YEAR AND SETTLEMENT

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] SETTLEMENT TEST YEAR ADJUSTMENTS	[C] SETTLEMENT TEST YEAR AS ADJUSTED	[D] SETTLEMENT RECOMMENDED CHANGES	[E] SETTLEMENT RECOMMENDED
1	461 Metered Water Revenue	\$ 202,202	\$ -	\$ 202,202	\$ 199,983	\$ 402,186
2	460 Unmetered Water Revenue	-	-	-	-	-
3	474 Other Water Revenues	5,503	-	5,503	-	5,503
4	Total Operating Revenues	<u>\$ 207,705</u>	<u>\$ -</u>	<u>\$ 207,705</u>	<u>\$ 199,983</u>	<u>\$ 407,689</u>
5	601 Salary and Wages - Employees	\$ 75,753	\$ -	\$ 75,753	\$ -	\$ 75,753
6	610 Purchased Water	960	-	960	-	960
7	615 Purchased Power	22,407	(878)	21,529	-	21,529
8	618 Chemicals	10,522	(412)	10,110	-	10,110
9	620 Materials and Supplies	20,175	-	20,175	-	20,175
10	621 Office Supplies and Expense	3,591	-	3,591	-	3,591
11	630 Outside Services	26,415	-	26,415	-	26,415
12	635 Contractual Services - Testing	5,109	-	5,109	-	5,109
13	636 Contractual Services - Other	-	-	-	-	-
14	641 Rental of Building/Real Propert	2,597	-	2,597	-	2,597
15	650 Transportation Expenses	5,733	-	5,733	-	5,733
16	657 Insurance - General Liability	1,557	-	1,557	-	1,557
17	659 Insurance - Other	269	-	269	-	269
18	666 Regulatory Commission Expen	2,140	(1,052)	1,088	-	1,088
19	670 Bad Debt Expense	4,769	(2,546)	2,222	2,140	4,362
20	675 Miscellaneous Expenses	7,221	-	7,221	-	7,221
21	403 Depreciation Expense	380,785	(245,777)	135,008	-	135,008
22	403 Depreciation Expense - CIAC /	(2,151)	-	(2,151)	-	(2,151)
23	408 Taxes Other Than Income	1,553	-	1,553	-	1,553
24	408.11 Taxes Other Than Income -	11,254	-	11,254	3,419	14,673
25	409 Income Taxes	(197,785)	154,089	(43,695)	75,046	31,350
26	Total Operating Expenses	<u>382,875</u>	<u>(96,576)</u>	<u>286,299</u>	<u>80,604</u>	<u>366,903</u>
27	Operating Income (Loss)	<u>\$ (175,170)</u>	<u>\$ 96,576</u>	<u>\$ (78,593)</u>	<u>\$ 119,379</u>	<u>\$ 40,786</u>

References:

- Column (A): Company Schedule C-1
- Column (B): Schedule C-2
- Column (C): Column (A) + Column (B)
- Column (D): Schedule GRCF
- Column (E): Column (C) + Column (D)

Water Utility of Greater Tonopah, Inc.
W-02450A-12-0312
Test Year Ended December 31, 2011

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Water Loss ADJ #1	[C] Bad Debts Exp ADJ #2	[D] Rate Case Exp ADJ #3	[E] Deprec. Exp ADJ #4	[F] Income Taxes ADJ #5	[H] SETTLEMENT ADJUSTED
1	461 Metered Water Revenue	202,202	-	-	-	-	-	202,202
2	460 Unmetered Water Revenue	-	-	-	-	-	-	-
3	474 Other Water Revenues	5,503	-	-	-	-	-	5,503
4	Total Operating Revenues	\$ 207,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 207,705
Operating Expenses								
5	601 Salary and Wages - Employees	\$ 75,753	-	-	\$ -	\$ -	\$ -	\$ 75,753
6	610 Purchased Water	960	-	-	-	-	-	960
7	615 Purchased Power	22,407	(878)	-	-	-	-	21,529
8	618 Chemicals	10,522	(412)	-	-	-	-	10,110
9	620 Materials and Supplies	20,175	-	-	-	-	-	20,175
10	621 Office Supplies and Expense	3,591	-	-	-	-	-	3,591
11	630 Outside Services	26,415	-	-	-	-	-	26,415
12	635 Contractual Services - Testing	5,109	-	-	-	-	-	5,109
13	636 Contractual Services - Other	-	-	-	-	-	-	-
14	641 Rental of Building/Real Property	2,597	-	-	-	-	-	2,597
15	650 Transportation Expenses	5,733	-	-	-	-	-	5,733
16	657 Insurance - General Liability	1,557	-	-	-	-	-	1,557
17	659 Insurance - Other	269	-	-	-	-	-	269
18	666 Regulatory Commission Expense --	2,140	-	-	(1,052)	-	-	1,088
19	670 Bad Debt Expense	4,769	-	(2,546)	-	-	-	2,222
20	675 Miscellaneous Expenses	7,221	-	-	-	-	-	7,221
21	403 Depreciation Expense	380,785	-	-	-	(245,777)	-	135,008
22	403 Depreciation Expense -- CIAC Amor	(2,151)	-	-	-	-	-	(2,151)
23	408 Taxes Other Than Income	1,553	-	-	-	-	-	1,553
24	408.11 Taxes Other Than Income - Prop	11,254	-	-	-	-	-	11,254
25	409 Income Taxes	(197,785)	-	-	-	-	154,089	(43,695)
26	Total Operating Expenses	\$ 382,875	\$ (1,290)	\$ (2,546)	\$ (1,052)	\$ (245,777)	\$ 154,089	\$ 286,299
27	Operating Income	\$ (175,170)	\$ 1,290	\$ 2,546	\$ 1,052	\$ 245,777	\$ (154,089)	\$ (78,593)

OPERATING INCOME ADJUSTMENT #1 - WATER LOSS

LINE NO.		
1	One plus allowable water loss	110.00%
2	One plus actual water loss	119.91%
3	Allowable portion	91.74%
4	Disallowable portion	<u>8.26%</u>
5	Power Expense	22,407
6	% water pumped in systems greater than 10% loss	<u>47.40%</u>
7	Power Expense, subject to disallowance	10,621
8	Disallowance	\$ 878
9	Chemical Expense	10,522
10	% water pumped in systems greater than 10% loss	<u>47.40%</u>
11	Chemical Expense, subject to disallowance	4,988
12	Disallowance	\$ 412

**Allocation of total water and power and chemicals
by systems with losses greater than 10%:**

LINE		Gallons Pumped	Gallons Sold	Water loss (%)
13	Water System, Totals			
14	Garden City, PWS 07-037	2,848,000	1,933,000	32.13%
15	Roseview, PWS 07-082	2,773,000	2,432,000	12.30%
16	WPE #1, PWS N/A	600,000	256,000	57.33%
17	WPE #6, PWS 07-733	1,997,000	1,560,000	21.88%
18	Tufte, PWS 07-617	456,000	403,000	11.62%
19	Buckeye Ranch, PWS 07-618	10,432,000	8,718,000	16.43%
20	Dixie, PWS 07-030	4,047,000	3,860,000	4.62%
21	Sunshine, PWS 07-071	17,153,000	16,396,000	4.41%
		<u>40,306,000</u>	<u>35,558,000</u>	<u>11.78%</u>
22	Less Systems < 10% :			
23	Dixie, PWS 07-030	4,047,000	3,860,000	4.62%
24	Sunshine, PWS 07-071	17,153,000	16,396,000	4.41%
25	Net Systems > 10%	<u>19,106,000</u>	<u>15,302,000</u>	<u>19.91%</u>
26	% Power and Chemicals,			
27	Subject to Disallowance			47.40%

Line 1: Maximum acceptable level of water losses
Line 2: Actual level of water losses
Line 3: Line 2 / line 3
Line 4: 1 minus line 4

Water Utility of Greater Tonopah, Inc.
W-02450A-12-0312
Test Year Ended December 31, 2011

Settlement ADJ 2
Bad Debt

OPERATING INCOME ADJUSTMENT #2 - BAD DEBT EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED
1		\$ 4,769	\$ (2,546)	\$ 2,222

References:

Column (A), Company Workpapers

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B), Per Co Response
to Staff DR 5.8

Adjusted Test Year Revenues	\$	207,705
Bad Debt Expense Rate		1.07%
Expected Bad Debt Expense	\$	2,222
Co Proposed	\$	4,769
	\$	(2,546)

OPERATING INCOME ADJUSTMENT #3 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED*						
1		\$ 2,140	\$ (1,052)	\$ 1,088						
Company Proposed Rate Case Expense										
		Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS	
2	Allocation Percentages		39.86%	40.32%	13.45%	3.78%	0.82%	1.58%	0.19%	
Desert Mountain Analytical Services										
3	Services	\$ 122,062.50	\$ 48,652.28	\$ 49,217.76	\$ 16,420.26	\$ 4,615.99	\$ 995.73	\$ 1,926.91	\$ 233.57	
4	Insight Consulting, LLC	\$ 216,000.00	\$ 86,094.37	\$ 87,095.02	\$ 29,057.05	\$ 8,168.39	\$ 1,762.02	\$ 3,409.84	\$ 413.31	
5	Roshka Dewulf & Patten, PLC	\$ 370,302.78	\$ 147,597.14	\$ 149,312.63	\$ 49,814.39	\$ 14,003.59	\$ 3,020.75	\$ 5,845.71	\$ 708.57	
6	Ullmann & Company P C	\$ 78,808.75	\$ 31,411.99	\$ 31,777.08	\$ 10,601.62	\$ 2,980.28	\$ 642.88	\$ 1,244.10	\$ 150.80	
7	Totals	\$ 787,174.03	\$ 313,755.78	\$ 317,402.49	\$ 105,893.32	\$ 29,768.25	\$ 6,421.38	\$ 12,426.56	\$ 1,506.25	
Amortization over 3 years:										
8	Year 1	\$ 262,391.34	\$ 104,585.26	\$ 105,800.83	\$ 35,297.77	\$ 9,922.75	\$ 2,140.46	\$ 4,142.19	\$ 502.08	
9	Year 2	\$ 262,391.34	\$ 104,585.26	\$ 105,800.83	\$ 35,297.77	\$ 9,922.75	\$ 2,140.46	\$ 4,142.19	\$ 502.08	
10	Year 3	\$ 262,391.34	\$ 104,585.26	\$ 105,800.83	\$ 35,297.77	\$ 9,922.75	\$ 2,140.46	\$ 4,142.19	\$ 502.08	
11	Totals	\$ 787,174.03	\$ 313,755.78	\$ 317,402.49	\$ 105,893.32	\$ 29,768.25	\$ 6,421.38	\$ 12,426.56	\$ 1,506.25	
Settlement Rate Case Expense										
13	Description	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS	
14	Settlement Amount	\$ 400,000.00	\$ 159,434.01	\$ 161,287.07	\$ 53,809.36	\$ 15,126.64	\$ 3,263.00	\$ 6,314.52	\$ 765.40	
Amortization:										
15	Year 1	\$ 133,333.33	\$ 53,144.67	\$ 53,762.36	\$ 17,936.45	\$ 5,042.21	\$ 1,087.67	\$ 2,104.84	\$ 255.13	
16	Year 2	\$ 133,333.33	\$ 53,144.67	\$ 53,762.36	\$ 17,936.45	\$ 5,042.21	\$ 1,087.67	\$ 2,104.84	\$ 255.13	
17	Year 3	\$ 133,333.33	\$ 53,144.67	\$ 53,762.36	\$ 17,936.45	\$ 5,042.21	\$ 1,087.67	\$ 2,104.84	\$ 255.13	
18	Totals	\$ 400,000.00	\$ 313,755.78	\$ 317,402.49	\$ 105,893.32	\$ 29,768.25	\$ 6,421.38	\$ 12,426.56	\$ 1,506.25	
19	Adjustment Total, by System	\$ (129,058.01)	\$ (51,440.59)	\$ (52,038.47)	\$ (17,361.32)	\$ (4,880.54)	\$ (1,052.79)	\$ (2,037.35)	\$ (246.95)	

References:

Column (A): Company Workpapers
Column (B): Line 20 for respective system
Column (C): Line 16 for respective system

Water Utility of Greater Tonopah, Inc.
W-02450A-12-0312
Test Year Ended December 31, 2011

Settlement ADJ 4
Depreciation

OPERATING INCOME ADJUSTMENT #4 - DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1		<u>PLANT IN SERVICE:</u>			
2	303	Land and Land Rights	177,430	0.00%	-
3	304	Structures and Improvements	47,677	3.33%	1,588
4	307	Wells and Springs	299,601	3.33%	9,977
5	309	Supply Mains	-	2.00%	-
6	310	Power Generation Equipment	-	5.00%	-
7	311	Pumping Equipment	1,787,637	12.50%	223,455
8	320	Water Treatment Equipment	0		-
	320.1	Water Treatment Plant	1,625,072	3.33%	54,115
	320.2	Solution Chemical Feeders	1,448	20.00%	290
9	330.0	Distribution Reservoirs and Standpipes	-		-
	330.1	Storage Tanks	103,612	2.22%	2,300
	330.2	Pressure Tanks	125,043	5.00%	6,252
10	331	Transmission and Distribution Mains	890,943	2.00%	17,819
11	333	Services	43,069	3.33%	1,434
12	334	Meters and Meter Installations	147,178	8.33%	12,260
13	335	Hydrants	38,386	2.00%	768
14	336	Backflow Prevention Devices	5,894	6.67%	393
15	339	Other Plant and Miscellaneous Equipment	5,427	6.67%	362
16	340	Office Furniture and Equipment	-	6.67%	-
17	341	Transportation Equipment	-	20.00%	-
18	343	Tools, Shop and Garage Equipment	1,977	5.00%	99
19	344	Laboratory Equipment	663	10.00%	66
20	345	Power Operated Equipment	838	5.00%	42
21	346	Communication Equipment	12,408	10.00%	1,241
22	347	Miscellaneous Equipment	5,210	10.00%	521
23	348	Other Tangible Plant	446,880	5.00%	22,344
24			5,766,394		355,325
25		Less: Non Depreciable Plant			
26		Land and Land Rights	177,430		
27		Net Depreciable Plant and Depreciation Amounts	\$ 5,588,964		\$ 355,325
28					
29		Less: Non Depreciable Plant			
30		Land and Land Rights	\$ 177,430		
31		Net Depreciable Plant and Depreciation Amounts	\$ 5,411,534		\$ 355,325
32					
33					
34		Amortization of CIAC	\$ 73,118	6.5661%	\$ 4,801
35		Settlement Depreciation Expense			\$ 350,524
36		Company Proposed Depreciation Expense			\$ 378,634
37		Settlement Adjustment			\$ (28,111)
38					
39		SETTLEMENT FACTOR			\$ (217,666)
40					
50		Total Adjustment (line 37+39)			\$ (245,777)

<u>References:</u>	
Col [A]	Schedule B-2
Col [B]	Proposed Rates per Staff Engineering Report
Col [C]	Col [A] times Col [B]

Water Utility of Greater Tonopah, Inc.
W-02450A-12-0312
Test Year Ended December 31, 2011

Settlement ADJ 5
Income Taxes

OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	Income Taxes	<u>\$ (197,785)</u>	<u>\$ 154,089</u>	<u>\$ (43,695)</u>

References:

Column (A), Company Schedule C-2
Column (B): Staff Testimony GWB
Column (C): Column (A) + Column (B),

Water Utility of Greater Tonopah, Inc.
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Test Year Ended December 31, 2011

Settlement ADJ 6
Property Taxes

OPERATING INCOME ADJUSTMENT #6 - PROPERTY TAX EXPENSE GRFC COMPONENT

LINE NO.	DESCRIPTION	[A]	[B]
		SETTLEMENT AS ADJUSTED	SETTLEMENT RECOMMENDED
1	Adjusted Test Year Revenues - 2011	\$ 207,705	\$ 207,705
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	415,411	415,411
4	Adjusted Test Year Revenues - 2011	207,705	
5	Recommended Revenue		407,689
6	Subtotal (Line 4 + Line 5)	623,116	823,100
7	Number of Years	3	3
8	Three Year Average (Line 5 / Line 6)	207,705	274,367
9	Department of Revenue Multiplier	2	2
10	Revenue Base Value (Line 7 * Line 8)	415,411	548,733
11	Plus: 10% of CWIP	23,512	23,512
12	Less: Net Book Value of Licensed Vehicles	-	-
13	Full Cash Value (Line 10 + Line 11 - Line 12)	438,923	572,245
14	Assessment Ratio	21.0%	21.0%
15	Assessment Value (Line 13 * Line 14)	92,174	120,171
16	Composite Property Tax Rate	12.2100%	12.2100%
17	Test Year Adjusted Property Tax Expense (Line 15 * Line 16)	\$ 11,254	
18	Company Proposed Property Tax	\$ 11,254	
19	Test Year Adjustment (Line 17 - Line 18)	\$ (0)	
20	Property Tax on Recommended Revenue (Line 15 * Line 16)		\$ 14,673
21	Test Year Adjusted Property Tax Expense (Line 17)		\$ 11,254
22	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 3,419
23	Increase in Property Tax Due to Increase in Revenue Requirement (Line 22)		\$ 3,419
24	Increase in Revenue Requirement		\$ 199,983
25	Increase in Property Tax Per Dollar Increase in Revenue (Line 23 / Line 24)		1.70940%

REFERENCES:

Line 15: Composite Tax Rate, per Company
Line 18: Company Schedule C-1, Line 36

Water Utility of Greater Tonopah, Inc.
W-02450A-12-0312
Test Year Ended December 31, 2011

Settlement D-1

CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL - REQUIRED RATE OF RETURN

Per Settlement Water Utility of Greater Tonopah, Inc's revenue requirement is determined by an operating margin of 10%.

Changes in Representative Rate Schedules

Potable Water - All Meter Sizes and Classes*

Monthly Minimum Charges:

Meter Size (All Classes*)	Basic Service Charge				2,016.00 corrected
	Present	Proposed			
		2014	2015	2016	
5/8" X 3/4" Meter	\$ 22.55	\$ 22.55	\$ 30.00	\$ 40.00	
3/4" Meter	22.55	22.55	30.00	40.00	
1" Meter	56.38	56.38	75.01	100.01	
1.5" Meter	112.75	112.75	150.00	200.00	
2" Meter	180.40	180.40	240.00	320.00	
3" Meter	360.80	360.80	480.00	640.00	
4" Meter	563.75	563.75	750.00	1,000.00	1,099.25
6" Meter	1,127.50	1,127.50	1,500.00	2,000.00	
8" Meter	2,255.00	2,255.00	2,400.00	3,200.00	3,517.80

Commodity Rate Charges (per 1,000 gallons):

	Rate Block		Volumetric Charge			
	Present	Proposed	Present	Proposed		2016
				2014	2015	
Tier One Breakover	1,000 Gallons	1,000 Gallons	\$ 1.18	\$ 1.18	\$ 1.82	\$ 2.42
Tier Two Breakover	5,000 Gallons	5,000 Gallons	1.99	1.99	3.36	4.43
Tier Three Breakover	10,000 Gallons	10,000 Gallons	2.89	2.89	4.88	6.43
Tier Four Breakover	18,000 Gallons	18,000 Gallons	3.80	3.80	6.41	8.45
Tier Five Breakover	25,000 Gallons	25,000 Gallons	4.68	4.68	7.90	10.41
Tier Six Breakover	Over 25,000	Over 25,000	5.54	5.54	9.35	12.33

Conservation Rebate

	Present	Proposed	
		2014	2015 and thereafter
Threshold ("CRT") in Gallons	7,401	7,401	7,001
Commodity rate rebate :	45%	45%	50%
(applied if consumption is below the CRT)			

*Includes all potable water meters including irrigation meters.

Non-Potable Water - All Meter Sizes and Classes	Present	Proposed	Change
All Gallons (Per Acre Foot)	185.74	533.76	348.02
All Gallons (Per 1,000 Gallons)	0.57	1.638	1.07

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 27.58	\$ 27.58	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 22.55	\$ -	\$ 22.55	\$ 22.55	\$ -	\$ 22.55	0.0%
1,000	23.73	(0.53)	23.20	23.73	(0.53)	23.20	0.0%
2,000	25.72	(1.43)	24.29	25.72	(1.43)	24.29	0.0%
3,000	27.71	(2.32)	25.39	27.71	(2.32)	25.39	0.0%
4,000	29.70	(3.22)	26.48	29.70	(3.22)	26.48	0.0%
5,000	31.69	(4.11)	27.58	31.69	(4.11)	27.58	0.0%
6,000	34.58	(5.41)	29.17	34.58	(5.41)	29.17	0.0%
7,000	37.47	(6.71)	30.76	37.47	(6.71)	30.76	0.0%
8,000	40.36	-	40.36	40.36	-	40.36	0.0%
9,000	43.25	-	43.25	43.25	-	43.25	0.0%
10,000	46.14	-	46.14	46.14	-	46.14	0.0%
15,000	65.14	-	65.14	65.14	-	65.14	0.0%
20,000	85.90	-	85.90	85.90	-	85.90	0.0%
25,000	109.30	-	109.30	109.30	-	109.30	0.0%
50,000	247.80	-	247.80	247.80	-	247.80	0.0%
75,000	386.30	-	386.30	386.30	-	386.30	0.0%
100,000	524.80	-	524.80	524.80	-	524.80	0.0%
125,000	663.30	-	663.30	663.30	-	663.30	0.0%
150,000	801.80	-	801.80	801.80	-	801.80	0.0%
175,000	940.30	-	940.30	940.30	-	940.30	0.0%
200,000	1,078.80	-	1,078.80	1,078.80	-	1,078.80	0.0%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 27.58	\$ 37.63	\$ 10.05	36.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 22.55	\$ -	\$ 22.55	\$ 30.00	\$ -	\$ 30.00	33.0%
1,000	23.73	(0.53)	23.20	31.82	(0.91)	30.91	33.2%
2,000	25.72	(1.43)	24.29	35.18	(2.59)	32.59	34.2%
3,000	27.71	(2.32)	25.39	38.54	(4.27)	34.27	35.0%
4,000	29.70	(3.22)	26.48	41.90	(5.95)	35.95	35.8%
5,000	31.69	(4.11)	27.58	45.26	(7.63)	37.63	36.5%
6,000	34.58	(5.41)	29.17	50.14	(10.07)	40.07	37.4%
7,000	37.47	(6.71)	30.76	55.02	(12.51)	42.51	38.2%
8,000	40.36	-	40.36	59.90	-	59.90	48.4%
9,000	43.25	-	43.25	64.78	-	64.78	49.8%
10,000	46.14	-	46.14	69.66	-	69.66	51.0%
15,000	65.14	-	65.14	101.71	-	101.71	56.1%
20,000	85.90	-	85.90	136.74	-	136.74	59.2%
25,000	109.30	-	109.30	176.24	-	176.24	61.2%
50,000	247.80	-	247.80	409.99	-	409.99	65.5%
75,000	386.30	-	386.30	643.74	-	643.74	66.6%
100,000	524.80	-	524.80	877.49	-	877.49	67.2%
125,000	663.30	-	663.30	1,111.24	-	1,111.24	67.5%
150,000	801.80	-	801.80	1,344.99	-	1,344.99	67.7%
175,000	940.30	-	940.30	1,578.74	-	1,578.74	67.9%
200,000	1,078.80	-	1,078.80	1,812.49	-	1,812.49	68.0%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 27.58	\$ 50.07	\$ 22.49	81.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 22.55	\$ -	\$ 22.55	\$ 40.00	\$ -	\$ 40.00	77.4%
1,000	23.73	(0.53)	23.20	42.42	(1.21)	41.21	77.6%
2,000	25.72	(1.43)	24.29	46.85	(3.43)	43.43	78.8%
3,000	27.71	(2.32)	25.39	51.28	(5.64)	45.64	79.8%
4,000	29.70	(3.22)	26.48	55.71	(7.86)	47.86	80.7%
5,000	31.69	(4.11)	27.58	60.14	(10.07)	50.07	81.6%
6,000	34.58	(5.41)	29.17	66.57	(13.29)	53.29	82.7%
7,000	37.47	(6.71)	30.76	73.00	(16.50)	56.50	83.7%
8,000	40.36	-	40.36	79.43	-	79.43	96.8%
9,000	43.25	-	43.25	85.86	-	85.86	98.5%
10,000	46.14	-	46.14	92.29	-	92.29	100.0%
15,000	65.14	-	65.14	134.54	-	134.54	106.5%
20,000	85.90	-	85.90	180.71	-	180.71	110.4%
25,000	109.30	-	109.30	232.76	-	232.76	113.0%
50,000	247.80	-	247.80	541.01	-	541.01	118.3%
75,000	386.30	-	386.30	849.26	-	849.26	119.8%
100,000	524.80	-	524.80	1,157.51	-	1,157.51	120.6%
125,000	663.30	-	663.30	1,465.76	-	1,465.76	121.0%
150,000	801.80	-	801.80	1,774.01	-	1,774.01	121.3%
175,000	940.30	-	940.30	2,082.26	-	2,082.26	121.4%
200,000	1,078.80	-	1,078.80	2,390.51	-	2,390.51	121.6%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7000	\$ 64.59	\$ 64.59	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 56.38	\$ -	\$ 56.38	\$ 56.38	\$ -	\$ 56.38	0.0%
1,000	57.56	(0.53)	57.03	57.56	(0.53)	57.03	0.0%
2,000	59.55	(1.43)	58.12	59.55	(1.43)	58.12	0.0%
3,000	61.54	(2.32)	59.22	61.54	(2.32)	59.22	0.0%
4,000	63.53	(3.22)	60.31	63.53	(3.22)	60.31	0.0%
5,000	65.52	(4.11)	61.41	65.52	(4.11)	61.41	0.0%
6,000	68.41	(5.41)	63.00	68.41	(5.41)	63.00	0.0%
7,000	71.30	(6.71)	64.59	71.30	(6.71)	64.59	0.0%
8,000	74.19	-	74.19	74.19	-	74.19	0.0%
9,000	77.08	-	77.08	77.08	-	77.08	0.0%
10,000	79.97	-	79.97	79.97	-	79.97	0.0%
15,000	98.97	-	98.97	98.97	-	98.97	0.0%
20,000	119.73	-	119.73	119.73	-	119.73	0.0%
25,000	143.13	-	143.13	143.13	-	143.13	0.0%
50,000	281.63	-	281.63	281.63	-	281.63	0.0%
75,000	420.13	-	420.13	420.13	-	420.13	0.0%
100,000	558.63	-	558.63	558.63	-	558.63	0.0%
125,000	697.13	-	697.13	697.13	-	697.13	0.0%
150,000	835.63	-	835.63	835.63	-	835.63	0.0%
175,000	974.13	-	974.13	974.13	-	974.13	0.0%
200,000	1,112.63	-	1,112.63	1,112.63	-	1,112.63	0.0%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7000	\$ 64.59	\$ 87.52	\$ 22.93	35.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 56.38	\$ -	\$ 56.38	\$ 75.01	\$ -	\$ 75.01	33.0%
1,000	57.56	(0.53)	57.03	76.83	(0.91)	75.92	33.1%
2,000	59.55	(1.43)	58.12	80.19	(2.59)	77.60	33.5%
3,000	61.54	(2.32)	59.22	83.55	(4.27)	79.28	33.9%
4,000	63.53	(3.22)	60.31	86.91	(5.95)	80.96	34.2%
5,000	65.52	(4.11)	61.41	90.27	(7.63)	82.64	34.6%
6,000	68.41	(5.41)	63.00	95.15	(10.07)	85.08	35.0%
7,000	71.30	(6.71)	64.59	100.03	(12.51)	87.52	35.5%
8,000	74.19	-	74.19	104.91	-	104.91	41.4%
9,000	77.08	-	77.08	109.79	-	109.79	42.4%
10,000	79.97	-	79.97	114.67	-	114.67	43.4%
15,000	98.97	-	98.97	146.72	-	146.72	48.2%
20,000	119.73	-	119.73	181.75	-	181.75	51.8%
25,000	143.13	-	143.13	221.25	-	221.25	54.6%
50,000	281.63	-	281.63	455.00	-	455.00	61.6%
75,000	420.13	-	420.13	688.75	-	688.75	63.9%
100,000	558.63	-	558.63	922.50	-	922.50	65.1%
125,000	697.13	-	697.13	1,156.25	-	1,156.25	65.9%
150,000	835.63	-	835.63	1,390.00	-	1,390.00	66.3%
175,000	974.13	-	974.13	1,623.75	-	1,623.75	66.7%
200,000	1,112.63	-	1,112.63	1,857.50	-	1,857.50	66.9%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7000	\$ 64.59	\$ 116.51	\$ 51.92	80.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 56.38	\$ -	\$ 56.38	\$ 100.01	\$ -	\$ 100.01	77.4%
1,000	57.56	(0.53)	57.03	102.43	(1.21)	101.22	77.5%
2,000	59.55	(1.43)	58.12	106.86	(3.43)	103.43	78.0%
3,000	61.54	(2.32)	59.22	111.29	(5.64)	105.65	78.4%
4,000	63.53	(3.22)	60.31	115.72	(7.86)	107.86	78.8%
5,000	65.52	(4.11)	61.41	120.15	(10.07)	110.08	79.3%
6,000	68.41	(5.41)	63.00	126.58	(13.29)	113.29	79.8%
7,000	71.30	(6.71)	64.59	133.01	(16.50)	116.51	80.4%
8,000	74.19	-	74.19	139.44	-	139.44	87.9%
9,000	77.08	-	77.08	145.87	-	145.87	89.2%
10,000	79.97	-	79.97	152.30	-	152.30	90.4%
15,000	98.97	-	98.97	194.55	-	194.55	96.6%
20,000	119.73	-	119.73	240.72	-	240.72	101.1%
25,000	143.13	-	143.13	292.77	-	292.77	104.5%
50,000	281.63	-	281.63	601.02	-	601.02	113.4%
75,000	420.13	-	420.13	909.27	-	909.27	116.4%
100,000	558.63	-	558.63	1,217.52	-	1,217.52	117.9%
125,000	697.13	-	697.13	1,525.77	-	1,525.77	118.9%
150,000	835.63	-	835.63	1,834.02	-	1,834.02	119.5%
175,000	974.13	-	974.13	2,142.27	-	2,142.27	119.9%
200,000	1,112.63	-	1,112.63	2,450.52	-	2,450.52	120.2%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: 1.5" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	2000	\$ 114.49	\$ 114.49	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 112.75	\$ -	\$ 112.75	\$ 112.75	\$ -	\$ 112.75	0.0%
1,000	113.93	(0.53)	113.40	113.93	(0.53)	113.40	0.0%
2,000	115.92	(1.43)	114.49	115.92	(1.43)	114.49	0.0%
3,000	117.91	(2.32)	115.59	117.91	(2.32)	115.59	0.0%
4,000	119.90	(3.22)	116.68	119.90	(3.22)	116.68	0.0%
5,000	121.89	(4.11)	117.78	121.89	(4.11)	117.78	0.0%
6,000	124.78	(5.41)	119.37	124.78	(5.41)	119.37	0.0%
7,000	127.67	(6.71)	120.96	127.67	(6.71)	120.96	0.0%
8,000	130.56	-	130.56	130.56	-	130.56	0.0%
9,000	133.45	-	133.45	133.45	-	133.45	0.0%
10,000	136.34	-	136.34	136.34	-	136.34	0.0%
15,000	155.34	-	155.34	155.34	-	155.34	0.0%
20,000	176.10	-	176.10	176.10	-	176.10	0.0%
25,000	199.50	-	199.50	199.50	-	199.50	0.0%
50,000	338.00	-	338.00	338.00	-	338.00	0.0%
75,000	476.50	-	476.50	476.50	-	476.50	0.0%
100,000	615.00	-	615.00	615.00	-	615.00	0.0%
125,000	753.50	-	753.50	753.50	-	753.50	0.0%
150,000	892.00	-	892.00	892.00	-	892.00	0.0%
175,000	1,030.50	-	1,030.50	1,030.50	-	1,030.50	0.0%
200,000	1,169.00	-	1,169.00	1,169.00	-	1,169.00	0.0%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: 1.5" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	2000	\$ 114.49	\$ 152.59	\$ 38.10	33.3%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 112.75	\$ -	\$ 112.75	\$ 150.00	\$ -	\$ 150.00	33.0%
1,000	113.93	(0.53)	113.40	151.82	(0.91)	150.91	33.1%
2,000	115.92	(1.43)	114.49	155.18	(2.59)	152.59	33.3%
3,000	117.91	(2.32)	115.59	158.54	(4.27)	154.27	33.5%
4,000	119.90	(3.22)	116.68	161.90	(5.95)	155.95	33.7%
5,000	121.89	(4.11)	117.78	165.26	(7.63)	157.63	33.8%
6,000	124.78	(5.41)	119.37	170.14	(10.07)	160.07	34.1%
7,000	127.67	(6.71)	120.96	175.02	(12.51)	162.51	34.4%
8,000	130.56	-	130.56	179.90	-	179.90	37.8%
9,000	133.45	-	133.45	184.78	-	184.78	38.5%
10,000	136.34	-	136.34	189.66	-	189.66	39.1%
15,000	155.34	-	155.34	221.71	-	221.71	42.7%
20,000	176.10	-	176.10	256.74	-	256.74	45.8%
25,000	199.50	-	199.50	296.24	-	296.24	48.5%
50,000	338.00	-	338.00	529.99	-	529.99	56.8%
75,000	476.50	-	476.50	763.74	-	763.74	60.3%
100,000	615.00	-	615.00	997.49	-	997.49	62.2%
125,000	753.50	-	753.50	1,231.24	-	1,231.24	63.4%
150,000	892.00	-	892.00	1,464.99	-	1,464.99	64.2%
175,000	1,030.50	-	1,030.50	1,698.74	-	1,698.74	64.8%
200,000	1,169.00	-	1,169.00	1,932.49	-	1,932.49	65.3%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: 1.5" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	2000	\$ 114.49	\$ 203.43	\$ 88.93	77.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 112.75	\$ -	\$ 112.75	\$ 200.00	\$ -	\$ 200.00	77.4%
1,000	113.93	(0.53)	113.40	202.42	(1.21)	201.21	77.4%
2,000	115.92	(1.43)	114.49	206.85	(3.43)	203.43	77.7%
3,000	117.91	(2.32)	115.59	211.28	(5.64)	205.64	77.9%
4,000	119.90	(3.22)	116.68	215.71	(7.86)	207.86	78.1%
5,000	121.89	(4.11)	117.78	220.14	(10.07)	210.07	78.4%
6,000	124.78	(5.41)	119.37	226.57	(13.29)	213.29	78.7%
7,000	127.67	(6.71)	120.96	233.00	(16.50)	216.50	79.0%
8,000	130.56	-	130.56	239.43	-	239.43	83.4%
9,000	133.45	-	133.45	245.86	-	245.86	84.2%
10,000	136.34	-	136.34	252.29	-	252.29	85.0%
15,000	155.34	-	155.34	294.54	-	294.54	89.6%
20,000	176.10	-	176.10	340.71	-	340.71	93.5%
25,000	199.50	-	199.50	392.76	-	392.76	96.9%
50,000	338.00	-	338.00	701.01	-	701.01	107.4%
75,000	476.50	-	476.50	1,009.26	-	1,009.26	111.8%
100,000	615.00	-	615.00	1,317.51	-	1,317.51	114.2%
125,000	753.50	-	753.50	1,625.76	-	1,625.76	115.8%
150,000	892.00	-	892.00	1,934.01	-	1,934.01	116.8%
175,000	1,030.50	-	1,030.50	2,242.26	-	2,242.26	117.6%
200,000	1,169.00	-	1,169.00	2,550.51	-	2,550.51	118.2%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: 2" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	76000	\$ 549.69	\$ 549.69	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 180.40	\$ -	\$ 180.40	\$ 180.40	\$ -	\$ 180.40	0.0%
1,000	181.58	(0.53)	181.05	181.58	(0.53)	181.05	0.0%
2,000	183.57	(1.43)	182.14	183.57	(1.43)	182.14	0.0%
3,000	185.56	(2.32)	183.24	185.56	(2.32)	183.24	0.0%
4,000	187.55	(3.22)	184.33	187.55	(3.22)	184.33	0.0%
5,000	189.54	(4.11)	185.43	189.54	(4.11)	185.43	0.0%
6,000	192.43	(5.41)	187.02	192.43	(5.41)	187.02	0.0%
7,000	195.32	(6.71)	188.61	195.32	(6.71)	188.61	0.0%
8,000	198.21	-	198.21	198.21	-	198.21	0.0%
9,000	201.10	-	201.10	201.10	-	201.10	0.0%
10,000	203.99	-	203.99	203.99	-	203.99	0.0%
15,000	222.99	-	222.99	222.99	-	222.99	0.0%
20,000	243.75	-	243.75	243.75	-	243.75	0.0%
25,000	267.15	-	267.15	267.15	-	267.15	0.0%
50,000	405.65	-	405.65	405.65	-	405.65	0.0%
75,000	544.15	-	544.15	544.15	-	544.15	0.0%
100,000	682.65	-	682.65	682.65	-	682.65	0.0%
125,000	821.15	-	821.15	821.15	-	821.15	0.0%
150,000	959.65	-	959.65	959.65	-	959.65	0.0%
175,000	1,098.15	-	1,098.15	1,098.15	-	1,098.15	0.0%
200,000	1,236.65	-	1,236.65	1,236.65	-	1,236.65	0.0%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	76000	\$ 549.69	\$ 863.09	\$ 313.40	57.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 180.40	\$ -	\$ 180.40	\$ 240.00	\$ -	\$ 240.00	33.0%
1,000	181.58	(0.53)	181.05	241.82	(0.91)	240.91	33.1%
2,000	183.57	(1.43)	182.14	245.18	(2.59)	242.59	33.2%
3,000	185.56	(2.32)	183.24	248.54	(4.27)	244.27	33.3%
4,000	187.55	(3.22)	184.33	251.90	(5.95)	245.95	33.4%
5,000	189.54	(4.11)	185.43	255.26	(7.63)	247.63	33.5%
6,000	192.43	(5.41)	187.02	260.14	(10.07)	250.07	33.7%
7,000	195.32	(6.71)	188.61	265.02	(12.51)	252.51	33.9%
8,000	198.21	-	198.21	269.90	-	269.90	36.2%
9,000	201.10	-	201.10	274.78	-	274.78	36.6%
10,000	203.99	-	203.99	279.66	-	279.66	37.1%
15,000	222.99	-	222.99	311.71	-	311.71	39.8%
20,000	243.75	-	243.75	346.74	-	346.74	42.3%
25,000	267.15	-	267.15	386.24	-	386.24	44.6%
50,000	405.65	-	405.65	619.99	-	619.99	52.8%
75,000	544.15	-	544.15	853.74	-	853.74	56.9%
100,000	682.65	-	682.65	1,087.49	-	1,087.49	59.3%
125,000	821.15	-	821.15	1,321.24	-	1,321.24	60.9%
150,000	959.65	-	959.65	1,554.99	-	1,554.99	62.0%
175,000	1,098.15	-	1,098.15	1,788.74	-	1,788.74	62.9%
200,000	1,236.65	-	1,236.65	2,022.49	-	2,022.49	63.5%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	76000	\$ 549.69	\$ 1,141.59	\$ 591.90	107.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 180.40	\$ -	\$ 180.40	\$ 320.00	\$ -	\$ 320.00	77.4%
1,000	181.58	(0.53)	181.05	322.42	(1.21)	321.21	77.4%
2,000	183.57	(1.43)	182.14	326.85	(3.43)	323.43	77.6%
3,000	185.56	(2.32)	183.24	331.28	(5.64)	325.64	77.7%
4,000	187.55	(3.22)	184.33	335.71	(7.86)	327.86	77.9%
5,000	189.54	(4.11)	185.43	340.14	(10.07)	330.07	78.0%
6,000	192.43	(5.41)	187.02	346.57	(13.29)	333.29	78.2%
7,000	195.32	(6.71)	188.61	353.00	(16.50)	336.50	78.4%
8,000	198.21	-	198.21	359.43	-	359.43	81.3%
9,000	201.10	-	201.10	365.86	-	365.86	81.9%
10,000	203.99	-	203.99	372.29	-	372.29	82.5%
15,000	222.99	-	222.99	414.54	-	414.54	85.9%
20,000	243.75	-	243.75	460.71	-	460.71	89.0%
25,000	267.15	-	267.15	512.76	-	512.76	91.9%
50,000	405.65	-	405.65	821.01	-	821.01	102.4%
75,000	544.15	-	544.15	1,129.26	-	1,129.26	107.5%
100,000	682.65	-	682.65	1,437.51	-	1,437.51	110.6%
125,000	821.15	-	821.15	1,745.76	-	1,745.76	112.6%
150,000	959.65	-	959.65	2,054.01	-	2,054.01	114.0%
175,000	1,098.15	-	1,098.15	2,362.26	-	2,362.26	115.1%
200,000	1,236.65	-	1,236.65	2,670.51	-	2,670.51	115.9%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	18500	\$ 416.69	\$ 416.69	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 360.80	\$ -	\$ 360.80	\$ 360.80	\$ -	\$ 360.80	0.0%
1,000	361.98	(0.53)	361.45	361.98	(0.53)	361.45	0.0%
2,000	363.97	(1.43)	362.54	363.97	(1.43)	362.54	0.0%
3,000	365.96	(2.32)	363.64	365.96	(2.32)	363.64	0.0%
4,000	367.95	(3.22)	364.73	367.95	(3.22)	364.73	0.0%
5,000	369.94	(4.11)	365.83	369.94	(4.11)	365.83	0.0%
6,000	372.83	(5.41)	367.42	372.83	(5.41)	367.42	0.0%
7,000	375.72	(6.71)	369.01	375.72	(6.71)	369.01	0.0%
8,000	378.61	-	378.61	378.61	-	378.61	0.0%
9,000	381.50	-	381.50	381.50	-	381.50	0.0%
10,000	384.39	-	384.39	384.39	-	384.39	0.0%
15,000	403.39	-	403.39	403.39	-	403.39	0.0%
20,000	424.15	-	424.15	424.15	-	424.15	0.0%
25,000	447.55	-	447.55	447.55	-	447.55	0.0%
50,000	586.05	-	586.05	586.05	-	586.05	0.0%
75,000	724.55	-	724.55	724.55	-	724.55	0.0%
100,000	863.05	-	863.05	863.05	-	863.05	0.0%
125,000	1,001.55	-	1,001.55	1,001.55	-	1,001.55	0.0%
150,000	1,140.05	-	1,140.05	1,140.05	-	1,140.05	0.0%
175,000	1,278.55	-	1,278.55	1,278.55	-	1,278.55	0.0%
200,000	1,417.05	-	1,417.05	1,417.05	-	1,417.05	0.0%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	18500	\$ 416.69	\$ 574.15	\$ 157.46	37.8%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 360.80	\$ -	\$ 360.80	\$ 480.00	\$ -	\$ 480.00	33.0%
1,000	361.98	(0.53)	361.45	481.82	(0.91)	480.91	33.1%
2,000	363.97	(1.43)	362.54	485.18	(2.59)	482.59	33.1%
3,000	365.96	(2.32)	363.64	488.54	(4.27)	484.27	33.2%
4,000	367.95	(3.22)	364.73	491.90	(5.95)	485.95	33.2%
5,000	369.94	(4.11)	365.83	495.26	(7.63)	487.63	33.3%
6,000	372.83	(5.41)	367.42	500.14	(10.07)	490.07	33.4%
7,000	375.72	(6.71)	369.01	505.02	(12.51)	492.51	33.5%
8,000	378.61	-	378.61	509.90	-	509.90	34.7%
9,000	381.50	-	381.50	514.78	-	514.78	34.9%
10,000	384.39	-	384.39	519.66	-	519.66	35.2%
15,000	403.39	-	403.39	551.71	-	551.71	36.8%
20,000	424.15	-	424.15	586.74	-	586.74	38.3%
25,000	447.55	-	447.55	626.24	-	626.24	39.9%
50,000	586.05	-	586.05	859.99	-	859.99	46.7%
75,000	724.55	-	724.55	1,093.74	-	1,093.74	51.0%
100,000	863.05	-	863.05	1,327.49	-	1,327.49	53.8%
125,000	1,001.55	-	1,001.55	1,561.24	-	1,561.24	55.9%
150,000	1,140.05	-	1,140.05	1,794.99	-	1,794.99	57.4%
175,000	1,278.55	-	1,278.55	2,028.74	-	2,028.74	58.7%
200,000	1,417.05	-	1,417.05	2,262.49	-	2,262.49	59.7%

Water Utility of Greater Tonopah, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: 3" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	18500	\$ 416.69	\$ 764.12	\$ 347.43	83.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 360.80	\$ -	\$ 360.80	\$ 640.00	\$ -	\$ 640.00	77.4%
1,000	361.98	(0.53)	361.45	642.42	(1.21)	641.21	77.4%
2,000	363.97	(1.43)	362.54	646.85	(3.43)	643.43	77.5%
3,000	365.96	(2.32)	363.64	651.28	(5.64)	645.64	77.6%
4,000	367.95	(3.22)	364.73	655.71	(7.86)	647.86	77.6%
5,000	369.94	(4.11)	365.83	660.14	(10.07)	650.07	77.7%
6,000	372.83	(5.41)	367.42	666.57	(13.29)	653.29	77.8%
7,000	375.72	(6.71)	369.01	673.00	(16.50)	656.50	77.9%
8,000	378.61	-	378.61	679.43	-	679.43	79.5%
9,000	381.50	-	381.50	685.86	-	685.86	79.8%
10,000	384.39	-	384.39	692.29	-	692.29	80.1%
15,000	403.39	-	403.39	734.54	-	734.54	82.1%
20,000	424.15	-	424.15	780.71	-	780.71	84.1%
25,000	447.55	-	447.55	832.76	-	832.76	86.1%
50,000	586.05	-	586.05	1,141.01	-	1,141.01	94.7%
75,000	724.55	-	724.55	1,449.26	-	1,449.26	100.0%
100,000	863.05	-	863.05	1,757.51	-	1,757.51	103.6%
125,000	1,001.55	-	1,001.55	2,065.76	-	2,065.76	106.3%
150,000	1,140.05	-	1,140.05	2,374.01	-	2,374.01	108.2%
175,000	1,278.55	-	1,278.55	2,682.26	-	2,682.26	109.8%
200,000	1,417.05	-	1,417.05	2,990.51	-	2,990.51	111.0%

ATTACHMENT A

Valencia Water Company, Inc. – Greater Buckeye Division

Schedules

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) SETTLEMENT ORIGINAL COST	(D) SETTLEMENT FAIR VALUE
1	Adjusted Rate Base	\$ 634,979	\$ 634,979	\$ 634,979	\$ 634,979
2	Adjusted Operating Income (Loss)	\$ 49,158	\$ 49,158	\$ 42,015	\$ 42,015
3	Current Rate of Return (L2 / L1)	7.74%	7.74%	6.62%	6.62%
4	Required Rate of Return	11.18%	11.18%	7.50%	7.50%
5	Required Operating Income (L4 * L1)	\$ 70,975	\$ 70,975	\$ 47,623	\$ 47,623
6	Operating Income Deficiency (L5 - L2)	\$ 21,817	\$ 21,817	\$ 5,608	\$ 5,608
7	Gross Revenue Conversion Factor	1.6694	1.6694	1.6563	1.6563
8	Required Revenue Increase (L7 * L6)	\$ 36,423	\$ 36,423	\$ 9,289	\$ 9,289
9	Adjusted Test Year Revenue	\$ 462,043	\$ 462,043	\$ 462,043	\$ 462,043
10	Proposed Annual Revenue (L8 + L9)	\$ 498,466	\$ 498,466	\$ 471,331	\$ 471,331
11	Required Increase in Revenue (%)	7.88%	7.88%	2.01%	2.01%
12	Rate of Return on Common Equity (%)	11.44%	11.44%	9.50%	9.50%

Valencia Water Company, Greater Buckeye Division.
W-02451A-12-0313
Test Year Ended December 31, 2011

Schedule: A-1a
Settlement Phase In

REVENUE PHASE IN PER SETTLEMENT

<u>Year</u>	Revenue Increase (Relative to Test Year)	Revenue Increase (Relative to Previous Year)
2014	-	-
2015	4,644	4,644
2016	9,289	4,644

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)
<u>Calculation of Gross Revenue Conversion Factor:</u>				
1	Revenue	100.0000%		
2	Uncollectible Factor (Line 11)	0.5096%		
3	Revenues (L1 - L2)	99.4904%		
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	39.1155%		
5	Subtotal (L3 - L4)	60.3749%		
6	Revenue Conversion Factor (L1 / L5)	1.656318		
<u>Calculation of Uncollectible Factor:</u>				
7	Unity	100.0000%		
8	Combined Federal and State Tax Rate (Line 17)	38.5989%		
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%		
10	Uncollectible Rate	0.8300%		
11	Uncollectible Factor (L9 * L10)		0.5096%	
<u>Calculation of Effective Tax Rate:</u>				
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%		
13	Arizona State Income Tax Rate	6.9680%		
14	Federal Taxable Income (L12 - L13)	93.0320%		
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%		
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%		
17	Combined Federal and State Income Tax Rate (L13 + L16)		38.5989%	
<u>Calculation of Effective Property Tax Factor</u>				
18	Unity	100.0000%		
19	Combined Federal and State Income Tax Rate (L17)	38.5989%		
20	One Minus Combined Income Tax Rate (L18-L19)	61.4011%		
21	Property Tax Factor (ADJ 6, L25)	0.8414%		
22	Effective Property Tax Factor (L20*L21)		0.5166%	
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			39.1155%
24	Required Operating Income (Schedule A-1)	\$ 47,623		
25	Adjusted Test Year Operating Income (Loss) (Schedule C-1)	\$ 42,015		
26	Required Increase in Operating Income (L24 - L25)		\$ 5,608	
27	Income Taxes on Recommended Revenue (Col. (C), L48)	\$ 15,967		
28	Income Taxes on Test Year Revenue (Col. (A), L48)	\$ 12,441		
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		\$ 3,525	
30	Required Revenue Increase (Schedule A-1)	\$ 9,289		
31	Uncollectible Rate (Line 10)	0.8300%		
32	Uncollectible Expense on Recommended Revenue (L30 * L31)	\$ 77		
33	Adjusted Test Year Uncollectible Expense - N/A	\$ -		
34	Required Increase in Revenue to Provide for Uncollectible Exp.		\$ 77	
35	Property Tax with Recommended Revenue (ADJ 6, Line 21)	\$ 11,741		
36	Property Tax on Test Year Revenue (ADJ 6, Col A, L19)	\$ 11,663		
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		\$ 78	
38	Total Required Increase in Revenue (L26 + L29 + L34+ L37)		\$ 9,289	

	(A) Test Year	(B)	(C) Settlement Recommended
<u>Calculation of Income Tax:</u>			
39	Revenue (Schedule C-1)	\$ 462,043	\$ 471,331
40	Operating Expenses Excluding Income Taxes	\$ 407,586	\$ 407,741
41	Synchronized Interest (L53)	\$ 22,224	\$ 22,224
42	Arizona Taxable Income (L39 - L40 - L41)	\$ 32,233	\$ 41,366
43	Arizona State Income Tax Rate	6.9680%	6.9680%
44	Arizona Income Tax (L42 x L43)	\$ 2,246	\$ 2,882
45	Federal Taxable Income (L42 - L44)	\$ 29,987	\$ 38,484
46	Federal Tax	\$ 10,195	\$ 13,084
47	Total Federal Income Tax	\$ 10,195	\$ 13,084
48	Combined Federal and State Income Tax (L43 + L47)	\$ 12,441	\$ 15,967
50	Effective Tax Rate		
<u>Calculation of Interest Synchronization:</u>			
51	Rate Base (Schedule B-1)		N/A
52	Weighted Average Cost of Debt		\$ 634,979
53	Synchronized Interest (L50 X L51)		3.5000%
			\$ 22,224

RATE BASE - ORIGINAL COST

LINE NO.	(A) COMPANY AS FILED	(B) SETTLEMENT ADJUSTMENTS	(C) SETTLEMENT AS ADJUSTED
1	Plant in Service	\$ 3,079,206	\$ 3,079,206
2	Less: Accumulated Depreciation	1,372,116	1,372,116
3	Net Plant in Service	<u>\$ 1,707,090</u>	<u>\$ 1,707,090</u>
<u>LESS:</u>			
4	Contributions in Aid of Construction (CIAC)	\$ 407,979	\$ 407,979
5	Less: Accumulated Amortization	171,882	171,882
6	Net CIAC	<u>236,097</u>	<u>236,097</u>
7	Advances in Aid of Construction (AIAC)	722,274	722,274
8	Imputed Reg AIAC	-	-
9	Imputed Reg CIAC	-	-
10	Accumulated Deferred Income Tax Credits	112,475	112,475
	Customer Meter Deposits	43,597	43,597
<u>ADD:</u>			
11	Accumulated Deferred Income Tax Debits	42,332	42,332
12	Cash Working Capital	-	-
13	Prepayments	-	-
14	Supplies Inventory	-	-
15	Projected Capital Expenditures	-	-
16	Deferred Debits	-	-
17	Purchase Wastewater Treatment Charges	-	-
18	Original Cost Rate Base	<u>\$ 634,979</u>	<u>\$ 634,979</u>

References:

Column (A), Company Schedule B-2
Column (B): Schedule B-2
Column (C): Column (A) + Column (B)

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Reclassification ADJ #1 Staff Testimony GWB	[I] SETTLEMENT ADJUSTED
<u>PLANT IN SERVICE:</u>					
1	303	Land and Land Rights	\$ 27,898	\$ -	\$ 27,898
2	304	Structures and Improvements	39,296		39,296
3	307	Wells and Springs	115,895		115,895
4	309	Supply Mains	-		-
5	310	Power Generation Equipment	1,738		1,738
6	311	Pumping Equipment	543,761		543,761
7	320	Water Treatment Equipment	844,990	(844,990)	-
8	320.1	Water Treatment Plant		844,990	844,990
9	320.2	Solution Chemical Feeders			-
10	330	Distribution Reservoirs and Standpipes	588,494	(588,494)	-
11	330.1	Storage Tanks		463,799	463,799
12	330.2	Pressure Tanks		124,695	124,695
13	331	Transmission and Distribution Mains	766,900		766,900
14	333	Services	37,406		37,406
15	334	Meters and Meter Installations	37,332		37,332
16	335	Hydrants	40,757		40,757
17	336	Backflow Prevention Devices	5,432		5,432
18	339	Other Plant and Miscellaneous Equipment	4,284		4,284
19	340	Office Furniture and Equipment	-		-
20	341	Transportation Equipment	-		-
21	343	Tools, Shop and Garage Equipment	1,650		1,650
22	344	Laboratory Equipment	-		-
23	345	Power Operated Equipment	-		-
24	346	Communication Equipment	4,751		4,751
25	347	Miscellaneous Equipment	10,089		10,089
26	348	Other Tangible Plant	8,533		8,533
27		Total Plant in Service	3,079,206	0	3,079,206
28					
29		Accumulated Depreciation	1,372,116	-	1,372,116
30		Net Plant in Service	\$ 1,707,090	\$ 0	\$ 1,707,090
31					
32		<u>LESS:</u>			
33		Contributions in Aid of Construction (CIAC)	407,979		\$ 407,979
34		Less: Accumulated Amortization	171,882	-	171,882
35		Net CIAC (L63 - L64)	236,097	-	236,097
36		Advances in Aid of Construction (AIAC)	722,274	-	722,274
37		Imputed Reg Advances	-	-	-
38		Imputed Reg CIAC	-	-	-
39		Accumulated Deferred Income Tax Credits	112,475		112,475
40		Customer Meter Deposits	43,597		43,597
41		<u>ADD:</u>			
42		Accumulated Deferred Income Tax Debits	42,332		42,332
43		Working Capital Allowance	-		-
50		Original Cost Rate Base	\$ 634,979	\$ 0	\$ 634,979

OPERATING INCOME STATEMENT - TEST YEAR AND SETTLEMENT

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] SETTLEMENT TEST YEAR ADJUSTMENTS	[C] SETTLEMENT TEST YEAR AS ADJUSTED	[D] SETTLEMENT RECOMMENDED CHANGES	[E] SETTLEMENT RECOMMENDED
		\$ -	\$ -	\$ -	\$ 9,289	\$ 9,289
1	461 Metered Water Revenue	449,915	-	449,915	-	449,915
2	460 Unmetered Water Revenue	-	-	-	-	-
3	474 Other Water Revenues	12,128	-	12,128	-	12,128
4	Total Operating Revenues	<u>\$ 462,043</u>	<u>\$ -</u>	<u>\$ 462,043</u>	<u>\$ 9,289</u>	<u>\$ 471,331</u>
5	601 Salary and Wages - Employees	\$ 108,598	\$ -	\$ 108,598	\$ -	\$ 108,598
6	610 Purchased Water	51,353	-	51,353	-	51,353
7	615 Purchased Power	27,669	(504)	27,166	-	27,166
8	618 Chemicals	5,234	(95)	5,139	-	5,139
9	620 Materials and Supplies	(2,816)	-	(2,816)	-	(2,816)
10	621 Office Supplies and Expense	5,458	-	5,458	-	5,458
11	630 Outside Services	36,433	-	36,433	-	36,433
12	635 Contractual Services - Testing	3,252	-	3,252	-	3,252
13	636 Contractual Services - Other	-	-	-	-	-
14	641 Rental of Building/Real Propert	4,216	-	4,216	-	4,216
15	650 Transportation Expenses	9,090	-	9,090	-	9,090
16	657 Insurance - General Liability	2,836	-	2,836	-	2,836
17	659 Insurance - Other	1,509	-	1,509	-	1,509
18	666 Regulatory Commission Expen	4,142	(2,037)	2,105	-	2,105
19	670 Bad Debt Expense	11,295	(7,460)	3,835	77	3,912
20	675 Miscellaneous Expenses	13,302	-	13,302	-	13,302
21	403 Depreciation Expense	137,751	10,580	148,331	-	148,331
22	403 Depreciation Expense - CIAC /	(25,605)	-	(25,605)	-	(25,605)
23	408 Taxes Other Than Income	1,722	-	1,722	-	1,722
24	408.11 Taxes Other Than Income -	11,663	-	11,663	78	11,741
25	409 Income Taxes	5,783	6,658	12,441	-	15,967
26	Total Operating Expenses	<u>412,885</u>	<u>7,142</u>	<u>420,027</u>	<u>3,681</u>	<u>423,708</u>
27	Operating Income (Loss)	<u>\$ 49,158</u>	<u>\$ (7,142)</u>	<u>\$ 42,015</u>	<u>\$ 5,608</u>	<u>\$ 47,623</u>

References:

- Column (A): Company Schedule C-1
- Column (B): Schedule C-2
- Column (C): Column (A) + Column (B)
- Column (D): Schedules A-1
- Column (E): Column (C) + Column (D)

Valencia Water Company, Greater Buckeye Division.
W-02451A-12-0313
Test Year Ended December 31, 2011

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) Excess Water Loss ADJ #1	(C) Bad Debts Exp ADJ #2	(D) Rate Case Exp ADJ #3	(E) Deprec. Exp ADJ #4	(F) Income Taxes ADJ #5	(H) SETTLEMENT ADJUSTED
1	461 Metered Water Revenue	449,915	-	-	-	-	-	449,915
2	460 Unmetered Water Revenue	-	-	-	-	-	-	-
3	474 Other Water Revenues	12,128	-	-	-	-	-	12,128
4	Total Operating Revenues	\$ 462,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 462,043
Operating Expenses								
5	601 Salary and Wages - Employees	108,598	-	-	-	-	-	108,598
6	610 Purchased Water	51,353	-	-	-	-	-	51,353
7	615 Purchased Power	27,669	(504)	-	-	-	-	27,166
8	618 Chemicals	5,234	(95)	-	-	-	-	5,139
9	620 Materials and Supplies	(2,816)	-	-	-	-	-	(2,816)
10	621 Office Supplies and Expense	5,458	-	-	-	-	-	5,458
11	630 Outside Services	36,433	-	-	-	-	-	36,433
12	635 Contractual Services - Testing	3,252	-	-	-	-	-	3,252
13	636 Contractual Services - Other	-	-	-	-	-	-	-
14	641 Rental of Building/Real Property	4,216	-	-	-	-	-	4,216
15	650 Transportation Expenses	9,090	-	-	-	-	-	9,090
16	657 Insurance - General Liability	2,836	-	-	-	-	-	2,836
17	659 Insurance - Other	1,509	-	-	-	-	-	1,509
18	666 Regulatory Commission Expense -	4,142	-	-	(2,037)	-	-	2,105
19	670 Bad Debt Expense	11,295	-	(7,460)	-	-	-	3,835
20	675 Miscellaneous Expenses	13,302	-	-	-	10,580	-	13,302
21	403 Depreciation Expense	137,751	-	-	-	-	-	137,751
22	403 Depreciation Expense - CIAC Amor	(25,605)	-	-	-	-	-	(25,605)
23	408 Taxes Other Than Income	1,722	-	-	-	-	-	1,722
24	408.11 Taxes Other Than Income - Proj	11,663	-	-	-	-	-	11,663
25	409 Income Taxes	5,783	-	-	-	6,658	-	12,441
26	Total Operating Expenses	\$ 412,885	\$ (599)	\$ (7,460)	\$ (2,037)	\$ 10,580	\$ 6,658	\$ 420,027
27	Operating Income	\$ 49,158	\$ 599	\$ 7,460	\$ 2,037	\$ (10,580)	\$ (6,658)	\$ 42,015

Valencia Water Company, Greater Buckeye Division.
W-02451A-12-0313
Test Year Ended December 31, 2011

Settlement ADJ 1
Water Loss

OPERATING INCOME ADJUSTMENT #1 - EXCESS WATER LOSS

LINE
NO.

1	One plus allowable water loss	110.00%
2	One plus actual water loss	112.04%
3	Allowable portion	98.18%
4	Disallowable portion	<u>1.82%</u>
5	Power Expense	27,669
6	Disallowance	\$ 504
7	Chemical Expense	5,234
8	Disallowance	\$ 95

Line 1: Maximum acceptable level of water losses

Line 2: Actual level of water losses

Line 3: Line 2 / line 3

Line 4: 1 minus line 4

Line 6: Line 1 times line 5

Lines 1 - 6: See also Staff testimony GWB

Valencia Water Company, Greater Buckeye Division.
W-02451A-12-0313
Test Year Ended December 31, 2011

Settlement ADJ 2
Bad Debt Expense

OPERATING INCOME ADJUSTMENT #2 - BAD DEBT EXPENSE

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED*</u>
1		\$ 11,295	\$ (7,460)	\$ 3,835

References:

Column (A), Company Workpapers

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B), Per Co Response
to Staff DR 5.8

Adjusted Test Year Revenues	\$ 462,043
Bad Debt Expense Rate	0.83%
Expected Bad Debt Expense	\$ 3,835
Co Proposed	\$ 11,295
	\$ (7,460)

OPERATING INCOME ADJUSTMENT #3 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED
1		\$ 4,142	\$ (2,037)	\$ 2,105

Company Proposed Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS
2 Allocation Percentages		39.86%	40.32%	13.45%	3.78%	0.82%	1.58%	0.19%
3 Desert Mountain Analytical Services	\$ 122,063	\$ 48,652	\$ 49,218	\$ 16,420	\$ 4,616	\$ 996	\$ 1,927	\$ 234
4 Insight Consulting, LLC	\$ 216,000	\$ 86,094	\$ 87,095	\$ 29,057	\$ 8,168	\$ 1,762	\$ 3,410	\$ 413
5 Roshka Dewulf & Patten, PLC	\$ 370,303	\$ 147,597	\$ 149,313	\$ 49,814	\$ 14,004	\$ 3,021	\$ 5,846	\$ 709
6 Ullmann & Company P C	\$ 78,809	\$ 31,412	\$ 31,777	\$ 10,602	\$ 2,980	\$ 643	\$ 1,244	\$ 151
7 Total	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506
8 Amortization over 3 years:								
9 Year 1	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
10 Year 2	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
11 Year 3	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
12 Totals	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506

Settlement Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS
13 Description								
14 Recommended Amount	\$ 400,000	\$ 159,434	\$ 161,287	\$ 53,809	\$ 15,127	\$ 3,263	\$ 6,315	\$ 765
15 Amortization:								
16 Year 1	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
17 Year 2	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
18 Year 3	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
19 Totals	\$ 400,000	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506
20 Adjustment Total, by System	\$ (129,058)	\$ (51,441)	\$ (52,038)	\$ (17,361)	\$ (4,881)	\$ (1,053)	\$ (2,037)	\$ (247)

References:

Column (A), Company Workpapers
Column (B): Line 20 for respective system
Column (C): Line 16 for respective system

Valencia Water Company, Greater Buckeye Division.
W-02451A-12-0313
Test Year Ended December 31, 2011

Settlement ADJ 4
Depreciation

OPERATING INCOME ADJUSTMENT #4 - DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1		<u>PLANT IN SERVICE:</u>			
2	303	Land and Land Rights	27,898	0.00%	-
3	304	Structures and Improvements	39,296	3.33%	1,309
4	307	Wells and Springs	115,895	3.33%	3,859
5	309	Supply Mains	-	2.00%	-
6	310	Power Generation Equipment	1,738	5.00%	87
7	311	Pumping Equipment	543,761	12.50%	67,970
8	320	Water Treatment Equipment	-	0.00%	-
9	320.1	Water Treatment Plant	844,990	3.33%	28,138
10	320.2	Solution Chemical Feeders	-	20.00%	-
11	330	Distribution Reservoirs and Standpipes	-	0.00%	-
12	330.1	Storage Tanks	463,799	2.22%	10,296
13	330.2	Pressure Tanks	124,695	5.00%	6,235
14	331	Transmission and Distribution Mains	766,900	2.00%	15,338
15	333	Services	37,406	3.33%	1,246
16	334	Meters and Meter Installations	37,332	8.33%	3,110
17	335	Hydrants	40,757	2.00%	815
18	336	Backflow Prevention Devices	5,432	6.67%	362
19	339	Other Plant and Miscellaneous Equipment	4,284	6.67%	286
20	340	Office Furniture and Equipment	-	6.67%	-
21	341	Transportation Equipment	-	20.00%	-
22	343	Tools, Shop and Garage Equipment	1,650	5.00%	83
23	344	Laboratory Equipment	-	10.00%	-
24	345	Power Operated Equipment	-	5.00%	-
25	346	Communication Equipment	4,751	10.00%	475
26	347	Miscellaneous Equipment	10,089	10.00%	1,009
27	348	Other Tangible Plant	8,533	10.00%	853
28		Totals	3,079,206		141,470
29		Less: Non Depreciable Plant			
30		Land and Land Rights	27,898		
31		Net Depreciable Plant and Depreciation Amounts	\$ 3,051,308		\$ 141,470
32					
33		Amortization of CIAC at Company's Rate	\$ 407,979	4.5944%	\$ 18,744
34		Settlement Depreciation Expense			\$ 122,726
35		Company Proposed Depreciation Expense			\$ 112,146
36		Settlement Adjustment			\$ 10,580

	<u>References:</u>
Col [A]	Schedule B-2
Col [B]	Proposed Rates per Staff Engineering Report
Col [C]	Col [A] times Col [B]

Valencia Water Company, Greater Buckeye Division.
W-02451A-12-0313
Test Year Ended December 31, 2011

Settlement ADJ 5
Income Taxes

OPERATING INCOME ADJUSTMENT #5 - INCOME TAXES

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	Income Taxes	<u>\$ 5,783</u>	<u>\$ 6,658</u>	<u>\$ 12,441</u>

References:

Column (A): Company Schedule C-2
Column (B): Staff Testimony GWB
Column (C): Column (A) + Column (B).

Valencia Water Company, Greater Buckeye Division.
W-02451A-12-0313
Test Year Ended December 31, 2011

Settlement ADJ 6
Property Taxes

OPERATING INCOME ADJUSTMENT #6 - PROPERTY TAX EXPENSE GRFC COMPONENT

LINE NO.	DESCRIPTION	[A] SETTLEMENT AS ADJUSTED	[B] SETTLEMENT RECOMMENDED
1	Adjusted Test Year Revenues - 2011	\$ 462,043	\$ 462,043
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	924,086	924,086
4	Adjusted Test Year Revenues - 2011	462,043	
5	Recommended Revenue		471,331
6	Subtotal (Line 4 + Line 5)	1,386,129	1,395,417
7	Number of Years	3	3
8	Three Year Average (Line 5 / Line 6)	462,043	465,139
9	Department of Revenue Multiplier	2	2
10	Revenue Base Value (Line 7 * Line 8)	924,086	930,278
11	Plus: 10% of CWIP	(3)	(3)
12	Less: Net Book Value of Licensed Vehicles	-	-
13	Full Cash Value (Line 10 + Line 11 - Line 12)	924,083	930,275
14	Assessment Ratio	21.0%	21.0%
15	Assessment Value (Line 13 * Line 14)	194,057	195,358
16	Composite Property Tax Rate	6.0100%	6.0100%
17	Test Year Adjusted Property Tax Expense (Line 15 * Line 16)	\$ 11,663	
18	Company Proposed Property Tax	\$ 11,663	
19	Test Year Adjustment (Line 17 - Line 18)	\$ (0)	
20	Property Tax on Recommended Revenue (Line 15 * Line 16)		\$ 11,741
21	Test Year Adjusted Property Tax Expense (Line 17)		\$ 11,663
22	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 78
23	Increase in Property Tax Due to Increase in Revenue Requirement (Line 22)		\$ 78
24	Increase in Revenue Requirement		\$ 9,289
25	Increase in Property Tax Per Dollar Increase in Revenue (Line 23 / Line 24)		0.84140%

REFERENCES:

Line 15: Composite Tax Rate, per Company
Line 18: Company Schedule C-1, Line 36

CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL - REQUIRED RATE OF RETURN

	<u>Percent of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>	
Debt	57.8%	6.1%	3.5%	
<u>Equity</u>	<u>42.2%</u>	<u>9.5%</u>	<u>4.0%</u>	
Required Rate of Return			<table border="1"><tr><td>7.5%</td></tr></table>	7.5%
7.5%				

Changes in Representative Rate Schedules
Potable Water - All Meter Sizes and Classes*
Monthly Minimum Charges:

Meter Size (All Classes*)	Basic Service Charge				2,016.00 corrected
	Present	Proposed			
		2014	2015	2016	
5/8" X 3/4" Meter	\$ 27.72	\$ 27.72	\$ 27.78	\$ 28.14	
3/4" Meter	27.72	27.72	27.78	28.14	
1" Meter	69.30	69.30	69.45	69.30	
1.5" Meter	138.60	138.60	138.90	140.70	
2" Meter	221.76	221.76	222.24	225.12	
3" Meter	443.52	443.52	444.48	1,108.80	450.24
4" Meter	693.00	693.00	694.50	3,517.50	703.50
6" Meter	1,386.00	1,386.00	1,389.00	11,256.00	1,407.00
8" Meter	NA	2,217.60	2,222.40	2,251.20	

Commodity Rate Charges (per 1,000 gallons):

	Rate Block		Volumetric Charge			
	Present	Proposed	Present	Proposed		
				2014	2015	2016
Tier One Breakover	1,000 Gallons	1,000 Gallons	\$ 1.35	\$ 1.35	\$ 1.42	\$ 1.43
Tier Two Breakover	5,000 Gallons	5,000 Gallons	2.55	2.55	2.68	2.70
Tier Three Breakover	10,000 Gallons	10,000 Gallons	3.75	3.75	3.94	3.98
Tier Four Breakover	18,000 Gallons	18,000 Gallons	4.95	4.95	5.20	5.25
Tier Five Breakover	25,000 Gallons	25,000 Gallons	6.15	6.15	6.46	6.52
Tier Six Breakover	Over 25,000	Over 25,000	7.35	7.35	7.72	7.79

Conservation Rebate

	Present	Proposed	
		2014	2015 and thereafter
Threshold ("CRT") in Gallons	9,001	9,001	8,001
Commodity rate rebate : (applied if consumption is below the CRT)	45%	45%	50%

*Includes all potable water meters including irrigation meters.

Non-Potable Water - All Meter Sizes and Classes	Present	Proposed	Change
All Gallons (Per Acre Foot)	185.74	533.76	348.02
All Gallons (Per 1,000 Gallons)	0.57	1.638	1.07

Valencia Water Company, Greater Buckeye Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	6500	\$ 37.17	\$ 37.17	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.72	\$ -	\$ 27.72	\$ 27.72	\$ -	\$ 27.72	0.0%
1,000	29.07	(0.61)	28.46	29.07	(0.61)	28.46	0.0%
2,000	31.62	(1.76)	29.87	31.62	(1.76)	29.87	0.0%
3,000	34.17	(2.90)	31.27	34.17	(2.90)	31.27	0.0%
4,000	36.72	(4.05)	32.67	36.72	(4.05)	32.67	0.0%
5,000	39.27	(5.20)	34.07	39.27	(5.20)	34.07	0.0%
6,000	43.02	(6.89)	36.14	43.02	(6.89)	36.14	0.0%
7,000	46.77	(8.57)	38.20	46.77	(8.57)	38.20	0.0%
8,000	50.52	(10.26)	40.26	50.52	(10.26)	40.26	0.0%
9,000	54.27	(11.95)	42.32	54.27	(11.95)	42.32	0.0%
10,000	58.02	-	58.02	58.02	-	58.02	0.0%
15,000	82.77	-	82.77	82.77	-	82.77	0.0%
20,000	109.92	-	109.92	109.92	-	109.92	0.0%
25,000	140.67	-	140.67	140.67	-	140.67	0.0%
50,000	324.42	-	324.42	324.42	-	324.42	0.0%
75,000	508.17	-	508.17	508.17	-	508.17	0.0%
100,000	691.92	-	691.92	691.92	-	691.92	0.0%
125,000	875.67	-	875.67	875.67	-	875.67	0.0%
150,000	1,059.42	-	1,059.42	1,059.42	-	1,059.42	0.0%
175,000	1,243.17	-	1,243.17	1,243.17	-	1,243.17	0.0%
200,000	1,426.92	-	1,426.92	1,426.92	-	1,426.92	0.0%

Valencia Water Company, Greater Buckeye Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	6500	\$ 37.17	\$ 36.81	\$ (0.36)	-1.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.72	\$ -	\$ 27.72	\$ 27.78	\$ -	\$ 27.78	0.2%
1,000	29.07	(0.61)	28.46	29.20	(0.71)	28.49	0.1%
2,000	31.62	(1.76)	29.87	31.88	(2.05)	29.83	-0.1%
3,000	34.17	(2.90)	31.27	34.56	(3.39)	31.17	-0.3%
4,000	36.72	(4.05)	32.67	37.24	(4.73)	32.51	-0.5%
5,000	39.27	(5.20)	34.07	39.92	(6.07)	33.85	-0.7%
6,000	43.02	(6.89)	36.14	43.86	(8.04)	35.82	-0.9%
7,000	46.77	(8.57)	38.20	47.80	(10.01)	37.79	-1.1%
8,000	50.52	(10.26)	40.26	51.74	(11.98)	39.76	-1.2%
9,000	54.27	(11.95)	42.32	55.68	-	55.68	31.6%
10,000	58.02	-	58.02	59.62	-	59.62	2.8%
15,000	82.77	-	82.77	85.62	-	85.62	3.4%
20,000	109.92	-	109.92	114.14	-	114.14	3.8%
25,000	140.67	-	140.67	146.44	-	146.44	4.1%
50,000	324.42	-	324.42	339.44	-	339.44	4.6%
75,000	508.17	-	508.17	532.44	-	532.44	4.8%
100,000	691.92	-	691.92	725.44	-	725.44	4.8%
125,000	875.67	-	875.67	918.44	-	918.44	4.9%
150,000	1,059.42	-	1,059.42	1,111.44	-	1,111.44	4.9%
175,000	1,243.17	-	1,243.17	1,304.44	-	1,304.44	4.9%
200,000	1,426.92	-	1,426.92	1,497.44	-	1,497.44	4.9%

Valencia Water Company, Greater Buckeye Division

Test Year Ended December 31, 2011

Typical Bill Analysis

2016

Settlement H-4

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	6500	\$ 37.17	\$ 37.24	\$ 0.07	0.2%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.72	\$ -	\$ 27.72	\$ 28.14	\$ -	\$ 28.14	1.5%
1,000	29.07	(0.61)	28.46	29.57	(0.72)	28.86	1.4%
2,000	31.62	(1.76)	29.87	32.27	(2.07)	30.21	1.1%
3,000	34.17	(2.90)	31.27	34.97	(3.42)	31.56	0.9%
4,000	36.72	(4.05)	32.67	37.67	(4.77)	32.91	0.7%
5,000	39.27	(5.20)	34.07	40.37	(6.12)	34.26	0.5%
6,000	43.02	(6.89)	36.14	44.35	(8.11)	36.25	0.3%
7,000	46.77	(8.57)	38.20	48.33	(10.10)	38.24	0.1%
8,000	50.52	(10.26)	40.26	52.31	(12.09)	40.23	-0.1%
9,000	54.27	(11.95)	42.32	56.29	-	56.29	33.0%
10,000	58.02	-	58.02	60.27	-	60.27	3.9%
15,000	82.77	-	82.77	86.52	-	86.52	4.5%
20,000	109.92	-	109.92	115.31	-	115.31	4.9%
25,000	140.67	-	140.67	147.91	-	147.91	5.1%
50,000	324.42	-	324.42	342.66	-	342.66	5.6%
75,000	508.17	-	508.17	537.41	-	537.41	5.8%
100,000	691.92	-	691.92	732.16	-	732.16	5.8%
125,000	875.67	-	875.67	926.91	-	926.91	5.9%
150,000	1,059.42	-	1,059.42	1,121.66	-	1,121.66	5.9%
175,000	1,243.17	-	1,243.17	1,316.41	-	1,316.41	5.9%
200,000	1,426.92	-	1,426.92	1,511.16	-	1,511.16	5.9%

Valencia Water Company, Greater Buckeye Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7700	\$ 81.22	\$ 81.22	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.30	\$ -	\$ 69.30	\$ 69.30	\$ -	\$ 69.30	0.0%
1,000	70.65	(0.61)	70.04	70.65	(0.61)	70.04	0.0%
2,000	73.20	(1.76)	71.45	73.20	(1.76)	71.45	0.0%
3,000	75.75	(2.90)	72.85	75.75	(2.90)	72.85	0.0%
4,000	78.30	(4.05)	74.25	78.30	(4.05)	74.25	0.0%
5,000	80.85	(5.20)	75.65	80.85	(5.20)	75.65	0.0%
6,000	84.60	(6.89)	77.72	84.60	(6.89)	77.72	0.0%
7,000	88.35	(8.57)	79.78	88.35	(8.57)	79.78	0.0%
8,000	92.10	(10.26)	81.84	92.10	(10.26)	81.84	0.0%
9,000	95.85	(11.95)	83.90	95.85	(11.95)	83.90	0.0%
10,000	99.60	-	99.60	99.60	-	99.60	0.0%
15,000	124.35	-	124.35	124.35	-	124.35	0.0%
20,000	151.50	-	151.50	151.50	-	151.50	0.0%
25,000	182.25	-	182.25	182.25	-	182.25	0.0%
50,000	366.00	-	366.00	366.00	-	366.00	0.0%
75,000	549.75	-	549.75	549.75	-	549.75	0.0%
100,000	733.50	-	733.50	733.50	-	733.50	0.0%
125,000	917.25	-	917.25	917.25	-	917.25	0.0%
150,000	1,101.00	-	1,101.00	1,101.00	-	1,101.00	0.0%
175,000	1,284.75	-	1,284.75	1,284.75	-	1,284.75	0.0%
200,000	1,468.50	-	1,468.50	1,468.50	-	1,468.50	0.0%

Valencia Water Company, Greater Buckeye Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7700	\$ 81.22	\$ 80.84	\$ (0.38)	-0.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.30	\$ -	\$ 69.30	\$ 69.45	\$ -	\$ 69.45	0.2%
1,000	70.65	(0.61)	70.04	70.87	(0.71)	70.16	0.2%
2,000	73.20	(1.76)	71.45	73.55	(2.05)	71.50	0.1%
3,000	75.75	(2.90)	72.85	76.23	(3.39)	72.84	0.0%
4,000	78.30	(4.05)	74.25	78.91	(4.73)	74.18	-0.1%
5,000	80.85	(5.20)	75.65	81.59	(6.07)	75.52	-0.2%
6,000	84.60	(6.89)	77.72	85.53	(8.04)	77.49	-0.3%
7,000	88.35	(8.57)	79.78	89.47	(10.01)	79.46	-0.4%
8,000	92.10	(10.26)	81.84	93.41	(11.98)	81.43	-0.5%
9,000	95.85	(11.95)	83.90	97.35	-	97.35	16.0%
10,000	99.60	-	99.60	101.29	-	101.29	1.7%
15,000	124.35	-	124.35	127.29	-	127.29	2.4%
20,000	151.50	-	151.50	155.81	-	155.81	2.8%
25,000	182.25	-	182.25	188.11	-	188.11	3.2%
50,000	366.00	-	366.00	381.11	-	381.11	4.1%
75,000	549.75	-	549.75	574.11	-	574.11	4.4%
100,000	733.50	-	733.50	767.11	-	767.11	4.6%
125,000	917.25	-	917.25	960.11	-	960.11	4.7%
150,000	1,101.00	-	1,101.00	1,153.11	-	1,153.11	4.7%
175,000	1,284.75	-	1,284.75	1,346.11	-	1,346.11	4.8%
200,000	1,468.50	-	1,468.50	1,539.11	-	1,539.11	4.8%

Valencia Water Company, Greater Buckeye Division
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7700	\$ 81.22	\$ 80.79	\$ (0.43)	-0.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.30	\$ -	\$ 69.30	\$ 69.30	\$ -	\$ 69.30	0.0%
1,000	70.65	(0.61)	70.04	70.73	(0.72)	70.02	0.0%
2,000	73.20	(1.76)	71.45	73.43	(2.07)	71.37	-0.1%
3,000	75.75	(2.90)	72.85	76.13	(3.42)	72.72	-0.2%
4,000	78.30	(4.05)	74.25	78.83	(4.77)	74.07	-0.2%
5,000	80.85	(5.20)	75.65	81.53	(6.12)	75.42	-0.3%
6,000	84.60	(6.89)	77.72	85.51	(8.11)	77.41	-0.4%
7,000	88.35	(8.57)	79.78	89.49	(10.10)	79.40	-0.5%
8,000	92.10	(10.26)	81.84	93.47	(12.09)	81.39	-0.6%
9,000	95.85	(11.95)	83.90	97.45	-	97.45	16.1%
10,000	99.60	-	99.60	101.43	-	101.43	1.8%
15,000	124.35	-	124.35	127.68	-	127.68	2.7%
20,000	151.50	-	151.50	156.47	-	156.47	3.3%
25,000	182.25	-	182.25	189.07	-	189.07	3.7%
50,000	366.00	-	366.00	383.82	-	383.82	4.9%
75,000	549.75	-	549.75	578.57	-	578.57	5.2%
100,000	733.50	-	733.50	773.32	-	773.32	5.4%
125,000	917.25	-	917.25	968.07	-	968.07	5.5%
150,000	1,101.00	-	1,101.00	1,162.82	-	1,162.82	5.6%
175,000	1,284.75	-	1,284.75	1,357.57	-	1,357.57	5.7%
200,000	1,468.50	-	1,468.50	1,552.32	-	1,552.32	5.7%

ATTACHMENT A

Global Water – Santa Cruz Water Company

Schedules

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) SETTLEMENT ORIGINAL COST	(D) SETTLEMENT FAIR VALUE
1	Adjusted Rate Base	\$ 38,014,243	\$ 38,014,243	\$ 37,918,570	\$ 37,918,570
2	Adjusted Operating Income (Loss)	\$ 1,675,030	\$ 1,675,030	\$ 1,908,343	\$ 1,908,343
3	Current Rate of Return (L2 / L1)	4.41%	4.41%	5.03%	5.03%
4	Required Rate of Return	8.79%	8.79%	7.50%	7.50%
5	Required Operating Income (L4 * L1)	\$ 3,342,866	\$ 3,342,866	\$ 2,843,893	\$ 2,843,893
6	Operating Income Deficiency (L5 - L2)	\$ 1,667,836	\$ 1,667,836	\$ 935,550	\$ 935,550
7	Gross Revenue Conversion Factor	1.637072	1.637072	1.663243	1.663243
8	Required Revenue Increase (L7 * L6)	\$ 2,730,367	\$ 2,730,367	\$ 1,556,046	\$ 1,556,046
9	Adjusted Test Year Revenue	\$ 10,463,460	\$ 10,463,460	\$ 10,463,460	\$ 10,463,460
10	Proposed Annual Revenue (L8 + L9)	\$ 13,193,827	\$ 13,193,827	\$ 12,019,506	\$ 12,019,506
11	Required Increase in Revenue (%)	26.10%	26.10%	14.87%	14.87%
12	Rate of Return on Common Equity (%)	11.44%	11.44%	9.50%	9.50%

References:

Column [A]: Company Schedule A-1
Column (B): Company Schedule A-1
Column (C): Company Schedules A-1, A-2, & D-1
Column (D): Settlement Schedules GRCF, B-1, and C-1

REVENUE PHASE IN PER SETTLEMENT

<u>Year</u>	<u>Revenue Increase (Relative to Test Year)</u>	<u>Revenue Increase (Relative to Previous Year)</u>
2014	-	-
2015	554,487	554,487
2016	912,898	358,411
2017	1,041,528	128,630
2018	1,170,157	128,629
2019	1,298,787	128,630
2020	1,427,416	128,629
2021	1,556,046	128,630

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)
<u>Calculation of Gross Revenue Conversion Factor:</u>				
1	Revenue	100.0000%		
2	Uncollectible Factor (Line 11)	0.4298%		
3	Revenues (L1 - L2)	99.5702%		
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	39.4467%		
5	Subtotal (L3 - L4)	60.1235%		
6	Revenue Conversion Factor (L1 / L5)	1.663243		
<u>Calculation of Uncollectible Factor:</u>				
7	Unity	100.0000%		
8	Combined Federal and State Tax Rate (Line 17)	38.5989%		
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%		
10	Uncollectible Rate	0.7000%		
11	Uncollectible Factor (L9 * L10)		0.42981%	
<u>Calculation of Effective Tax Rate:</u>				
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%		
13	Arizona State Income Tax Rate	6.9680%		
14	Federal Taxable Income (L12 - L13)	93.0320%		
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%		
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%		
17	Combined Federal and State Income Tax Rate (L13 +L16)		38.5989%	
<u>Calculation of Effective Property Tax Factor</u>				
18	Unity	100.0000%	6.968%	
19	Combined Federal and State Income Tax Rate (L17)	38.5989%		
20	One Minus Combined Income Tax Rate (L18-L19)	61.4011%		
21	Property Tax Factor (ADJ 7, L25)	1.3808%		
22	Effective Property Tax Factor (L20*L21)		0.8478%	
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			39.4467%
24	Required Operating Income (Schedule A-1, Line 5)	\$ 2,843,893		
25	Adjusted Test Year Operating Income (Loss) (Schedule C-1, Line 34)	\$ 1,908,343		
26	Required Increase in Operating Income (L24 - L25)		\$ 935,550	
27	Income Taxes on Recommended Revenue (Col. (C), L48)	\$ 953,477		
28	Income Taxes on Test Year Revenue (Col. (A), L48)	\$ 365,358		
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		\$ 588,119	
30	Required Revenue Increase (Schedule A-1, Line 8)	\$ 1,556,046		
31	Uncollectible Rate (Line 10)	0.7000%		
32	Uncollectible Expense on Recommended Revenue (L30 * L31)	\$ 10,892		
33	Adjusted Test Year Uncollectible Expense - N/A	\$ -		
34	Required Increase in Revenue to Provide for Uncollectible Exp.		\$ 10,892	
35	Property Tax with Recommended Revenue (ADJ 7, Line 21)	\$ 458,357		
36	Property Tax on Test Year Revenue (ADJ 7, Col A, L19)	\$ 436,871		
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		\$ 21,486	
38	Total Required Increase in Revenue (L26 + L29 + L34+ L37)		\$ 1,556,047	

	(A) Test Year	(B)	(C) With Increase
<u>Calculation of Income Tax:</u>			
39	Revenue (Sch C-1, Col.(C) L4, C-1, Col. (D), L10)	\$ 10,463,460	\$ 12,019,506
40	Operating Expenses Excluding Income Taxes	\$ 8,189,759	\$ 8,222,137
41	Synchronized Interest (L53)	\$ 1,327,150	\$ 1,327,150
42	Arizona Taxable Income (L39 - L40 - L41)	\$ 946,551	\$ 2,470,219
43	Arizona State Income Tax Rate	6.9680%	6.9680%
44	Arizona Income Tax (L42 x L43)	\$ 65,958	\$ 172,125
45	Federal Taxable Income (L42 - L44)	\$ 880,595	\$ 2,298,094
46	Federal Tax	\$ 299,402	\$ 781,352
47	Total Federal Income Tax	\$ 299,402	\$ 781,352
48	Combined Federal and State Income Tax (L43 + L47)	\$ 365,358	\$ 953,477

50 Effective Tax Rate

Calculation of Interest Synchronization:

51	Rate Base (Schedule B-1)	N/A
52	Weighted Average Cost of Debt	\$ 37,918,570
53	Synchronized Interest (L50 X L51)	3.5000%
		\$ 1,327,150

RATE BASE - ORIGINAL COST

LINE NO.	(A) COMPANY AS FILED	(B) SETTLEMENT ADJUSTMENTS	(C) SETTLEMENT AS ADJUSTED
1	Plant in Service	\$ 90,376,391	\$ 90,237,230
2	Less: Accumulated Depreciation	19,047,719	19,004,231
3	Net Plant in Service	<u>\$ 71,328,672</u>	<u>\$ 71,232,999</u>
<u>LESS:</u>			
4	Contributions in Aid of Construction (CIAC)	\$ 82,949	\$ 82,949
5	Less: Accumulated Amortization	5,655	5,655
6	Net CIAC	<u>77,294</u>	<u>77,294</u>
7	Advances in Aid of Construction (AIAC)	33,414,961	33,414,961
8	Imputed Reg AIAC	-	-
9	Imputed Reg CIAC	-	-
10	Accumulated Deferred Income Tax Credits	-	-
	Customer Meter Deposits	1,193,499	1,193,499
<u>ADD:</u>			
11	Accumulated Deferred Income Tax Debits	194	194
12	Cash Working Capital	18,800	18,800
13	Deferred Compensation	50,256	50,256
14	CIAC	29,820	29,820
15	Fixed Asset Depreciation	1,272,256	1,272,256
16	Deferred Debits	-	-
17	Purchase Wastewater Treatment Charges	-	-
18	Original Cost Rate Base	<u>\$ 38,014,243</u>	<u>\$ 37,918,570</u>

References:

Column (A), Company Schedule B-2
Column (B): Schedule B-2
Column (C): Column (A) + Column (B)

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Unsupported Plant	[B] Reclassification ADJUSTMENTS	[C] SETTLEMENT AS ADJUSTED
<u>PLANT IN SERVICE:</u>						
1	303	Land and Land Rights	\$ 62,847	\$ -	\$ -	\$ 62,847
2	304	Structures and Improvements	9,566,104			9,566,104
3	306	Lake, River and Other Intakes	1,855			1,855
4	307	Wells and Springs	4,459,478			4,459,478
5	309	Supply Mains	2,340,773			2,340,773
6	310	Power Generation Equipment	324,955			324,955
7	311	Pumping Equipment	6,782,543	(139,161)		6,643,382
8	320	Water Treatment Equipment	27,095		(27,095)	-
9	320.1	Water Treatment Plant			12,553	12,553
10	320.2	Solution Chemical Feeders			14,541	14,541
11	330	Distribution Reservoirs and Standpipes	1,378,273		(1,378,273)	-
12	330.1	Storage Tanks			820,301	820,301
13	330.2	Pressure Tanks			557,973	557,973
14	331	Transmission and Distribution Mains	44,363,056			44,363,056
15	333	Services	4,645,439			4,645,439
16	334	Meters and Meter Installations	3,792,641			3,792,641
17	335	Hydrants	4,340,020			4,340,020
18	336	Backflow Prevention Devices	15,144			15,144
19	339	Other Plant and Miscellaneous Equipment	769,912			769,912
20	340	Office Furniture and Equipment	505,281			505,281
21	341	Transportation Equipment	585,195			585,195
22	343	Tools, Shop and Garage Equipment	71,996			71,996
23	344	Laboratory Equipment	103,063			103,063
24	345	Power Operated Equipment	60,372			60,372
25	346	Communication Equipment	640,845			640,845
26	347	Miscellaneous Equipment	85,226			85,226
27	348	Other Tangible Plant	5,448,566			5,448,566
28	390	Office Furniture & Equipment	5,712			5,712
29		Total Plant in Service	90,376,391	(139,161)	-	90,237,230
30						
31		Accumulated Depreciation	19,047,719	(43,488)		19,004,231
32		Net Plant in Service	\$ 71,328,672	\$ (95,673)	\$ -	\$ 71,232,999
33						
34		<u>LESS:</u>				
35		Contributions in Aid of Construction (CIAC)	\$ 82,949		\$ -	\$ 82,949
36		Less: Accumulated Amortization	5,655		\$ -	5,655
37		Net CIAC (L63 - L64)	77,294	-	-	77,294
38		Advances in Aid of Construction (AIAC)	33,414,961	-		33,414,961
39		Customer Meter Deposits	1,193,499			1,193,499
40		<u>ADD:</u>				
41		Deferred Gains	194			194
42		Bad Debt	18,800			18,800
43		Deferred Compensation	50,256	-	-	50,256
44		CIAC	29,820	-	-	29,820
45		Fixed Asset depreciation	1,272,256	-	-	1,272,256
46		Prepayments		-	-	-
47		Projected Capital Expenditures		-	-	-
48		Deferred Debits		-	-	-
49		Original Cost Rate Base	\$ 38,014,243	\$ (95,673)	\$ -	\$ 37,918,570

Global Water - Santa Cruz Water Company (Santa Cruz)
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Test Year Ended December 31, 2011

Settlement B-2a

Adjustment for Unsupported Plant

<u>ACCT.</u> <u>NO.</u>	<u>DESCRIPTION</u>	<u>Company</u> <u>as Filed</u>	<u>Settlement</u> <u>Adjustment</u>	<u>Adjusted</u> <u>Amount</u>
311	Pumping Equipment	6,782,543	(139,161)	6,643,382
	Accumulated Depreciation	#####	(43,488)	19,004,231

OPERATING INCOME STATEMENT - TEST YEAR AND SETTLEMENT

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] SETTLEMENT TEST YEAR ADJUSTMENTS	[C] SETTLEMENT TEST YEAR AS ADJUSTED	[D] SETTLEMENT RECOMMENDED CHANGES	[E] SETTLEMENT RECOMMENDED
1	Metered Water Sales	10,083,750	-	10,083,750	\$ 1,556,046	11,639,796
2	Water Sales - Unmetered	-	-	-	-	-
3	Other Operating Revenue	379,710	-	379,710	-	379,710
4	Total Operating Revenues	<u>\$ 10,463,460</u>	<u>\$ -</u>	<u>\$ 10,463,460</u>	<u>\$ 1,556,046</u>	<u>\$ 12,019,506</u>
5	601 Salary and Wages - Employees	\$ 1,268,835	\$ (157,960)	\$ 1,110,875	\$ -	\$ 1,110,875
6	604 Employee Pensions and Benefits	-	-	-	-	-
7	610 Purchased Water	-	-	-	-	-
8	615 Purchased Power	768,901	(15,748)	753,153	-	753,153
9	616 Fuel for Power Production	-	-	-	-	-
10	618 Chemicals	53,341	(1,092)	52,248	-	52,248
11	620 Materials and Supplies	47,783	(21,656)	26,127	-	26,127
12	620.08 Materials and Supplies	-	-	-	-	-
13	621 Office Supplies and Expense	90,035	-	90,035	-	90,035
14	630 Outside Services	1,053,640	(346,035)	707,605	-	707,605
15	635 Contractual Services - Testing	32,871	-	32,871	-	32,871
16	636 Contractual Services - Other	-	-	-	-	-
17	641 Rental of Building/Real Property	121,973	-	121,973	-	121,973
18	642 Rental of Equipment	-	-	-	-	-
19	650 Transportation Expenses	67,733	-	67,733	-	67,733
20	657 Insurance - General Liability	74,487	-	74,487	-	74,487
21	659 Insurance - Other	26,232	-	26,232	-	26,232
22	660 Advertising Expense	-	-	-	-	-
23	666 Regulatory Commission Expense - Rate	105,801	(52,038)	53,762	-	53,762
24	667 Rate Case Expense	-	-	-	-	-
25	670 Bad Debt Expense	53,925	19,319	73,244	10,892	84,137
26	675 Miscellaneous Expenses	373,190	-	373,190	-	373,190
27	403 Depreciation Expense	3,617,417	75,437	3,692,853	-	3,692,853
28	403 Depreciation Expense - CIAC Amortizat	(3,770)	-	(3,770)	-	(3,770)
29	408 Taxes Other Than Income	40,010	-	40,010	-	40,010
30	408.11 Taxes Other Than Income - Property	897,129	-	897,129	21,486	918,615
31	408.13 Taxes Other Than Income - Other Tax	-	-	-	-	-
32	409 Income Taxes	98,898	266,460	365,358	\$ 588,119	953,477
	Intentionally Left Blank	-	-	-	-	-
33	Total Operating Expenses	<u>8,788,430</u>	<u>(233,313)</u>	<u>8,555,117</u>	<u>620,497</u>	<u>9,175,614</u>
34	Operating Income (Loss)	<u>\$ 1,675,030</u>	<u>\$ 233,313</u>	<u>\$ 1,908,343</u>	<u>\$ 935,549</u>	<u>\$ 2,843,892</u>

References:

Column (A): Company Schedule C-1
Column (B): Schedule C-2
Column (C): Column (A) + Column (B)
Column (D): Schedule A-1, ADJ 2, ADJ 8, ADJ 6
Column (E): Column (C) + Column (D)

Global Water - Santa Cruz Water Company (Santa Cruz)
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 Test Year Ended December 31, 2011

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	COMPANY AS FILED	Settlement Adjustments					SETTLEMENT AS ADJUSTED				
			[A]	[B] Excess Water Loss	[C] Bad Debts Exp ADJ #2	[D] Rate Case Exp ADJ #3	[E] Expense Normalizations ADJ #4		[F] Deprec. Exp ADJ #5	[G] Income Taxes ADJ #6		
	Revenues											
1	Metered Water Sales	10,083,750	-	-	-	-	-	-	-	-	-	10,083,750
2	Water Sales - Unmetered	-	-	-	-	-	-	-	-	-	-	379,710
3	Other Operating Revenue	379,710	-	-	-	-	-	-	-	-	-	379,710
4	Total Operating Revenues	\$ 10,463,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,463,460
	Operating Expenses											
5	601 Salary and Wages - Employees	1,268,835	-	-	-	-	-	(157,960)	\$ -	\$ -	\$ -	1,110,875
6	604 Employee Pensions and Benefits	-	-	-	-	-	-	-	-	-	-	-
7	610 Purchased Water	-	(15,748)	-	-	-	-	-	-	-	-	753,153
8	615 Fuel for Power Production	768,901	-	-	-	-	-	-	-	-	-	768,901
9	616 Purchased Power	-	(1,092)	-	-	-	-	-	-	-	-	753,153
10	618 Chemicals	53,341	-	-	-	-	-	-	-	-	-	53,341
11	620 Materials and Supplies	47,783	-	-	-	-	-	(21,656)	-	-	-	26,127
12	620 08 Materials and Supplies	-	-	-	-	-	-	-	-	-	-	52,248
13	621 Office Supplies and Expense	90,035	-	-	-	-	-	-	-	-	-	90,035
14	630 Outside Services	1,053,640	-	-	-	-	-	(346,036)	-	-	-	707,605
15	635 Contractual Services - Testing	32,871	-	-	-	-	-	-	-	-	-	32,871
16	636 Contractual Services - Other	-	-	-	-	-	-	-	-	-	-	-
17	641 Rental of Building/Real Property	121,973	-	-	-	-	-	-	-	-	-	121,973
18	642 Rental of Equipment	-	-	-	-	-	-	-	-	-	-	-
19	650 Transportation Expenses	67,733	-	-	-	-	-	-	-	-	-	67,733
20	657 Insurance - General Liability	74,487	-	-	-	-	-	-	-	-	-	74,487
21	659 Insurance - Other	26,232	-	-	-	-	-	-	-	-	-	26,232
22	660 Advertising Expense	-	-	-	-	-	-	-	-	-	-	-
23	666 Regulatory Commission Expense - Re	105,801	-	-	-	(52,038)	-	-	-	-	-	53,762
24	667 Rate Case Expense	-	-	-	-	-	-	-	-	-	-	-
25	670 Bad Debt Expense	53,925	-	-	-	-	-	-	-	-	-	53,925
26	675 Miscellaneous Expenses	373,190	-	19,319	-	-	-	-	-	-	-	392,509
27	403 Depreciation Expense	3,617,417	-	-	-	-	-	75,437	-	-	-	3,692,853
28	403 Depreciation Expense - CIAC Amortiz	(3,770)	-	-	-	-	-	-	-	-	-	(3,770)
29	408 Taxes Other Than Income	40,010	-	-	-	-	-	-	-	-	-	40,010
30	408.11 Taxes Other Than Income - Proper	897,129	-	-	-	-	-	-	-	-	-	897,129
31	408.13 Taxes Other Than Income - Other 1	-	-	-	-	-	-	-	-	-	-	-
32	409 Income Taxes	98,898	-	-	-	-	-	-	-	266,460	-	365,358
	Intentionally Left Blank											
33	Total Operating Expenses	\$ 8,788,430	\$ (16,840)	\$ 19,319	\$ (52,038)	\$ (52,038)	\$ (525,651)	\$ 75,437	\$ 266,460	\$ 8,555,117		
34	Operating Income	\$ 1,675,030	\$ 16,840	\$ (19,319)	\$ 52,038	\$ 52,038	\$ 525,651	\$ (75,437)	\$ (266,460)	\$ 1,908,343		

Global Water - Santa Cruz Water Company (Santa Cruz)
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Settlement ADJ 1
Water Loss

OPERATING INCOME ADJUSTMENT #1 - EXCESS WATER LOSS

LINE
NO.

1	One plus allowable water loss	110.00%
2	One plus actual water loss	112.30%
3	Allowable portion	97.95%
4	Disallowable portion	<u>2.05%</u>
5	Power Expense	768,901
6	Disallowance	\$ 15,748
7	Chemical Expense	53,341
8	Disallowance	\$ 1,092

Line 1: Maximum acceptable level of water losses

Line 2: Actual level of water losses

Line 3: Line 2 / line 3

Line 4: 1 minus line 4

Line 6: Line 1 times line 5

Global Water - Santa Cruz Water Company (Santa Cruz)
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Settlement ADJ 2
Bad Debt Expense

OPERATING INCOME ADJUSTMENT #2 - BAD DEBT EXPENSE

<u>[A]</u> <u>COMPANY</u> <u>PROPOSED</u>	<u>[B]</u> <u>SETTLEMENT</u> <u>ADJUSTMENTS</u>	<u>[C]</u> <u>SETTLEMENT</u> <u>RECOMMENDED*</u>
\$ 53,925	\$ 19,319	\$ 73,244

References:

Column (A), Company Workpapers

Column (B): Settlement

Column (C): Column (A) + Column (B), Per Co Response
to Staff DR 5.8

Adjusted Test Year Revenues	\$ 10,463,460
Bad Debt Expense Rate	0.70%
Expected Bad Debt Expense	\$ 73,244

OPERATING INCOME ADJUSTMENT #3 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED*
1		\$ 105,801	\$ (52,038)	\$ 53,762

Company Proposed Rate
Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNNS
2 Allocation Percentages		39.86%	40.32%	13.45%	3.78%	0.82%	1.58%	0.19%
3 Desert Mountain Analytical Services	\$ 122,063	\$ 48,652	\$ 49,218	\$ 16,420	\$ 4,616	\$ 996	\$ 1,927	\$ 234
4 Insight Consulting, LLC	\$ 216,000	\$ 86,094	\$ 87,095	\$ 29,057	\$ 8,168	\$ 1,762	\$ 3,410	\$ 413
5 Roshka Dewulf & Patten, PLC	\$ 370,303	\$ 147,597	\$ 149,313	\$ 49,814	\$ 14,004	\$ 3,021	\$ 5,846	\$ 709
6 Ullmann & Company P C	\$ 78,809	\$ 31,412	\$ 31,777	\$ 10,602	\$ 2,980	\$ 643	\$ 1,244	\$ 151
7 Total	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506
8 Amortization over 3 years:								
9 Year 1	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
10 Year 2	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
11 Year 3	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502
12 Totals	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506

Settlement Rate Case Expense

	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNNS
13 Description								
14 Settlement Amount	\$ 400,000	\$ 159,434	\$ 161,287	\$ 53,809	\$ 15,127	\$ 3,263	\$ 6,315	\$ 765
15 Amortization:								
16 Year 1	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
17 Year 2	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
18 Year 3	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255
19 Totals	\$ 400,000	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506
20 Adjustment Total, by System	\$ (129,058)	\$ (51,441)	\$ (52,038)	\$ (17,361)	\$ (4,881)	\$ (1,053)	\$ (2,037)	\$ (247)

References:

Column (A), Company Workpapers
Column (B): Line 20 for respective system
Column (C): Line 16 for respective system

Global Water - Santa Cruz Water Company (Santa Cruz)
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Test Year Ended December 31, 2011

Settlement ADJ 4
Expense Normalizations

OPERATING INCOME ADJUSTMENT #4 - EXPENSE NORMALIZATIONS

<u>LINE NO.</u>	<u>ACCT / DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	601 Salary and Wages - Employees	\$ 1,268,835	\$ (157,960)	\$ 1,110,875
2	620 Materials and Supplies	\$ 47,783	\$ (21,656)	\$ 26,127
3	630 Outside Services	\$ 1,053,640	\$ (346,035)	\$ 707,605
		<u>\$ 2,370,258</u>	<u>\$ (525,651)</u>	<u>\$ 1,844,607</u>

References:

Column (A), Company Workpapers

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B)

OPERATING INCOME ADJUSTMENT #5 - DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1		<u>PLANT IN SERVICE:</u>			
2	303	Land and Land Rights	\$ 62,847	0.00%	-
3	304	Structures and Improvements	9,566,104	3.33%	318,551
4	306	Lake, River and Other Intakes	1,855	2.50%	46
5	307	Wells and Springs	4,459,478	3.33%	148,501
6	309	Supply Mains	2,340,773	2.00%	46,815
7	310	Power Generation Equipment	324,955	5.00%	16,248
8	311	Pumping Equipment	6,643,382	12.50%	830,423
9	320	Water Treatment Equipment	-	0.00%	-
10	320.1	Water Treatment Plant	12,553	3.33%	418
11	320.2	Solution Chemical Feeders	14,541	20.00%	2,908
12	330	Distribution Reservoirs and Standpipes	-	0.00%	-
13	330.1	Storage Tanks	820,301	2.22%	18,211
14	330.2	Pressure Tanks	557,973	5.00%	27,899
15	331	Transmission and Distribution Mains	44,363,056	2.00%	887,261
16	333	Services	4,645,439	3.33%	154,693
17	334	Meters and Meter Installations	3,792,641	8.33%	315,927
18	335	Hydrants	4,340,020	2.00%	86,800
19	336	Backflow Prevention Devices	15,144	6.67%	1,010
20	339	Other Plant and Miscellaneous Equipment	769,912	6.67%	51,353
21	340	Office Furniture and Equipment	505,281	6.67%	33,702
22	341	Transportation Equipment	585,195	20.00%	117,039
23	343	Tools, Shop and Garage Equipment	71,996	5.00%	3,600
24	344	Laboratory Equipment	103,063	10.00%	10,306
25	345	Power Operated Equipment	60,372	5.00%	3,019
26	346	Communication Equipment	640,845	10.00%	64,085
27	347	Miscellaneous Equipment	85,226	10.00%	8,523
28	348	Other Tangible Plant	5,448,566	10.00%	544,857
29	390	Office Furniture & Equipment	5,712	5.00%	286
30		Total Utility Plant in Service	90,237,230		3,692,480
31		Less: Non Depreciable Plant			
32		Land and Land Rights	\$ 62,847		
33		Net Depreciable Plant and Depreciation Amounts	\$ 90,174,383		\$ 3,692,480
34					
35		Amortization of CIAC	\$ 82,949	4.0948%	\$ 3,397
36		Settlement Recommended Depreciation Expense			\$ 3,689,083
37		Company Proposed Depreciation Expense			\$ 3,613,647
38		Settlement Adjustment			\$ 75,437

References:	
Col [A]	Schedule B-2
Col [B]	Proposed Rates per Staff Engineering Report for Non Allocated Plant
Col [C]	Col [A] times Col [B]

Global Water - Santa Cruz Water Company (Santa Cruz)
Docket No. W-20446A-12-0314
Test Year Ended December 31, 2011

Settlement ADJ 6
Income Taxes

OPERATING INCOME ADJUSTMENT #6 - INCOME TAXES

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	Income Taxes	<u>\$ 98,898</u>	<u>\$ 266,460</u>	<u>\$ 365,358</u>

References:

Column (A): Company Schedule C-2
Column (B): Staff Testimony GWB
Column (C): Column (A) + Column (B),

OPERATING INCOME ADJUSTMENT #7 - PROPERTY TAX EXPENSE GRFC COMPONENT

LINE NO.	DESCRIPTION	[A]	[B]
		SETTLEMENT AS ADJUSTED	SETTLEMENT RECOMMENDED
1	Adjusted Test Year Revenues - 2011	\$ 10,463,460	\$ 10,463,460
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	20,926,920	20,926,920
4	Adjusted Test Year Revenues - 2011	10,463,460	
5	Settlement Recommended Revenue		12,019,507
6	Subtotal (Line 4 + Line 5)	31,390,379	32,946,426
7	Number of Years	3	3
8	Three Year Average (Line 5 / Line 6)	10,463,460	10,982,142
9	Department of Revenue Multiplier	2	2
10	Revenue Base Value (Line 7 * Line 8)	20,926,920	21,964,284
11	Plus: 10% of CWIP	243,735	243,735
12	Less: Net Book Value of Licensed Vehicles	77,783	77,783
13	Full Cash Value (Line 10 + Line 11 - Line 12)	21,092,872	22,130,236
14	Assessment Ratio	20.0%	20.0%
15	Assessment Value (Line 13 * Line 14)	4,218,574	4,426,047
16	Composite Property Tax Rate	10.3559%	10.3559%
17	Test Year Adjusted Property Tax Expense (Line 15 * Line 16)	\$ 436,871	
18	Company Proposed Property Tax	\$ 897,129	
19	Test Year Adjustment (Line 17 - Line 18)	\$ (460,258)	
20	Property Tax on Recommended Revenue (Line 15 * Line 16)		\$ 458,357
21	Test Year Adjusted Property Tax Expense (Line 17)		\$ 436,871
22	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 21,486
23	Increase in Property Tax Due to Increase in Revenue Requirement (Line 22)		\$ 21,486
24	Increase in Revenue Requirement		\$ 1,556,047
25	Increase in Property Tax Per Dollar Increase in Revenue (Line 23 / Line 24)		1.38079%

REFERENCES:

Line 15: Composite Tax Rate, per Company
Line 18: Company Schedule C-1, Line 36

CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL - REQUIRED RATE OF RETURN

	<u>Percent of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>	
Debt	57.8%	6.1%	3.5%	
<u>Equity</u>	<u>42.2%</u>	<u>9.5%</u>	<u>4.0%</u>	
Required Rate of Return			<table border="1"><tr><td>7.5%</td></tr></table>	7.5%
7.5%				

Global Water - Santa Cruz Water Company (Santa Cruz)
Docket No. W-20446A-12-0314
Test Year Ended December 31, 2011

Changes in Representative Rate Schedules
Potable Water - All Meter Sizes and Classes*
Monthly Minimum Charges:

Meter Size (All Classes*)	Basic Service Charge								
	Present	2014	2015	2016	2017	2018	2019	2020	2021
5/8" X 3/4" Meter	\$ 27.68	\$ 27.68	\$ 28.40	\$ 29.02	\$ 29.21	\$ 29.42	\$ 29.61	\$ 29.80	\$ 29.82
3/4" Meter	27.68	27.68	28.40	29.02	29.21	29.42	29.61	29.80	29.82
1" Meter	69.20	69.20	71.00	72.55	73.03	73.55	74.03	74.50	74.55
1.5" Meter	138.40	138.40	142.00	145.10	146.05	147.10	148.05	149.00	149.10
2" Meter	221.44	221.44	227.20	232.16	233.68	235.36	236.88	238.40	238.56
3" Meter	442.88	442.88	454.40	464.32	467.36	470.72	473.76	476.80	477.12
4" Meter	692.00	692.00	710.00	725.50	735.50	740.25	745.00	745.50	745.50
6" Meter	1,384.00	1,384.00	1,420.00	1,451.00	1,460.50	1,471.00	1,480.50	1,490.00	1,491.00
8" Meter	2,768.00	2,768.00	2,840.00	2,902.00	2,921.00	2,942.00	2,961.00	2,980.00	2,982.00

Commodity Rate Charges (per 1,000 gallons):

Rate Block	Volumetric Charge								
	Present	2014	2015	2016	2017	2018	2019	2020	2021
Tier One Breakover	1,000 Gallons	1.30	1.30	1.35	1.39	1.41	1.42	1.43	1.45
Tier Two Breakover	5,000 Gallons	2.12	2.12	2.20	2.27	2.29	2.31	2.33	2.36
Tier Three Breakover	10,000 Gallons	2.94	2.94	3.05	3.15	3.18	3.21	3.24	3.27
Tier Four Breakover	18,000 Gallons	3.76	3.76	3.90	4.03	4.06	4.10	4.14	4.18
Tier Five Breakover	25,000 Gallons	4.58	4.58	4.75	4.90	4.95	5.00	5.04	5.09
Tier Six Breakover	Over 25,000	5.48	5.48	5.69	5.87	5.92	5.98	6.04	6.10

Conservation Rebate

Threshold ("CRT") in Gallons	Commodity rate rebate:	
	Present	Proposed
7,001	65%	60%
65%	7,001	6,001

(applied if consumption is below the CRT)

*Includes all potable water meters including irrigation meters.

Non-Potable Raw Water - All Meter Sizes and Classes

	Volumetric Charge								
	Present	2014	2015	2016	2017	2018	2019	2020	2021
All Gallons (Per Acre Foot)	\$ 185.74	\$ 185.74	\$ 260.69	\$ 338.89	\$ 378.00	\$ 417.10	\$ 456.20	\$ 495.31	\$ 533.76
All Gallons (Per 1,000 Gallons)	0.57	0.57	0.80	1.04	1.16	1.28	1.40	1.52	1.638

Miscellaneous Service Charges	Present	Proposed	Change
Establishment of Service	\$ 35.00	\$ 35.00	\$ -
Establishment of Service (After Hours)	50.00	Eliminate	NA
Re-establishment of Service (Within 12 Months)	(a) 35.00	(a) 35.00	-
Reconnection of Service (Delinquent)	50.00	Eliminate	NA
Reconnection of Service - After Hours (Delinquent)	(b) 50.00	(b) 50.00	NA
Meter Move at Customer Request	50.00	Eliminate	NA
After Hours Service Charge, Per Hour *	NA	35.00	NA
Alter Hours Service Charge	(c)	(c)	
Deposit	NA	(c)	
Deposit Interest	30.00	30.00	-
Meter Re-Read (If Correct)	30.00	30.00	-
Meter Test Fee (If Correct)	30.00	30.00	-
NSF Check	1.50%	1.50%	0.00%
Late Payment Charge (Per Month)	1.50%	1.50%	0.00%
Deferred Payment (Per Month)	1.50%	1.50%	0.00%

(a) Number of Months off System times the monthly minimum per A.A.C. R14-2-403(D).
 (b) Cost to include parts, labor, overhead and all applicable taxes per A.A.C. R14-2-403(B)(5).
 (c) Per A.A.C. R14-2-403(B).
 * For After Hours Service Calls for work performed on the customer's property, not to be charged in addition to an establishment or a reconnection after hours charge.
 In addition to the collection of its regular rates and charges, the Company shall collect from customers their proportionate share of any privilege, sales or use tax in accordance with A.A.C. R14-2-408(D)(5).

Meter Size	Present		Proposed		Change
	Service Line Charges	Meter Charges	Service Line Charges	Meter Charges	
5/8 x 3/4" Meter	\$445.00	\$155.00	\$445.00	\$155.00	\$600.00
3/4" Meter	445.00	255.00	445.00	255.00	700.00
1" Meter	495.00	315.00	495.00	315.00	810.00
1 1/2" Meter	550.00	525.00	550.00	525.00	1,075.00
2" Turbine Meter	830.00	1,045.00	830.00	1,045.00	1,875.00
2" Compound Meter	830.00	1,890.00	830.00	1,890.00	2,720.00
3" Turbine Meter	1,045.00	1,670.00	1,045.00	1,670.00	2,715.00
3" Compound Meter	1,165.00	2,545.00	1,165.00	2,545.00	3,710.00
4" Turbine Meter	1,490.00	2,670.00	1,490.00	2,670.00	4,160.00
4" Compound Meter	1,670.00	3,645.00	1,670.00	3,645.00	5,315.00
6" Turbine Meter	2,210.00	5,025.00	2,210.00	5,025.00	7,235.00
6" Compound Meter	2,330.00	6,920.00	2,330.00	6,920.00	9,250.00
8" and Larger Meters	Cost	Cost	Cost	Cost	Cost
	Total Charges	Total Charges	Total Charges	Total Charges	Total Charges
	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2014

Settlement H-4

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 31.10	\$ 31.10	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.68	\$ -	\$ 27.68	\$ 27.68	\$ -	\$ 27.68	0.0%
1,000	28.98	(0.85)	28.14	28.98	(0.85)	28.14	0.0%
2,000	31.10	(2.22)	28.88	31.10	(2.22)	28.88	0.0%
3,000	33.22	(3.60)	29.62	33.22	(3.60)	29.62	0.0%
4,000	35.34	(4.98)	30.36	35.34	(4.98)	30.36	0.0%
5,000	37.46	(6.36)	31.10	37.46	(6.36)	31.10	0.0%
6,000	40.40	(8.27)	32.13	40.40	(8.27)	32.13	0.0%
7,000	43.34	(10.18)	33.16	43.34	(10.18)	33.16	0.0%
8,000	46.28	-	46.28	46.28	-	46.28	0.0%
9,000	49.22	-	49.22	49.22	-	49.22	0.0%
10,000	52.16	-	52.16	52.16	-	52.16	0.0%
15,000	70.96	-	70.96	70.96	-	70.96	0.0%
20,000	91.40	-	91.40	91.40	-	91.40	0.0%
25,000	114.30	-	114.30	114.30	-	114.30	0.0%
50,000	251.30	-	251.30	251.30	-	251.30	0.0%
75,000	388.30	-	388.30	388.30	-	388.30	0.0%
100,000	525.30	-	525.30	525.30	-	525.30	0.0%
125,000	662.30	-	662.30	662.30	-	662.30	0.0%
150,000	799.30	-	799.30	799.30	-	799.30	0.0%
175,000	936.30	-	936.30	936.30	-	936.30	0.0%
200,000	1,073.30	-	1,073.30	1,073.30	-	1,073.30	0.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2015

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 31.10	\$ 32.46	\$ 1.36	4.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.68	\$ -	\$ 27.68	\$ 28.40	\$ -	\$ 28.40	2.6%
1,000	28.98	(0.85)	28.14	29.75	(0.81)	28.94	2.9%
2,000	31.10	(2.22)	28.88	31.95	(2.13)	29.82	3.3%
3,000	33.22	(3.60)	29.62	34.15	(3.45)	30.70	3.6%
4,000	35.34	(4.98)	30.36	36.35	(4.77)	31.58	4.0%
5,000	37.46	(6.36)	31.10	38.55	(6.09)	32.46	4.4%
6,000	40.40	(8.27)	32.13	41.60	(7.92)	33.68	4.8%
7,000	43.34	(10.18)	33.16	44.65	-	44.65	34.6%
8,000	46.28	-	46.28	47.70	-	47.70	3.1%
9,000	49.22	-	49.22	50.75	-	50.75	3.1%
10,000	52.16	-	52.16	53.80	-	53.80	3.1%
15,000	70.96	-	70.96	73.30	-	73.30	3.3%
20,000	91.40	-	91.40	94.50	-	94.50	3.4%
25,000	114.30	-	114.30	118.25	-	118.25	3.5%
50,000	251.30	-	251.30	260.50	-	260.50	3.7%
75,000	388.30	-	388.30	402.75	-	402.75	3.7%
100,000	525.30	-	525.30	545.00	-	545.00	3.8%
125,000	662.30	-	662.30	687.25	-	687.25	3.8%
150,000	799.30	-	799.30	829.50	-	829.50	3.8%
175,000	936.30	-	936.30	971.75	-	971.75	3.8%
200,000	1,073.30	-	1,073.30	1,114.00	-	1,114.00	3.8%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2016

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 31.10	\$ 33.21	\$ 2.11	6.8%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.68	\$ -	\$ 27.68	\$ 29.02	\$ -	\$ 29.02	4.8%
1,000	28.98	(0.85)	28.14	30.41	(0.83)	29.58	5.1%
2,000	31.10	(2.22)	28.88	32.68	(2.20)	30.48	5.6%
3,000	33.22	(3.60)	29.62	34.95	(3.56)	31.39	6.0%
4,000	35.34	(4.98)	30.36	37.22	(4.92)	32.30	6.4%
5,000	37.46	(6.36)	31.10	39.49	(6.28)	33.21	6.8%
6,000	40.40	(8.27)	32.13	42.64	(8.17)	34.47	7.3%
7,000	43.34	(10.18)	33.16	45.79	-	45.79	38.1%
8,000	46.28	-	46.28	48.94	-	48.94	5.7%
9,000	49.22	-	49.22	52.09	-	52.09	5.8%
10,000	52.16	-	52.16	55.24	-	55.24	5.9%
15,000	70.96	-	70.96	75.39	-	75.39	6.2%
20,000	91.40	-	91.40	97.28	-	97.28	6.4%
25,000	114.30	-	114.30	121.78	-	121.78	6.5%
50,000	251.30	-	251.30	268.53	-	268.53	6.9%
75,000	388.30	-	388.30	415.28	-	415.28	6.9%
100,000	525.30	-	525.30	562.03	-	562.03	7.0%
125,000	662.30	-	662.30	708.78	-	708.78	7.0%
150,000	799.30	-	799.30	855.53	-	855.53	7.0%
175,000	936.30	-	936.30	1,002.28	-	1,002.28	7.0%
200,000	1,073.30	-	1,073.30	1,149.03	-	1,149.03	7.1%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2017

Settlement H-4

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 31.10	\$ 33.44	\$ 2.34	7.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.68	\$ -	\$ 27.68	\$ 29.21	\$ -	\$ 29.21	5.5%
1,000	28.98	(0.85)	28.14	30.62	(0.85)	29.77	5.8%
2,000	31.10	(2.22)	28.88	32.91	(2.22)	30.69	6.3%
3,000	33.22	(3.60)	29.62	35.20	(3.59)	31.61	6.7%
4,000	35.34	(4.98)	30.36	37.49	(4.97)	32.52	7.1%
5,000	37.46	(6.36)	31.10	39.78	(6.34)	33.44	7.5%
6,000	40.40	(8.27)	32.13	42.96	(8.25)	34.71	8.0%
7,000	43.34	(10.18)	33.16	46.14	-	46.14	39.1%
8,000	46.28	-	46.28	49.32	-	49.32	6.6%
9,000	49.22	-	49.22	52.50	-	52.50	6.7%
10,000	52.16	-	52.16	55.68	-	55.68	6.7%
15,000	70.96	-	70.96	75.98	-	75.98	7.1%
20,000	91.40	-	91.40	98.06	-	98.06	7.3%
25,000	114.30	-	114.30	122.81	-	122.81	7.4%
50,000	251.30	-	251.30	270.81	-	270.81	7.8%
75,000	388.30	-	388.30	418.81	-	418.81	7.9%
100,000	525.30	-	525.30	566.81	-	566.81	7.9%
125,000	662.30	-	662.30	714.81	-	714.81	7.9%
150,000	799.30	-	799.30	862.81	-	862.81	7.9%
175,000	936.30	-	936.30	1,010.81	-	1,010.81	8.0%
200,000	1,073.30	-	1,073.30	1,158.81	-	1,158.81	8.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2018

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 31.10	\$ 33.68	\$ 2.58	8.3%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.68	\$ -	\$ 27.68	\$ 29.42	\$ -	\$ 29.42	6.3%
1,000	28.98	(0.85)	28.14	30.84	(0.85)	29.99	6.6%
2,000	31.10	(2.22)	28.88	33.15	(2.24)	30.91	7.0%
3,000	33.22	(3.60)	29.62	35.46	(3.62)	31.84	7.5%
4,000	35.34	(4.98)	30.36	37.77	(5.01)	32.76	7.9%
5,000	37.46	(6.36)	31.10	40.08	(6.40)	33.68	8.3%
6,000	40.40	(8.27)	32.13	43.29	(8.32)	34.97	8.8%
7,000	43.34	(10.18)	33.16	46.50	-	46.50	40.2%
8,000	46.28	-	46.28	49.71	-	49.71	7.4%
9,000	49.22	-	49.22	52.92	-	52.92	7.5%
10,000	52.16	-	52.16	56.13	-	56.13	7.6%
15,000	70.96	-	70.96	76.63	-	76.63	8.0%
20,000	91.40	-	91.40	98.93	-	98.93	8.2%
25,000	114.30	-	114.30	123.93	-	123.93	8.4%
50,000	251.30	-	251.30	273.43	-	273.43	8.8%
75,000	388.30	-	388.30	422.93	-	422.93	8.9%
100,000	525.30	-	525.30	572.43	-	572.43	9.0%
125,000	662.30	-	662.30	721.93	-	721.93	9.0%
150,000	799.30	-	799.30	871.43	-	871.43	9.0%
175,000	936.30	-	936.30	1,020.93	-	1,020.93	9.0%
200,000	1,073.30	-	1,073.30	1,170.43	-	1,170.43	9.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2019

Settlement H-4

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 31.10	\$ 33.91	\$ 2.81	9.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.68	\$ -	\$ 27.68	\$ 29.61	\$ -	\$ 29.61	7.0%
1,000	28.98	(0.85)	28.14	31.04	(0.86)	30.18	7.3%
2,000	31.10	(2.22)	28.88	33.37	(2.26)	31.11	7.7%
3,000	33.22	(3.60)	29.62	35.70	(3.65)	32.05	8.2%
4,000	35.34	(4.98)	30.36	38.03	(5.05)	32.98	8.6%
5,000	37.46	(6.36)	31.10	40.36	(6.45)	33.91	9.0%
6,000	40.40	(8.27)	32.13	43.60	(8.39)	35.21	9.6%
7,000	43.34	(10.18)	33.16	46.84	-	46.84	41.3%
8,000	46.28	-	46.28	50.08	-	50.08	8.2%
9,000	49.22	-	49.22	53.32	-	53.32	8.3%
10,000	52.16	-	52.16	56.56	-	56.56	8.4%
15,000	70.96	-	70.96	77.26	-	77.26	8.9%
20,000	91.40	-	91.40	99.76	-	99.76	9.1%
25,000	114.30	-	114.30	124.96	-	124.96	9.3%
50,000	251.30	-	251.30	275.96	-	275.96	9.8%
75,000	388.30	-	388.30	426.96	-	426.96	10.0%
100,000	525.30	-	525.30	577.96	-	577.96	10.0%
125,000	662.30	-	662.30	728.96	-	728.96	10.1%
150,000	799.30	-	799.30	879.96	-	879.96	10.1%
175,000	936.30	-	936.30	1,030.96	-	1,030.96	10.1%
200,000	1,073.30	-	1,073.30	1,181.96	-	1,181.96	10.1%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2020

Settlement H-4

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 31.10	\$ 34.16	\$ 3.05	9.8%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.68	\$ -	\$ 27.68	\$ 29.80	\$ -	\$ 29.80	7.7%
1,000	28.98	(0.85)	28.14	31.25	(0.87)	30.38	8.0%
2,000	31.10	(2.22)	28.88	33.61	(2.29)	31.32	8.5%
3,000	33.22	(3.60)	29.62	35.97	(3.70)	32.27	8.9%
4,000	35.34	(4.98)	30.36	38.33	(5.12)	33.21	9.4%
5,000	37.46	(6.36)	31.10	40.69	(6.53)	34.16	9.8%
6,000	40.40	(8.27)	32.13	43.96	(8.50)	35.46	10.4%
7,000	43.34	(10.18)	33.16	47.23	-	47.23	42.4%
8,000	46.28	-	46.28	50.50	-	50.50	9.1%
9,000	49.22	-	49.22	53.77	-	53.77	9.2%
10,000	52.16	-	52.16	57.04	-	57.04	9.4%
15,000	70.96	-	70.96	77.94	-	77.94	9.8%
20,000	91.40	-	91.40	100.66	-	100.66	10.1%
25,000	114.30	-	114.30	126.11	-	126.11	10.3%
50,000	251.30	-	251.30	278.36	-	278.36	10.8%
75,000	388.30	-	388.30	430.61	-	430.61	10.9%
100,000	525.30	-	525.30	582.86	-	582.86	11.0%
125,000	662.30	-	662.30	735.11	-	735.11	11.0%
150,000	799.30	-	799.30	887.36	-	887.36	11.0%
175,000	936.30	-	936.30	1,039.61	-	1,039.61	11.0%
200,000	1,073.30	-	1,073.30	1,191.86	-	1,191.86	11.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2021

Settlement H-4

Rate Schedule: 5/8" and 3/4" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 31.10	\$ 34.18	\$ 3.07	9.9%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 27.68	\$ -	\$ 27.68	\$ 29.82	\$ -	\$ 29.82	7.7%
1,000	28.98	(0.85)	28.14	31.27	(0.87)	30.40	8.1%
2,000	31.10	(2.22)	28.88	33.63	(2.29)	31.34	8.5%
3,000	33.22	(3.60)	29.62	35.99	(3.70)	32.29	9.0%
4,000	35.34	(4.98)	30.36	38.35	(5.12)	33.23	9.5%
5,000	37.46	(6.36)	31.10	40.71	(6.53)	34.18	9.9%
6,000	40.40	(8.27)	32.13	43.98	(8.50)	35.48	10.4%
7,000	43.34	(10.18)	33.16	47.25	-	47.25	42.5%
8,000	46.28	-	46.28	50.52	-	50.52	9.2%
9,000	49.22	-	49.22	53.79	-	53.79	9.3%
10,000	52.16	-	52.16	57.06	-	57.06	9.4%
15,000	70.96	-	70.96	77.96	-	77.96	9.9%
20,000	91.40	-	91.40	100.70	-	100.70	10.2%
25,000	114.30	-	114.30	126.20	-	126.20	10.4%
50,000	251.30	-	251.30	278.70	-	278.70	10.9%
75,000	388.30	-	388.30	431.20	-	431.20	11.0%
100,000	525.30	-	525.30	583.70	-	583.70	11.1%
125,000	662.30	-	662.30	736.20	-	736.20	11.2%
150,000	799.30	-	799.30	888.70	-	888.70	11.2%
175,000	936.30	-	936.30	1,041.20	-	1,041.20	11.2%
200,000	1,073.30	-	1,073.30	1,193.70	-	1,193.70	11.2%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2014

Settlement H-4

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 72.62	\$ 72.62	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.20	\$ -	\$ 69.20	\$ 69.20	\$ -	\$ 69.20	0.0%
1,000	70.50	(0.85)	69.66	70.50	(0.85)	69.66	0.0%
2,000	72.62	(2.22)	70.40	72.62	(2.22)	70.40	0.0%
3,000	74.74	(3.60)	71.14	74.74	(3.60)	71.14	0.0%
4,000	76.86	(4.98)	71.88	76.86	(4.98)	71.88	0.0%
5,000	78.98	(6.36)	72.62	78.98	(6.36)	72.62	0.0%
6,000	81.92	(8.27)	73.65	81.92	(8.27)	73.65	0.0%
7,000	84.86	(10.18)	74.68	84.86	(10.18)	74.68	0.0%
8,000	87.80	-	87.80	87.80	-	87.80	0.0%
9,000	90.74	-	90.74	90.74	-	90.74	0.0%
10,000	93.68	-	93.68	93.68	-	93.68	0.0%
15,000	112.48	-	112.48	112.48	-	112.48	0.0%
20,000	132.92	-	132.92	132.92	-	132.92	0.0%
25,000	155.82	-	155.82	155.82	-	155.82	0.0%
50,000	292.82	-	292.82	292.82	-	292.82	0.0%
75,000	429.82	-	429.82	429.82	-	429.82	0.0%
100,000	566.82	-	566.82	566.82	-	566.82	0.0%
125,000	703.82	-	703.82	703.82	-	703.82	0.0%
150,000	840.82	-	840.82	840.82	-	840.82	0.0%
175,000	977.82	-	977.82	977.82	-	977.82	0.0%
200,000	1,114.82	-	1,114.82	1,114.82	-	1,114.82	0.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2015

Settlement H-4

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 72.62	\$ 74.55	\$ 1.93	2.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.20	\$ -	\$ 69.20	\$ 71.00	\$ -	\$ 71.00	2.6%
1,000	70.50	(0.85)	69.66	72.35	(0.88)	71.47	2.6%
2,000	72.62	(2.22)	70.40	74.55	(2.31)	72.24	2.6%
3,000	74.74	(3.60)	71.14	76.75	(3.74)	73.01	2.6%
4,000	76.86	(4.98)	71.88	78.95	(5.17)	73.78	2.6%
5,000	78.98	(6.36)	72.62	81.15	(6.60)	74.55	2.7%
6,000	81.92	(8.27)	73.65	84.20	(8.58)	75.62	2.7%
7,000	84.86	(10.18)	74.68	87.25	-	87.25	16.8%
8,000	87.80	-	87.80	90.30	-	90.30	2.8%
9,000	90.74	-	90.74	93.35	-	93.35	2.9%
10,000	93.68	-	93.68	96.40	-	96.40	2.9%
15,000	112.48	-	112.48	115.90	-	115.90	3.0%
20,000	132.92	-	132.92	137.10	-	137.10	3.1%
25,000	155.82	-	155.82	160.85	-	160.85	3.2%
50,000	292.82	-	292.82	303.10	-	303.10	3.5%
75,000	429.82	-	429.82	445.35	-	445.35	3.6%
100,000	566.82	-	566.82	587.60	-	587.60	3.7%
125,000	703.82	-	703.82	729.85	-	729.85	3.7%
150,000	840.82	-	840.82	872.10	-	872.10	3.7%
175,000	977.82	-	977.82	1,014.35	-	1,014.35	3.7%
200,000	1,114.82	-	1,114.82	1,156.60	-	1,156.60	3.7%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2016

Settlement H-4

Rate Schedule: 1" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 72.62	\$ 76.21	\$ 3.59	4.9%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.20	\$ -	\$ 69.20	\$ 72.55	\$ -	\$ 72.55	4.8%
1,000	70.50	(0.85)	69.66	73.94	(0.90)	73.04	4.9%
2,000	72.62	(2.22)	70.40	76.21	(2.38)	73.83	4.9%
3,000	74.74	(3.60)	71.14	78.48	(3.85)	74.63	4.9%
4,000	76.86	(4.98)	71.88	80.75	(5.33)	75.42	4.9%
5,000	78.98	(6.36)	72.62	83.02	(6.81)	76.21	4.9%
6,000	81.92	(8.27)	73.65	86.17	(8.85)	77.32	5.0%
7,000	84.86	(10.18)	74.68	89.32	-	89.32	19.6%
8,000	87.80	-	87.80	92.47	-	92.47	5.3%
9,000	90.74	-	90.74	95.62	-	95.62	5.4%
10,000	93.68	-	93.68	98.77	-	98.77	5.4%
15,000	112.48	-	112.48	118.92	-	118.92	5.7%
20,000	132.92	-	132.92	140.81	-	140.81	5.9%
25,000	155.82	-	155.82	165.31	-	165.31	6.1%
50,000	292.82	-	292.82	312.06	-	312.06	6.6%
75,000	429.82	-	429.82	458.81	-	458.81	6.7%
100,000	566.82	-	566.82	605.56	-	605.56	6.8%
125,000	703.82	-	703.82	752.31	-	752.31	6.9%
150,000	840.82	-	840.82	899.06	-	899.06	6.9%
175,000	977.82	-	977.82	1,045.81	-	1,045.81	7.0%
200,000	1,114.82	-	1,114.82	1,192.56	-	1,192.56	7.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2017

Settlement H-4

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 72.62	\$ 76.72	\$ 4.10	5.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.20	\$ -	\$ 69.20	\$ 73.03	\$ -	\$ 73.03	5.5%
1,000	70.50	(0.85)	69.66	74.44	(0.92)	73.52	5.5%
2,000	72.62	(2.22)	70.40	76.73	(2.41)	74.32	5.6%
3,000	74.74	(3.60)	71.14	79.02	(3.89)	75.12	5.6%
4,000	76.86	(4.98)	71.88	81.31	(5.38)	75.92	5.6%
5,000	78.98	(6.36)	72.62	83.60	(6.87)	76.72	5.6%
6,000	81.92	(8.27)	73.65	86.78	(8.94)	77.84	5.7%
7,000	84.86	(10.18)	74.68	89.96	-	89.96	20.5%
8,000	87.80	-	87.80	93.14	-	93.14	6.1%
9,000	90.74	-	90.74	96.32	-	96.32	6.1%
10,000	93.68	-	93.68	99.50	-	99.50	6.2%
15,000	112.48	-	112.48	119.80	-	119.80	6.5%
20,000	132.92	-	132.92	141.88	-	141.88	6.7%
25,000	155.82	-	155.82	166.63	-	166.63	6.9%
50,000	292.82	-	292.82	314.63	-	314.63	7.4%
75,000	429.82	-	429.82	462.63	-	462.63	7.6%
100,000	566.82	-	566.82	610.63	-	610.63	7.7%
125,000	703.82	-	703.82	758.63	-	758.63	7.8%
150,000	840.82	-	840.82	906.63	-	906.63	7.8%
175,000	977.82	-	977.82	1,054.63	-	1,054.63	7.9%
200,000	1,114.82	-	1,114.82	1,202.63	-	1,202.63	7.9%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2018

Settlement H-4

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 72.62	\$ 77.28	\$ 4.66	6.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.20	\$ -	\$ 69.20	\$ 73.55	\$ -	\$ 73.55	6.3%
1,000	70.50	(0.85)	69.66	74.97	(0.92)	74.05	6.3%
2,000	72.62	(2.22)	70.40	77.28	(2.42)	74.86	6.3%
3,000	74.74	(3.60)	71.14	79.59	(3.93)	75.66	6.4%
4,000	76.86	(4.98)	71.88	81.90	(5.43)	76.47	6.4%
5,000	78.98	(6.36)	72.62	84.21	(6.93)	77.28	6.4%
6,000	81.92	(8.27)	73.65	87.42	(9.02)	78.40	6.5%
7,000	84.86	(10.18)	74.68	90.63	-	90.63	21.4%
8,000	87.80	-	87.80	93.84	-	93.84	6.9%
9,000	90.74	-	90.74	97.05	-	97.05	7.0%
10,000	93.68	-	93.68	100.26	-	100.26	7.0%
15,000	112.48	-	112.48	120.76	-	120.76	7.4%
20,000	132.92	-	132.92	143.06	-	143.06	7.6%
25,000	155.82	-	155.82	168.06	-	168.06	7.9%
50,000	292.82	-	292.82	317.56	-	317.56	8.4%
75,000	429.82	-	429.82	467.06	-	467.06	8.7%
100,000	566.82	-	566.82	616.56	-	616.56	8.8%
125,000	703.82	-	703.82	766.06	-	766.06	8.8%
150,000	840.82	-	840.82	915.56	-	915.56	8.9%
175,000	977.82	-	977.82	1,065.06	-	1,065.06	8.9%
200,000	1,114.82	-	1,114.82	1,214.56	-	1,214.56	8.9%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2019

Settlement H-4

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 72.62	\$ 77.79	\$ 5.16	7.1%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.20	\$ -	\$ 69.20	\$ 74.03	\$ -	\$ 74.03	7.0%
1,000	70.50	(0.85)	69.66	75.46	(0.93)	74.53	7.0%
2,000	72.62	(2.22)	70.40	77.79	(2.44)	75.34	7.0%
3,000	74.74	(3.60)	71.14	80.12	(3.96)	76.16	7.1%
4,000	76.86	(4.98)	71.88	82.45	(5.47)	76.97	7.1%
5,000	78.98	(6.36)	72.62	84.78	(6.99)	77.79	7.1%
6,000	81.92	(8.27)	73.65	88.02	(9.09)	78.92	7.2%
7,000	84.86	(10.18)	74.68	91.26	-	91.26	22.2%
8,000	87.80	-	87.80	94.50	-	94.50	7.6%
9,000	90.74	-	90.74	97.74	-	97.74	7.7%
10,000	93.68	-	93.68	100.98	-	100.98	7.8%
15,000	112.48	-	112.48	121.68	-	121.68	8.2%
20,000	132.92	-	132.92	144.18	-	144.18	8.5%
25,000	155.82	-	155.82	169.38	-	169.38	8.7%
50,000	292.82	-	292.82	320.38	-	320.38	9.4%
75,000	429.82	-	429.82	471.38	-	471.38	9.7%
100,000	566.82	-	566.82	622.38	-	622.38	9.8%
125,000	703.82	-	703.82	773.38	-	773.38	9.9%
150,000	840.82	-	840.82	924.38	-	924.38	9.9%
175,000	977.82	-	977.82	1,075.38	-	1,075.38	10.0%
200,000	1,114.82	-	1,114.82	1,226.38	-	1,226.38	10.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2020

Settlement H-4

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 72.62	\$ 78.31	\$ 5.69	7.8%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.20	\$ -	\$ 69.20	\$ 74.50	\$ -	\$ 74.50	7.7%
1,000	70.50	(0.85)	69.66	75.95	(0.94)	75.01	7.7%
2,000	72.62	(2.22)	70.40	78.31	(2.48)	75.83	7.7%
3,000	74.74	(3.60)	71.14	80.67	(4.01)	76.66	7.8%
4,000	76.86	(4.98)	71.88	83.03	(5.54)	77.49	7.8%
5,000	78.98	(6.36)	72.62	85.39	(7.08)	78.31	7.8%
6,000	81.92	(8.27)	73.65	88.66	(9.20)	79.46	7.9%
7,000	84.86	(10.18)	74.68	91.93	-	91.93	23.1%
8,000	87.80	-	87.80	95.20	-	95.20	8.4%
9,000	90.74	-	90.74	98.47	-	98.47	8.5%
10,000	93.68	-	93.68	101.74	-	101.74	8.6%
15,000	112.48	-	112.48	122.64	-	122.64	9.0%
20,000	132.92	-	132.92	145.36	-	145.36	9.4%
25,000	155.82	-	155.82	170.81	-	170.81	9.6%
50,000	292.82	-	292.82	323.06	-	323.06	10.3%
75,000	429.82	-	429.82	475.31	-	475.31	10.6%
100,000	566.82	-	566.82	627.56	-	627.56	10.7%
125,000	703.82	-	703.82	779.81	-	779.81	10.8%
150,000	840.82	-	840.82	932.06	-	932.06	10.9%
175,000	977.82	-	977.82	1,084.31	-	1,084.31	10.9%
200,000	1,114.82	-	1,114.82	1,236.56	-	1,236.56	10.9%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2021

Settlement H-4

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 72.62	\$ 78.36	\$ 5.74	7.9%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 69.20	\$ -	\$ 69.20	\$ 74.55	\$ -	\$ 74.55	7.7%
1,000	70.50	(0.85)	69.66	76.00	(0.94)	75.06	7.8%
2,000	72.62	(2.22)	70.40	78.36	(2.48)	75.88	7.8%
3,000	74.74	(3.60)	71.14	80.72	(4.01)	76.71	7.8%
4,000	76.86	(4.98)	71.88	83.08	(5.54)	77.54	7.9%
5,000	78.98	(6.36)	72.62	85.44	(7.08)	78.36	7.9%
6,000	81.92	(8.27)	73.65	88.71	(9.20)	79.51	7.9%
7,000	84.86	(10.18)	74.68	91.98	-	91.98	23.2%
8,000	87.80	-	87.80	95.25	-	95.25	8.5%
9,000	90.74	-	90.74	98.52	-	98.52	8.6%
10,000	93.68	-	93.68	101.79	-	101.79	8.7%
15,000	112.48	-	112.48	122.69	-	122.69	9.1%
20,000	132.92	-	132.92	145.43	-	145.43	9.4%
25,000	155.82	-	155.82	170.93	-	170.93	9.7%
50,000	292.82	-	292.82	323.43	-	323.43	10.5%
75,000	429.82	-	429.82	475.93	-	475.93	10.7%
100,000	566.82	-	566.82	628.43	-	628.43	10.9%
125,000	703.82	-	703.82	780.93	-	780.93	11.0%
150,000	840.82	-	840.82	933.43	-	933.43	11.0%
175,000	977.82	-	977.82	1,085.93	-	1,085.93	11.1%
200,000	1,114.82	-	1,114.82	1,238.43	-	1,238.43	11.1%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2014

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	15000	\$ 181.68	\$ 181.68	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 138.40	\$ -	\$ 138.40	\$ 138.40	\$ -	\$ 138.40	0.0%
1,000	139.70	(0.85)	138.86	139.70	(0.85)	138.86	0.0%
2,000	141.82	(2.22)	139.60	141.82	(2.22)	139.60	0.0%
3,000	143.94	(3.60)	140.34	143.94	(3.60)	140.34	0.0%
4,000	146.06	(4.98)	141.08	146.06	(4.98)	141.08	0.0%
5,000	148.18	(6.36)	141.82	148.18	(6.36)	141.82	0.0%
6,000	151.12	(8.27)	142.85	151.12	(8.27)	142.85	0.0%
7,000	154.06	(10.18)	143.88	154.06	(10.18)	143.88	0.0%
8,000	157.00	-	157.00	157.00	-	157.00	0.0%
9,000	159.94	-	159.94	159.94	-	159.94	0.0%
10,000	162.88	-	162.88	162.88	-	162.88	0.0%
15,000	181.68	-	181.68	181.68	-	181.68	0.0%
20,000	202.12	-	202.12	202.12	-	202.12	0.0%
25,000	225.02	-	225.02	225.02	-	225.02	0.0%
50,000	362.02	-	362.02	362.02	-	362.02	0.0%
75,000	499.02	-	499.02	499.02	-	499.02	0.0%
100,000	636.02	-	636.02	636.02	-	636.02	0.0%
125,000	773.02	-	773.02	773.02	-	773.02	0.0%
150,000	910.02	-	910.02	910.02	-	910.02	0.0%
175,000	1,047.02	-	1,047.02	1,047.02	-	1,047.02	0.0%
200,000	1,184.02	-	1,184.02	1,184.02	-	1,184.02	0.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2015

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	15000	\$ 181.68	\$ 186.90	\$ 5.22	2.9%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 138.40	\$ -	\$ 138.40	\$ 142.00	\$ -	\$ 142.00	2.6%
1,000	139.70	(0.85)	138.86	143.35	(0.81)	142.54	2.7%
2,000	141.82	(2.22)	139.60	145.55	(2.13)	143.42	2.7%
3,000	143.94	(3.60)	140.34	147.75	(3.45)	144.30	2.8%
4,000	146.06	(4.98)	141.08	149.95	(4.77)	145.18	2.9%
5,000	148.18	(6.36)	141.82	152.15	(6.09)	146.06	3.0%
6,000	151.12	(8.27)	142.85	155.20	(7.92)	147.28	3.1%
7,000	154.06	(10.18)	143.88	158.25	-	158.25	10.0%
8,000	157.00	-	157.00	161.30	-	161.30	2.7%
9,000	159.94	-	159.94	164.35	-	164.35	2.8%
10,000	162.88	-	162.88	167.40	-	167.40	2.8%
15,000	181.68	-	181.68	186.90	-	186.90	2.9%
20,000	202.12	-	202.12	208.10	-	208.10	3.0%
25,000	225.02	-	225.02	231.85	-	231.85	3.0%
50,000	362.02	-	362.02	374.10	-	374.10	3.3%
75,000	499.02	-	499.02	516.35	-	516.35	3.5%
100,000	636.02	-	636.02	658.60	-	658.60	3.6%
125,000	773.02	-	773.02	800.85	-	800.85	3.6%
150,000	910.02	-	910.02	943.10	-	943.10	3.6%
175,000	1,047.02	-	1,047.02	1,085.35	-	1,085.35	3.7%
200,000	1,184.02	-	1,184.02	1,227.60	-	1,227.60	3.7%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2016

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	1500	\$ 181.68	\$ 191.47	\$ 9.79	5.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 138.40	\$ -	\$ 138.40	\$ 145.10	\$ -	\$ 145.10	4.8%
1,000	139.70	(0.85)	138.86	146.49	(0.83)	145.66	4.9%
2,000	141.82	(2.22)	139.60	148.76	(2.20)	146.56	5.0%
3,000	143.94	(3.60)	140.34	151.03	(3.56)	147.47	5.1%
4,000	146.06	(4.98)	141.08	153.30	(4.92)	148.38	5.2%
5,000	148.18	(6.36)	141.82	155.57	(6.28)	149.29	5.3%
6,000	151.12	(8.27)	142.85	158.72	(8.17)	150.55	5.4%
7,000	154.06	(10.18)	143.88	161.87	-	161.87	12.5%
8,000	157.00	-	157.00	165.02	-	165.02	5.1%
9,000	159.94	-	159.94	168.17	-	168.17	5.1%
10,000	162.88	-	162.88	171.32	-	171.32	5.2%
15,000	181.68	-	181.68	191.47	-	191.47	5.4%
20,000	202.12	-	202.12	213.36	-	213.36	5.6%
25,000	225.02	-	225.02	237.86	-	237.86	5.7%
50,000	362.02	-	362.02	384.61	-	384.61	6.2%
75,000	499.02	-	499.02	531.36	-	531.36	6.5%
100,000	636.02	-	636.02	678.11	-	678.11	6.6%
125,000	773.02	-	773.02	824.86	-	824.86	6.7%
150,000	910.02	-	910.02	971.61	-	971.61	6.8%
175,000	1,047.02	-	1,047.02	1,118.36	-	1,118.36	6.8%
200,000	1,184.02	-	1,184.02	1,265.11	-	1,265.11	6.8%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2017

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	15000	\$ 181.68	\$ 192.82	\$ 11.14	6.1%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 138.40	\$ -	\$ 138.40	\$ 146.05	\$ -	\$ 146.05	5.5%
1,000	139.70	(0.85)	138.86	147.46	(0.85)	146.61	5.6%
2,000	141.82	(2.22)	139.60	149.75	(2.22)	147.53	5.7%
3,000	143.94	(3.60)	140.34	152.04	(3.59)	148.45	5.8%
4,000	146.06	(4.98)	141.08	154.33	(4.97)	149.36	5.9%
5,000	148.18	(6.36)	141.82	156.62	(6.34)	150.28	6.0%
6,000	151.12	(8.27)	142.85	159.80	(8.25)	151.55	6.1%
7,000	154.06	(10.18)	143.88	162.98	-	162.98	13.3%
8,000	157.00	-	157.00	166.16	-	166.16	5.8%
9,000	159.94	-	159.94	169.34	-	169.34	5.9%
10,000	162.88	-	162.88	172.52	-	172.52	5.9%
15,000	181.68	-	181.68	192.82	-	192.82	6.1%
20,000	202.12	-	202.12	214.90	-	214.90	6.3%
25,000	225.02	-	225.02	239.65	-	239.65	6.5%
50,000	362.02	-	362.02	387.65	-	387.65	7.1%
75,000	499.02	-	499.02	535.65	-	535.65	7.3%
100,000	636.02	-	636.02	683.65	-	683.65	7.5%
125,000	773.02	-	773.02	831.65	-	831.65	7.6%
150,000	910.02	-	910.02	979.65	-	979.65	7.7%
175,000	1,047.02	-	1,047.02	1,127.65	-	1,127.65	7.7%
200,000	1,184.02	-	1,184.02	1,275.65	-	1,275.65	7.7%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2018

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	15000	\$ 181.68	\$ 194.31	\$ 12.63	7.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 138.40	\$ -	\$ 138.40	\$ 147.10	\$ -	\$ 147.10	6.3%
1,000	139.70	(0.85)	138.86	148.52	(0.85)	147.67	6.3%
2,000	141.82	(2.22)	139.60	150.83	(2.24)	148.59	6.4%
3,000	143.94	(3.60)	140.34	153.14	(3.62)	149.52	6.5%
4,000	146.06	(4.98)	141.08	155.45	(5.01)	150.44	6.6%
5,000	148.18	(6.36)	141.82	157.76	(6.40)	151.36	6.7%
6,000	151.12	(8.27)	142.85	160.97	(8.32)	152.65	6.9%
7,000	154.06	(10.18)	143.88	164.18	-	164.18	14.1%
8,000	157.00	-	157.00	167.39	-	167.39	6.6%
9,000	159.94	-	159.94	170.60	-	170.60	6.7%
10,000	162.88	-	162.88	173.81	-	173.81	6.7%
15,000	181.68	-	181.68	194.31	-	194.31	7.0%
20,000	202.12	-	202.12	216.61	-	216.61	7.2%
25,000	225.02	-	225.02	241.61	-	241.61	7.4%
50,000	362.02	-	362.02	391.11	-	391.11	8.0%
75,000	499.02	-	499.02	540.61	-	540.61	8.3%
100,000	636.02	-	636.02	690.11	-	690.11	8.5%
125,000	773.02	-	773.02	839.61	-	839.61	8.6%
150,000	910.02	-	910.02	989.11	-	989.11	8.7%
175,000	1,047.02	-	1,047.02	1,138.61	-	1,138.61	8.7%
200,000	1,184.02	-	1,184.02	1,288.11	-	1,288.11	8.8%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2019

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	15000	\$ 181.68	\$ 195.70	\$ 14.02	7.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 138.40	\$ -	\$ 138.40	\$ 148.05	\$ -	\$ 148.05	7.0%
1,000	139.70	(0.85)	138.86	149.48	(0.86)	148.62	7.0%
2,000	141.82	(2.22)	139.60	151.81	(2.26)	149.55	7.1%
3,000	143.94	(3.60)	140.34	154.14	(3.65)	150.49	7.2%
4,000	146.06	(4.98)	141.08	156.47	(5.05)	151.42	7.3%
5,000	148.18	(6.36)	141.82	158.80	(6.45)	152.35	7.4%
6,000	151.12	(8.27)	142.85	162.04	(8.39)	153.65	7.6%
7,000	154.06	(10.18)	143.88	165.28	-	165.28	14.9%
8,000	157.00	-	157.00	168.52	-	168.52	7.3%
9,000	159.94	-	159.94	171.76	-	171.76	7.4%
10,000	162.88	-	162.88	175.00	-	175.00	7.4%
15,000	181.68	-	181.68	195.70	-	195.70	7.7%
20,000	202.12	-	202.12	218.20	-	218.20	8.0%
25,000	225.02	-	225.02	243.40	-	243.40	8.2%
50,000	362.02	-	362.02	394.40	-	394.40	8.9%
75,000	499.02	-	499.02	545.40	-	545.40	9.3%
100,000	636.02	-	636.02	696.40	-	696.40	9.5%
125,000	773.02	-	773.02	847.40	-	847.40	9.6%
150,000	910.02	-	910.02	998.40	-	998.40	9.7%
175,000	1,047.02	-	1,047.02	1,149.40	-	1,149.40	9.8%
200,000	1,184.02	-	1,184.02	1,300.40	-	1,300.40	9.8%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2020

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	15000	\$ 181.68	\$ 197.14	\$ 15.46	8.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 138.40	\$ -	\$ 138.40	\$ 149.00	\$ -	\$ 149.00	7.7%
1,000	139.70	(0.85)	138.86	150.45	(0.87)	149.58	7.7%
2,000	141.82	(2.22)	139.60	152.81	(2.29)	150.52	7.8%
3,000	143.94	(3.60)	140.34	155.17	(3.70)	151.47	7.9%
4,000	146.06	(4.98)	141.08	157.53	(5.12)	152.41	8.0%
5,000	148.18	(6.36)	141.82	159.89	(6.53)	153.36	8.1%
6,000	151.12	(8.27)	142.85	163.16	(8.50)	154.66	8.3%
7,000	154.06	(10.18)	143.88	166.43	-	166.43	15.7%
8,000	157.00	-	157.00	169.70	-	169.70	8.1%
9,000	159.94	-	159.94	172.97	-	172.97	8.1%
10,000	162.88	-	162.88	176.24	-	176.24	8.2%
15,000	181.68	-	181.68	197.14	-	197.14	8.5%
20,000	202.12	-	202.12	219.86	-	219.86	8.8%
25,000	225.02	-	225.02	245.31	-	245.31	9.0%
50,000	362.02	-	362.02	397.56	-	397.56	9.8%
75,000	499.02	-	499.02	549.81	-	549.81	10.2%
100,000	636.02	-	636.02	702.06	-	702.06	10.4%
125,000	773.02	-	773.02	854.31	-	854.31	10.5%
150,000	910.02	-	910.02	1,006.56	-	1,006.56	10.6%
175,000	1,047.02	-	1,047.02	1,158.81	-	1,158.81	10.7%
200,000	1,184.02	-	1,184.02	1,311.06	-	1,311.06	10.7%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2021

Settlement H-4

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5000	\$ 181.68	\$ 197.24	\$ 15.56	8.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 138.40	\$ -	\$ 138.40	\$ 149.10	\$ -	\$ 149.10	7.7%
1,000	139.70	(0.85)	138.86	150.55	(0.87)	149.68	7.8%
2,000	141.82	(2.22)	139.60	152.91	(2.29)	150.62	7.9%
3,000	143.94	(3.60)	140.34	155.27	(3.70)	151.57	8.0%
4,000	146.06	(4.98)	141.08	157.63	(5.12)	152.51	8.1%
5,000	148.18	(6.36)	141.82	159.99	(6.53)	153.46	8.2%
6,000	151.12	(8.27)	142.85	163.26	(8.50)	154.76	8.3%
7,000	154.06	(10.18)	143.88	166.53	-	166.53	15.7%
8,000	157.00	-	157.00	169.80	-	169.80	8.2%
9,000	159.94	-	159.94	173.07	-	173.07	8.2%
10,000	162.88	-	162.88	176.34	-	176.34	8.3%
15,000	181.68	-	181.68	197.24	-	197.24	8.6%
20,000	202.12	-	202.12	219.98	-	219.98	8.8%
25,000	225.02	-	225.02	245.48	-	245.48	9.1%
50,000	362.02	-	362.02	397.98	-	397.98	9.9%
75,000	499.02	-	499.02	550.48	-	550.48	10.3%
100,000	636.02	-	636.02	702.98	-	702.98	10.5%
125,000	773.02	-	773.02	855.48	-	855.48	10.7%
150,000	910.02	-	910.02	1,007.98	-	1,007.98	10.8%
175,000	1,047.02	-	1,047.02	1,160.48	-	1,160.48	10.8%
200,000	1,184.02	-	1,184.02	1,312.98	-	1,312.98	10.9%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2014

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19000	\$ 281.40	\$ 281.40	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 221.44	\$ -	\$ 221.44	\$ 221.44	\$ -	\$ 221.44	0.0%
1,000	222.74	(0.85)	221.90	222.74	(0.85)	221.90	0.0%
2,000	224.86	(2.22)	222.64	224.86	(2.22)	222.64	0.0%
3,000	226.98	(3.60)	223.38	226.98	(3.60)	223.38	0.0%
4,000	229.10	(4.98)	224.12	229.10	(4.98)	224.12	0.0%
5,000	231.22	(6.36)	224.86	231.22	(6.36)	224.86	0.0%
6,000	234.16	(8.27)	225.89	234.16	(8.27)	225.89	0.0%
7,000	237.10	(10.18)	226.92	237.10	(10.18)	226.92	0.0%
8,000	240.04	-	240.04	240.04	-	240.04	0.0%
9,000	242.98	-	242.98	242.98	-	242.98	0.0%
10,000	245.92	-	245.92	245.92	-	245.92	0.0%
15,000	264.72	-	264.72	264.72	-	264.72	0.0%
20,000	285.16	-	285.16	285.16	-	285.16	0.0%
25,000	308.06	-	308.06	308.06	-	308.06	0.0%
50,000	445.06	-	445.06	445.06	-	445.06	0.0%
75,000	582.06	-	582.06	582.06	-	582.06	0.0%
100,000	719.06	-	719.06	719.06	-	719.06	0.0%
125,000	856.06	-	856.06	856.06	-	856.06	0.0%
150,000	993.06	-	993.06	993.06	-	993.06	0.0%
175,000	1,130.06	-	1,130.06	1,130.06	-	1,130.06	0.0%
200,000	1,267.06	-	1,267.06	1,267.06	-	1,267.06	0.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2015

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19000	\$ 281.40	\$ 289.40	\$ 8.00	2.8%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 221.44	\$ -	\$ 221.44	\$ 227.20	\$ -	\$ 227.20	2.6%
1,000	222.74	(0.85)	221.90	228.55	(0.81)	227.74	2.6%
2,000	224.86	(2.22)	222.64	230.75	(2.13)	228.62	2.7%
3,000	226.98	(3.60)	223.38	232.95	(3.45)	229.50	2.7%
4,000	229.10	(4.98)	224.12	235.15	(4.77)	230.38	2.8%
5,000	231.22	(6.36)	224.86	237.35	(6.09)	231.26	2.8%
6,000	234.16	(8.27)	225.89	240.40	(7.92)	232.48	2.9%
7,000	237.10	(10.18)	226.92	243.45	-	243.45	7.3%
8,000	240.04	-	240.04	246.50	-	246.50	2.7%
9,000	242.98	-	242.98	249.55	-	249.55	2.7%
10,000	245.92	-	245.92	252.60	-	252.60	2.7%
15,000	264.72	-	264.72	272.10	-	272.10	2.8%
20,000	285.16	-	285.16	293.30	-	293.30	2.9%
25,000	308.06	-	308.06	317.05	-	317.05	2.9%
50,000	445.06	-	445.06	459.30	-	459.30	3.2%
75,000	582.06	-	582.06	601.55	-	601.55	3.3%
100,000	719.06	-	719.06	743.80	-	743.80	3.4%
125,000	856.06	-	856.06	886.05	-	886.05	3.5%
150,000	993.06	-	993.06	1,028.30	-	1,028.30	3.5%
175,000	1,130.06	-	1,130.06	1,170.55	-	1,170.55	3.6%
200,000	1,267.06	-	1,267.06	1,312.80	-	1,312.80	3.6%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2016

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19000	\$ 281.40	\$ 296.39	\$ 14.99	5.3%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 221.44	\$ -	\$ 221.44	\$ 232.16	\$ -	\$ 232.16	4.8%
1,000	222.74	(0.85)	221.90	233.55	(0.83)	232.72	4.9%
2,000	224.86	(2.22)	222.64	235.82	(2.20)	233.62	4.9%
3,000	226.98	(3.60)	223.38	238.09	(3.56)	234.53	5.0%
4,000	229.10	(4.98)	224.12	240.36	(4.92)	235.44	5.1%
5,000	231.22	(6.36)	224.86	242.63	(6.28)	236.35	5.1%
6,000	234.16	(8.27)	225.89	245.78	(8.17)	237.61	5.2%
7,000	237.10	(10.18)	226.92	248.93	-	248.93	9.7%
8,000	240.04	-	240.04	252.08	-	252.08	5.0%
9,000	242.98	-	242.98	255.23	-	255.23	5.0%
10,000	245.92	-	245.92	258.38	-	258.38	5.1%
15,000	264.72	-	264.72	278.53	-	278.53	5.2%
20,000	285.16	-	285.16	300.42	-	300.42	5.4%
25,000	308.06	-	308.06	324.92	-	324.92	5.5%
50,000	445.06	-	445.06	471.67	-	471.67	6.0%
75,000	582.06	-	582.06	618.42	-	618.42	6.2%
100,000	719.06	-	719.06	765.17	-	765.17	6.4%
125,000	856.06	-	856.06	911.92	-	911.92	6.5%
150,000	993.06	-	993.06	1,058.67	-	1,058.67	6.6%
175,000	1,130.06	-	1,130.06	1,205.42	-	1,205.42	6.7%
200,000	1,267.06	-	1,267.06	1,352.17	-	1,352.17	6.7%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2017

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19000	\$ 281.40	\$ 298.47	\$ 17.07	6.1%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 221.44	\$ -	\$ 221.44	\$ 233.68	\$ -	\$ 233.68	5.5%
1,000	222.74	(0.85)	221.90	235.09	(0.85)	234.24	5.6%
2,000	224.86	(2.22)	222.64	237.38	(2.22)	235.16	5.6%
3,000	226.98	(3.60)	223.38	239.67	(3.59)	236.08	5.7%
4,000	229.10	(4.98)	224.12	241.96	(4.97)	236.99	5.7%
5,000	231.22	(6.36)	224.86	244.25	(6.34)	237.91	5.8%
6,000	234.16	(8.27)	225.89	247.43	(8.25)	239.18	5.9%
7,000	237.10	(10.18)	226.92	250.61	-	250.61	10.4%
8,000	240.04	-	240.04	253.79	-	253.79	5.7%
9,000	242.98	-	242.98	256.97	-	256.97	5.8%
10,000	245.92	-	245.92	260.15	-	260.15	5.8%
15,000	264.72	-	264.72	280.45	-	280.45	5.9%
20,000	285.16	-	285.16	302.53	-	302.53	6.1%
25,000	308.06	-	308.06	327.28	-	327.28	6.2%
50,000	445.06	-	445.06	475.28	-	475.28	6.8%
75,000	582.06	-	582.06	623.28	-	623.28	7.1%
100,000	719.06	-	719.06	771.28	-	771.28	7.3%
125,000	856.06	-	856.06	919.28	-	919.28	7.4%
150,000	993.06	-	993.06	1,067.28	-	1,067.28	7.5%
175,000	1,130.06	-	1,130.06	1,215.28	-	1,215.28	7.5%
200,000	1,267.06	-	1,267.06	1,363.28	-	1,363.28	7.6%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2018

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19000	\$ 281.40	\$ 300.77	\$ 19.37	6.9%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 221.44	\$ -	\$ 221.44	\$ 235.36	\$ -	\$ 235.36	6.3%
1,000	222.74	(0.85)	221.90	236.78	(0.85)	235.93	6.3%
2,000	224.86	(2.22)	222.64	239.09	(2.24)	236.85	6.4%
3,000	226.98	(3.60)	223.38	241.40	(3.62)	237.78	6.4%
4,000	229.10	(4.98)	224.12	243.71	(5.01)	238.70	6.5%
5,000	231.22	(6.36)	224.86	246.02	(6.40)	239.62	6.6%
6,000	234.16	(8.27)	225.89	249.23	(8.32)	240.91	6.6%
7,000	237.10	(10.18)	226.92	252.44	-	252.44	11.2%
8,000	240.04	-	240.04	255.65	-	255.65	6.5%
9,000	242.98	-	242.98	258.86	-	258.86	6.5%
10,000	245.92	-	245.92	262.07	-	262.07	6.6%
15,000	264.72	-	264.72	282.57	-	282.57	6.7%
20,000	285.16	-	285.16	304.87	-	304.87	6.9%
25,000	308.06	-	308.06	329.87	-	329.87	7.1%
50,000	445.06	-	445.06	479.37	-	479.37	7.7%
75,000	582.06	-	582.06	628.87	-	628.87	8.0%
100,000	719.06	-	719.06	778.37	-	778.37	8.2%
125,000	856.06	-	856.06	927.87	-	927.87	8.4%
150,000	993.06	-	993.06	1,077.37	-	1,077.37	8.5%
175,000	1,130.06	-	1,130.06	1,226.87	-	1,226.87	8.6%
200,000	1,267.06	-	1,267.06	1,376.37	-	1,376.37	8.6%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2019

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19000	\$ 281.40	\$ 302.89	\$ 21.49	7.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 221.44	\$ -	\$ 221.44	\$ 236.88	\$ -	\$ 236.88	7.0%
1,000	222.74	(0.85)	221.90	238.31	(0.86)	237.45	7.0%
2,000	224.86	(2.22)	222.64	240.64	(2.26)	238.38	7.1%
3,000	226.98	(3.60)	223.38	242.97	(3.65)	239.32	7.1%
4,000	229.10	(4.98)	224.12	245.30	(5.05)	240.25	7.2%
5,000	231.22	(6.36)	224.86	247.63	(6.45)	241.18	7.3%
6,000	234.16	(8.27)	225.89	250.87	(8.39)	242.48	7.3%
7,000	237.10	(10.18)	226.92	254.11	-	254.11	12.0%
8,000	240.04	-	240.04	257.35	-	257.35	7.2%
9,000	242.98	-	242.98	260.59	-	260.59	7.2%
10,000	245.92	-	245.92	263.83	-	263.83	7.3%
15,000	264.72	-	264.72	284.53	-	284.53	7.5%
20,000	285.16	-	285.16	307.03	-	307.03	7.7%
25,000	308.06	-	308.06	332.23	-	332.23	7.8%
50,000	445.06	-	445.06	483.23	-	483.23	8.6%
75,000	582.06	-	582.06	634.23	-	634.23	9.0%
100,000	719.06	-	719.06	785.23	-	785.23	9.2%
125,000	856.06	-	856.06	936.23	-	936.23	9.4%
150,000	993.06	-	993.06	1,087.23	-	1,087.23	9.5%
175,000	1,130.06	-	1,130.06	1,238.23	-	1,238.23	9.6%
200,000	1,267.06	-	1,267.06	1,389.23	-	1,389.23	9.6%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2020

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19000	\$ 281.40	\$ 305.08	\$ 23.68	8.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 221.44	\$ -	\$ 221.44	\$ 238.40	\$ -	\$ 238.40	7.7%
1,000	222.74	(0.85)	221.90	239.85	(0.87)	238.98	7.7%
2,000	224.86	(2.22)	222.64	242.21	(2.29)	239.92	7.8%
3,000	226.98	(3.60)	223.38	244.57	(3.70)	240.87	7.8%
4,000	229.10	(4.98)	224.12	246.93	(5.12)	241.81	7.9%
5,000	231.22	(6.36)	224.86	249.29	(6.53)	242.76	8.0%
6,000	234.16	(8.27)	225.89	252.56	(8.50)	244.06	8.0%
7,000	237.10	(10.18)	226.92	255.83	-	255.83	12.7%
8,000	240.04	-	240.04	259.10	-	259.10	7.9%
9,000	242.98	-	242.98	262.37	-	262.37	8.0%
10,000	245.92	-	245.92	265.64	-	265.64	8.0%
15,000	264.72	-	264.72	286.54	-	286.54	8.2%
20,000	285.16	-	285.16	309.26	-	309.26	8.5%
25,000	308.06	-	308.06	334.71	-	334.71	8.7%
50,000	445.06	-	445.06	486.96	-	486.96	9.4%
75,000	582.06	-	582.06	639.21	-	639.21	9.8%
100,000	719.06	-	719.06	791.46	-	791.46	10.1%
125,000	856.06	-	856.06	943.71	-	943.71	10.2%
150,000	993.06	-	993.06	1,095.96	-	1,095.96	10.4%
175,000	1,130.06	-	1,130.06	1,248.21	-	1,248.21	10.5%
200,000	1,267.06	-	1,267.06	1,400.46	-	1,400.46	10.5%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2021

Settlement H-4

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	19000	\$ 281.40	\$ 305.26	\$ 23.86	8.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 221.44	\$ -	\$ 221.44	\$ 238.56	\$ -	\$ 238.56	7.7%
1,000	222.74	(0.85)	221.90	240.01	(0.87)	239.14	7.8%
2,000	224.86	(2.22)	222.64	242.37	(2.29)	240.08	7.8%
3,000	226.98	(3.60)	223.38	244.73	(3.70)	241.03	7.9%
4,000	229.10	(4.98)	224.12	247.09	(5.12)	241.97	8.0%
5,000	231.22	(6.36)	224.86	249.45	(6.53)	242.92	8.0%
6,000	234.16	(8.27)	225.89	252.72	(8.50)	244.22	8.1%
7,000	237.10	(10.18)	226.92	255.99	-	255.99	12.8%
8,000	240.04	-	240.04	259.26	-	259.26	8.0%
9,000	242.98	-	242.98	262.53	-	262.53	8.0%
10,000	245.92	-	245.92	265.80	-	265.80	8.1%
15,000	264.72	-	264.72	286.70	-	286.70	8.3%
20,000	285.16	-	285.16	309.44	-	309.44	8.5%
25,000	308.06	-	308.06	334.94	-	334.94	8.7%
50,000	445.06	-	445.06	487.44	-	487.44	9.5%
75,000	582.06	-	582.06	639.94	-	639.94	9.9%
100,000	719.06	-	719.06	792.44	-	792.44	10.2%
125,000	856.06	-	856.06	944.94	-	944.94	10.4%
150,000	993.06	-	993.06	1,097.44	-	1,097.44	10.5%
175,000	1,130.06	-	1,130.06	1,249.94	-	1,249.94	10.6%
200,000	1,267.06	-	1,267.06	1,402.44	-	1,402.44	10.7%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2014

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	65000	\$ 721.30	\$ 721.30	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 442.88	\$ -	\$ 442.88	\$ 442.88	\$ -	\$ 442.88	0.0%
1,000	444.18	(0.85)	443.34	444.18	(0.85)	443.34	0.0%
2,000	446.30	(2.22)	444.08	446.30	(2.22)	444.08	0.0%
3,000	448.42	(3.60)	444.82	448.42	(3.60)	444.82	0.0%
4,000	450.54	(4.98)	445.56	450.54	(4.98)	445.56	0.0%
5,000	452.66	(6.36)	446.30	452.66	(6.36)	446.30	0.0%
6,000	455.60	(8.27)	447.33	455.60	(8.27)	447.33	0.0%
7,000	458.54	(10.18)	448.36	458.54	(10.18)	448.36	0.0%
8,000	461.48	-	461.48	461.48	-	461.48	0.0%
9,000	464.42	-	464.42	464.42	-	464.42	0.0%
10,000	467.36	-	467.36	467.36	-	467.36	0.0%
15,000	486.16	-	486.16	486.16	-	486.16	0.0%
20,000	506.60	-	506.60	506.60	-	506.60	0.0%
25,000	529.50	-	529.50	529.50	-	529.50	0.0%
50,000	666.50	-	666.50	666.50	-	666.50	0.0%
75,000	803.50	-	803.50	803.50	-	803.50	0.0%
100,000	940.50	-	940.50	940.50	-	940.50	0.0%
125,000	1,077.50	-	1,077.50	1,077.50	-	1,077.50	0.0%
150,000	1,214.50	-	1,214.50	1,214.50	-	1,214.50	0.0%
175,000	1,351.50	-	1,351.50	1,351.50	-	1,351.50	0.0%
200,000	1,488.50	-	1,488.50	1,488.50	-	1,488.50	0.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2015

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	65000	\$ 721.30	\$ 743.40	\$ 22.10	3.1%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 442.88	\$ -	\$ 442.88	\$ 454.40	\$ -	\$ 454.40	2.6%
1,000	444.18	(0.85)	443.34	455.75	(0.81)	454.94	2.6%
2,000	446.30	(2.22)	444.08	457.95	(2.13)	455.82	2.6%
3,000	448.42	(3.60)	444.82	460.15	(3.45)	456.70	2.7%
4,000	450.54	(4.98)	445.56	462.35	(4.77)	457.58	2.7%
5,000	452.66	(6.36)	446.30	464.55	(6.09)	458.46	2.7%
6,000	455.60	(8.27)	447.33	467.60	(7.92)	459.68	2.8%
7,000	458.54	(10.18)	448.36	470.65	-	470.65	5.0%
8,000	461.48	-	461.48	473.70	-	473.70	2.6%
9,000	464.42	-	464.42	476.75	-	476.75	2.7%
10,000	467.36	-	467.36	479.80	-	479.80	2.7%
15,000	486.16	-	486.16	499.30	-	499.30	2.7%
20,000	506.60	-	506.60	520.50	-	520.50	2.7%
25,000	529.50	-	529.50	544.25	-	544.25	2.8%
50,000	666.50	-	666.50	686.50	-	686.50	3.0%
75,000	803.50	-	803.50	828.75	-	828.75	3.1%
100,000	940.50	-	940.50	971.00	-	971.00	3.2%
125,000	1,077.50	-	1,077.50	1,113.25	-	1,113.25	3.3%
150,000	1,214.50	-	1,214.50	1,255.50	-	1,255.50	3.4%
175,000	1,351.50	-	1,351.50	1,397.75	-	1,397.75	3.4%
200,000	1,488.50	-	1,488.50	1,540.00	-	1,540.00	3.5%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2016

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	65000	\$ 721.30	\$ 762.53	\$ 41.23	5.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 442.88	\$ -	\$ 442.88	\$ 464.32	\$ -	\$ 464.32	4.8%
1,000	444.18	(0.85)	443.34	465.71	(0.83)	464.88	4.9%
2,000	446.30	(2.22)	444.08	467.98	(2.20)	465.78	4.9%
3,000	448.42	(3.60)	444.82	470.25	(3.56)	466.69	4.9%
4,000	450.54	(4.98)	445.56	472.52	(4.92)	467.60	4.9%
5,000	452.66	(6.36)	446.30	474.79	(6.28)	468.51	5.0%
6,000	455.60	(8.27)	447.33	477.94	(8.17)	469.77	5.0%
7,000	458.54	(10.18)	448.36	481.09	-	481.09	7.3%
8,000	461.48	-	461.48	484.24	-	484.24	4.9%
9,000	464.42	-	464.42	487.39	-	487.39	4.9%
10,000	467.36	-	467.36	490.54	-	490.54	5.0%
15,000	486.16	-	486.16	510.69	-	510.69	5.0%
20,000	506.60	-	506.60	532.58	-	532.58	5.1%
25,000	529.50	-	529.50	557.08	-	557.08	5.2%
50,000	666.50	-	666.50	703.83	-	703.83	5.6%
75,000	803.50	-	803.50	850.58	-	850.58	5.9%
100,000	940.50	-	940.50	997.33	-	997.33	6.0%
125,000	1,077.50	-	1,077.50	1,144.08	-	1,144.08	6.2%
150,000	1,214.50	-	1,214.50	1,290.83	-	1,290.83	6.3%
175,000	1,351.50	-	1,351.50	1,437.58	-	1,437.58	6.4%
200,000	1,488.50	-	1,488.50	1,584.33	-	1,584.33	6.4%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2017

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	65000	\$ 721.30	\$ 768.16	\$ 46.86	6.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 442.88	\$ -	\$ 442.88	\$ 467.36	\$ -	\$ 467.36	5.5%
1,000	444.18	(0.85)	443.34	468.77	(0.85)	467.92	5.5%
2,000	446.30	(2.22)	444.08	471.06	(2.22)	468.84	5.6%
3,000	448.42	(3.60)	444.82	473.35	(3.59)	469.76	5.6%
4,000	450.54	(4.98)	445.56	475.64	(4.97)	470.67	5.6%
5,000	452.66	(6.36)	446.30	477.93	(6.34)	471.59	5.7%
6,000	455.60	(8.27)	447.33	481.11	(8.25)	472.86	5.7%
7,000	458.54	(10.18)	448.36	484.29	-	484.29	8.0%
8,000	461.48	-	461.48	487.47	-	487.47	5.6%
9,000	464.42	-	464.42	490.65	-	490.65	5.6%
10,000	467.36	-	467.36	493.83	-	493.83	5.7%
15,000	486.16	-	486.16	514.13	-	514.13	5.8%
20,000	506.60	-	506.60	536.21	-	536.21	5.8%
25,000	529.50	-	529.50	560.96	-	560.96	5.9%
50,000	666.50	-	666.50	708.96	-	708.96	6.4%
75,000	803.50	-	803.50	856.96	-	856.96	6.7%
100,000	940.50	-	940.50	1,004.96	-	1,004.96	6.9%
125,000	1,077.50	-	1,077.50	1,152.96	-	1,152.96	7.0%
150,000	1,214.50	-	1,214.50	1,300.96	-	1,300.96	7.1%
175,000	1,351.50	-	1,351.50	1,448.96	-	1,448.96	7.2%
200,000	1,488.50	-	1,488.50	1,596.96	-	1,596.96	7.3%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2018

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	65000	\$ 721.30	\$ 774.53	\$ 53.23	7.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 442.88	\$ -	\$ 442.88	\$ 470.72	\$ -	\$ 470.72	6.3%
1,000	444.18	(0.85)	443.34	472.14	(0.85)	471.29	6.3%
2,000	446.30	(2.22)	444.08	474.45	(2.24)	472.21	6.3%
3,000	448.42	(3.60)	444.82	476.76	(3.62)	473.14	6.4%
4,000	450.54	(4.98)	445.56	479.07	(5.01)	474.06	6.4%
5,000	452.66	(6.36)	446.30	481.38	(6.40)	474.98	6.4%
6,000	455.60	(8.27)	447.33	484.59	(8.32)	476.27	6.5%
7,000	458.54	(10.18)	448.36	487.80	-	487.80	8.8%
8,000	461.48	-	461.48	491.01	-	491.01	6.4%
9,000	464.42	-	464.42	494.22	-	494.22	6.4%
10,000	467.36	-	467.36	497.43	-	497.43	6.4%
15,000	486.16	-	486.16	517.93	-	517.93	6.5%
20,000	506.60	-	506.60	540.23	-	540.23	6.6%
25,000	529.50	-	529.50	565.23	-	565.23	6.7%
50,000	666.50	-	666.50	714.73	-	714.73	7.2%
75,000	803.50	-	803.50	864.23	-	864.23	7.6%
100,000	940.50	-	940.50	1,013.73	-	1,013.73	7.8%
125,000	1,077.50	-	1,077.50	1,163.23	-	1,163.23	8.0%
150,000	1,214.50	-	1,214.50	1,312.73	-	1,312.73	8.1%
175,000	1,351.50	-	1,351.50	1,462.23	-	1,462.23	8.2%
200,000	1,488.50	-	1,488.50	1,611.73	-	1,611.73	8.3%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2019

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	65000	\$ 721.30	\$ 780.51	\$ 59.21	8.2%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 442.88	\$ -	\$ 442.88	\$ 473.76	\$ -	\$ 473.76	7.0%
1,000	444.18	(0.85)	443.34	475.19	(0.86)	474.33	7.0%
2,000	446.30	(2.22)	444.08	477.52	(2.26)	475.26	7.0%
3,000	448.42	(3.60)	444.82	479.85	(3.65)	476.20	7.1%
4,000	450.54	(4.98)	445.56	482.18	(5.05)	477.13	7.1%
5,000	452.66	(6.36)	446.30	484.51	(6.45)	478.06	7.1%
6,000	455.60	(8.27)	447.33	487.75	(8.39)	479.36	7.2%
7,000	458.54	(10.18)	448.36	490.99	-	490.99	9.5%
8,000	461.48	-	461.48	494.23	-	494.23	7.1%
9,000	464.42	-	464.42	497.47	-	497.47	7.1%
10,000	467.36	-	467.36	500.71	-	500.71	7.1%
15,000	486.16	-	486.16	521.41	-	521.41	7.3%
20,000	506.60	-	506.60	543.91	-	543.91	7.4%
25,000	529.50	-	529.50	569.11	-	569.11	7.5%
50,000	666.50	-	666.50	720.11	-	720.11	8.0%
75,000	803.50	-	803.50	871.11	-	871.11	8.4%
100,000	940.50	-	940.50	1,022.11	-	1,022.11	8.7%
125,000	1,077.50	-	1,077.50	1,173.11	-	1,173.11	8.9%
150,000	1,214.50	-	1,214.50	1,324.11	-	1,324.11	9.0%
175,000	1,351.50	-	1,351.50	1,475.11	-	1,475.11	9.1%
200,000	1,488.50	-	1,488.50	1,626.11	-	1,626.11	9.2%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2020

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	65000	\$ 721.30	\$ 786.26	\$ 64.96	9.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 442.88	\$ -	\$ 442.88	\$ 476.80	\$ -	\$ 476.80	7.7%
1,000	444.18	(0.85)	443.34	478.25	(0.87)	477.38	7.7%
2,000	446.30	(2.22)	444.08	480.61	(2.29)	478.32	7.7%
3,000	448.42	(3.60)	444.82	482.97	(3.70)	479.27	7.7%
4,000	450.54	(4.98)	445.56	485.33	(5.12)	480.21	7.8%
5,000	452.66	(6.36)	446.30	487.69	(6.53)	481.16	7.8%
6,000	455.60	(8.27)	447.33	490.96	(8.50)	482.46	7.9%
7,000	458.54	(10.18)	448.36	494.23	-	494.23	10.2%
8,000	461.48	-	461.48	497.50	-	497.50	7.8%
9,000	464.42	-	464.42	500.77	-	500.77	7.8%
10,000	467.36	-	467.36	504.04	-	504.04	7.8%
15,000	486.16	-	486.16	524.94	-	524.94	8.0%
20,000	506.60	-	506.60	547.66	-	547.66	8.1%
25,000	529.50	-	529.50	573.11	-	573.11	8.2%
50,000	666.50	-	666.50	725.36	-	725.36	8.8%
75,000	803.50	-	803.50	877.61	-	877.61	9.2%
100,000	940.50	-	940.50	1,029.86	-	1,029.86	9.5%
125,000	1,077.50	-	1,077.50	1,182.11	-	1,182.11	9.7%
150,000	1,214.50	-	1,214.50	1,334.36	-	1,334.36	9.9%
175,000	1,351.50	-	1,351.50	1,486.61	-	1,486.61	10.0%
200,000	1,488.50	-	1,488.50	1,638.86	-	1,638.86	10.1%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2021

Settlement H-4

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	65000	\$ 721.30	\$ 787.00	\$ 65.70	9.1%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 442.88	\$ -	\$ 442.88	\$ 477.12	\$ -	\$ 477.12	7.7%
1,000	444.18	(0.85)	443.34	478.57	(0.87)	477.70	7.8%
2,000	446.30	(2.22)	444.08	480.93	(2.29)	478.64	7.8%
3,000	448.42	(3.60)	444.82	483.29	(3.70)	479.59	7.8%
4,000	450.54	(4.98)	445.56	485.65	(5.12)	480.53	7.8%
5,000	452.66	(6.36)	446.30	488.01	(6.53)	481.48	7.9%
6,000	455.60	(8.27)	447.33	491.28	(8.50)	482.78	7.9%
7,000	458.54	(10.18)	448.36	494.55	-	494.55	10.3%
8,000	461.48	-	461.48	497.82	-	497.82	7.9%
9,000	464.42	-	464.42	501.09	-	501.09	7.9%
10,000	467.36	-	467.36	504.36	-	504.36	7.9%
15,000	486.16	-	486.16	525.26	-	525.26	8.0%
20,000	506.60	-	506.60	548.00	-	548.00	8.2%
25,000	529.50	-	529.50	573.50	-	573.50	8.3%
50,000	666.50	-	666.50	726.00	-	726.00	8.9%
75,000	803.50	-	803.50	878.50	-	878.50	9.3%
100,000	940.50	-	940.50	1,031.00	-	1,031.00	9.6%
125,000	1,077.50	-	1,077.50	1,183.50	-	1,183.50	9.8%
150,000	1,214.50	-	1,214.50	1,336.00	-	1,336.00	10.0%
175,000	1,351.50	-	1,351.50	1,488.50	-	1,488.50	10.1%
200,000	1,488.50	-	1,488.50	1,641.00	-	1,641.00	10.2%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2014

Settlement H-4

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7500	\$ 687.08	\$ 687.08	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 692.00	\$ -	\$ 692.00	\$ 692.00	\$ -	\$ 692.00	0.0%
1,000	693.30	(0.85)	692.46	693.30	(0.85)	692.46	0.0%
2,000	695.42	(2.22)	693.20	695.42	(2.22)	693.20	0.0%
3,000	697.54	(3.60)	693.94	697.54	(3.60)	693.94	0.0%
4,000	699.66	(4.98)	694.68	699.66	(4.98)	694.68	0.0%
5,000	701.78	(6.36)	695.42	701.78	(6.36)	695.42	0.0%
6,000	704.72	(8.27)	696.45	704.72	(8.27)	696.45	0.0%
7,000	707.66	(10.18)	697.48	707.66	(10.18)	697.48	0.0%
8,000	710.60	-	710.60	710.60	-	710.60	0.0%
9,000	713.54	-	713.54	713.54	-	713.54	0.0%
10,000	716.48	-	716.48	716.48	-	716.48	0.0%
15,000	735.28	-	735.28	735.28	-	735.28	0.0%
20,000	755.72	-	755.72	755.72	-	755.72	0.0%
25,000	778.62	-	778.62	778.62	-	778.62	0.0%
50,000	915.62	-	915.62	915.62	-	915.62	0.0%
75,000	1,052.62	-	1,052.62	1,052.62	-	1,052.62	0.0%
100,000	1,189.62	-	1,189.62	1,189.62	-	1,189.62	0.0%
125,000	1,326.62	-	1,326.62	1,326.62	-	1,326.62	0.0%
150,000	1,463.62	-	1,463.62	1,463.62	-	1,463.62	0.0%
175,000	1,600.62	-	1,600.62	1,600.62	-	1,600.62	0.0%
200,000	1,737.62	-	1,737.62	1,737.62	-	1,737.62	0.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2015

Settlement H-4

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7500	\$ 687.08	\$ 704.90	\$ 17.82	2.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 692.00	\$ -	\$ 692.00	\$ 710.00	\$ -	\$ 710.00	2.6%
1,000	693.30	(0.85)	692.46	711.35	(0.81)	710.54	2.6%
2,000	695.42	(2.22)	693.20	713.55	(2.13)	711.42	2.6%
3,000	697.54	(3.60)	693.94	715.75	(3.45)	712.30	2.6%
4,000	699.66	(4.98)	694.68	717.95	(4.77)	713.18	2.7%
5,000	701.78	(6.36)	695.42	720.15	(6.09)	714.06	2.7%
6,000	704.72	(8.27)	696.45	723.20	(7.92)	715.28	2.7%
7,000	707.66	(10.18)	697.48	726.25	-	726.25	4.1%
8,000	710.60	-	710.60	729.30	-	729.30	2.6%
9,000	713.54	-	713.54	732.35	-	732.35	2.6%
10,000	716.48	-	716.48	735.40	-	735.40	2.6%
15,000	735.28	-	735.28	754.90	-	754.90	2.7%
20,000	755.72	-	755.72	776.10	-	776.10	2.7%
25,000	778.62	-	778.62	799.85	-	799.85	2.7%
50,000	915.62	-	915.62	942.10	-	942.10	2.9%
75,000	1,052.62	-	1,052.62	1,084.35	-	1,084.35	3.0%
100,000	1,189.62	-	1,189.62	1,226.60	-	1,226.60	3.1%
125,000	1,326.62	-	1,326.62	1,368.85	-	1,368.85	3.2%
150,000	1,463.62	-	1,463.62	1,511.10	-	1,511.10	3.2%
175,000	1,600.62	-	1,600.62	1,653.35	-	1,653.35	3.3%
200,000	1,737.62	-	1,737.62	1,795.60	-	1,795.60	3.3%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2016

Settlement H-4

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7500	\$ 687.08	\$ 720.22	\$ 33.14	4.8%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 692.00	\$ -	\$ 692.00	\$ 725.50	\$ -	\$ 725.50	4.8%
1,000	693.30	(0.85)	692.46	726.89	(0.83)	726.06	4.9%
2,000	695.42	(2.22)	693.20	729.16	(2.20)	726.96	4.9%
3,000	697.54	(3.60)	693.94	731.43	(3.56)	727.87	4.9%
4,000	699.66	(4.98)	694.68	733.70	(4.92)	728.78	4.9%
5,000	701.78	(6.36)	695.42	735.97	(6.28)	729.69	4.9%
6,000	704.72	(8.27)	696.45	739.12	(8.17)	730.95	5.0%
7,000	707.66	(10.18)	697.48	742.27	-	742.27	6.4%
8,000	710.60	-	710.60	745.42	-	745.42	4.9%
9,000	713.54	-	713.54	748.57	-	748.57	4.9%
10,000	716.48	-	716.48	751.72	-	751.72	4.9%
15,000	735.28	-	735.28	771.87	-	771.87	5.0%
20,000	755.72	-	755.72	793.76	-	793.76	5.0%
25,000	778.62	-	778.62	818.26	-	818.26	5.1%
50,000	915.62	-	915.62	965.01	-	965.01	5.4%
75,000	1,052.62	-	1,052.62	1,111.76	-	1,111.76	5.6%
100,000	1,189.62	-	1,189.62	1,258.51	-	1,258.51	5.8%
125,000	1,326.62	-	1,326.62	1,405.26	-	1,405.26	5.9%
150,000	1,463.62	-	1,463.62	1,552.01	-	1,552.01	6.0%
175,000	1,600.62	-	1,600.62	1,698.76	-	1,698.76	6.1%
200,000	1,737.62	-	1,737.62	1,845.51	-	1,845.51	6.2%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2017

Settlement H-4

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7500	\$ 687.08	\$ 724.92	\$ 37.84	5.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 692.00	\$ -	\$ 692.00	\$ 730.25	\$ -	\$ 730.25	5.5%
1,000	693.30	(0.85)	692.46	731.66	(0.85)	730.81	5.5%
2,000	695.42	(2.22)	693.20	733.95	(2.22)	731.73	5.6%
3,000	697.54	(3.60)	693.94	736.24	(3.59)	732.65	5.6%
4,000	699.66	(4.98)	694.68	738.53	(4.97)	733.56	5.6%
5,000	701.78	(6.36)	695.42	740.82	(6.34)	734.48	5.6%
6,000	704.72	(8.27)	696.45	744.00	(8.25)	735.75	5.6%
7,000	707.66	(10.18)	697.48	747.18	-	747.18	7.1%
8,000	710.60	-	710.60	750.36	-	750.36	5.6%
9,000	713.54	-	713.54	753.54	-	753.54	5.6%
10,000	716.48	-	716.48	756.72	-	756.72	5.6%
15,000	735.28	-	735.28	777.02	-	777.02	5.7%
20,000	755.72	-	755.72	799.10	-	799.10	5.7%
25,000	778.62	-	778.62	823.85	-	823.85	5.8%
50,000	915.62	-	915.62	971.85	-	971.85	6.1%
75,000	1,052.62	-	1,052.62	1,119.85	-	1,119.85	6.4%
100,000	1,189.62	-	1,189.62	1,267.85	-	1,267.85	6.6%
125,000	1,326.62	-	1,326.62	1,415.85	-	1,415.85	6.7%
150,000	1,463.62	-	1,463.62	1,563.85	-	1,563.85	6.8%
175,000	1,600.62	-	1,600.62	1,711.85	-	1,711.85	6.9%
200,000	1,737.62	-	1,737.62	1,859.85	-	1,859.85	7.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2018

Settlement H-4

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7500	\$ 687.08	\$ 730.11	\$ 43.03	6.3%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 692.00	\$ -	\$ 692.00	\$ 735.50	\$ -	\$ 735.50	6.3%
1,000	693.30	(0.85)	692.46	736.92	(0.85)	736.07	6.3%
2,000	695.42	(2.22)	693.20	739.23	(2.24)	736.99	6.3%
3,000	697.54	(3.60)	693.94	741.54	(3.62)	737.92	6.3%
4,000	699.66	(4.98)	694.68	743.85	(5.01)	738.84	6.4%
5,000	701.78	(6.36)	695.42	746.16	(6.40)	739.76	6.4%
6,000	704.72	(8.27)	696.45	749.37	(8.32)	741.05	6.4%
7,000	707.66	(10.18)	697.48	752.58	-	752.58	7.9%
8,000	710.60	-	710.60	755.79	-	755.79	6.4%
9,000	713.54	-	713.54	759.00	-	759.00	6.4%
10,000	716.48	-	716.48	762.21	-	762.21	6.4%
15,000	735.28	-	735.28	782.71	-	782.71	6.5%
20,000	755.72	-	755.72	805.01	-	805.01	6.5%
25,000	778.62	-	778.62	830.01	-	830.01	6.6%
50,000	915.62	-	915.62	979.51	-	979.51	7.0%
75,000	1,052.62	-	1,052.62	1,129.01	-	1,129.01	7.3%
100,000	1,189.62	-	1,189.62	1,278.51	-	1,278.51	7.5%
125,000	1,326.62	-	1,326.62	1,428.01	-	1,428.01	7.6%
150,000	1,463.62	-	1,463.62	1,577.51	-	1,577.51	7.8%
175,000	1,600.62	-	1,600.62	1,727.01	-	1,727.01	7.9%
200,000	1,737.62	-	1,737.62	1,876.51	-	1,876.51	8.0%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2019

Settlement H-4

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7500	\$ 687.08	\$ 734.80	\$ 47.72	6.9%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 692.00	\$ -	\$ 692.00	\$ 740.25	\$ -	\$ 740.25	7.0%
1,000	693.30	(0.85)	692.46	741.68	(0.86)	740.82	7.0%
2,000	695.42	(2.22)	693.20	744.01	(2.26)	741.75	7.0%
3,000	697.54	(3.60)	693.94	746.34	(3.65)	742.69	7.0%
4,000	699.66	(4.98)	694.68	748.67	(5.05)	743.62	7.0%
5,000	701.78	(6.36)	695.42	751.00	(6.45)	744.55	7.1%
6,000	704.72	(8.27)	696.45	754.24	(8.39)	745.85	7.1%
7,000	707.66	(10.18)	697.48	757.48	-	757.48	8.6%
8,000	710.60	-	710.60	760.72	-	760.72	7.1%
9,000	713.54	-	713.54	763.96	-	763.96	7.1%
10,000	716.48	-	716.48	767.20	-	767.20	7.1%
15,000	735.28	-	735.28	787.90	-	787.90	7.2%
20,000	755.72	-	755.72	810.40	-	810.40	7.2%
25,000	778.62	-	778.62	835.60	-	835.60	7.3%
50,000	915.62	-	915.62	986.60	-	986.60	7.8%
75,000	1,052.62	-	1,052.62	1,137.60	-	1,137.60	8.1%
100,000	1,189.62	-	1,189.62	1,288.60	-	1,288.60	8.3%
125,000	1,326.62	-	1,326.62	1,439.60	-	1,439.60	8.5%
150,000	1,463.62	-	1,463.62	1,590.60	-	1,590.60	8.7%
175,000	1,600.62	-	1,600.62	1,741.60	-	1,741.60	8.8%
200,000	1,737.62	-	1,737.62	1,892.60	-	1,892.60	8.9%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2020

Settlement H-4

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7500	\$ 687.08	\$ 739.54	\$ 52.46	7.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 692.00	\$ -	\$ 692.00	\$ 745.00	\$ -	\$ 745.00	7.7%
1,000	693.30	(0.85)	692.46	746.45	(0.87)	745.58	7.7%
2,000	695.42	(2.22)	693.20	748.81	(2.29)	746.52	7.7%
3,000	697.54	(3.60)	693.94	751.17	(3.70)	747.47	7.7%
4,000	699.66	(4.98)	694.68	753.53	(5.12)	748.41	7.7%
5,000	701.78	(6.36)	695.42	755.89	(6.53)	749.36	7.8%
6,000	704.72	(8.27)	696.45	759.16	(8.50)	750.66	7.8%
7,000	707.66	(10.18)	697.48	762.43	-	762.43	9.3%
8,000	710.60	-	710.60	765.70	-	765.70	7.8%
9,000	713.54	-	713.54	768.97	-	768.97	7.8%
10,000	716.48	-	716.48	772.24	-	772.24	7.8%
15,000	735.28	-	735.28	793.14	-	793.14	7.9%
20,000	755.72	-	755.72	815.86	-	815.86	8.0%
25,000	778.62	-	778.62	841.31	-	841.31	8.1%
50,000	915.62	-	915.62	993.56	-	993.56	8.5%
75,000	1,052.62	-	1,052.62	1,145.81	-	1,145.81	8.9%
100,000	1,189.62	-	1,189.62	1,298.06	-	1,298.06	9.1%
125,000	1,326.62	-	1,326.62	1,450.31	-	1,450.31	9.3%
150,000	1,463.62	-	1,463.62	1,602.56	-	1,602.56	9.5%
175,000	1,600.62	-	1,600.62	1,754.81	-	1,754.81	9.6%
200,000	1,737.62	-	1,737.62	1,907.06	-	1,907.06	9.8%

Global Water - Santa Cruz Water Company
 Test Year Ended December 31, 2011
 Typical Bill Analysis Proposed Settlement Rates
2021

Settlement H-4

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	7500	\$ 687.08	\$ 740.04	\$ 52.96	7.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 692.00	\$ -	\$ 692.00	\$ 745.50	\$ -	\$ 745.50	7.7%
1,000	693.30	(0.85)	692.46	746.95	(0.87)	746.08	7.7%
2,000	695.42	(2.22)	693.20	749.31	(2.29)	747.02	7.8%
3,000	697.54	(3.60)	693.94	751.67	(3.70)	747.97	7.8%
4,000	699.66	(4.98)	694.68	754.03	(5.12)	748.91	7.8%
5,000	701.78	(6.36)	695.42	756.39	(6.53)	749.86	7.8%
6,000	704.72	(8.27)	696.45	759.66	(8.50)	751.16	7.9%
7,000	707.66	(10.18)	697.48	762.93	-	762.93	9.4%
8,000	710.60	-	710.60	766.20	-	766.20	7.8%
9,000	713.54	-	713.54	769.47	-	769.47	7.8%
10,000	716.48	-	716.48	772.74	-	772.74	7.9%
15,000	735.28	-	735.28	793.64	-	793.64	7.9%
20,000	755.72	-	755.72	816.38	-	816.38	8.0%
25,000	778.62	-	778.62	841.88	-	841.88	8.1%
50,000	915.62	-	915.62	994.38	-	994.38	8.6%
75,000	1,052.62	-	1,052.62	1,146.88	-	1,146.88	9.0%
100,000	1,189.62	-	1,189.62	1,299.38	-	1,299.38	9.2%
125,000	1,326.62	-	1,326.62	1,451.88	-	1,451.88	9.4%
150,000	1,463.62	-	1,463.62	1,604.38	-	1,604.38	9.6%
175,000	1,600.62	-	1,600.62	1,756.88	-	1,756.88	9.8%
200,000	1,737.62	-	1,737.62	1,909.38	-	1,909.38	9.9%

ATTACHMENT A

Willow Valley Water Co., Inc.

Schedules

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY ORIGINAL COST	(B) COMPANY FAIR VALUE	(C) SETTLEMENT ORIGINAL COST	(D) SETTLEMENT FAIR VALUE
1	Adjusted Rate Base	\$ 2,359,391	\$ 2,359,391	\$ 2,278,955	\$ 2,278,955
2	Adjusted Operating Income (Loss)	\$ (58,493)	\$ (58,493)	\$ (71,868)	\$ (71,868)
3	Current Rate of Return (L2 / L1)	-2.48%	-2.48%	-3.15%	-3.15%
4	Required Rate of Return	10.60%	10.60%	7.50%	7.50%
5	Required Operating Income (L4 * L1)	\$ 250,024	\$ 250,024	\$ 170,922	\$ 170,922
6	Operating Income Deficiency (L5 - L2)	\$ 308,517	\$ 308,517	\$ 242,790	\$ 242,790
7	Gross Revenue Conversion Factor	1.645086	1.645086	1.665100	1.665100
8	Required Revenue Increase (L7 * L6)	\$ 507,537	\$ 507,537	\$ 404,269	\$ 404,269
9	Adjusted Test Year Revenue	\$ 702,652	\$ 702,652	\$ 702,652	\$ 702,652
10	Proposed Annual Revenue (L8 + L9)	\$ 1,210,190	\$ 1,210,190	\$ 1,106,922	\$ 1,106,922
11	Required Increase in Revenue (%)	72.23%	72.23%	57.53%	57.53%
12	Rate of Return on Common Equity (%)	11.44%	11.44%	9.50%	9.50%

Global Water - Willow Valley Water Company (Willow Valley)
Docket No. W-01732A-12-0315
Test Year Ended December 31, 2011

Schedule: A-1a
Settlement Phase In

REVENUE PHASE IN PER SETTLEMENT

<u>Year</u>	<u>Revenue Increase (Relative to Test Year)</u>	<u>Revenue Increase (Relative to Previous Year)</u>
2014	-	-
2015	202,135	202,135
2016	404,269	202,134

GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	(A)	(B)	(C)
<u>Calculation of Gross Revenue Conversion Factor:</u>				
1	Revenue	100.0000%		
2	Uncollectible Factor (Line 11)	0.3561%		
3	Revenues (L1 - L2)	99.6439%		
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	39.5874%		
5	Subtotal (L3 - L4)	60.0564%		
6	Revenue Conversion Factor (L1 / L5)	1.665100		
<u>Calculation of Uncollectible Factor:</u>				
7	Unity	100.0000%		
8	Combined Federal and State Tax Rate (Line 17)	38.5989%		
9	One Minus Combined Income Tax Rate (L7 - L8)	61.4011%		
10	Uncollectible Rate	0.5800%		
11	Uncollectible Factor (L9 * L10)		0.3561%	
<u>Calculation of Effective Tax Rate:</u>				
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%		
13	Arizona State Income Tax Rate	6.9680%		
14	Federal Taxable Income (L12 - L13)	93.0320%		
15	Applicable Federal Income Tax Rate (Line 44)	34.0000%		
16	Effective Federal Income Tax Rate (L14 x L15)	31.6309%		
17	Combined Federal and State Income Tax Rate (L13 + L16)		38.5989%	
<u>Calculation of Effective Property Tax Factor</u>				
18	Unity	100.0000%		
19	Combined Federal and State Income Tax Rate (L17)	38.5989%		
20	One Minus Combined Income Tax Rate (L18-L19)	61.4011%		
21	Property Tax Factor (ADJ 8, L25)	1.6100%		
22	Effective Property Tax Factor (L20*L21)		0.9886%	
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			39.5874%
24	Required Operating Income (Schedule A-1)	\$ 170,922		
25	Adjusted Test Year Operating Income (Loss) (Schedule C-1, Line 36)	\$ (71,868)		
26	Required Increase in Operating Income (L24 - L25)		\$ 242,790	
27	Income Taxes on Recommended Revenue (Col. (C), L48)	\$ 57,306		
28	Income Taxes on Test Year Revenue (Col. (A), L48)	\$ (95,321)		
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		\$ 152,626	
30	Required Revenue Increase (Schedule A-1, Line 8)	\$ 404,269		
31	Uncollectible Rate (Line 10)	0.5800%		
32	Uncollectible Expense on Recommended Revenue (L30 * L31)	\$ 2,345		
33	Adjusted Test Year Uncollectible Expense - N/A	\$ -		
34	Required Increase in Revenue to Provide for Uncollectible Exp.		\$ 2,345	
35	Property Tax with Recommended Revenue (ADJ 8, Line 21)	\$ 40,440		
36	Property Tax on Test Year Revenue (ADJ 8, Col A, L19)	\$ 33,931		
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		\$ 6,509	
38	Total Required Increase in Revenue (L26 + L29 + L34+ L37)		\$ 404,270	

	(A) Test Year	(B)	(C) Recommended
<u>Calculation of Income Tax:</u>			
39	Revenue (Schedule C-1)	\$ 702,652	\$ 1,106,923
40	Operating Expenses Excluding Income Taxes	\$ 869,841	\$ 878,695
41	Synchronized Interest (L53)	\$ 79,763	\$ 79,763
42	Arizona Taxable Income (L39 - L40 - L41)	\$ (246,952)	\$ 148,464
43	Arizona State Income Tax Rate	6.9680%	6.9680%
44	Arizona Income Tax (L42 x L43)	\$ (17,208)	\$ 10,345
45	Federal Taxable Income (L42 - L44)	\$ (229,745)	\$ 138,119
46	Federal Tax	\$ (78,113)	\$ 46,961
47	Total Federal Income Tax	\$ (78,113)	\$ 46,961
48	Combined Federal and State Income Tax (L43 + L47)	\$ (95,321)	\$ 57,306

50 Effective Tax Rate

Calculation of Interest Synchronization:

51	Rate Base (Schedule B-1)	\$ 2,278,955
52	Weighted Average Cost of Debt	3.5000%
53	Synchronized Interest (L50 X L51)	\$ 79,763

RATE BASE - ORIGINAL COST

LINE NO.	(A) COMPANY AS FILED	(B) SETTLEMENT ADJUSTMENTS	(C) SETTLEMENT AS ADJUSTED
1	Plant in Service	\$ 5,113,538	\$ 5,033,102
2	Less: Accumulated Depreciation	(1,742,556)	(1,742,556)
3	Net Plant in Service	<u>\$ 3,370,982</u>	<u>\$ 3,290,546</u>
<u>LESS:</u>			
4	Contributions in Aid of Construction (CIAC)	\$ -	\$ -
5	Less: Accumulated Amortization	-	-
6	Net CIAC	<u>-</u>	<u>-</u>
7	Advances in Aid of Construction (AIAC)	610,760	610,760
8	Imputed Reg AIAC	-	-
9	Imputed Reg CIAC	-	-
10	Accumulated Deferred Income Tax Credits	391,114	391,114
	Customer Meter Deposits	36,233	36,233
<u>ADD:</u>			
11	Accumulated Deferred Income Tax Debits	26,516	26,516
12	Cash Working Capital	-	-
13	Deferred Compensation	-	-
14	CIAC	-	-
15	Fixed Asset Depreciation	-	-
16	Deferred Debits	-	-
17	Purchase Wastewater Treatment Charges	-	-
18	Original Cost Rate Base	<u>\$ 2,359,391</u>	<u>\$ 2,278,955</u>

References:

Column (A), Company Schedule B-2
Column (B): Schedule B-2
Column (C): Column (A) + Column (B)

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Reclassification and PTYP ADJ B-2a	[I] SETTLEMENT ADJUSTED
<u>PLANT IN SERVICE:</u>					
1	303	Land and Land Rights	\$ 18,293	\$ -	\$ 18,293
2	304	Structures and Improvements	464,273		464,273
3	306	Lake, River and Other Intakes	-		-
4	307	Wells and Springs	1,623,786		1,623,786
5	309	Supply Mains	5,441		5,441
6	310	Power Generation Equipment	10,751		10,751
7	311	Pumping Equipment	537,335		537,335
8	320	Water Treatment Equipment	572,865	(572,865)	-
9	320.1	Water Treatment Plant		303,188	303,188
10	320.2	Solution Chemical Feeders		269,677	269,677
11	330	Distribution Reservoirs and Standpipes	265,900	(265,900)	-
12	330.1	Storage Tanks		220,751	220,751
13	330.2	Pressure Tanks		45,148	45,148
14	331	Transmission and Distribution Mains	670,561		670,561
15	333	Services	96,681		96,681
16	334	Meters and Meter Installations	533,416		533,416
17	335	Hydrants	47,803		47,803
18	336	Backflow Prevention Devices	1,024		1,024
19	339	Other Plant and Miscellaneous Equipment	20,318		20,318
20	340	Office Furniture and Equipment	22,646		22,646
21	341	Transportation Equipment	21,527		21,527
22	343	Tools, Shop and Garage Equipment	43,388		43,388
23	344	Laboratory Equipment	9,508		9,508
24	345	Power Operated Equipment	38,925		38,925
25	346	Communication Equipment	13,877		13,877
26	347	Miscellaneous Equipment	90,659	(80,436)	10,223
27	348	Other Tangible Plant	3,937		3,937
28	390	Office Furniture & Equipment	625		625
29					
30		Total Plant in Service	5,113,538	(80,436)	5,033,102
31		Accumulated Depreciation	(1,742,556)	-	(1,742,556)
32		Net Plant in Service	\$ 3,370,982	\$ (80,436)	\$ 3,290,546
33					
34		<u>LESS:</u>			
35		Net Contributions in Aid of Construction (CIAC)	\$ -		\$ -
36		Advances in Aid of Construction (AIAC)	610,760	-	610,760
37		Customer Meter Deposits	36,233		36,233
38		Deferred Income Tax Credits	391,114		391,114
39					
40		<u>ADD:</u>			
41		Unamortized Finance Charges	-		-
42		Deferred Income Tax Assets	-		-
43		Meter Deposits	16,555		16,555
44		Deferred Gain	794		794
45		Bad debt	4,414		4,414
46		Deferred compensation	4,754	-	4,754
47		CIAC	-	-	-
48		Working Capital	-	-	-
49		Utility Plant Acquisition Adjustment	-	-	-
50					
51		Original Cost Rate Base	\$ 2,359,391	\$ (80,436)	\$ 2,278,955
52					
53					

Supporting Schedules:

B-2
B-3
E-1
B-5

Recap Schedules:

A-1

Global Water - Willow Valley Water Company (Willow Valley)
Docket No. W-01732A-12-0315
Test Year Ended December 31, 2011

Settlement B-2a
Post Test Year Plant

RATE BASE ADJUSTMENT #1 POST TEST YEAR PLANT

<u>LINE</u> <u>NO.</u>	<u>ACCT</u> <u>NO.</u>	<u>Description</u>	<u>[A]</u> <u>COMPANY</u> <u>AS</u> <u>FILED</u>	<u>[B]</u> <u>SETTLEMENT</u> <u>ADJUSTMENTS</u>	<u>[C]</u> <u>SETTLEMENT</u> <u>AS</u> <u>ADJUSTED</u>
1	348	Miscellaneous Equipment	80,436	(80,436)	-
<u>Disallowed PTYP</u>					
SCADA - WVWC			\$ 80,436		

References:

Column [A] : Disallowed Amount reflected in Acct. 348, PTYP, Per Co Schedule B-2.1

Column [B] , Col [C] less Col [A]

Column [C] , Per Staff testimony GWB and Engineering testimony

OPERATING INCOME STATEMENT - TEST YEAR AND SETTLEMENT

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] SETTLEMENT TEST YEAR ADJUSTMENTS	[C] SETTLEMENT TEST YEAR AS ADJUSTED	[D] SETTLEMENT RECOMMENDED CHANGES	[E] SETTLEMENT RECOMMENDED
1	Metered Water Sales	\$ -	\$ -	\$ -	\$ -	\$ -
2	Water Sales - Unmetered	689,274	-	689,274	404,270	1,093,545
3	Other Operating Revenue	13,378	-	13,378	-	13,378
4	Total Operating Revenues	<u>\$ 702,652</u>	<u>\$ -</u>	<u>\$ 702,652</u>	<u>\$ 404,270</u>	<u>\$ 1,106,923</u>
5	601 Salary and Wages - Employees	\$ 263,312	\$ (15,369)	\$ 247,943	\$ -	\$ 247,943
6	604 Employee Pensions and Benefits	-	-	-	-	-
7	610 Purchased Water	-	-	-	-	-
8	615 Purchased Power	43,747	(4,751)	38,997	-	38,997
9	616 Fuel for Power Production	-	-	-	-	-
10	618 Chemicals	55,422	(6,018)	49,404	-	49,404
11	620 Materials and Supplies	36,002	(15,453)	20,549	-	20,549
12	621 Office Supplies and Expense	27,025	-	27,025	-	27,025
13	630 Outside Services	97,501	(17,749)	79,752	-	79,752
14	635 Contractual Services - Testing	20,993	(5,285)	15,708	-	15,708
15	636 Contractual Services - Other	-	-	-	-	-
16	641 Rental of Building/Real Property	10,241	-	10,241	-	10,241
17	642 Rental of Equipment	-	-	-	-	-
18	650 Transportation Expenses	24,173	-	24,173	-	24,173
19	657 Insurance - General Liability	7,125	-	7,125	-	7,125
20	659 Insurance - Other	4,218	-	4,218	-	4,218
21	666 Regulatory Commission Expense - Rate C	9,922	(4,880)	5,042	-	5,042
22	667 Rate Case Expense	-	-	-	-	-
23	670 Bad Debt Expense	8,251	(4,175)	4,075	2,345	6,420
24	675 Miscellaneous Expenses	24,563	(9,383)	15,180	-	15,180
25	403 Depreciation Expense	200,668	85,029	285,696	-	285,696
26	408 Taxes Other Than Income	782	-	782	-	782
27	408 Taxes Other Than Income - Property Taxes	33,931	-	33,931	6,509	40,440
28	409 Income Taxes	(106,730)	11,410	(95,321)	152,626	57,306
29	Total Operating Expenses	<u>761,145</u>	<u>13,375</u>	<u>774,521</u>	<u>161,480</u>	<u>936,001</u>
30	Operating Income (Loss)	<u>\$ (58,493)</u>	<u>\$ (13,375)</u>	<u>\$ (71,868)</u>	<u>\$ 242,790</u>	<u>\$ 170,922</u>

References:

- Column (A): Company Schedule C-1
- Column (B): Schedule C-2
- Column (C): Column (A) + Column (B)
- Column (D): Schedule A-1
- Column (E): Column (C) + Column (D)

Global Water - Willow Valley Water Company (Willow Valley)
 Docket No. W-01732A-12-0315
 Test Year Ended December 31, 2011

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[B] Excess Water Loss ADJ #1	[C] Bad Debts Exp ADJ #2	[D] Rate Case Exp ADJ #3	[E] Expense Normalizations ADJ #4	[E] Water Testing ADJ #5	[F] Deprec. Exp ADJ #6	Income Taxes ADJ #7	[H] SETTLEMENT ADJUSTED
1	Revenues									
1	Metered Water Sales	\$ 689,274	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 689,274
2	Water Sales - Unmetered	13,378	-	-	-	-	-	-	-	13,378
3	Other Operating Revenue	702,652	-	-	-	-	-	-	-	702,652
4	Total Operating Revenues	\$ 1,405,304	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,405,304
	Operating Expenses									
5	601 Salary and Wages - Employees	263,312	-	-	-	(15,369)	-	-	-	247,943
6	604 Employee Pensions and Benefits	-	-	-	-	-	-	-	-	-
7	610 Purchased Water	-	(4,751)	-	-	-	-	-	-	38,997
8	615 Purchased Power	43,747	(6,018)	-	-	-	-	-	-	49,404
9	616 Fuel for Power Production	-	-	-	-	-	-	-	-	20,549
10	618 Chemicals	55,422	-	-	-	(15,453)	-	-	-	27,025
11	620 Materials and Supplies	36,002	-	-	-	-	-	-	-	27,025
12	621 Office Supplies and Expense	27,025	-	-	-	(17,749)	-	-	-	9,276
13	630 Outside Services	97,501	-	-	-	-	(5,285)	-	-	92,216
14	635 Contractual Services - Testing	20,993	-	-	-	-	-	-	-	15,708
15	636 Contractual Services - Other	-	-	-	-	-	-	-	-	-
16	641 Rental of Building/Real Property	10,241	-	-	-	-	-	-	-	10,241
17	642 Rental of Equipment	-	-	-	-	-	-	-	-	-
18	650 Transportation Expenses	24,173	-	-	-	-	-	-	-	24,173
19	657 Insurance - General Liability	7,125	-	-	-	-	-	-	-	7,125
20	659 Insurance - Other	4,218	-	-	-	-	-	-	-	4,218
21	666 Regulatory Commission Expense - Rate Case	9,922	-	-	(4,880)	-	-	-	-	5,042
22	667 Rate Case Expense	-	-	-	-	-	-	-	-	-
23	670 Bad Debt Expense	8,251	-	(4,175)	-	-	-	-	-	4,076
24	675 Miscellaneous Expenses	24,563	-	-	-	(9,383)	-	85,029	-	15,180
25	403 Depreciation Expense	200,668	-	-	-	-	-	-	-	285,696
26	408 Taxes Other Than Income - Property Taxes	782	-	-	-	-	-	-	-	782
27	409 Income Taxes	33,931	-	-	-	-	-	11,410	-	33,931
28	409 Income Taxes	(106,730)	-	-	-	-	-	-	-	(95,321)
29	Total Operating Expenses	\$ 761,145	\$ (10,769)	\$ (4,175)	\$ (4,880)	\$ (57,954)	\$ (5,285)	\$ 85,029	\$ 11,410	\$ 774,521
30	Operating Income (Loss)	\$ (58,493)	\$ 10,769	\$ 4,175	\$ 4,880	\$ 57,954	\$ 5,285	\$ (85,029)	\$ (11,410)	\$ (71,868)

Global Water - Willow Valley Water Company (Willow Valley)
Docket No. W-01732A-12-0315
Test Year Ended December 31, 2011

Settlement ADJ 1
Water Loss

OPERATING INCOME ADJUSTMENT #1 - EXCESS WATER LOSS

LINE
NO.

1	One plus allowable water loss	110.00%
2	One plus actual water loss	123.40%
3	Allowable portion	89.14%
4	Disallowable portion	<u>10.86%</u>
5	Power Expense	43,747
6	Disallowance	\$ 4,751
7	Chemical Expense	55,422
8	Disallowance	\$ 6,018

Line 1: Maximum acceptable level of water losses

Line 2: Actual level of water losses

Line 3: Line 2 / line 3

Line 4: 1 minus line 4

Line 6: Line 1 times line 5

Lines 1 - 6: See also Staff testimony GWB

Global Water - Willow Valley Water Company (Willow Valley)
 Docket No. W-01732A-12-0315
 Test Year Ended December 31, 2011

Settlement ADJ 2
 Bad Debt Expense

OPERATING INCOME ADJUSTMENT #2 - BAD DEBT EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED*
1		\$ 8,251	\$ (4,175)	\$ 4,075

References:

Column (A), Company Workpapers

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B), Per Co Response
 to Staff DR 5.8

Adjusted Test Year Revenues	\$ 702,652
Bad Debt Expense Rate	0.58%
Expected Bad Debt Expense	\$ 4,075
Co Proposed	\$ 8,251
	\$ (4,175)

OPERATING INCOME ADJUSTMENT #3 - RATE CASE EXPENSE

LINE NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] SETTLEMENT ADJUSTMENTS	[C] SETTLEMENT RECOMMENDED						
1		\$ 9,922	\$ (4,880)	\$ 5,042						
Company Proposed Rate Case Expense										
		Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS	
2	Allocation Percentages		39.86%	40.32%	13.45%	3.78%	0.82%	1.58%	0.19%	
3	Desert Mountain Analytical Services	\$ 122,063	\$ 46,652	\$ 49,218	\$ 16,420	\$ 4,616	\$ 996	\$ 1,927	\$ 234	
4	Insight Consulting, LLC	\$ 216,000	\$ 86,094	\$ 87,095	\$ 29,057	\$ 8,168	\$ 1,762	\$ 3,410	\$ 413	
5	Roshka Dewulf & Patten, PLC	\$ 370,303	\$ 147,597	\$ 149,313	\$ 49,814	\$ 14,004	\$ 3,021	\$ 5,846	\$ 709	
6	Ullmann & Company P C	\$ 78,809	\$ 31,412	\$ 31,777	\$ 10,602	\$ 2,980	\$ 643	\$ 1,244	\$ 151	
7	Total	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506	
8	Amortization over 3 years:									
9	Year 1	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502	
10	Year 2	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502	
11	Year 3	\$ 262,391	\$ 104,585	\$ 105,801	\$ 35,298	\$ 9,923	\$ 2,140	\$ 4,142	\$ 502	
12	Totals	\$ 787,174	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506	
Settlement Rate Case Expense										
13	Description	Total	Palo Verde	Santa Cruz	Town Division	Willow Valley	Tonopah	Buckeye	WUNS	
14	Recommended Amount	\$ 400,000	\$ 159,434	\$ 161,287	\$ 53,809	\$ 15,127	\$ 3,263	\$ 6,315	\$ 765	
15	Amortization:									
16	Year 1	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255	
17	Year 2	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255	
18	Year 3	\$ 133,333	\$ 53,145	\$ 53,762	\$ 17,936	\$ 5,042	\$ 1,088	\$ 2,105	\$ 255	
19	Totals	\$ 400,000	\$ 313,756	\$ 317,402	\$ 105,893	\$ 29,768	\$ 6,421	\$ 12,427	\$ 1,506	
20	Adjustment Total, by System	\$ (129,058)	\$ (51,441)	\$ (52,038)	\$ (17,361)	\$ (4,881)	\$ (1,053)	\$ (2,037)	\$ (247)	

References:

Column (A), Company Workpapers
Column (B): Line 20 for respective system
Column (C): Line 16 for respective system

Global Water - Willow Valley Water Company (Willow Valley)
Docket No. W-01732A-12-0315
Test Year Ended December 31, 2011

Settlement ADJ 4
Expense Normalizations

OPERATING INCOME ADJUSTMENT #4 - EXPENSE NORMALIZATIONS

<u>LINE NO.</u>	<u>ACCT / DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED*</u>
1	601 Salary and Wages - Employees	\$ 263,312	\$ (15,369)	\$ 247,943
2	620 Materials and Supplies	\$ 36,002	\$ (15,453)	\$ 20,549
3	630 Outside Services	\$ 97,501	\$ (17,749)	\$ 79,752
4	675 Miscellaneous Expenses	\$ 24,563	\$ (9,383)	\$ 15,180
		<u>\$ 421,378</u>	<u>\$ (57,954)</u>	<u>\$ 363,424</u>

References:

Column (A), Company Workpapers

Column (B): Staff Testimony GWB

Column (C): Column (A) + Column (B)

Global Water - Willow Valley Water Company (Willow Valley)
Docket No. W-01732A-12-0315
Test Year Ended December 31, 2011

Settlement ADJ 5
Water Testing

OPERATING INCOME ADJUSTMENT #5 - WATER TESTING EXPENSE

<u>LINE NO.</u>	<u>ACCT / DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	Contractual Services - Testing	\$ 20,993	\$ (5,285)	\$ 15,708

References:

Column (A), Company Workpapers
Column (B): Staff Testimony GWB
Column (C): Column (A) + Column (B)

OPERATING INCOME ADJUSTMENT #6 - DEPRECIATION EXPENSE

LINE NO.	ACCT. NO.	DESCRIPTION	[A] PLANT BALANCE	[B] DEPRECIATION RATE	[C] DEPRECIATION EXPENSE
1		<u>PLANT IN SERVICE:</u>			
2	303	Land and Land Rights	\$ 18,293	0.00%	-
3	304	Structures and Improvements	464,273	3.33%	15,460
4	306	Lake, River and Other Intakes	-	2.50%	-
5	307	Wells and Springs	1,623,786	3.33%	54,072
6	309	Supply Mains	5,441	2.00%	109
7	310	Power Generation Equipment	10,751	5.00%	538
8	311	Pumping Equipment	537,335	12.50%	67,167
9	320	Water Treatment Equipment	-	0.00%	-
10	320.1	Water Treatment Plant	303,188	3.33%	10,096
11	320.2	Solution Chemical Feeders	269,677	20.00%	53,935
12	330	Distribution Reservoirs and Standpipes	-	0.00%	-
13	330.1	Storage Tanks	220,751	2.22%	4,901
14	330.2	Pressure Tanks	45,148	5.00%	2,257
15	331	Transmission and Distribution Mains	670,561	2.00%	13,411
16	333	Services	96,681	3.33%	3,219
17	334	Meters and Meter Installations	533,416	8.33%	44,434
18	335	Hydrants	47,803	2.00%	956
19	336	Backflow Prevention Devices	1,024	6.67%	68
20	339	Other Plant and Miscellaneous Equipment	20,318	6.67%	1,355
21	340	Office Furniture and Equipment	22,646	6.67%	1,510
22	341	Transportation Equipment	21,527	20.00%	4,305
23	343	Tools, Shop and Garage Equipment	43,388	5.00%	2,169
24	344	Laboratory Equipment	9,508	10.00%	951
25	345	Power Operated Equipment	38,925	5.00%	1,946
26	346	Communication Equipment	13,877	10.00%	1,388
27	347	Miscellaneous Equipment	10,223	10.00%	1,022
28	348	Other Tangible Plant	3,937	10.00%	394
29	390	Office Furniture & Equipment	625	5.00%	31
30			<u>5,033,102</u>		<u>285,696</u>
31		Less: Non Depreciable Plant			
32		Land and Land Rights	18,293		
33		Net Depreciable Plant and Depreciation Amounts	\$ 5,014,809		\$ 285,696
34					
35					
36		Amortization of CIAC	\$ -	5.6971%	\$ -
37		Settlement Depreciation Expense			\$ 285,696
38		Company Proposed Depreciation Expense			\$ 200,668
39		Settlement Adjustment			\$ 85,029

References:	
Col [A]	Schedule B-2
Col [B]	Proposed Rates per Staff Engineering Report
Col [C]	Col [A] times Col [B]

Global Water - Willow Valley Water Company (Willow Valley)
Docket No. W-01732A-12-0315
Test Year Ended December 31, 2011

Settlement ADJ 7
Income Taxes

OPERATING INCOME ADJUSTMENT #7 - INCOME TAXES

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>[A] COMPANY PROPOSED</u>	<u>[B] SETTLEMENT ADJUSTMENTS</u>	<u>[C] SETTLEMENT RECOMMENDED</u>
1	Income Taxes	<u>\$ (106,730)</u>	<u>\$ 11,410</u>	<u>\$ (95,321)</u>

References:

Column (A), Company Schedule C-2
Column (B): Staff Testimony GWB
Column (C): Column (A) + Column (B),

OPERATING INCOME ADJUSTMENT #8 - PROPERTY TAX EXPENSE GRFC COMPONENT

LINE NO.	DESCRIPTION	[A] SETTLEMENT AS ADJUSTED	[B] SETTLEMENT RECOMMENDED
1	Adjusted Test Year Revenues - 2011	\$ 702,652	\$ 702,652
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	1,405,305	1,405,305
4	Adjusted Test Year Revenues - 2011	702,652	
5	Recommended Revenue		1,106,925
6	Subtotal (Line 4 + Line 5)	2,107,957	2,512,230
7	Number of Years	3	3
8	Three Year Average (Line 5 / Line 6)	702,652	837,410
9	Department of Revenue Multiplier	2	2
10	Revenue Base Value (Line 7 * Line 8)	1,405,305	1,674,820
11	Plus: 10% of CWIP	47	47
12	Less: Net Book Value of Licensed Vehicles	340	340
13	Full Cash Value (Line 10 + Line 11 - Line 12)	1,405,012	1,674,527
14	Assessment Ratio	21.0%	21.0%
15	Assessment Value (Line 13 * Line 14)	295,052	351,651
16	Composite Property Tax Rate	11.5000%	11.5000%
17	Test Year Adjusted Property Tax Expense (Line 15 * Line 16)	\$ 33,931	
18	Company Proposed Property Tax	\$ 33,931	
19	Test Year Adjustment (Line 17 - Line 18)	\$ 0	
20	Property Tax on Recommended Revenue (Line 15 * Line 16)		\$ 40,440
21	Test Year Adjusted Property Tax Expense (Line 17)		\$ 33,931
22	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 6,509
23	Increase in Property Tax Due to Increase in Revenue Requirement (Line 22)		\$ 6,509
24	Increase in Revenue Requirement		\$ 404,272
25	Increase in Property Tax Per Dollar Increase in Revenue (Line 23 / Line 24)		1.61000%

REFERENCES:

Line 15: Composite Tax Rate, per Company
Line 18: Company Schedule C-1, Line 36

CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL - REQUIRED RATE OF RETURN

	<u>Percent of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
Debt	57.8%	6.1%	3.5%
<u>Equity</u>	<u>42.2%</u>	<u>9.5%</u>	<u>4.0%</u>
Required Rate of Return			7.5%

Changes in Representative Rate Schedules
 Potable Water - All Meter Sizes and Classes*
Monthly Minimum Charges:

Meter Size (All Classes*)	Basic Service Charge			
	Present	Proposed		
		2014	2015	2016
5/8" X 3/4" Meter	\$ 21.12	\$ 21.12	\$ 26.56	\$ 32.00
3/4" Meter	21.12	21.12	26.56	32.00
1" Meter	52.80	52.80	66.40	80.00
1.5" Meter	105.60	105.60	132.80	160.00
2" Meter	168.96	168.96	212.48	256.00
3" Meter	337.92	337.92	424.96	512.00
4" Meter	528.00	528.00	664.00	800.00
6" Meter	1,056.00	1,056.00	1,328.00	1,600.00
8" Meter	NA	1,689.60	2,124.80	2,560.00

Commodity Rate Charges (per 1,000 gallons):

	Rate Block		Volumetric Charge			
	Present	Proposed	Present	Proposed		
				2014	2015	2016
Tier One Breakover	1,000 Gallons	1,000 Gallons	\$ 1.48	\$ 1.48	\$ 1.99	\$ 2.50
Tier Two Breakover	5,000 Gallons	5,000 Gallons	2.99	2.99	4.02	5.04
Tier Three Breakover	10,000 Gallons	10,000 Gallons	4.51	4.51	6.07	7.60
Tier Four Breakover	18,000 Gallons	18,000 Gallons	6.00	6.00	8.08	10.12
Tier Five Breakover	25,000 Gallons	25,000 Gallons	7.50	7.50	10.10	12.65
Tier Six Breakover	Over 25,000	Over 25,000	9.00	9.00	12.11	15.17

Conservation Rebate

	Present	Proposed	
		2014	2015 and thereafter
Threshold ("CRT") in Gallons	6,401	6,401	6,401
Commodity rate rebate : (applied if consumption is below the CRT)	45%	45%	50%

*Includes all potable water meters including irrigation meters.

Non-Potable Water - All Meter Sizes and Classes	Present	Proposed	Change
All Gallons (Per Acre Foot)	185.74	533.76	348.02
All Gallons (Per 1,000 Gallons)	0.57	1.64	1.07

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	2500	\$ 24.40	\$ 24.40	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 21.12	\$ -	\$ 21.12	\$ 21.12	\$ -	\$ 21.12	0.0%
1,000	22.60	(0.67)	21.93	22.60	(0.67)	21.93	0.0%
2,000	25.59	(2.01)	23.58	25.59	(2.01)	23.58	0.0%
3,000	28.58	(3.36)	25.22	28.58	(3.36)	25.22	0.0%
4,000	31.57	(4.70)	26.87	31.57	(4.70)	26.87	0.0%
5,000	34.56	(6.05)	28.51	34.56	(6.05)	28.51	0.0%
6,000	39.07	(8.08)	30.99	39.07	(8.08)	30.99	0.0%
7,000	43.58	-	43.58	43.58	-	43.58	0.0%
8,000	48.09	-	48.09	48.09	-	48.09	0.0%
9,000	52.60	-	52.60	52.60	-	52.60	0.0%
10,000	57.11	-	57.11	57.11	-	57.11	0.0%
15,000	87.11	-	87.11	87.11	-	87.11	0.0%
20,000	120.11	-	120.11	120.11	-	120.11	0.0%
25,000	157.61	-	157.61	157.61	-	157.61	0.0%
50,000	382.61	-	382.61	382.61	-	382.61	0.0%
75,000	607.61	-	607.61	607.61	-	607.61	0.0%
100,000	832.61	-	832.61	832.61	-	832.61	0.0%
125,000	1,057.61	-	1,057.61	1,057.61	-	1,057.61	0.0%
150,000	1,282.61	-	1,282.61	1,282.61	-	1,282.61	0.0%
175,000	1,507.61	-	1,507.61	1,507.61	-	1,507.61	0.0%
200,000	1,732.61	-	1,732.61	1,732.61	-	1,732.61	0.0%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	2500	\$ 24.40	\$ 30.57	\$ 6.17	25.3%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 21.12	\$ -	\$ 21.12	\$ 26.56	\$ -	\$ 26.56	25.8%
1,000	22.60	(0.67)	21.93	28.55	(1.00)	27.56	25.6%
2,000	25.59	(2.01)	23.58	32.57	(3.01)	29.57	25.4%
3,000	28.58	(3.36)	25.22	36.59	(5.02)	31.58	25.2%
4,000	31.57	(4.70)	26.87	40.61	(7.03)	33.59	25.0%
5,000	34.56	(6.05)	28.51	44.63	(9.04)	35.60	24.8%
6,000	39.07	(8.08)	30.99	50.70	(12.07)	38.63	24.6%
7,000	43.58	-	43.58	56.77	-	56.77	30.3%
8,000	48.09	-	48.09	62.84	-	62.84	30.7%
9,000	52.60	-	52.60	68.91	-	68.91	31.0%
10,000	57.11	-	57.11	74.98	-	74.98	31.3%
15,000	87.11	-	87.11	115.38	-	115.38	32.5%
20,000	120.11	-	120.11	159.82	-	159.82	33.1%
25,000	157.61	-	157.61	210.32	-	210.32	33.4%
50,000	382.61	-	382.61	513.07	-	513.07	34.1%
75,000	607.61	-	607.61	815.82	-	815.82	34.3%
100,000	832.61	-	832.61	1,118.57	-	1,118.57	34.3%
125,000	1,057.61	-	1,057.61	1,421.32	-	1,421.32	34.4%
150,000	1,282.61	-	1,282.61	1,724.07	-	1,724.07	34.4%
175,000	1,507.61	-	1,507.61	2,026.82	-	2,026.82	34.4%
200,000	1,732.61	-	1,732.61	2,329.57	-	2,329.57	34.5%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Rate Schedule: **5/8" and 3/4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	2500	\$ 24.40	\$ 37.03	\$ 12.63	51.8%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 21.12	\$ -	\$ 21.12	\$ 32.00	\$ -	\$ 32.00	51.5%
1,000	22.60	(0.67)	21.93	34.50	(1.25)	33.25	51.6%
2,000	25.59	(2.01)	23.58	39.54	(3.77)	35.77	51.7%
3,000	28.58	(3.36)	25.22	44.58	(6.29)	38.29	51.8%
4,000	31.57	(4.70)	26.87	49.62	(8.81)	40.81	51.9%
5,000	34.56	(6.05)	28.51	54.66	(11.33)	43.33	52.0%
6,000	39.07	(8.08)	30.99	62.26	(15.13)	47.13	52.1%
7,000	43.58	-	43.58	69.86	-	69.86	60.3%
8,000	48.09	-	48.09	77.46	-	77.46	61.1%
9,000	52.60	-	52.60	85.06	-	85.06	61.7%
10,000	57.11	-	57.11	92.66	-	92.66	62.2%
15,000	87.11	-	87.11	143.26	-	143.26	64.5%
20,000	120.11	-	120.11	198.92	-	198.92	65.6%
25,000	157.61	-	157.61	262.17	-	262.17	66.3%
50,000	382.61	-	382.61	641.42	-	641.42	67.6%
75,000	607.61	-	607.61	1,020.67	-	1,020.67	68.0%
100,000	832.61	-	832.61	1,399.92	-	1,399.92	68.1%
125,000	1,057.61	-	1,057.61	1,779.17	-	1,779.17	68.2%
150,000	1,282.61	-	1,282.61	2,158.42	-	2,158.42	68.3%
175,000	1,507.61	-	1,507.61	2,537.67	-	2,537.67	68.3%
200,000	1,732.61	-	1,732.61	2,916.92	-	2,916.92	68.4%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	4500	\$ 59.37	\$ 59.37	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 52.80	\$ -	\$ 52.80	\$ 52.80	\$ -	\$ 52.80	0.0%
1,000	54.28	(0.67)	53.61	54.28	(0.67)	53.61	0.0%
2,000	57.27	(2.01)	55.26	57.27	(2.01)	55.26	0.0%
3,000	60.26	(3.36)	56.90	60.26	(3.36)	56.90	0.0%
4,000	63.25	(4.70)	58.55	63.25	(4.70)	58.55	0.0%
5,000	66.24	(6.05)	60.19	66.24	(6.05)	60.19	0.0%
6,000	70.75	(8.08)	62.67	70.75	(8.08)	62.67	0.0%
7,000	75.26	-	75.26	75.26	-	75.26	0.0%
8,000	79.77	-	79.77	79.77	-	79.77	0.0%
9,000	84.28	-	84.28	84.28	-	84.28	0.0%
10,000	88.79	-	88.79	88.79	-	88.79	0.0%
15,000	118.79	-	118.79	118.79	-	118.79	0.0%
20,000	151.79	-	151.79	151.79	-	151.79	0.0%
25,000	189.29	-	189.29	189.29	-	189.29	0.0%
50,000	414.29	-	414.29	414.29	-	414.29	0.0%
75,000	639.29	-	639.29	639.29	-	639.29	0.0%
100,000	864.29	-	864.29	864.29	-	864.29	0.0%
125,000	1,089.29	-	1,089.29	1,089.29	-	1,089.29	0.0%
150,000	1,314.29	-	1,314.29	1,314.29	-	1,314.29	0.0%
175,000	1,539.29	-	1,539.29	1,539.29	-	1,539.29	0.0%
200,000	1,764.29	-	1,764.29	1,764.29	-	1,764.29	0.0%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	4500	\$ 59.37	\$ 74.43	\$ 15.06	25.4%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 52.80	\$ -	\$ 52.80	\$ 66.40	\$ -	\$ 66.40	25.8%
1,000	54.28	(0.67)	53.61	68.39	(1.00)	67.40	25.7%
2,000	57.27	(2.01)	55.26	72.41	(3.01)	69.41	25.6%
3,000	60.26	(3.36)	56.90	76.43	(5.02)	71.42	25.5%
4,000	63.25	(4.70)	58.55	80.45	(7.03)	73.43	25.4%
5,000	66.24	(6.05)	60.19	84.47	(9.04)	75.44	25.3%
6,000	70.75	(8.08)	62.67	90.54	(12.07)	78.47	25.2%
7,000	75.26	-	75.26	96.61	-	96.61	28.4%
8,000	79.77	-	79.77	102.68	-	102.68	28.7%
9,000	84.28	-	84.28	108.75	-	108.75	29.0%
10,000	88.79	-	88.79	114.82	-	114.82	29.3%
15,000	118.79	-	118.79	155.22	-	155.22	30.7%
20,000	151.79	-	151.79	199.66	-	199.66	31.5%
25,000	189.29	-	189.29	250.16	-	250.16	32.2%
50,000	414.29	-	414.29	552.91	-	552.91	33.5%
75,000	639.29	-	639.29	855.66	-	855.66	33.8%
100,000	864.29	-	864.29	1,158.41	-	1,158.41	34.0%
125,000	1,089.29	-	1,089.29	1,461.16	-	1,461.16	34.1%
150,000	1,314.29	-	1,314.29	1,763.91	-	1,763.91	34.2%
175,000	1,539.29	-	1,539.29	2,066.66	-	2,066.66	34.3%
200,000	1,764.29	-	1,764.29	2,369.41	-	2,369.41	34.3%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Rate Schedule: **1" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	4500	\$ 59.37	\$ 90.07	\$ 30.70	51.7%

Monthly Consumption	Present Bill			Proposed Bill		
	Gross	CRT	Net	Gross	CRT	Net
-	\$ 52.80	\$ -	\$ 52.80	\$ 80.00	\$ -	\$ 80.00
1,000	54.28	(0.67)	53.61	82.50	(1.25)	81.25
2,000	57.27	(2.01)	55.26	87.54	(3.77)	83.77
3,000	60.26	(3.36)	56.90	92.58	(6.29)	86.29
4,000	63.25	(4.70)	58.55	97.62	(8.81)	88.81
5,000	66.24	(6.05)	60.19	102.66	(11.33)	91.33
6,000	70.75	(8.08)	62.67	110.26	(15.13)	95.13
7,000	75.26	-	75.26	117.86	-	117.86
8,000	79.77	-	79.77	125.46	-	125.46
9,000	84.28	-	84.28	133.06	-	133.06
10,000	88.79	-	88.79	140.66	-	140.66
15,000	118.79	-	118.79	191.26	-	191.26
20,000	151.79	-	151.79	246.92	-	246.92
25,000	189.29	-	189.29	310.17	-	310.17
50,000	414.29	-	414.29	689.42	-	689.42
75,000	639.29	-	639.29	1,068.67	-	1,068.67

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	31000	\$ 296.09	\$ 296.09	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 105.60	\$ -	\$ 105.60	\$ 105.60	\$ -	\$ 105.60	0.0%
1,000	107.08	(0.67)	106.41	107.08	(0.67)	106.41	0.0%
2,000	110.07	(2.01)	108.06	110.07	(2.01)	108.06	0.0%
3,000	113.06	(3.36)	109.70	113.06	(3.36)	109.70	0.0%
4,000	116.05	(4.70)	111.35	116.05	(4.70)	111.35	0.0%
5,000	119.04	(6.05)	112.99	119.04	(6.05)	112.99	0.0%
6,000	123.55	(8.08)	115.47	123.55	(8.08)	115.47	0.0%
7,000	128.06	-	128.06	128.06	-	128.06	0.0%
8,000	132.57	-	132.57	132.57	-	132.57	0.0%
9,000	137.08	-	137.08	137.08	-	137.08	0.0%
10,000	141.59	-	141.59	141.59	-	141.59	0.0%
15,000	171.59	-	171.59	171.59	-	171.59	0.0%
20,000	204.59	-	204.59	204.59	-	204.59	0.0%
25,000	242.09	-	242.09	242.09	-	242.09	0.0%
50,000	467.09	-	467.09	467.09	-	467.09	0.0%
75,000	692.09	-	692.09	692.09	-	692.09	0.0%
100,000	917.09	-	917.09	917.09	-	917.09	0.0%
125,000	1,142.09	-	1,142.09	1,142.09	-	1,142.09	0.0%
150,000	1,367.09	-	1,367.09	1,367.09	-	1,367.09	0.0%
175,000	1,592.09	-	1,592.09	1,592.09	-	1,592.09	0.0%
200,000	1,817.09	-	1,817.09	1,817.09	-	1,817.09	0.0%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	31000	\$ 296.09	\$ 389.22	\$ 93.13	31.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 105.60	\$ -	\$ 105.60	\$ 132.80	\$ -	\$ 132.80	25.8%
1,000	107.08	(0.67)	106.41	134.79	(1.00)	133.80	25.7%
2,000	110.07	(2.01)	108.06	138.81	(3.01)	135.81	25.7%
3,000	113.06	(3.36)	109.70	142.83	(5.02)	137.82	25.6%
4,000	116.05	(4.70)	111.35	146.85	(7.03)	139.83	25.6%
5,000	119.04	(6.05)	112.99	150.87	(9.04)	141.84	25.5%
6,000	123.55	(8.08)	115.47	156.94	(12.07)	144.87	25.5%
7,000	128.06	-	128.06	163.01	-	163.01	27.3%
8,000	132.57	-	132.57	169.08	-	169.08	27.5%
9,000	137.08	-	137.08	175.15	-	175.15	27.8%
10,000	141.59	-	141.59	181.22	-	181.22	28.0%
15,000	171.59	-	171.59	221.62	-	221.62	29.2%
20,000	204.59	-	204.59	266.06	-	266.06	30.0%
25,000	242.09	-	242.09	316.56	-	316.56	30.8%
50,000	467.09	-	467.09	619.31	-	619.31	32.6%
75,000	692.09	-	692.09	922.06	-	922.06	33.2%
100,000	917.09	-	917.09	1,224.81	-	1,224.81	33.6%
125,000	1,142.09	-	1,142.09	1,527.56	-	1,527.56	33.8%
150,000	1,367.09	-	1,367.09	1,830.31	-	1,830.31	33.9%
175,000	1,592.09	-	1,592.09	2,133.06	-	2,133.06	34.0%
200,000	1,817.09	-	1,817.09	2,435.81	-	2,435.81	34.1%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Rate Schedule: **1.5" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	31000	\$ 296.09	\$ 481.19	\$ 185.10	62.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 105.60	\$ -	\$ 105.60	\$ 160.00	\$ -	\$ 160.00	51.5%
1,000	107.08	(0.67)	106.41	162.50	(1.25)	161.25	51.5%
2,000	110.07	(2.01)	108.06	167.54	(3.77)	163.77	51.6%
3,000	113.06	(3.36)	109.70	172.58	(6.29)	166.29	51.6%
4,000	116.05	(4.70)	111.35	177.62	(8.81)	168.81	51.6%
5,000	119.04	(6.05)	112.99	182.66	(11.33)	171.33	51.6%
6,000	123.55	(8.08)	115.47	190.26	(15.13)	175.13	51.7%
7,000	128.06	-	128.06	197.86	-	197.86	54.5%
8,000	132.57	-	132.57	205.46	-	205.46	55.0%
9,000	137.08	-	137.08	213.06	-	213.06	55.4%
10,000	141.59	-	141.59	220.66	-	220.66	55.8%
15,000	171.59	-	171.59	271.26	-	271.26	58.1%
20,000	204.59	-	204.59	326.92	-	326.92	59.8%
25,000	242.09	-	242.09	390.17	-	390.17	61.2%
50,000	467.09	-	467.09	769.42	-	769.42	64.7%
75,000	692.09	-	692.09	1,148.67	-	1,148.67	66.0%
100,000	917.09	-	917.09	1,527.92	-	1,527.92	66.6%
125,000	1,142.09	-	1,142.09	1,907.17	-	1,907.17	67.0%
150,000	1,367.09	-	1,367.09	2,286.42	-	2,286.42	67.2%
175,000	1,592.09	-	1,592.09	2,665.67	-	2,665.67	67.4%
200,000	1,817.09	-	1,817.09	3,044.92	-	3,044.92	67.6%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	6500	\$ 180.07	\$ 180.07	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 168.96	\$ -	\$ 168.96	\$ 168.96	\$ -	\$ 168.96	0.0%
1,000	170.44	(0.67)	169.77	170.44	(0.67)	169.77	0.0%
2,000	173.43	(2.01)	171.42	173.43	(2.01)	171.42	0.0%
3,000	176.42	(3.36)	173.06	176.42	(3.36)	173.06	0.0%
4,000	179.41	(4.70)	174.71	179.41	(4.70)	174.71	0.0%
5,000	182.40	(6.05)	176.35	182.40	(6.05)	176.35	0.0%
6,000	186.91	(8.08)	178.83	186.91	(8.08)	178.83	0.0%
7,000	191.42	-	191.42	191.42	-	191.42	0.0%
8,000	195.93	-	195.93	195.93	-	195.93	0.0%
9,000	200.44	-	200.44	200.44	-	200.44	0.0%
10,000	204.95	-	204.95	204.95	-	204.95	0.0%
15,000	234.95	-	234.95	234.95	-	234.95	0.0%
20,000	267.95	-	267.95	267.95	-	267.95	0.0%
25,000	305.45	-	305.45	305.45	-	305.45	0.0%
50,000	530.45	-	530.45	530.45	-	530.45	0.0%
75,000	755.45	-	755.45	755.45	-	755.45	0.0%
100,000	980.45	-	980.45	980.45	-	980.45	0.0%
125,000	1,205.45	-	1,205.45	1,205.45	-	1,205.45	0.0%
150,000	1,430.45	-	1,430.45	1,430.45	-	1,430.45	0.0%
175,000	1,655.45	-	1,655.45	1,655.45	-	1,655.45	0.0%
200,000	1,880.45	-	1,880.45	1,880.45	-	1,880.45	0.0%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	6500	\$ 180.07	\$ 226.07	\$ 45.99	25.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 168.96	\$ -	\$ 168.96	\$ 212.48	\$ -	\$ 212.48	25.8%
1,000	170.44	(0.67)	169.77	214.47	(1.00)	213.48	25.7%
2,000	173.43	(2.01)	171.42	218.49	(3.01)	215.49	25.7%
3,000	176.42	(3.36)	173.06	222.51	(5.02)	217.50	25.7%
4,000	179.41	(4.70)	174.71	226.53	(7.03)	219.51	25.6%
5,000	182.40	(6.05)	176.35	230.55	(9.04)	221.52	25.6%
6,000	186.91	(8.08)	178.83	236.62	(12.07)	224.55	25.6%
7,000	191.42	-	191.42	242.69	-	242.69	26.8%
8,000	195.93	-	195.93	248.76	-	248.76	27.0%
9,000	200.44	-	200.44	254.83	-	254.83	27.1%
10,000	204.95	-	204.95	260.90	-	260.90	27.3%
15,000	234.95	-	234.95	301.30	-	301.30	28.2%
20,000	267.95	-	267.95	345.74	-	345.74	29.0%
25,000	305.45	-	305.45	396.24	-	396.24	29.7%
50,000	530.45	-	530.45	698.99	-	698.99	31.8%
75,000	755.45	-	755.45	1,001.74	-	1,001.74	32.6%
100,000	980.45	-	980.45	1,304.49	-	1,304.49	33.1%
125,000	1,205.45	-	1,205.45	1,607.24	-	1,607.24	33.3%
150,000	1,430.45	-	1,430.45	1,909.99	-	1,909.99	33.5%
175,000	1,655.45	-	1,655.45	2,212.74	-	2,212.74	33.7%
200,000	1,880.45	-	1,880.45	2,515.49	-	2,515.49	33.8%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Rate Schedule: **2" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	6500	\$ 180.07	\$ 273.03	\$ 92.96	51.6%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 168.96	\$ -	\$ 168.96	\$ 256.00	\$ -	\$ 256.00	51.5%
1,000	170.44	(0.67)	169.77	258.50	(1.25)	257.25	51.5%
2,000	173.43	(2.01)	171.42	263.54	(3.77)	259.77	51.5%
3,000	176.42	(3.36)	173.06	268.58	(6.29)	262.29	51.6%
4,000	179.41	(4.70)	174.71	273.62	(8.81)	264.81	51.6%
5,000	182.40	(6.05)	176.35	278.66	(11.33)	267.33	51.6%
6,000	186.91	(8.08)	178.83	286.26	(15.13)	271.13	51.6%
7,000	191.42	-	191.42	293.86	-	293.86	53.5%
8,000	195.93	-	195.93	301.46	-	301.46	53.9%
9,000	200.44	-	200.44	309.06	-	309.06	54.2%
10,000	204.95	-	204.95	316.66	-	316.66	54.5%
15,000	234.95	-	234.95	367.26	-	367.26	56.3%
20,000	267.95	-	267.95	422.92	-	422.92	57.8%
25,000	305.45	-	305.45	486.17	-	486.17	59.2%
50,000	530.45	-	530.45	865.42	-	865.42	63.1%
75,000	755.45	-	755.45	1,244.67	-	1,244.67	64.8%
100,000	980.45	-	980.45	1,623.92	-	1,623.92	65.6%
125,000	1,205.45	-	1,205.45	2,003.17	-	2,003.17	66.2%
150,000	1,430.45	-	1,430.45	2,382.42	-	2,382.42	66.6%
175,000	1,655.45	-	1,655.45	2,761.67	-	2,761.67	66.8%
200,000	1,880.45	-	1,880.45	3,140.92	-	3,140.92	67.0%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Rate Schedule: 3" Meters All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	9000	\$ 369.40	\$ 369.40	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 337.92	\$ -	\$ 337.92	\$ 337.92	\$ -	\$ 337.92	0.0%
1,000	339.40	(0.67)	338.73	339.40	(0.67)	338.73	0.0%
2,000	342.39	(2.01)	340.38	342.39	(2.01)	340.38	0.0%
3,000	345.38	(3.36)	342.02	345.38	(3.36)	342.02	0.0%
4,000	348.37	(4.70)	343.67	348.37	(4.70)	343.67	0.0%
5,000	351.36	(6.05)	345.31	351.36	(6.05)	345.31	0.0%
6,000	355.87	(8.08)	347.79	355.87	(8.08)	347.79	0.0%
7,000	360.38	-	360.38	360.38	-	360.38	0.0%
8,000	364.89	-	364.89	364.89	-	364.89	0.0%
9,000	369.40	-	369.40	369.40	-	369.40	0.0%
10,000	373.91	-	373.91	373.91	-	373.91	0.0%
15,000	403.91	-	403.91	403.91	-	403.91	0.0%
20,000	436.91	-	436.91	436.91	-	436.91	0.0%
25,000	474.41	-	474.41	474.41	-	474.41	0.0%
50,000	699.41	-	699.41	699.41	-	699.41	0.0%
75,000	924.41	-	924.41	924.41	-	924.41	0.0%
100,000	1,149.41	-	1,149.41	1,149.41	-	1,149.41	0.0%
125,000	1,374.41	-	1,374.41	1,374.41	-	1,374.41	0.0%
150,000	1,599.41	-	1,599.41	1,599.41	-	1,599.41	0.0%
175,000	1,824.41	-	1,824.41	1,824.41	-	1,824.41	0.0%
200,000	2,049.41	-	2,049.41	2,049.41	-	2,049.41	0.0%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	9000	\$ 369.40	\$ 467.31	\$ 97.91	26.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 337.92	\$ -	\$ 337.92	\$ 424.96	\$ -	\$ 424.96	25.8%
1,000	339.40	(0.67)	338.73	426.95	(1.00)	425.96	25.7%
2,000	342.39	(2.01)	340.38	430.97	(3.01)	427.97	25.7%
3,000	345.38	(3.36)	342.02	434.99	(5.02)	429.98	25.7%
4,000	348.37	(4.70)	343.67	439.01	(7.03)	431.99	25.7%
5,000	351.36	(6.05)	345.31	443.03	(9.04)	434.00	25.7%
6,000	355.87	(8.08)	347.79	449.10	(12.07)	437.03	25.7%
7,000	360.38	-	360.38	455.17	-	455.17	26.3%
8,000	364.89	-	364.89	461.24	-	461.24	26.4%
9,000	369.40	-	369.40	467.31	-	467.31	26.5%
10,000	373.91	-	373.91	473.38	-	473.38	26.6%
15,000	403.91	-	403.91	513.78	-	513.78	27.2%
20,000	436.91	-	436.91	558.22	-	558.22	27.8%
25,000	474.41	-	474.41	608.72	-	608.72	28.3%
50,000	699.41	-	699.41	911.47	-	911.47	30.3%
75,000	924.41	-	924.41	1,214.22	-	1,214.22	31.4%
100,000	1,149.41	-	1,149.41	1,516.97	-	1,516.97	32.0%
125,000	1,374.41	-	1,374.41	1,819.72	-	1,819.72	32.4%
150,000	1,599.41	-	1,599.41	2,122.47	-	2,122.47	32.7%
175,000	1,824.41	-	1,824.41	2,425.22	-	2,425.22	32.9%
200,000	2,049.41	-	2,049.41	2,727.97	-	2,727.97	33.1%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Rate Schedule: **3" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	9000	\$ 369.40	\$ 565.06	\$ 195.66	53.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 337.92	\$ -	\$ 337.92	\$ 512.00	\$ -	\$ 512.00	51.5%
1,000	339.40	(0.67)	338.73	514.50	(1.25)	513.25	51.5%
2,000	342.39	(2.01)	340.38	519.54	(3.77)	515.77	51.5%
3,000	345.38	(3.36)	342.02	524.58	(6.29)	518.29	51.5%
4,000	348.37	(4.70)	343.67	529.62	(8.81)	520.81	51.5%
5,000	351.36	(6.05)	345.31	534.66	(11.33)	523.33	51.6%
6,000	355.87	(8.08)	347.79	542.26	(15.13)	527.13	51.6%
7,000	360.38	-	360.38	549.86	-	549.86	52.6%
8,000	364.89	-	364.89	557.46	-	557.46	52.8%
9,000	369.40	-	369.40	565.06	-	565.06	53.0%
10,000	373.91	-	373.91	572.66	-	572.66	53.2%
15,000	403.91	-	403.91	623.26	-	623.26	54.3%
20,000	436.91	-	436.91	678.92	-	678.92	55.4%
25,000	474.41	-	474.41	742.17	-	742.17	56.4%
50,000	699.41	-	699.41	1,121.42	-	1,121.42	60.3%
75,000	924.41	-	924.41	1,500.67	-	1,500.67	62.3%
100,000	1,149.41	-	1,149.41	1,879.92	-	1,879.92	63.6%
125,000	1,374.41	-	1,374.41	2,259.17	-	2,259.17	64.4%
150,000	1,599.41	-	1,599.41	2,638.42	-	2,638.42	65.0%
175,000	1,824.41	-	1,824.41	3,017.67	-	3,017.67	65.4%
200,000	2,049.41	-	2,049.41	3,396.92	-	3,396.92	65.8%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 536.63	\$ 536.63	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 528.00	\$ -	\$ 528.00	\$ 528.00	\$ -	\$ 528.00	0.0%
1,000	529.48	(0.67)	528.81	529.48	(0.67)	528.81	0.0%
2,000	532.47	(2.01)	530.46	532.47	(2.01)	530.46	0.0%
3,000	535.46	(3.36)	532.10	535.46	(3.36)	532.10	0.0%
4,000	538.45	(4.70)	533.75	538.45	(4.70)	533.75	0.0%
5,000	541.44	(6.05)	535.39	541.44	(6.05)	535.39	0.0%
6,000	545.95	(8.08)	537.87	545.95	(8.08)	537.87	0.0%
7,000	550.46	-	550.46	550.46	-	550.46	0.0%
8,000	554.97	-	554.97	554.97	-	554.97	0.0%
9,000	559.48	-	559.48	559.48	-	559.48	0.0%
10,000	563.99	-	563.99	563.99	-	563.99	0.0%
15,000	593.99	-	593.99	593.99	-	593.99	0.0%
20,000	626.99	-	626.99	626.99	-	626.99	0.0%
25,000	664.49	-	664.49	664.49	-	664.49	0.0%
50,000	889.49	-	889.49	889.49	-	889.49	0.0%
75,000	1,114.49	-	1,114.49	1,114.49	-	1,114.49	0.0%
100,000	1,339.49	-	1,339.49	1,339.49	-	1,339.49	0.0%
125,000	1,564.49	-	1,564.49	1,564.49	-	1,564.49	0.0%
150,000	1,789.49	-	1,789.49	1,789.49	-	1,789.49	0.0%
175,000	2,014.49	-	2,014.49	2,014.49	-	2,014.49	0.0%
200,000	2,239.49	-	2,239.49	2,239.49	-	2,239.49	0.0%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 536.63	\$ 674.55	\$ 137.92	25.7%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 528.00	\$ -	\$ 528.00	\$ 664.00	\$ -	\$ 664.00	25.8%
1,000	529.48	(0.67)	528.81	665.99	(1.00)	665.00	25.8%
2,000	532.47	(2.01)	530.46	670.01	(3.01)	667.01	25.7%
3,000	535.46	(3.36)	532.10	674.03	(5.02)	669.02	25.7%
4,000	538.45	(4.70)	533.75	678.05	(7.03)	671.03	25.7%
5,000	541.44	(6.05)	535.39	682.07	(9.04)	673.04	25.7%
6,000	545.95	(8.08)	537.87	688.14	(12.07)	676.07	25.7%
7,000	550.46	-	550.46	694.21	-	694.21	26.1%
8,000	554.97	-	554.97	700.28	-	700.28	26.2%
9,000	559.48	-	559.48	706.35	-	706.35	26.3%
10,000	563.99	-	563.99	712.42	-	712.42	26.3%
15,000	593.99	-	593.99	752.82	-	752.82	26.7%
20,000	626.99	-	626.99	797.26	-	797.26	27.2%
25,000	664.49	-	664.49	847.76	-	847.76	27.6%
50,000	889.49	-	889.49	1,150.51	-	1,150.51	29.3%
75,000	1,114.49	-	1,114.49	1,453.26	-	1,453.26	30.4%
100,000	1,339.49	-	1,339.49	1,756.01	-	1,756.01	31.1%
125,000	1,564.49	-	1,564.49	2,058.76	-	2,058.76	31.6%
150,000	1,789.49	-	1,789.49	2,361.51	-	2,361.51	32.0%
175,000	2,014.49	-	2,014.49	2,664.26	-	2,664.26	32.3%
200,000	2,239.49	-	2,239.49	2,967.01	-	2,967.01	32.5%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Rate Schedule: **4" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	5500	\$ 536.63	\$ 813.23	\$ 276.60	51.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 528.00	\$ -	\$ 528.00	\$ 800.00	\$ -	\$ 800.00	51.5%
1,000	529.48	(0.67)	528.81	802.50	(1.25)	801.25	51.5%
2,000	532.47	(2.01)	530.46	807.54	(3.77)	803.77	51.5%
3,000	535.46	(3.36)	532.10	812.58	(6.29)	806.29	51.5%
4,000	538.45	(4.70)	533.75	817.62	(8.81)	808.81	51.5%
5,000	541.44	(6.05)	535.39	822.66	(11.33)	811.33	51.5%
6,000	545.95	(8.08)	537.87	830.26	(15.13)	815.13	51.5%
7,000	550.46	-	550.46	837.86	-	837.86	52.2%
8,000	554.97	-	554.97	845.46	-	845.46	52.3%
9,000	559.48	-	559.48	853.06	-	853.06	52.5%
10,000	563.99	-	563.99	860.66	-	860.66	52.6%
15,000	593.99	-	593.99	911.26	-	911.26	53.4%
20,000	626.99	-	626.99	966.92	-	966.92	54.2%
25,000	664.49	-	664.49	1,030.17	-	1,030.17	55.0%
50,000	889.49	-	889.49	1,409.42	-	1,409.42	58.5%
75,000	1,114.49	-	1,114.49	1,788.67	-	1,788.67	60.5%
100,000	1,339.49	-	1,339.49	2,167.92	-	2,167.92	61.8%
125,000	1,564.49	-	1,564.49	2,547.17	-	2,547.17	62.8%
150,000	1,789.49	-	1,789.49	2,926.42	-	2,926.42	63.5%
175,000	2,014.49	-	2,014.49	3,305.67	-	3,305.67	64.1%
200,000	2,239.49	-	2,239.49	3,684.92	-	3,684.92	64.5%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2014

Rate Schedule: **6" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	0	\$ 1,056.00	\$ 1,056.00	\$ -	0.0%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 1,056.00	\$ -	\$ 1,056.00	\$ 1,056.00	\$ -	\$ 1,056.00	0.0%
1,000	1,057.48	(0.67)	1,056.81	1,057.48	(0.67)	1,056.81	0.0%
2,000	1,060.47	(2.01)	1,058.46	1,060.47	(2.01)	1,058.46	0.0%
3,000	1,063.46	(3.36)	1,060.10	1,063.46	(3.36)	1,060.10	0.0%
4,000	1,066.45	(4.70)	1,061.75	1,066.45	(4.70)	1,061.75	0.0%
5,000	1,069.44	(6.05)	1,063.39	1,069.44	(6.05)	1,063.39	0.0%
6,000	1,073.95	(8.08)	1,065.87	1,073.95	(8.08)	1,065.87	0.0%
7,000	1,078.46	-	1,078.46	1,078.46	-	1,078.46	0.0%
8,000	1,082.97	-	1,082.97	1,082.97	-	1,082.97	0.0%
9,000	1,087.48	-	1,087.48	1,087.48	-	1,087.48	0.0%
10,000	1,091.99	-	1,091.99	1,091.99	-	1,091.99	0.0%
15,000	1,121.99	-	1,121.99	1,121.99	-	1,121.99	0.0%
20,000	1,154.99	-	1,154.99	1,154.99	-	1,154.99	0.0%
25,000	1,192.49	-	1,192.49	1,192.49	-	1,192.49	0.0%
50,000	1,417.49	-	1,417.49	1,417.49	-	1,417.49	0.0%
75,000	1,642.49	-	1,642.49	1,642.49	-	1,642.49	0.0%
100,000	1,867.49	-	1,867.49	1,867.49	-	1,867.49	0.0%
125,000	2,092.49	-	2,092.49	2,092.49	-	2,092.49	0.0%
150,000	2,317.49	-	2,317.49	2,317.49	-	2,317.49	0.0%
175,000	2,542.49	-	2,542.49	2,542.49	-	2,542.49	0.0%
200,000	2,767.49	-	2,767.49	2,767.49	-	2,767.49	0.0%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2015

Rate Schedule: **6" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	0	\$ 1,056.00	\$ 1,328.00	\$ 272.00	25.8%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 1,056.00	\$ -	\$ 1,056.00	\$ 1,328.00	\$ -	\$ 1,328.00	25.8%
1,000	1,057.48	(0.67)	1,056.81	1,329.99	(1.00)	1,329.00	25.8%
2,000	1,060.47	(2.01)	1,058.46	1,334.01	(3.01)	1,331.01	25.7%
3,000	1,063.46	(3.36)	1,060.10	1,338.03	(5.02)	1,333.02	25.7%
4,000	1,066.45	(4.70)	1,061.75	1,342.05	(7.03)	1,335.03	25.7%
5,000	1,069.44	(6.05)	1,063.39	1,346.07	(9.04)	1,337.04	25.7%
6,000	1,073.95	(8.08)	1,065.87	1,352.14	(12.07)	1,340.07	25.7%
7,000	1,078.46	-	1,078.46	1,358.21	-	1,358.21	25.9%
8,000	1,082.97	-	1,082.97	1,364.28	-	1,364.28	26.0%
9,000	1,087.48	-	1,087.48	1,370.35	-	1,370.35	26.0%
10,000	1,091.99	-	1,091.99	1,376.42	-	1,376.42	26.0%
15,000	1,121.99	-	1,121.99	1,416.82	-	1,416.82	26.3%
20,000	1,154.99	-	1,154.99	1,461.26	-	1,461.26	26.5%
25,000	1,192.49	-	1,192.49	1,511.76	-	1,511.76	26.8%
50,000	1,417.49	-	1,417.49	1,814.51	-	1,814.51	28.0%
75,000	1,642.49	-	1,642.49	2,117.26	-	2,117.26	28.9%
100,000	1,867.49	-	1,867.49	2,420.01	-	2,420.01	29.6%
125,000	2,092.49	-	2,092.49	2,722.76	-	2,722.76	30.1%
150,000	2,317.49	-	2,317.49	3,025.51	-	3,025.51	30.6%
175,000	2,542.49	-	2,542.49	3,328.26	-	3,328.26	30.9%
200,000	2,767.49	-	2,767.49	3,631.01	-	3,631.01	31.2%

Willow Valley Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis
2016

Rate Schedule: **6" Meters** All Classes

	Gallons	Present Bill	Proposed Bill	Increase	% Increase
Median Usage	0	\$ 1,056.00	\$ 1,600.00	\$ 544.00	51.5%

Monthly Consumption	Present Bill			Proposed Bill			Percent Increase
	Gross	CRT	Net	Gross	CRT	Net	
-	\$ 1,056.00	\$ -	\$ 1,056.00	\$ 1,600.00	\$ -	\$ 1,600.00	51.5%
1,000	1,057.48	(0.67)	1,056.81	1,602.50	(1.25)	1,601.25	51.5%
2,000	1,060.47	(2.01)	1,058.46	1,607.54	(3.77)	1,603.77	51.5%
3,000	1,063.46	(3.36)	1,060.10	1,612.58	(6.29)	1,606.29	51.5%
4,000	1,066.45	(4.70)	1,061.75	1,617.62	(8.81)	1,608.81	51.5%
5,000	1,069.44	(6.05)	1,063.39	1,622.66	(11.33)	1,611.33	51.5%
6,000	1,073.95	(8.08)	1,065.87	1,630.26	(15.13)	1,615.13	51.5%
7,000	1,078.46	-	1,078.46	1,637.86	-	1,637.86	51.9%
8,000	1,082.97	-	1,082.97	1,645.46	-	1,645.46	51.9%
9,000	1,087.48	-	1,087.48	1,653.06	-	1,653.06	52.0%
10,000	1,091.99	-	1,091.99	1,660.66	-	1,660.66	52.1%
15,000	1,121.99	-	1,121.99	1,711.26	-	1,711.26	52.5%
20,000	1,154.99	-	1,154.99	1,766.92	-	1,766.92	53.0%
25,000	1,192.49	-	1,192.49	1,830.17	-	1,830.17	53.5%
50,000	1,417.49	-	1,417.49	2,209.42	-	2,209.42	55.9%
75,000	1,642.49	-	1,642.49	2,588.67	-	2,588.67	57.6%
100,000	1,867.49	-	1,867.49	2,967.92	-	2,967.92	58.9%
125,000	2,092.49	-	2,092.49	3,347.17	-	3,347.17	60.0%
150,000	2,317.49	-	2,317.49	3,726.42	-	3,726.42	60.8%
175,000	2,542.49	-	2,542.49	4,105.67	-	4,105.67	61.5%
200,000	2,767.49	-	2,767.49	4,484.92	-	4,484.92	62.1%

ATTACHMENT B

Attachment B
List of ICFA or ICFA Type Agreements

Builder/Owner/GW Reference	Party(ies) to agreement	Date of Execution	Recordation Number
Fulton Homes	Fulton Homes	1/20/2004	CC&R
Maracay	Maracay	2/9/2004	CC&R
Centex	Centex	2/9/2004	CC&R
Hacienda	Hacienda	1/26/2004	CC&R
Engle	Engle	1/26/2004	CC&R
Engle	Engle	1/26/2004	CC&R
Engle	Engle	10/28/2003	CC&R
Centex	Centex	1/26/2004	CC&R
Ryland	Ryland	10/28/2003	CC&R
Hacienda	Hacienda	1/26/2004	CC&R
Hacienda	Hacienda	1/27/2004	CC&R
Avante	Avante	10/28/2003	CC&R
Brown	Brown	1/30/2004	CC&R
Brown	Brown	1/30/2004	CC&R
Ryland	Ryland	10/28/2003	CC&R
Avante	Avante	10/28/2003	CC&R
Meritage/Hacienda Homes	Pecan Valley Investments, LLC	1/28/2004	2004-036883
Engle Homes	Rio Verde/Munich 640, LLC	1/28/2004	2004-036882
DR Horton	Homestead Village North, LLC	1/28/2004	2004-036880
Standard Pacific	Homestead Village South, LLC	1/28/2004	2004-036884
Performance Construction	Santa Rosa Development, Inc.	1/28/2004	2004-036885
Newport Holdings, Inc.	Newport Holdings, Inc.	1/28/2004	2004-036886
Elliott	Elliott Homes, Inc.	1/28/2004	2004-036881
Chandler Boys Ventures, LLC (small commercial)	Chandler Boys Ventures, LLC ; Edison Road Development, LLC	1/28/2004	
Neely	Pitaco Farms Limited Partnership	7/1/2004	2004-069865
Neely	Pitaco Farms Limited Partnership	7/1/2004	2004-069866
Neely	Pitaco Farms Limited Partnership	7/1/2004	2004-069867
Neely	Pitaco Farms Limited Partnership	7/1/2004	2004-069868
Commercial	JNAN, LLC	7/1/2004	2004-069869
Shea Homes	JNAN, LLC	7/1/2004	2004-069870
Lennar	Mace Holdings, LLC	7/23/2004	2004-069871
WestPac	Maricopa 400, LLC	7/23/2004	2004-069874
WestPac	Maricopa 32, LLC	7/23/2004	2004-069875
Cook/EI Dorado, LLC	Cook/EI Dorado, LLC	7/23/2004	2004-069878
Little/EI Dorado, LLC	Little/EI Dorado, LLC	7/23/2004	2004-069880
Paul Gore	William P. Gore and Margie L. Gore	7/23/2004	2004-069876
Ray Christian	L&R Contracting, Inc. and Trap King, LLLP, and Sue Flores and Pro Active Remarketing, LLC and Sean Aldous and Guy Gedeon	7/15/2004	2004-069863
Western Pinal	Western Pinal Industrial Park, LLC	7/23/2004	2004-069877
Maricopa-Casa Grande Hwy 813	Maricopa-Casa Grande Highway, LLC	7/23/2004	2004-069879
W half of Sec 10 T5S R4E	Kruse Farms	7/21/2004	2004-069864
SWQ Sec 4 T5S R4E	Maricopa 240, LLC	7/28/2004	2004-069873
SWQ and SEQ of NWQ	Desert Sunrise, LLC	7/23/2004	2004-069872
Hallcraft Homes	Bera Ventures, LLC; DAC Maricopa Investment, LLC; JJD Development LLC; Maricopa Investment Group LLC; Jacob/McCaslin/Eden LLC; Mesquite Groves LLC	7/2/2004	2004-069881
MAL, LLC (Bill Lund)/Westpac	MAL, LLC	5/17/2005	2005-060416
Trend Homes, Inc. / Westpac	Trend Homes, Inc.	5/17/2005	2005-060408

Attachment B
List of ICFA or ICFA Type Agreements

Builder/Owner/GW Reference	Party(ies) to agreement	Date of Execution	Recordation Number
Amarillo Creek Unit 1 / Shea Homes	Amarillo Creek South, LLC and Desert Cedars, LLC	5/17/2005	2005-060422
Amarillo Creek South, LLC and Desert Cedars, LLC	Amarillo Creek South, LLC and Desert Cedars, LLC	5/17/2005	2005-060421
CHI Construction Company	CHI Construction Company	5/17/2005	2005-060411
HAM Maricopa, L.L.C.	HAM Maricopa, L.L.C.	3/30/2005	2005-106216
HAM Papago, L.L.C.	HAM Papago, LLC	3/30/2005	2005-106214
HAM-Mesa, L.L.C.	HAM-Mesa, LLC	3/30/2005	2005-106217
Pecan Woods, LLC	Pecan Woods, LLC	5/17/2005	2005-060414
Terrazo/Miller & White 815, LLC	Miller & White 812, LLP	5/17/2005	2005-060413
HAM Maricopa, L.L.C./HAM Queen Creek, LLC	HAM Maricopa, LLC, HAM Queen Creek, LLC	3/30/2005	2005-106213
HAMs and Trusts	Various	3/30/2005	2005-106215
Hidden Valley Ranch 1, LLC	Hidden Valley Ranch I, LLC	3/30/2005	2005-060419
Hidden Valley Ranch 2, LLC	Hidden Valley Ranch II, LLC	3/30/2005	2005-060420
Dennis & Carolyn Peed	Dennis M. Peed and Carolyn Peed	5/17/2005	2005-060409
RJ2, LLC / Maricopa Opus	NF 26 Land, LLC	5/17/2005	2005-060412
Vineyards, LLC	Vineyards, LLC	5/17/2005	2005-060410
RAJAC Dev Real Estate Partners, LLC	RAJACDEV Real Estate Partners, LLC	5/17/2005	2005-060415
Stanfield Holdings, LLC	Stanfield Holdings, LLC	5/17/2005	2005-060418
Langley Farms	Langley Farms Investments, LLC	5/17/2005	2005-060417
Pinal 347	Pinal 347, LLC	5/17/2005	2005-064326
Lennar Communities	Lennar Communities	10/27/2003	2005-090252
Desert Cedars/Alterra	Desert Cedars Equities	7/6/2005	2005-090252
Red Valley	Red Valley Investments, LLC	7/15/2005	2005-106212
Pulte Home	DR Horton-Dietz Crane and Pulte Home Corporation	7/15/2005	2005-099210
KB Homes	KB Home Phoenix, Inc.	7/15/2005	2005-090248
McDavid Office Park	McDavid Business Park, LLC	7/15/2005	2005-099211
Vistoso	Marathon Farming Investments, LLC and Craig D. Scott and Linda J. Scott	7/15/2005	2005-090250
	ABCDW, LLC	7/21/2005	2005-090249
	Torrey Pines Development, LLC	7/21/2005	2005-090253
Maricopa Meadows, LLC	Maricopa Meadows, LLC	12/3/2004	MUA
Maricopa Meadows, LLC	Maricopa Meadows, LLC	12/3/2004	MUA
Maricopa Meadows, LLC	Maricopa Meadows, LLC	12/3/2004	MUA
Land Solutions Maricopa LLC	Land Solutions Maricopa LLC	10/15/2003	MUA
Cottonwood Land Group VIII, LLC	Cottonwood Land Group VIII, LLC	3/16/2004	MUA
Omega/Murphy Land	Omega/Murphy Land	9/20/2005	2005-124524
Carranza Associates / Turner Dunn	Carranza Associates, LLC	12/28/2005	2006-022169
Stanfield Estates / Turner Dunn	GKH Limited L.P. and East PAC, LLC and Loren Huweiler	12/28/2005	2006-022196
Dart Property / Terry Button	Dart Properties, LLC	12/28/2005	2006-022197
Santa Cruz Land Co / Santa Cruz Ranch / Anderson Val Vista 6	Anderson & Val Vista 6, LLC	12/28/2005	2006-022198
SCR, LLC / Scott Cole & Bryan Hartman	SCR, LLC	12/28/2005	2006-022199
JP Holdings LP / Solana Ranch North	JP Holdings Limited Partnership	12/28/2005	2006-022191

Attachment B
List of ICFA or ICFA Type Agreements

Builder/Owner/GW Reference	Party(ies) to agreement	Date of Execution	Recordation Number
Anderson & Barnes 580 LLP / Solana Ranch South	Anderson and Barnes 580, LLP	12/28/2005	2006-022193
120 Townsend (Yount)	120 Townsend, LLC	12/28/2005	2006-022187
NS120 (Yount)	NS 120 Limited Partnership	12/28/2005	2006-022175
Montgomery 156 (Yount)	Montgomery 156 Limited Partnership LLLP	12/28/2005	2006-022179
CG 215 (Yount)	CG 215 Limited Partnership LLLP	12/28/2005	2006-022188
Casa Grande Montgomery 240 (Yount)	Casa Grande Montgomery 240 Limited Partnership LLLP	12/28/2005	2006-022177
RRY Casa Grande 320 (Yount)	RRY Casa Grande 320 Limited Partnership LLLP	12/28/2005	2006-022180
SVVM 80 (Yount)	SVVM 80 Limited Partnership LLLP	12/28/2005	2006-022181
VV Monty (Yount)	VV Monty LLC	12/28/2005	2006-022176
RRY Real Estate (Yount)	RRY Real Estate LLC	12/28/2005	2006-022182
Robin R Yount LTD (Yount)	Robin R. Yount, LTD	12/28/2005	2006-022189
Richard and Dana (Yount)	Richard and Dana, LLC	12/28/2005	2006-022186
Bruce and Karen (Yount)	Bruce and Karen, LLC	12/28/2005	2006-022185
Sacaton BL (Yount)	Sacaton BL, LLC	12/28/2005	2006-022178
Trading Post Road LLC (Yount)	Trading Post Road, LLC and SLW Associates LP	12/28/2005	2006-022183
Chartwell Casa Grande (Yount)	Chartwell Casa Grande 40, LLC	12/28/2005	2006-022184
Polich - Non Pulte	Gallup Financial, LLC	12/28/2005	2006-022194
Polich - Pulte	Gallup Financial, LLC	12/28/2005	2006-022192
CRW Holdings, LLC (Mark Williams)	CRW Holdings I, LLC	12/28/2005	2006-022203
Val Vista & Montgomery (Mark Williams)	Val Vista & Montgomery, LLC	12/28/2005	2006-022202
Williams Trusts (Mark Williams)	Williams Family Revocable Trust, UTA and Lora G. Williams Special Trust, UTA and Lora A. Williams Trust , UTA and Mark C. Williams Revocable Trust, UTA	12/28/2005	2006-022173
Blevins	Brian Blevins and Jessica Blevins	12/28/2005	2006-022201
Kronwald Family Trust	Michael Nothum, Jr. Children's Irrevocable Trust I and Carol Kronwald Children's Irrevocable Trust I	12/28/2005	2006-022205
Henry McMillan and Alexander McMillan	Henry McMillan and Alexander McMillan	12/28/2005	2006-022200
Teel 80 (Reinbold)	Teel 80, LLC	12/28/2005	2006-022195
Ken Lowman	KEJE Group, LLC	12/28/2005	2006-022204
Tim Nyberg / Hampden and Chambers	Hampden and Chambers, LLC and Bevnorm Olive, LLC	12/28/2005	2006-022190
ROB-LIN Marketing (Vistoso)	ROB-LIN Marketing, Inc.	10/13/2008	2008-098153
Vistoso Partners / Jorde Hacienda	Jorde Hacienda, Inc.	10/13/2008	2008-098154
ABCDW, LLC (Vistoso Stanfield 1942)	ABCDW, LLC	10/13/2008	2008-098151
Vanderbilt Farms, LLC (Thude/Vistoso)	Vanderbilt Farms, LLC and ABCDW, LLC	10/13/2008	2008-098152
Langley Stanfield Estates (Hay Hollow)	Langley Stanfield Estates, LLC	12/28/2005	2006-022209
Langley Properties Stanmar 160)	Langley Stanmar 160, LLC and Robinson Family Farms, LLC	12/28/2005	2006-022208

Attachment B
List of ICFA or ICFA Type Agreements

Builder/Owner/GW Reference	Party(ies) to agreement	Date of Execution	Recordation Number
Langley Properties (CCB Standfield Estates)	CCB Stanfield Estates, LLC	12/28/2005	2006-022207
Matt Montgomery/SPD, INC	Matt Montgomery/SPD, INC, Tom-T, L.L.C., T & T Farms, L.L.C., and TTTT Farms,	6/6/2005	Not recorded
El Dorado: Parker Estates	Parker Estates, LLC	12/28/2005	2006-022206
El Dorado: Hondo 640	Hondo 640, LLC	12/28/2005	2006-022170
El Dorado: Rio Lobo, LLC	Rio Lobo, LLC	12/28/2005	2006-022174
Terbus Investments	Terbus Investments, LLC	12/28/2005	2006-022172
Douglas Payne	Douglas Payne	12/28/2005	2006-022171
Ari D'Jong / Vistoso	ABCDW, LLC and De Jon Arie H. Family Trust Dated and Millar Charles & Ide Daniel William and Milky Way Dairy, LLC	7/21/2006	2007-068432
JEKE Group (NW parcel)	Wildcat Capital Manager, Inc.	7/21/2006	2007-068435
Southern Dunes	Southern Dunes Golf Club, Inc.	7/21/2006	2006-138949
Hogenes Dairy	Hogenes Farms Limited Partnership	7/21/2006	2006-132111
TOTTR (JCON)	TOTRR Corp. and Redwood Financial Ltd., Profit Sharing Plan & Trust Rollover Dated December 31, 2003	7/21/2006	2006-138243
	J-Con Development, Inc and Redwood Financial Ltd., Profit Sharing Plan & Trust, dated January 1, 1998, The Dale M. and Wanda S. Micetic Family Trust dated 5-29-1996	7/21/2006	2007-025647
Redfield	Redfield Financial, Inc. and Redfield Financial Partners IV, LLC and Redfield Financial Partners II, LLC	7/21/2006	2007-068438
Sunset Mountain Dev. Group	Sunset Mountain Development Group, LLC	7/21/2006	2006-139522
Maracay Homes	Maracay Homes Arizona I, LLC	7/21/2006	2007-068437
Kelly Anderson	Anderson Palmisano Farms	7/21/2006	2007-068433
Eagle Shadow	Eagle Shadow South East, LLC	7/21/2006	2006-132115
Hartman Ranch	Hartman Ranch, LLC and Cole Maricopa 193, LLC and Philip McD Hartman & Shirley Ann Hartman as Co-Trustees of the Philip McD and Shirley Ann Hartman Trust Dated June 15, 2004	7/21/2006	2006-132119
Legacy Charter School at San Travasa	Redfield Ring, LLC	7/20/2006	2006-132124
San Travasa	John E. Smith & Mary Lou Smith and The Smith Family Irrevocable Trust dated June 23, 1989 and The John and Mary Lout Smith Family Trust dated April 29, 2002	7/21/2006	2006-132125
	Central Arizona College (CAC)	8/17/2011	2011-075658
HBE Farms	Rudolph Lee Echeverria & Helen Biehn Echeverria	7/21/2006	2006-132121
Chris Whitt	Chris Whitt	7/21/2006	2006-139523
Brian Stevenson	Brian R. Stevenson	7/21/2006	2007-068436
KSK Land Ventures (Geddes)	KSK Land Ventures, LLC	7/21/2006	2006-132117
Nicholas Toronto	Nicholas J. Toronto & Colette Ann Toronto and NSB Investments, LLC	7/21/2006	2007-046079
Quassey Holdings	Quassey Holdings, LLC	7/21/2006	2006-132116
Ivett Aviles	Ivett O. Aviles	7/21/2006	2006-132122
Dana Byron	Dana B. Byron	7/21/2006	2006-132114

Attachment B
List of ICFA or ICFA Type Agreements

Builder/Owner/GW Reference	Party(ies) to agreement	Date of Execution	Recordation Number
Byron/Tse	Dana B. Byron & Maritza Tse	7/21/2006	2007-027768
Dana Byron	Dana B. Byron	7/21/2006	2006-132113
Byron/Maccllum	Dana B. Byron & Jamie Maccallum	7/21/2006	2007-027767
Walton Cactus Springs	Walton Cactus Springs Limited Partnership	7/21/2006	2006-132126
Beauchene LP (Ray Christian)	Kino Trails, LLC	7/21/2006	2006-132120
Gene Montemore	Montemore Family Revocable Trust	7/21/2006	2007-016473
Redfield Financial Partners V	Redfield Financial Partners V, LLC	7/21/2006	2006-132129
Rio Blanco	Rio Blanco, LLC	7/21/2006	2006-138242
Redfield Financial	Redfield Financial Partners VII, LLC	7/21/2006	2007-018719
Cando Ranch	Cando Ranch, LLC	7/21/2006	2007-068434
Ray Morrow	Ray Morrow	7/21/2006	2006-141209
K Investment Enterprises	K. Investment Enterprises, LLC	7/21/2006	2006-132112
Redfield Ring	Redfield Ring, LLC	7/21/2006	2006-132124
Redfield Financial	Redfield Financial, Inc.	7/21/2006	2006-132123
DYE Equities	Dye Equities, LLC	7/21/2006	2006-132128
Kevin Norby	Kevin G. Norby, LLC	7/21/2006	2006-132127
NF 26 Land	NF 26 Land, LLC	7/21/2006	2006-132118
Midway	ABCDW, LLC and Bernadette Wolfswinkel and Grace Holdings, LLC and Vanderbilt Farms, LLC and Sarival Holdings, LLC and New Meridian SPE, LLC and Verde Grande Commercial Building, LLC	10/13/2008	2008-098150
La Osa	ABDCE, LLC and Torry Pines Development, LLC and Riggs/Queen Creek 480, LLC and Ellsworth Road 160, LLC and Vanderbilt Farms, LLC and Irvine Land Partners, LLC	10/13/2008	2008-098149
Citrus Orchards	The Orchard at Picacho, LLC	1/8/2008	2008-004128
Hassayampa Ranch	Hassayampa Ranch Ventures, LLC	6/24/2005	2008-0913586
Silver Water/Springs Ranch (Vegas)	Sierra Negra Ranch, LLC	7/10/2006	2006-0939440
Copperleaf Development	First American Title Insurance Company	7/10/2006	2006-0939366
I10-339th	339th & I-10, LLC	5/20/2008	2008-0679693
Belmont	Various	12/20/2007	2008-0061205

ATTACHMENT C

TARIFF SCHEDULE

UTILITY: Valencia Water Company - Town Division
 DOCKET NO.: W-01212A-12-0309

DECISION NO. _____
 EFFECTIVE DATE: _____

OFF-SITE HOOK-UP FEE (WATER)

I. Purpose and Applicability

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

II. Definitions

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

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

"Company" means Valencia Water Company - Town Division.

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

"Off-site Facilities" means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

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

III. Off-Site Water Hook-up Fee

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

OFF-SITE HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee
5/8" x 3/4 "	1	\$1,750
3/4"	1.5	\$2,625
1"	2.5	\$4,375
1-1/2 "	5	\$8,750
2"	8	\$14,000
3"	16	\$28,000
4"	25	\$43,750
6" or larger	50	\$87,500

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Hook-up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

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

(C) Time of Payment:

- 1) For those requiring a Main Extension Agreement: In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements or construct such improvements in order to extend service in accordance with R-14-2-406(B), payment of the hook-up fees required hereunder shall be made by the Applicant no later than 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

- 2) For those connecting to an existing main: In the event that the Applicant is not required to enter into a Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.
- (D) Off-Site Facilities Construction By Developer: Company and Applicant may agree to construction of off-site facilities necessary to serve a particular development by Applicant, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant shall be refunded the difference upon acceptance of the off-site facilities by the Company.
- (E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to make an advance commitment to provide or to actually provide water service to any Applicant in the event that the Applicant has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment due hereunder has not been paid.
- (F) Large Subdivision and/or Development Projects: In the event that the Applicant is engaged in the development of a residential subdivision and/or development containing more than 150 lots, the Company may, in its discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision and/or development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Applicant's construction schedule and water service requirements. In the alternative, the Applicant shall post an irrevocable letter of credit in favor of the Company in a commercially reasonable form, which may be drawn by the Company consistent with the actual or planned construction and hook up schedule for the subdivision and/or development.
- (G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as hook-up fees pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.
- (H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site hook-up fees shall be deposited into a separate interest bearing bank account and used solely for the purposes of paying for the costs of installation of off-site facilities, including repayment of loans obtained for the installation of off-site facilities that will benefit the entire water system.
- (I) Off-Site Hook-up Fee in Addition to On-site Facilities: The off-site hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Main Extension Agreement.

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

(K) Fire Flow Requirements: In the event the Applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up Fee, the Company may require the Applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

TARIFF SCHEDULE

UTILITY: Global Water-Palo Verde Utilities Company
 DOCKET NO.: SW-20445A-12-0310

DECISION NO. _____
 EFFECTIVE DATE: _____

OFF-SITE FACILITIES HOOK-UP FEE (WASTEWATER)

I. Purpose and Applicability

The purpose of the off-site facilities hook-up fees payable to Global Water-Palo Verde Utilities Company ("the Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities necessary to provide wastewater treatment plant facilities among all new service laterals. These charges are applicable to all new service laterals established after the effective date of this tariff undertaken via Collection Main Extension Agreements or requests for service not requiring a Collection Main Extension Agreement. The charges are one-time charges and are payable as a condition to Company's establishment of service, as more particularly provided below.

II. Definitions

Unless the context otherwise requires, the definitions set forth in R-14-2-601 of the Arizona Corporation Commission's ("Commission") rules and regulations governing sewer utilities shall apply in interpreting this tariff schedule.

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

"Company" means Global Water-Palo Verde Utilities Company.

"Collection Main Extension Agreement" means any agreement whereby an Applicant agrees to advance the costs of the installation of wastewater facilities necessary to the Company to serve new service laterals within a development, or installs such wastewater facilities necessary to serve new service laterals and transfer ownership of such wastewater facilities to the Company, which agreement does not require the approval of the Commission pursuant to A.A.C. R-14-2-606, and shall have the same meaning as "Wastewater Facilities Agreement".

"Off-site Facilities" means the wastewater treatment plant, sludge disposal facilities, effluent disposal facilities and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include lift stations, transportation mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the Applicant and benefit the entire wastewater system.

"Service Lateral" means and includes all service laterals for single-family residential, commercial, industrial or other uses.

III. Off-Site Facilities Hook-up Fee

For each new service lateral, the Company shall collect an off-site facilities hook-up fee as listed in the following table:

OFF-SITE WASTEWATER HOOK-UP FEE TARIFF TABLE		
Service Lateral Size	Factor	Fee
4-inch	1	\$1,250
6-inch	2.25	\$2,812.5
8-inch	4	\$5,000
10-inch	6.25	\$7,812.5

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Facilities Hook-up Fee: The off-site facilities hook-up fee may be assessed only once per parcel, service lateral, or lot within a subdivision (similar to a service lateral installation charge).

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

(C) Time of Payment:

(1) For those requiring a Collection Main Extension Agreement: In the event that the Applicant is required to enter into a Collection Main Extension Agreement, whereby Applicant agrees to advance the costs of on-site improvements or construct such improvements, payment of the fees required hereunder shall be made by the Applicant when payment is made for the on-site improvements or 30 days after the Collection Main Extension Agreement is executed, whichever is later.

(2) For those connecting to an existing main: In the event that the Applicant is not required to enter into a Collection Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time wastewater service is requested for the property.

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

off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant shall be refunded the difference upon acceptance of the off-site facilities by the Company.

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

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

(G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as hook-up fees pursuant to the off-site facilities hook-up fee tariff shall be non-refundable contributions in aid of construction.

(H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site facilities hook-up fees shall be deposited into a separate interest bearing bank account and used solely for the purposes of paying for the costs of installation of off-site facilities, including repayment of loans obtained for the installation of off-site facilities.

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

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

(K) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Facilities Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of

interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

TARIFF SCHEDULE

UTILITY: Water Utility of Northern Scottsdale
DOCKET NO.: W-03720A-12-0311

DECISION NO. _____
EFFECTIVE DATE: _____

OFF-SITE HOOK-UP FEE (WATER)

I. Purpose and Applicability

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

II. Definitions

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

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

“Company” means Water Utility of Northern Scottsdale.

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

“Off-site Facilities” means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

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

III. Off-Site Water Hook-up Fee

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

OFF-SITE HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee
5/8" x 3/4 "	1	\$1,750
3/4"	1.5	\$2,625
1"	2.5	\$4,375
1-1/2 "	5	\$8,750
2"	8	\$14,000
3"	16	\$28,000
4"	25	\$43,750
6" or larger	50	\$87,500

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Hook-up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

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

(C) Time of Payment:

- 1) For those requiring a Main Extension Agreement: In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements or construct such improvements in order to extend service in accordance with R-14-2-406(B), payment of the hook-up fees required hereunder shall be made by the Applicant no later than 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

- 2) For those connecting to an existing main: In the event that the Applicant is not required to enter into a Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.
- (D) Off-Site Facilities Construction By Developer: Company and Applicant may agree to construction of off-site facilities necessary to serve a particular development by Applicant, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant shall be refunded the difference upon acceptance of the off-site facilities by the Company.
- (E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to make an advance commitment to provide or to actually provide water service to any Applicant in the event that the Applicant has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment due hereunder has not been paid.
- (F) Large Subdivision and/or Development Projects: In the event that the Applicant is engaged in the development of a residential subdivision and/or development containing more than 150 lots, the Company may, in its discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision and/or development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Applicant's construction schedule and water service requirements. In the alternative, the Applicant shall post an irrevocable letter of credit in favor of the Company in a commercially reasonable form, which may be drawn by the Company consistent with the actual or planned construction and hook up schedule for the subdivision and/or development.
- (G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as hook-up fees pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.
- (H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site hook-up fees shall be deposited into a separate interest bearing bank account and used solely for the purposes of paying for the costs of installation of off-site facilities, including repayment of loans obtained for the installation of off-site facilities that will benefit the entire water system.
- (I) Off-Site Hook-up Fee in Addition to On-site Facilities: The off-site hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Main Extension Agreement.

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

(K) Fire Flow Requirements: In the event the Applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up Fee, the Company may require the Applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

TARIFF SCHEDULE

UTILITY: Water Utility of Greater Tonopah
DOCKET NO.: W-02450A-12-0312

DECISION NO. _____
EFFECTIVE DATE: _____

OFF-SITE HOOK-UP FEE (WATER)

I. Purpose and Applicability

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

II. Definitions

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

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

“Company” means Water Utility of Greater Tonopah.

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

“Off-site Facilities” means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

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

III. Off-Site Water Hook-up Fee

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

OFF-SITE HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee
5/8" x 3/4 "	1	\$1,750
3/4"	1.5	\$2,625
1"	2.5	\$4,375
1-1/2 "	5	\$8,750
2"	8	\$14,000
3"	16	\$28,000
4"	25	\$43,750
6" or larger	50	\$87,500

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Hook-up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

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

(C) Time of Payment:

- 1) For those requiring a Main Extension Agreement: In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements or construct such improvements in order to extend service in accordance with R-14-2-406(B), payment of the hook-up fees required hereunder shall be made by the Applicant no later than 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

- 2) For those connecting to an existing main: In the event that the Applicant is not required to enter into a Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.
- (D) Off-Site Facilities Construction By Developer: Company and Applicant may agree to construction of off-site facilities necessary to serve a particular development by Applicant, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant shall be refunded the difference upon acceptance of the off-site facilities by the Company.
- (E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to make an advance commitment to provide or to actually provide water service to any Applicant in the event that the Applicant has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment due hereunder has not been paid.
- (F) Large Subdivision and/or Development Projects: In the event that the Applicant is engaged in the development of a residential subdivision and/or development containing more than 150 lots, the Company may, in its discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision and/or development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Applicant's construction schedule and water service requirements. In the alternative, the Applicant shall post an irrevocable letter of credit in favor of the Company in a commercially reasonable form, which may be drawn by the Company consistent with the actual or planned construction and hook up schedule for the subdivision and/or development.
- (G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as hook-up fees pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.
- (H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site hook-up fees shall be deposited into a separate interest bearing bank account and used solely for the purposes of paying for the costs of installation of off-site facilities, including repayment of loans obtained for the installation of off-site facilities that will benefit the entire water system.
- (I) Off-Site Hook-up Fee in Addition to On-site Facilities: The off-site hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Main Extension Agreement.

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

(K) Fire Flow Requirements: In the event the Applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up Fee, the Company may require the Applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

TARIFF SCHEDULE

UTILITY: Valencia Water Company - Greater Buckeye
DOCKET NO.: W-02451A-12-0313

DECISION NO. _____
EFFECTIVE DATE: _____

OFF-SITE HOOK-UP FEE (WATER)

I. Purpose and Applicability

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

II. Definitions

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

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

"Company" means Valencia Water Company - Greater Buckeye.

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

"Off-site Facilities" means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

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

III. Off-Site Water Hook-up Fee

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

OFF-SITE HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee
5/8" x 3/4 "	1	\$1,750
3/4"	1.5	\$2,625
1"	2.5	\$4,375
1-1/2 "	5	\$8,750
2"	8	\$14,000
3"	16	\$28,000
4"	25	\$43,750
6" or larger	50	\$87,500

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Hook-up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

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

(C) Time of Payment:

- 1) For those requiring a Main Extension Agreement: In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements or construct such improvements in order to extend service in accordance with R-14-2-406(B), payment of the hook-up fees required hereunder shall be made by the Applicant no later than 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

- 2) For those connecting to an existing main: In the event that the Applicant is not required to enter into a Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.

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

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

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

(G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as hook-up fees pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.

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

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

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

(K) Fire Flow Requirements: In the event the Applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up Fee, the Company may require the Applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

TARIFF SCHEDULE

UTILITY: Santa Cruz Water Company
DOCKET NO.: W-20446A-12-0314

DECISION NO. _____
EFFECTIVE DATE: _____

OFF-SITE HOOK-UP FEE (WATER)

I. Purpose and Applicability

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

II. Definitions

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

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

“Company” means Santa Cruz Water Company.

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

“Off-site Facilities” means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

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

III. Off-Site Water Hook-up Fee

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

OFF-SITE HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee
5/8" x 3/4 "	1	\$1,250
3/4"	1.5	\$1,875
1"	2.5	\$3,125
1-1/2 "	5	\$6,250
2"	8	\$10,000
3"	16	\$20,000
4"	25	\$31,250
6" or larger	50	\$62,500

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Hook-up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

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

(C) Time of Payment:

- 1) For those requiring a Main Extension Agreement: In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements or construct such improvements in order to extend service in accordance with R-14-2-406(B), payment of the hook-up fees required hereunder shall be made by the Applicant no later than 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

- 2) For those connecting to an existing main: In the event that the Applicant is not required to enter into a Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.

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

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

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

(G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as hook-up fees pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.

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

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

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

(K) Fire Flow Requirements: In the event the Applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up Fee, the Company may require the Applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

TARIFF SCHEDULE

UTILITY: Willow Valley Water Company
DOCKET NO.: W-01732A-12-0315

DECISION NO. _____
EFFECTIVE DATE: _____

OFF-SITE HOOK-UP FEE (WATER)

I. Purpose and Applicability

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

II. Definitions

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

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

"Company" means Willow Valley Water Company.

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

"Off-site Facilities" means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

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

III. Off-Site Water Hook-up Fee

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

OFF-SITE HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee
5/8" x 3/4 "	1	\$1,750
3/4"	1.5	\$2,625
1"	2.5	\$4,375
1-1/2 "	5	\$8,750
2"	8	\$14,000
3"	16	\$28,000
4"	25	\$43,750
6" or larger	50	\$87,500

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Hook-up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

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

(C) Time of Payment:

- 1) For those requiring a Main Extension Agreement: In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements or construct such improvements in order to extend service in accordance with R-14-2-406(B), payment of the hook-up fees required hereunder shall be made by the Applicant no later than 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

- 2) For those connecting to an existing main: In the event that the Applicant is not required to enter into a Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.

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

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

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

(G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as hook-up fees pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.

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

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

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

(K) Fire Flow Requirements: In the event the Applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up Fee, the Company may require the Applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

ATTACHMENT D



0000116169

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

KRISTIN K. MAYES - Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

Arizona Corporation Commission

DOCKETED

AUG 25 2010

DOCKETED BY ne

IN THE MATTER OF THE APPLICATION OF
JOHNSON UTILITIES, L.L.C., DBA JOHNSON
UTILITIES COMPANY FOR AN INCREASE IN
ITS WATER AND WASTEWATER RATES FOR
CUSTOMERS WITHIN PINAL COUNTY,
ARIZONA.

DOCKET NO. WS-02987A-08-0180

DECISION NO. 71854

OPINION AND ORDER

DATES OF HEARING:

January 27, February 26 (Procedural Conferences);
April 20, (Pre-Hearing Conference); April 23, 24, 27
(Hearing); July 23 (Procedural Conference/Oral
Arguments); September 21, 24, 25, October 1, 2, 5, 6,
and 7, 2009 (Hearing).

PLACE OF HEARING:

Phoenix, Arizona

ADMINISTRATIVE LAW JUDGE:

Teena Wolfe

APPEARANCES:

Mr. Jeffrey W. Crockett, Mr. Bradley S. Carroll and
Mr. Robert Metli, SNELL & WILMER, on behalf of
Johnson Utilities, LLC;

Mr. Craig A. Marks, CRAIG A. MARKS, PLC, on
behalf of Swing First Golf, LLC;

Ms. Jodi Jerich, Director, Mr. Daniel Pozefsky, Chief
Counsel and Ms. Michelle Wood, Staff Attorney, on
behalf of the Residential Utility Consumer Office;

Mr. James E. Mannato, Town Attorney, on behalf of
the Town of Florence; and

Ms. Nancy Scott, Ms. Ayesha Vohra, and Ms. Robin
Mitchell, Staff Attorneys, Legal Division, on behalf of
the Utilities Division of the Arizona Corporation
Commission.

1 closely monitor the Company's collection of CAGR D fees and the Company's treatment of monies
2 collected to pay the CAGR D fees. The Company was in favor of the establishment of a CAGR D
3 recovery mechanism, but was unwilling to agree to abide by the conditions that Staff argued are
4 necessary to safeguard the Company's ratepayers.

5 **1. Staff Proposed Adjustor and Conditions**

6 Staff recommended that the Company recover its CAGR D tax assessment through the use of
7 an adjustor mechanism, subject to specific enumerated conditions. Staff recommended that the
8 CAGR D adjustor mechanism only be authorized with the following conditions attached:
9

- 10 1. The initial adjustor fee shall apply to all water sold after the date new
11 rates from this case become effective. In order to calculate this initial
12 fee, the Company shall submit the 2008 data, as per condition No. 7
13 below, within 30 days of the date of the final order in this matter.
- 14 2. The Company shall, on a monthly basis, place all CAGR D monies
15 collected from customers in a separate, interest bearing account
16 ("CAGR D Account").
- 17 3. The only time the Company can withdraw money from the CAGR D
18 Account is to pay the annual CAGR D fee to the CAGR D, which is due
19 on October 15th of each year.
- 20 4. The Company must provide to Staff a semi-annual report of the
21 CAGR D Account and CAGR D use fees collected from customers and
22 paid to the CAGR D, with reports due during the last week of October
23 and the last week of April each year.
- 24 5. The Company must provide to Staff, every even-numbered year (first
25 year being 2010) by June 30th, the new firm rates set by the CAGR D
26 for the next two years.
- 27 6. The CAGR D adjustor fees shall be calculated as follows: The total
28 CAGR D fees for the most current year in the Phoenix AMA shall be
divided by the gallons sold in that year to determine a CAGR D fee per
1,000 gallons. Similarly, the total CAGR D fees for the most current
year in the Pinal AMA shall be divided by the gallons sold in that year
to determine a CAGR D fee per 1,000 gallons.
7. By August 25th of each year, beginning in 2010, the Company shall
submit for Commission consideration its proposed CAGR D adjustor
fees for the Phoenix and Pinal AMAs, along with the calculations and

1 documentation from the relevant state agencies to support the data used
 2 in the calculations. Failure to provide such documentation to Staff
 3 shall result in the immediate cessation of the CAGR D adjustor fee.
 Commission-approved fees shall become effective on the following
 October 1st.

4 8. If the CAGR D changes its current method of assessing fees (i.e. based
 5 on the current volume of water used by customers) to some other
 6 method, such as, but not limited to, future projection of water usage, or
 total water allocated to the Company, the Company's collection from
 customers of CAGR D fees shall cease.

7
 8 9. As a compliance item, the Company shall submit a new tariff reflecting
 9 the initial adjustor fee as per Condition No. 1 above and shall annually
 submit a new tariff reflecting the reset adjustor fee prior to the fee
 becoming effective.²⁴³

10 2. Company Arguments Against Conditions

11 The Company opposed or requested modification of Staff's recommended Condition Nos. 3,
 12 4,5, 7, and 8. Staff opposed the Company's requested modifications to Staff's recommended
 13 conditions.²⁴⁴

14 a. Condition No. 3

15
 16 The Company stated that it is concerned that Condition No. 3 lacks sufficient flexibility to
 17 allow for changes in CAGR D's payment policies and other policies with regard to the use of
 18 CAGR D monies.²⁴⁵ The Company submitted that it should be permitted to withdraw funds from the
 19 CAGR D account as necessary to comply with the conditions of its membership in the CAGR D, as
 20 those conditions exist now or as they may be modified in the future.²⁴⁶

21
 22 Staff stated that the Company's requested modification of Condition No. 3 should be
 23 disregarded, as the Company should not be allowed to spend funds in the CAGR D account for any
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27 ²⁴³ Staff Br. at 20-21, citing to Revised Surrebuttal Testimony of Jeffrey Michlik (Exh. S-43) at 4.

²⁴⁴ Staff Reply Br. at 21-23.

²⁴⁵ Rebuttal Testimony of Company witness Brian Tompsett (Exh. A-5) at 20.

²⁴⁶ *Id.*

1 purpose other than the CAGR D expense item than has been analyzed in this proceeding and that the
2 proposed adjustor is designed to recover.²⁴⁷

3 b. Condition No. 4

4 The Company argued that a single annual report, instead of the semi-annual report required
5 by Condition No. 4, would be sufficient for Staff's verification of the accounting for CAGR D
6 monies collected and remitted.²⁴⁸ Staff opposed the Company's requested modification of Condition
7 No. 4 because Staff believes it is important for the Commission to have the ability closely monitor
8 the Company's collection of CAGR D fees and the state of the CAGR D Account.²⁴⁹

9 c. Condition No. 5

10 The Company opposed Condition No. 5, arguing that the information it requires is publicly
11 available and it would be more efficient for Staff to obtain the information directly from CAGR D.²⁵⁰
12 The Company also argued that compliance with regulatory conditions adds costs that are ultimately
13 borne by the ratepayers and should only be imposed as necessary to achieve important regulatory
14 objectives.²⁵¹

15 Staff opposed modification of Condition No. 5 because the rates established by the CAGR D
16 involve calculations with many variables that may or may not be accessible or publicly available on
17 the CAGR D's website now or in the future.²⁵² Staff stated that because the Company will be in
18 possession of the information as part of its own record keeping and compliance requirements, it will
19 therefore be in the best position to provide the Commission and Staff with the information.²⁵³ Staff
20 indicated that as a result of this rate case, it lacks confidence in the Company's record keeping
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25 ²⁴⁷ Staff Br. at 21.

26 ²⁴⁸ Rebuttal Testimony of Company witness Brian Tompsett (Exh. A-5) at 20.

27 ²⁴⁹ Staff Br. at 22.

28 ²⁵⁰ Rebuttal Testimony of Company witness Brian Tompsett (Exh. A-5) at 20.

²⁵¹ *Id.* at 20-21.

²⁵² Staff Br. at 22.

²⁵³ *Id.*

1 abilities, and the submittal required by Condition No. 5 is necessary to confirm that the Company is
 2 charging its customers the correct rates.²⁵⁴

3 d. Condition No. 7

4 The Company stated that it is not clear what consideration or approval the Commission
 5 would exercise with regard to the assessment, and therefore opposes Condition No. 7.²⁵⁵ The
 6 Company argued that this requirement is unnecessary as the CAGR D assessments are fixed by
 7 CAGR D and are not subject to interpretation.²⁵⁶

8 Staff stated that Condition No. 7 is important because it allows the Company to receive the
 9 required documentation first from CAGR D, and Staff and the Commission must have the ability to
 10 review the calculations and documentation, including the CAGR D invoice.²⁵⁷ Staff stated that the
 11 language "for Commission consideration" should not be changed because it is standard language that
 12 allows the Commission to monitor and ultimately approve the exact adjustor fee charged to
 13 customers.²⁵⁸ Staff stated that the Commission review and approval process each year would ensure
 14 that the Company is submitting data to ADWR that is consistent with annual reports filed with the
 15 Commission, that the Company is not misinterpreting the correct assessment rate, and that the
 16 Company is calculating the customer fee correctly.²⁵⁹

17 e. Condition No. 8

18 The Company opposed Condition No. 8's requirement that the collection of fees cease should
 19 the CAGR D change its current method of assessing fees.²⁶⁰ The Company argued that if the
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25 ²⁵⁴ Staff Reply Br. at 8.

26 ²⁵⁵ Rebuttal Testimony of Company witness Brian Tompsett (Exh. A-5) at 21.

27 ²⁵⁶ *Id.*

28 ²⁵⁷ Staff Br. at 22; Tr. at 912.

²⁵⁸ Staff Br. at 22.

²⁵⁹ Staff Reply Br. at 8.

²⁶⁰ Rebuttal Testimony of Company witness Brian Tompsett (Exh. A-5) at 21.

1 CAGRD changes its method of assessing fees, that Johnson would likewise change the way it passes
2 through the fee to its customers, consistent with the CAGRD changes.²⁶¹

3 Staff stated that Condition No. 8 should be retained because it is unlikely that CAGRD would
4 change the assessment methodology without notice, and if it were changed, the Company could
5 request a modification of the approved methodology.

6 3. RUCO Proposed Expense Adjustment and Opposition to Adjustor

7 RUCO asserted that the use of an adjustor mechanism is not a necessary or appropriate
8 means for the recovery of CAGRD expense.²⁶² RUCO argued that the circumstances of the CAGRD
9 assessment do not warrant an adjustor mechanism because it is a routine yearly expense and because
10 its progressive increase is not volatile.²⁶³ RUCO stated that rate stability is important in today's
11 economic environment, and because adjustors lead to changes in residential ratepayers' rates, they
12 should be approved only in extraordinary circumstances.²⁶⁴ RUCO also argued that oversight of
13 Staff's proposed adjustor would unnecessarily and inappropriately increase the Staff's workload.²⁶⁵

14 RUCO recommended that the CAGRD be treated as an expense, and proposed a
15 normalization adjustment to test year expenses based on the known and measurable costs of the
16 Company's CAGRD assessments through 2010.²⁶⁶ RUCO's proposed adjustment is based on the
17 Company's test year water sold and a 2009-2010 composite of Phoenix AMA and Pinal AMA
18 CAGRD fees per thousand gallons.²⁶⁷ RUCO asserted that because the Company has stated an
19 intention to file a new rate case every three years, RUCO's recommended adjustment would provide
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25 ²⁶¹ *Id.*

²⁶² RUCO Br. at 8-14; Reply Br. at 5.

26 ²⁶³ RUCO Br. at 12-13.

²⁶⁴ *Id.*

27 ²⁶⁵ *Id.*

²⁶⁶ RUCO Br. at 8; 14; Tr. at 205; Direct Testimony of RUCO witness Rodney Moore (Exh. R-1) at 16-17; RUCO
Final Schedules RLM 7 and RLM-16.

28 ²⁶⁷ RUCO Final Schedule RLM-16.

1 the Company with complete recovery of the CAGR expense without requiring extraordinary
2 ratemaking treatment for a routine cost.²⁶⁸

3 In support of its recommendation that a CAGR adjustor mechanism be put in place for the
4 Company, Staff stated that the CAGR assessment represents a significant annual expense for the
5 Company, which is anticipated to progressively increase, and that in order to keep its membership in
6 the CAGR, the Company must pay the fee.²⁶⁹ Staff asserted that the CAGR assessment is
7 amenable to an adjustor mechanism because the assessment, unlike a pass-through tax, is not easily
8 calculated and assigned.²⁷⁰ Staff noted that the Commission has approved adjustor mechanisms
9 where appropriate in order to advance important policy concerns that protect the public interest.²⁷¹
10 Staff stated that the Commission has approved adjustors for expenses that are not extremely volatile
11 for Demand Side Management and the Renewable Energy Standards Tariff, based on a
12 determination that the advancement of energy conservation programs and the move to renewable
13 sources of energy were necessary policy considerations to advance the public interest.²⁷² Staff
14 opined that it would be appropriate, in the Commission's support of groundwater conservation, to
15 adopt the Staff's recommendation regarding an adjustor for the Company's CAGR assessment.
16
17

18 4. Conclusion

19 We agree with Staff that this Commission has in the past approved adjustor mechanisms
20 where appropriate to advance important policy concerns that protect the public interest. The
21 CAGR adjustor mechanism that Staff designed, inclusive of all eight conditions without
22 modification, appears to be a just and reasonable means of dealing with the costs of the CAGR.
23 Conservation and wise stewardship of increasingly stressed water supplies is a matter of paramount
24 concern in Arizona, and we believe that it is important to send appropriate signals to water
25

26 ²⁶⁸ RUCO Br. at 14.

27 ²⁶⁹ Staff Br. at 20, citing to Revised Surrebuttal Testimony of Jeffrey Michlik (Exh. S-43) at 1.

28 ²⁷⁰ *Id.*

²⁷¹ Staff Reply Br. at 7-8.

1 companies regarding their duty to fully engage in conservation programs administered by the
 2 ADWR. The CAGR D assessment fee is not discretionary for Companies such as Johnson Utilities,
 3 and the Commission believes that the CAGR D participation represents the kind of investment that is
 4 appropriate for timely cost recovery. To not allow the Company to recover its CAGR D costs in real
 5 time may threaten the Company's ability to participate in the CAGR D program and would send a
 6 negative signal to water providers regarding this Commission's support for sound regional
 7 approaches to achieving safe yield in Active Management Areas. While we are not satisfied with the
 8 Company's past accounting methodologies, and are supportive of the steps taken in this Order to
 9 require Johnson Utilities to come into compliance with NARUC accounting standards, we believe
 10 Staff's adjustor mechanism proposal will accord the Commission maximum oversight over the
 11 application of the adjustor mechanism. We will therefore approve the CAGR D adjustor mechanism,
 12 inclusive of all eight conditions proposed by Staff.
 13

14 **B. Rate Case Expense**

15 The Company requested recovery of \$100,000 in rate case expense for each division.²⁷³
 16 There was no disagreement on the amount of expense. Staff recommended normalization of the
 17 expense over three years, and the Company agreed.²⁷⁴ RUCO recommended an amortization of five
 18 years to reflect the Company's propensity for not timely filing rate applications.²⁷⁵ The Company
 19 pointed out that RUCO's CAGR D expense normalization assumed that the Company would be filing
 20 a rate case in three years.²⁷⁶ We find that the three year normalization period is appropriate, and will
 21 adopt it.
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 23
 24
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26 ²⁷² *Id.*

27 ²⁷³ Rebuttal Testimony of Company witness Thomas Bourassa (Exh. A-2) Vol. II at 23.

28 ²⁷⁴ *Id.*

²⁷⁵ RUCO Br. at 7.

ATTACHMENT E

**THE TERMS AND CONDITIONS TARIFFS FOR ALL
GLOBAL WATER AND WASTEWATER UTILITIES
WILL BE FILED ON FRIDAY, AUGUST 16, 2013**

ATTACHMENT F

Attachment F

Tariffs to be filed under the Settlement Agreement

Tariff	Agreement Section	Utility	Due Date
Hook Up Fee Tariffs	7.2	All Applicants	Within 30 days of Decision (Takes effect on effective date of order)
Hook Up Fee Tariffs	7.2	Picacho Water, Picacho Utilities, Hassayampa	Within 30 days of Decision
Low Income Tariff	8.1	Northern Scottsdale	Within 30 days of Decision (Takes effect on effective date of order)
CAGR D Tariff	8.2	Greater Tonopah	Within 30 days of Decision
BMP Tariff	8.3	Northern Scottsdale	Within 30 days of Decision
Rate Tariffs	8.5	All Applicants	Within 30 days of Decision (effective January 1, 2014)
Terms and Conditions Tariff	8.4	All Applicants	Within 30 days of Decision
Code of Conduct	8.7	All Applicants	May 2, 2014

List of other filings required by the Agreement

Filing	Agreement Section	Utility	Due Date
Hook Up Fee Report	7.3	All	Annual, per tariffs
Hook Up Fee Compliance Affidavit	7.3	All	Annual

Filing	Agreement Section	Utility	Due Date
CAGR D semi-annual reports	8.2	Greater Tonopah	Last week of April and October, each year
CAGR D rates	8.2	Greater Tonopah	June 30 of even numbered years
CAGR D annual rate	8.2	Greater Tonopah	August 25, each year
Water Loss Reports	9.1	Valencia-Town; Valencia-Buckeye; Greater Tonopah; Santa Cruz; Willow Valley	May of each year