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BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

COMMISSIONERS

- BOB STUMP - Chairman
- GARY PIERCE
- BRENDA BURNS
- BOB BURNS
- SUSAN BITTER SMITH

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

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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 16 2013

DOCKETED BY
[Signature]

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

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

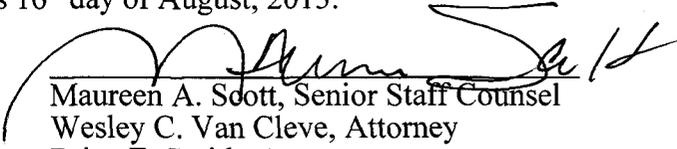
DOCKET NO. W-01732A-12-0315

STAFF'S NOTICE OF ERRATA

10 On August 13, 2013, Staff of the Arizona Corporation Commission (“Staff”) filed a proposed
11 Settlement Agreement between Staff, the Residential Utility Consumer Office (“RUCO”), the Global
12 Applicants,¹ the Global Intervenors,² the Province Community Homeowners Association, the Rancho
13 El Dorado Phase III Homeowners Association, the Cobblestone Farms Homeowners Association and
14 any additional parties signing on pursuant to § 11.7 of the Settlement Agreement in this case.
15 Attachment A to the proposed Settlement Agreement contained the schedules for all of the Global
16 Applicants.

17 Attached are several corrections to Schedule H-3 for each Global Applicants. These pages
18 should replace the H-3 Schedules contained in Staff’s August 13, 2013 filing for each of the Global
19 Applicants.

20 RESPECTFULLY SUBMITTED this 16th day of August, 2013.

21 
22 Maureen A. Scott, Senior Staff Counsel
23 Wesley C. Van Cleve, Attorney
24 Brian E. Smith, Attorney
25 Legal Division
26 Arizona Corporation Commission
27 1200 West Washington Street
28 Phoenix, Arizona 85007
(602) 542-3402

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 16th day
3 of August, 2013, with:

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

6 Copy of the foregoing mailed this
7 19th day of August, 2013 to:

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10 Roshka DeWulf & Patten, PLC
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13 Global Water Management
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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	78.34	79.87
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	1,586.85	1,594.41
8" Meter	3,088.00	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

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	2017	2018	2019	2020	2021
5/8" X 3/4" Meter	\$ 62.91	\$ 62.91	\$ 64.34	\$ 65.88	\$ 66.61	\$ 67.34	\$ 68.06	\$ 68.79	\$ 69.53
3/4" Meter	62.91	62.91	64.34	65.88	66.61	67.34	68.06	68.79	69.53
1" Meter	157.28	157.28	160.87	164.70	166.53	168.35	170.16	171.99	173.83
1.5" Meter	314.55	314.55	321.72	329.40	333.05	336.69	340.31	343.96	347.64
2" Meter	503.28	503.28	514.75	527.30	532.87	538.71	544.50	550.34	556.23
3" Meter	1,006.56	1,006.56	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	1,572.75	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	3,154.50	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	5,032.80	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

All Gallons (Per Acre Foot)	Volumetric Charge								
	Present	Proposed							
		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	
Re-establishment of Service (Within 12 Months)	(a)	(a)	
Reconnection of Service (Delinquent)	35.00	35.00	
Reconnection of Service - After Hours (Delinquent)	50.00	Eliminate	
Meter Move at Customer Request	NA	NA	
After Hours Service Charge, Per Hour**	50.00	Eliminate	
After-Hours Service Charge	NA	\$35.00	
Deposit	(b)	(b)	
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).

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

Settlement Schedule H-3
Page 2 of 2

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	\$1,677.60	\$3,355.20	\$5,032.80

OPERATING INCOME ADJUSTMENT #5 - PROPERTY TAX EXPENSE GRCF 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 Multiplier	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	16,000	\$ 6.00	1,000	3.45
Tier Two Breakover	over 16,000	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

Conservation Rebate Threshold ("CRT") in Gallons
Commodity rate rebate applied if consumption is below the CRT:

	Present	Proposed
	N/A	7,001
	N/A	20%

Miscellaneous Service Charges	Present	Proposed	Change
Establishment of Service	\$ 30.00	\$ 30.00	\$ -
Establishment of Service (After Hours)	45.00	Eliminate	-
Re-establishment of Service (Within 12 Months)	**	**	-
Reconnection of Service (Delinquent)	30.00	30.00	-
Reconnection of Service - After Hours (Delinquent)	N/A	Eliminate	-
Meter Move at Customer Request	N/A	at cost	-
After-Hours Service Charge	N/A	35.00	-
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%	-
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
2014

Schedule H-4

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%

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	\$ 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
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

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	\$ 1.18	\$ 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

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	2.66	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 :	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

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	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	730.25	735.50	740.25	745.00	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	Proposed	Present	Proposed							
				2014	2015	2016	2017	2018	2019	2020	2021
Tier One Breakover	1,000 Gallons	1,000 Gallons	\$ 1.30	\$ 1.30	\$ 1.35	\$ 1.39	\$ 1.41	\$ 1.42	\$ 1.43	\$ 1.45	\$ 1.45
Tier Two Breakover	5,000 Gallons	5,000 Gallons	2.12	2.12	2.20	2.27	2.29	2.31	2.33	2.36	2.36
Tier Three Breakover	10,000 Gallons	10,000 Gallons	2.94	2.94	3.05	3.15	3.18	3.21	3.24	3.27	3.27
Tier Four Breakover	18,000 Gallons	18,000 Gallons	3.76	3.76	3.90	4.03	4.06	4.10	4.14	4.18	4.18
Tier Five Breakover	25,000 Gallons	25,000 Gallons	4.58	4.58	4.75	4.90	4.95	5.00	5.04	5.09	5.10
Tier Six Breakover	Over 25,000	Over 25,000	5.48	5.48	5.69	5.87	5.92	5.98	6.04	6.09	6.10

Conservation Rebate

	Present	Proposed	
		2014	2015 and thereafter
Threshold ("CRT") in Gallons	7,001	7,001	6,001
Commodity rate rebate: (applied if consumption is below the CRT)	65%	65%	60%

*Includes all potable water meters including irrigation meters.

Non-Potable Raw Water - All Meter Sizes and Classes

	Volumetric Charge								
	Present	Proposed							
		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

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

Settlement D-1

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	\$ 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	2,112.00	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:	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	1.64	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%