0000160282

WS-01303A-14-0010

PART 2 OF 2
BARCODE # 0000160282

To review Part 1 please see:

BARCODE #0000160281

Mohave Water
Test Year Ended June 30, 2013
Computation of Increase in Gross Revenue Requirement

Exhibit
Schedule A-1 Rebuttal
Page 1
Witness:

Line No.			
1	Original Cost Rate Base	$	23,562,869
2			
3	Adjusted Operating Income	$	451,252
4			
5	Current Rate of Return		1.92%
6			
7	Required Operating Income	$	1,604,631
8			
9	Required Rate of Return		6.81%
10			
11	Operating Income Deficiency	$	1,153,380
12			
13	Gross Revenue Conversion Factor		1.6382
14			
15	Increase in Gross Revenue		
16	Requirement	$	1,889,415

17					
18	Customer	Present	Proposed	Dollar	Percent
19	Classification	Rates	Rates	Increase	Increase
20					
21	Residential	$ 4,750,534	$ 6,305,949	$ 1,555,415	32.7%
22	Commercial	1,231,245	1,507,072	275,826	22.4%
23	Other Public Authority	233,159	317,530	84,371	36.2%
24	Fire	35,756	44,091	8,335	23.3%
25	Declining Usage Adjustment	(117,698)	(152,229)	(34,531)	29.3%
26					
27	Total Water Revenues	$ 6,132,996	$ 8,022,412	$ 1,889,416	30.81%
28					
29	Other Revenues	$ 221,297	$ 221,297	$ -	0.0%
30					
31	Total Revenues	$ 6,354,293	$ 8,243,708	$ 1,889,416	29.73%

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46 Supporting Schedules:
47 B-1 Rebuttal
48 C-1 Rebuttal
49 H-1 Rebuttal
50 \2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls

Mohave Water
Test Year Ended June 30, 2013
Summary of Fair Value Rate Base

Exhibit
Schedule B-1 Rebuttal
Page 1
Witness: Hubbard

Line No.			Original Cost Rate Base
1			
2	Gross Utility Plant in Service	$	46,731,131
3			
4	Less:		
5			
6	Accumulated Depreciation		15,934,125
7			
8	Net Utility Plant in Service	$	30,797,006
9			
10	Less:		
11			
12	Advances in Aid of Construction	$	7,012,710
13			
14	Contribution in Aid of Construction -		
15	Net of Amortization		481,135
16			
17	Customer Meter Deposits		8,257
18	Deferred Income Taxes & Credits		696,852
19	Investment Tax Credits		-
20	Regulatory Liabilities		(0)
21			
22	Plus:		
23	Deferred Debits		830,910
24	Working Capital Allowance		133,907
25	Utility Plant Acquisition Adjustment		-
26			
27			
28	Total Rate Base	$	23,562,869
29			
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41	Supporting Schedules:		
42	B-2 Rebuttal		
43	B-5 Rebuttal		
44	B-3		
45	E-1		
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49			
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Recap Schedules:
A-1 Rebuttal

Mohave Water
Test Year Ended June 30, 2013
Original Cost Rate Base Pro Forma Adjustments

Exhibit
Schedule B-2 Rebuttal
Page 1
Witness: Hubbard

Line No.		Company Rebuttal						
		[A] Adjusted End of Test Year	[B] ADJ SLH-1R Working Capital Adjustment	[C] ADJ SLH-2R *Not Used*	[D] ADJ SLH-3R 24 Month Deferral AFUD(Adjustment	[E] ADJ SLH-4R Regulatory Liability Adjustment	[F] Total Rebuttal Pro Forma Adjustments	[G] Rebuttal Adjusted End of Test Year
1	Gross Utility							
2	Plant in Service	$ 46,731,131					$ -	$ 46,731,131
3								-
4	**Less:**							-
5								-
6	Accumulated Depreciation	15,934,125					-	15,934,125
7								
8	Net Utility Plant							
9	in Service	$ 30,797,006	$ -	$ -	$ -	$ -	$ -	$ 30,797,006
10								
11	**Less:**							
12	Advances in Aid of							
13	Construction	7,012,710					-	7,012,710
14	Contributions in Aid of	-					-	-
15	Construction - Net	481,135					-	481,135
16								
17								
18	Customer Meter Deposits	8,257					-	8,257
19	Deferred Income Taxes	696,852					-	696,852
20	Investment Tax Credits	-					-	-
21	Regulatory Liabilities	106,450				(106,450)	(106,450)	(0)
22								
23	**Plus:**							
24	Deferred Debits	873,903			(42,994)		(42,994)	830,910
25	Working Capital Allowance	131,008	2,899				2,899	133,907
26	Utility Plant Acquisition Adjustment	-					-	-
27								
28	Total	$ 23,496,514	$ 2,899	$ -	$ (42,994)	$ 106,450	$ 66,355	$ 23,562,869
29								
30	Supporting Schedules:							
31	B-3, B-5 Revised							
32	E-1							
33								
34								
35	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls							

Line No.

1 **Regulatory Liability Reversal**

2

3 The Company has agreed to staff's adjustment to revenues for the over collected
4 Low Income Program Funds. Removal of the Liability is appropriate given the
5 change in treatment.

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10	Overcollection of Mohave Water Low Income Program	$	106,450
11			
12			
13	Increase/Decrease to Rate base	$	106,450

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43 Workpapers and Supporting Documents
44 \2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls
45

Mohave Water
Test Year Ended June 30, 2013
Rate Base Adjustment SLH-3R

Exhibit
Schedule B-2
Page 2
Witness: Hubbard

Line No.			
1	**24-Month Deferral Request**		
2	On October 14, 2012, Mohave Water Water filed Docket No. W-01303A-12-0427		
3	seeking approval of an accounting order to defer Post-in-Service AFUDC and		
4	Depreciation on investment between rate filings. This filing was withdrawn June		
5	27, 2013 to enable the Company to pursue those deferrals on an individual district		
6			
7			
8	Pro Forma 24-Month Deferral Balance	$	763,868
9	Test Year filed 24-Month Deferral Balance	$	806,861
10			
11	Increase / (Decrease) in Deferred Debits	$	(42,994)
12			
13			
14	Increase / (Decrease) to Rate Base	$	(42,994)
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44			
45	Workpapers and Supporting Documents		
46	\2-yr Deferral Request & Recovery		
47	\Rate Impact for Public Notices.xls		
48	\Test Year Adjustments 12-19.xlsx		
49	\Test Year REBUTTAL Adjustments 02-09.xlsx		
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Mohave Water
Test Year Ended June 30, 2013
Computation of Working Capital Allowance

Exhibit
Schedule B-5 Rebuttal
Page 1
Witness: Hubbard

Line No.			
1			
2	Cash Working Capital Requirement	$	(12,272)
3	Required Bank Balances[1]		-
4	Material and Supplies Inventories[1]		110,557
5	Prepayments[1]		35,622
6			
7	Total Working Capital Allowance	$	133,907
8			
9	Less Company amount in Original Filing	$	131,008
10			
11	Increase / (Decrease) to Working Capital Allowance	$	2,899
12			
13			
14	Increase / (Decrease) to Rate Base	$	2,899
15			
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18			
19	[1] Calculated using thirteen-month averages.		
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43	Supporting Schedules:	Recap Schedules:	
44	E-1	B-1 Revised	
45			
46	Workpapers & Supporting Documents		
47	\ #9 B - Materials and Supplies Prepayments & Deferred Cost.xlsx		
48	\ Lead-Lag Workpapers		
49			
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Mohave Water
Test Year Ended June 30, 2013
Lead/Lag Study - Working Cash Requirement

Exhibit
Schedule B-6 Rebuttal
Page 1
Witness: Hubbard

Line No.	Description	Test Year Adjusted Results	Revenue Lag Days	Expense Lag Days	Net Lag Days	Lead/ Lag Factor	Cash Working Capital Required
	[a]	[b]	[c]	[d]	[e] = [c] - [d]	[f] = [e] / 365	[g] = [b] x [f]
1	OPERATING EXPENSES						
2	Labor	$ 1,383,642	41.140	30.633	10.507	0.029	$ 39,830
3	Purchased Water	26,831	41.140	113.080	(71.940)	(0.197)	(5,288)
4	Fuel & Power	546,720	41.140	50.442	(9.302)	(0.025)	(13,933)
5	Chemicals	10,916	41.140	7.000	34.140	0.094	1,021
6	Waste Disposal	7,886	41.140	32.095	9.045	0.025	195
7	Intercompany Support Services	950	41.140	30.417	10.723	0.029	28
8	Corporate Allocation	322,082	41.140	30.420	10.720	0.029	9,460
9	Outside Services	192,587	41.140	32.333	8.807	0.024	4,647
10	Group Insurance	425,293	41.140	(10.716)	51.856	0.142	60,422
11	Regulatory Expense	85,438	41.140	(33.098)	74.238	0.203	17,377
12	Insurance Other Than Group	101,045	41.140	64.901	(23.761)	(0.065)	(6,578)
13	Customer Accounting	646,115	41.140	49.826	(8.686)	(0.024)	(15,375)
14	Rents	16,923	41.140	39.565	1.575	0.004	73
15	General Office Expense	238,703	41.140	32.570	8.570	0.023	5,605
16	Miscellaneous	55,680	41.140	25.947	15.193	0.042	2,318
17	Maintenance Expense	377,160	41.140	45.634	(4.494)	(0.012)	(4,644)
18							
19							
20	TAXES						
21	Property Taxes	$ 180,360	41.140	213.250	(172.110)	(0.472)	(85,046)
22	Taxes - Payroll	85,375	41.140	26.402	14.738	0.040	3,447
23	Taxes -Other	64,454	41.140	(130.592)	171.732	0.470	30,326
24	Income Tax	612,733	41.140	41.750	(0.610)	(0.002)	(1,024)
25							
26	Interest	$ 603,209	41.140	74.500	(33.360)	(0.091)	(55,132)
27							
28							
29							
30							
31	WORKING CASH REQUIREMENT	$ 5,984,102					$ (12,272)
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43	Supporting Schedules:		Recap Schedules:				
44	C-1 Rebuttal		B-5 Rebuttal				
45							
46	Workpapers & Supporting Documents						
47							
48							
49							
50	\2013 Paradise Valley Water Sch. A-F.xls						

Mohave Water
Test Year Ended June 30, 2013
Adjusted Test Year Income Statement

Exhibit
Schedule C-1 Rebuttal
Page 1
Witness: Murrey

Line No.		[A] Adjusted Test Year Results	[B] Total Rebuttal Pro Forma Adjustments	[C] Test Year Adjusted Results	[D] Proposed Rate Increase	[E] Adjusted with Rate Increase
1	**Revenues**					
2	Water Revenues	$ 6,132,996	$ 35,483	$ 6,168,480	$ 1,889,415	$ 8,057,895
3	Other Revenues	221,297	-	221,297		221,297
4		$ 6,354,293	$ 35,483	$ 6,389,776	$ 1,889,415	$ 8,279,192
5						
6	**Operating Expenses**					
7	Labor	$ 1,389,973	$ (6,331)	$ 1,383,642	-	$ 1,383,642
8	Purchased Water	26,831	-	26,831	-	26,831
9	Fuel & Power	546,720	-	546,720	-	546,720
10	Chemicals	10,916	-	10,916	-	10,916
11	Waste Disposal	7,886	-	7,886	-	7,886
12	Intercompany Support Services	950	-	950	-	950
13	Corporate Allocation	347,018	(24,936)	322,082	-	322,082
14	Outside Services	192,587	-	192,587	-	192,587
15	Group Insurance	418,599	-	418,599	-	418,599
16	Pensions	6,694	-	6,694	-	6,694
17	Regulatory Expense	85,438	-	85,438	-	85,438
18	Insurance Other Than Group	101,045	-	101,045	-	101,045
19	Customer Accounting	581,279	50,590	631,868	14,246	646,115
20	Rents	16,923	-	16,923	-	16,923
21	General Office Expense	247,950	(9,248)	238,703	-	238,703
22	Miscellaneous	50,657	5,023	55,680	-	55,680
23	Maintenance Expense	377,160	-	377,160	-	377,160
24	Depreciation & Amortization	1,331,139	(37,471)	1,293,668	-	1,293,668
25	General Taxes-Property	163,376	906	164,282	16,079	180,360
26	General Taxes-Other	149,829	-	149,829	-	149,829
27	Income Taxes	(114,941)	21,964	(92,977)	705,711	612,733
28						
29	**Total Operating Expenses**	$ 5,938,027	$ 497	$ 5,938,524	$ 736,036	$ 6,674,560
30	**Utility Operating Income**	$ 416,266	$ 34,986	$ 451,252	$ 1,153,380	$ 1,604,631
31	**Other Income & Deductions**					
32	Other Income & Deductions	$ -	$ -	$ -		$ -
33	Interest Expense	601,511	1,698	603,209		603,209
34	Other Expense	-	-	-		-
35	Gain/Loss Sale of Fixed Assets	-	-	-		-
36	**Total Other Income & Deductions**	$ (601,511)	$ (1,698)	$ (603,209)	$ -	$ (603,209)
37	**Net Profit (Loss)**	$ (185,245)	$ 33,288	$ (151,958)	$ 1,153,380	$ 1,001,422
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43						
44	Supporting Schedules:					Recap Schedules
45	E-2 Revised					A-1 Rebuttal
46	C-2 Rebuttal					
47						
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49						
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls					

Mohave Water
Test Year Ended June 30, 2013
Income Statement Pro Forma Adjustments

Exhibit
Schedule C-2 Rebuttal
Page 1
Witness: Murrey

Line No.		[A]	Page 3 [B] ADJ SM-1R *Accept STF ADJ #1*	Page 4 [C] ADJ SLH-2R *Revised STF ADJ #2*	Page 5 [D] ADJ SM-3R *Revised STF ADJ #3*	Page 6 [E] ADJ SM-4R *Revised STF ADJ #4*	Page 7 [F] ADJ SM-5R *Revised STF ADJ #5*	Page 8 [G] ADJ SM-6R *Revised STF ADJ #6*	*Not Used* [H] ADJ SM-7R *Revised Staff Adj #8*	Page 9 [I] ADJ SM-8R	*Not Used* [J] ADJ SM-9R *Ruco Adj #8*
		Adjusted Test Year Results	Water Revenue (Sun City and Mohave Water only)	Depreciation Expense	Property Tax	Federal and State Income Tax	Arizona Corporate Allocations	Water Testing	Chemical Expense (Tubac only)	Interest Synchronization	Tank Maintenance
1	**Revenues**										
2	Water Revenues	$ 6,132,996	$ 35,483								
3	Other Revenues	221,297									
4		$ 6,354,293	$ 35,483	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5											
6	**Operating Expenses**										
7	Labor	$ 1,389,973									
8	Purchased Water	26,831									
9	Fuel & Power	546,720									
10	Chemicals	10,916									
11	Waste Disposal	7,886									
12	Intercompany Support Services	950									
13	Corporate Allocation	347,018									
14	Outside Services	192,587									
15	Group Insurance	418,599									
16	Pensions	6,694									
17	Regulatory Expense	85,438									
18	Insurance Other Than Group	101,045									
19	Customer Accounting	581,279					50,387				
20	Rents	16,923									
21	General Office Expense	247,950									
22	Miscellaneous	50,657						5,535			
23	Maintenance Expense	377,160									
24	Depreciation & Amortization	1,331,139		(33,684)			(1,950)				
25	General Taxes-Property	163,376			906						
26	General Taxes-Other	149,829									
27	Income Taxes	(114,941)				21,964					
28											
29	**Total Operating Expenses**	$ 5,938,027	$ -	$ (33,684)	$ 906	$ 21,964	$ 48,437	$ 5,535	$ -	$ -	$ -
30	**Utility Operating Income**	$ 416,266	$ 35,483	$ 33,684	$ (906)	$ (21,964)	$ (48,437)	$ (5,535)	$ -	$ -	$ -
31	**Other Income & Deductions**										
32	Other Income & Deductions	$ -									
33	Interest Expense	601,511									
34	Other Expense	-								1,698	
35	Gain/Loss Sale of Fixed Assets	-									
36	**Total Other Income & Deductions**	$ (601,511)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (1,698)	$ -
37	**Net Profit (Loss)**	$ (185,245)	$ 35,483	$ 33,684	$ (906)	$ (21,964)	$ (48,437)	$ (5,535)	$ -	$ (1,698)	$ -
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43											
44	Supporting Schedules:										
45	E-6										
46	Workpapers & Supporting Documents:										

Mohave Water
Test Year Ended June 30, 2013
Income Statement Pro Forma Adjustments

Exhibit
Schedule C-2 Rebuttal
Page 2
Witness: Murrey

Line No.		Page 10 [K] ADJ SM-10R *Revised RUCO Adj # 6 Staff Adj # 5g* General Office Expense	Page 11 [I] ADJ SLH-11R *Revised Ruco Adj # 6, Staff Adj # 5* Corporate Allocations	Page 12 [M] ADJ SLH-12R 24 Month Deferral AFUDC Ammortization	*Not Used* [N] ADJ SM-13R *Revised RUCO Adj #1* 6" New Meter Annualization	Page 13 [O] ADJ SM-14R *Revised RUCO Adj #2* Customer Accounting	Page 14 [P] ADJ SLH-15R *Revised Ruco Adj # 6, Staff Adj # 5* Arizona Labor	[J] Total Rebuttal Pro Forma Adjustments	[K] Test Year Adjusted Results	[L] Proposed Rate Increase	[M] Adjusted with Rate Increase
1	**Revenues**										
2	Water Revenues							$ 35,483	$ 6,168,480	$ 1,889,415	$ 8,057,895
3	Other Revenues							-	221,297		221,297
4		$ -	$ -	$ -	$ -	$ -	$ -	$ 35,483	$ 6,389,776	$ 1,889,415	$ 8,279,192
5											
6	**Operating Expenses**										
7	Labor						(6,331)	$ (6,331)	$ 1,383,642		$ 1,383,642
8	Purchased Water							-	26,831		26,831
9	Fuel & Power							-	546,720		546,720
10	Chemicals							-	10,916		10,916
11	Waste Disposal							-	7,886		7,886
12	Intercompany Support Services							-	950		950
13	Corporate Allocation		(24,936)					(24,936)	322,082		322,082
14	Outside Services							-	192,587		192,587
15	Group Insurance							-	418,599		418,599
16	Pensions							-	6,694		6,694
17	Regulatory Expense							-	85,438		85,438
18	Insurance Other Than Group							-	101,045		101,045
19	Customer Accounting					203		50,590	631,868	14,246	646,115
20	Rents							-	16,923		16,923
21	General Office Expense	(9,248)						(9,248)	238,703		238,703
22	Miscellaneous	(512)						5,023	55,680		55,680
23	Maintenance Expense							-	377,160		377,160
24	Depreciation & Amortization			(1,837)				(37,471)	1,293,668		1,293,668
25	General Taxes-Property							906	164,282	16,079	180,360
26	General Taxes-Other							-	149,829		149,829
27	Income Taxes							21,964	(92,977)	705,711	612,733
28											
29	**Total Operating Expenses**	$ (9,760)	$ (24,936)	$ (1,837)	$ -	$ 203	$ (6,331)	$ 497	$ 5,938,524	$ 736,036	$ 6,674,560
30	**Utility Operating Income**	$ 9,760	$ 24,936	$ 1,837	$ -	$ (203)	$ 6,331	$ 34,986	$ 451,252	$ 1,153,380	$ 1,604,631
31	**Other Income & Deductions**										
32	Other Income & Deductions							$ -	$ -		$ -
33	Interest Expense							1,698	603,209		603,209
34	Other Expense							-	-		-
35	Gain/Loss Sale of Fixed Assets								-		-
36	**Total Other Income & Deductions**	$ -	$ -		$ -	$ -	$ -	$ (1,698)	$ (603,209)	$ -	$ (603,209)
37	**Net Profit (Loss)**	$ 9,760	$ 24,936	$ 1,837	$ -	$ (203)	$ 6,331	$ 33,288	$ (151,958)	$ 1,153,380	$ 1,001,422
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42											
43											
44	Supporting Schedules:										
45	E-6										
46	Workpapers & Supporting Documents:										

Recap Schedules:
C-1 Rebuttal

Mohave Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-1R

Exhibit
Schedule C-2 Rebuttal
Page 3
Witness: Murrey

Line No.

1 Water Revenue
2 Company accepts Staff ADJ #1 - Water Revenues which refunds the overcollection of revenue from the Mohave Water low income program
3 over a three year period.
4
5
6

7	Overcollection of Mohave Water Low Income Program	$ 106,450
8		
9	Refund over 3 year period	3
10		
11	Annual Refund	$ 35,483
12		
13	Increase / (Decrease) in Water Revenues	$ 35,483
14		
15	Adjustment to Revenue and/or Expense	$ 35,483

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47 Workpapers & Schedules
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49 \2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls
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Mohave Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SLH-2R

Exhibit
Schedule C-2 Rebuttal
Page 4
Witness: Hubbard

Line No.

1 Depreciation Expense

	EPCOR	Staff Proposed	Difference STF ADJ #2
	Mohave Water	Mohave Water	Mohave Water
Depreciation Expense	$ 1,331,139	$ 1,270,161	$ (60,978)

Staff Adjustment # 2 Depreciation Expense $ (60,978)

Amounts Company Rejected

24 Month Deferral Disallowance	$ (22,070)	
CIAC Depreciation Difference	$ (2,429)	
Regulatory Asset Ammortization	$ (2,795)	
Total Amount Rejected		$ (27,294)

Amounts Company Accepted

Difference from Calculated Depreciation Exp	$ 221	M
Difference from Over Depreciated Assets	$ (33,905)	1]
Total Amount Accepted		$ (33,684)

Increase / (Decrease) in Depreciation and Amortization Expense $ (33,684)

Rebuttal Adjustment to Revenue and/or Expense $ (33,684)

1]

NARUC	Description	PPE Balance	Depr Rate	Depr Expense
320100	Water Treatmei	$ 96,933	5.00%	$ 4,847
342000	Stores Equipme	$ 1,420	4.00%	$ 57
341100	Trans Equipm L	$ 99,015	20.00%	$ 19,803
344000	Laboratory Equi	$ 7,623	4.00%	$ 305
345000	Power Operatec	$ 171,959	5.00%	$ 8,598
340300	Computer Softw	$ 1,477	20.00%	$ 295
	Total	$ 378,427		$ 33,905

Workpapers & Schedules
Depreciation Expense Adjustments Staff Vs Company
\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls

Mohave Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-3R

Exhibit
Schedule C-2 Rebuttal
Page 5
Witness: Murrey

Line No.		[A] Property Tax Expense	[B] Property Tax Expense For Conversion Factor
1			
2	Adjust Property Taxes to Reflect Proposed Revenues:		
3			
4	Adjusted Revenues in Year Ended June 2013	$ 6,389,776	$ 6,389,776
5	Adjusted Revenues in Year Ended June 2013	6,389,776	6,389,776
6	Proposed Revenues	6,389,776	8,279,192
7	Average of Three Year's of Revenue	$ 6,389,776	$ 7,019,581
8	Average of Three Year's of Revenue, times 2	$12,779,553	$14,039,163
9	Add:		
10	Construction Work in Progress at 10%	90,135	90,135
11	Deduct:		
12	Net Book Value of Transportation Equipment	$ -	$ -
13			
14	Full Cash Value	$ 12,869,687	$ 14,129,298
15	Assessment Ratio (For 2015 per HB 2001 Sec 42-15001)	18.5%	18.5%
16	Assessed Value	$ 2,380,892	$ 2,613,920
17	Property Tax Rate	6.90%	6.90%
18			
19	Property Tax	164,282	180,360
20	Tax on Parcels	-	-
21			
22	Adjusted Test Year Property Taxes at Present Rates (Line 19+Line 20, Col [A])	$ 164,282	
23	Rebuttal AdjustedTest Year Property Taxes	163,376	
24	Adjustment to Revenue and/or Expense (To Sch C-2)	$ 906	
25			
26	Adjusted Test Year Property Taxes at Proposed Rates (Line 19+Line 20, Col [B])		$ 180,360
27	Adjusted Test Year Property Taxes at Present Rates (Line 22, Col [A])		164,282
28	Additional Property Taxes on Proposed Revenues (To Sch C-2)		$ 16,079
29			
30			
31			
32	CALCULATION OF PROPERTY TAX FACTOR TO COMPUTE GROSS REVENUE CONVERSION FACTOR (SCH C-3):		
33			
34	Increase in Property Tax Due to Increase in Revenue Requirement (Line 28, Col [B])		$ 16,079
35			
36	Increase in Revenue Requirement (From Sch. A1)		$ 1,889,415
37			
38	Increase in Property Tax Per Dollar Increase in Revenue (Line 34/Line 36)		0.85%
39			
40			
41			
42			
43			
44	Workpapers & Supporting Documents:		
45			
46			
47			
48			
49			
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Mohave Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-4R

Exhibit
Schedule C-2 Rebuttal
Page 6
Witness: Murrey

Line No.			Test Year Adjusted Results	Adjusted with Rate Increase
1	Federal and State Taxes			
2				
3				
4	Operating Income Before Inc. Taxes		$ 358,275	$ 2,217,365
5	Interest Expense		603,209	603,209
6	Arizona Taxable Income		$ (244,935)	$ 1,614,155
7				
8	Less: Arizona Income Tax		$ (14,696)	$ 96,849
9	Arizona Income Tax Rate =	6.00%		
10				
11	Federal Income Before Taxes		$ (244,935)	$ 1,614,155
12	Less: Arizona Income Taxes		$ (14,696)	$ 96,849
13	Federal Taxable Income		$ (230,239)	$ 1,517,306
14				
15				
16				
17				
18				
19				
20				
21				
22	Federal Income Taxes:	34.00%	$ (78,281)	$ 515,884
23				
24				
25	Total Income Tax		$ (92,977)	$ 612,733
26				
27	Tax Rate		37.96%	37.96%
28				
29	Effective Income Tax Rates			
30	State		6.00%	6.00%
31	Federal		31.96%	31.96%
32				
33				
34	Test Year Income Taxes, Per Books		$ (114,941)	
35	Increase in Income Taxes		$ 21,964	
36				
37	Adjustment to Revenues and/or Expense		$ 21,964	
38				
39	Test Year Income Taxes, Adjusted			$ (92,977)
40	Increase in Income Taxes			$ 705,711
41				
42	Adjustment to Revenue and/or Expense			$ 705,711
43				
44				
45				
46	Workpapers & Supporting Documents:			
47				
48				
49				
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls			

Mohave Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-5R

Exhibit
Schedule C-2 Rebuttal
Page 7
Witness: Murrey

Line No.					
1	**Depreciation Expense Pro Forma**	Mohave Water 4 Factor	7.9%		
2					
3					
4	The Company accepts Staff's proposal to remove Year 2000 software costs.				
5					
6	Depreciation Expense in cost pool		$ 24,699		
7	Remove: Year 2000 Software costs		$ (24,699)		
8	Depreciation Expense to be allocated		$ -		
9		0	7.9%		
10					
11	Total Pro Forma Depreciation Expense allocated			$	-
12					
13	Test Year Depreciation Expense in cost pool		$ 24,699		
14		0	7.9%		
15					
16	Test Year Depreciation Expense allocated			$	1,950
17					
18	Increase / (Decrease) in Depreciation Expense			$	(1,950)
19					
20	Rebuttal Adjustment to Revenue and/or Expense			$	(1,950)
21					
22	**Customer Accounting Pro Forma**				
23	The Company recalculates bad debt expense on a district basis				
24			Mohave Water		
25	Actual bad debt by district/business unit	Jul-12	$ 4,118		
26		Aug-12	3,487		
27		Sep-12	4,372		
28		Oct-12	6,439		
29		Nov-12	11,258		
30		Dec-12	14,292		
31		Jan-13	11,844		
32		Feb-13	8,474		
33		Mar-13	14,851		
34		Apr-13	3,772		
35		May-13	5,381		
36		Jun-13	8,363	$	96,650
37					
38	Test Year Bad Debt Expense	4 Factor	Connection Count		
39	Jul to Dec 2012 Months Bad Debt Exp $ 266,016	7.9%	$ 21,006		
40	Jan to Jun 2013 Bad Debt Expense $ 256,213		9.86% $ 25,258	$	46,263
41					
42					
43					
44	Increase / (Decrease) in Customer Accounting			$	50,387
45					
46	Rebuttal Adjustment to Revenue and/or Expense			$	50,387
47	Workpapers & Supporting Documents:				
48	A-1SummarizeChanges 1.27.15.xlsx				
49	\CorporateAllocationandIncentiveComp (EUI).xlxs				
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls				

Line No.			
1	**Water Testing Expense**		
2			
3	Company accepts Staff's proposed water testing expense of $32,262 as outlined in Table M of the Mohave Water Enginneering Report.		
4			
5	Pro Forma Water Testing Expense per STF ADJ #6	$	32,262
6			
7			
8	Adjusted Test Year Water Testing Expense	$	26,727
9			
10			
11	Increase/(Decrease) in Water Testing Expense	$	5,535
12			
13	Rebuttal Adjustment to Revenue and/or Expense	$	5,535
14			
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46	Workpapers & Supporting Documents:		
47			
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49			
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Line No.			
1	**Interest Synchronization**		
2			
3			
4	Original Cost Rate Base (Sch. B-1 Rebuttal, Ln. 28)		$ 23,562,869
5	Weighted Cost of Debt from Schedule D-1 Rebuttal		2.56%
6	Synchronized Interest Expense		$ 603,209
7			
8	Test Year Interest Expense	$ 601,511	
9			
10	Adjusted Test Year Interest Expense		$ 601,511
11			
12	Increase/(Decrease) in Interest Expense		$ 1,698
13			
14	Rebuttal Adjustment to Revenue and/or Expense		$ 1,698
15			
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46	Workpapers & Supporting Documents:		
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49			
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Line No.					
1	**General Office Expense Pro Forma**	Mohave Water 4 Factor	7.9%		
2					
3					
4	The Company identified a duplicate I/T expense related to license fees of $11,010				
5					
6					
7	I/T Costs in Corporate Allocation and General Office Expense		$ (11,010)		
8					
9		Mohave Water 4 Factor	7.9%		
10					
11		Pro Forma General Office Expense allocated		$	(869)
12					
13	Income Statement - Donations, Promotions, Advertising		$ (21,392)		
14	Plus: Donations, Promotions, Advertising Removed in proforma adjustment # SM10		$ 13,014		
15					
16					
17					
18		General Office Expense			
19				$	(8,378)
20					
21	Increase / (Decrease) in General Office Expense			$	(9,248)
22					
23	Rebuttal Adjustment to Revenue and/or Expense			$	(9,248)
24					
25					
26	**Miscellaneous Pro Forma**				
27	The Company accepts Staff's proposed adjusment .				
28					
29	Miscellaneous Expense in cost pool		$ 6,485		
30					
31	Remove: Items such as food, flowers, linen, etc		$ (6,485)		
32					
33	Miscellaneous Expense to be allocated		$ -		
34		Mohave Water 4 Factor	7.9%		
35					
36		Total Pro Forma Miscellaneous Expense allocated		$	-
37					
38	Test Year Miscellaneous Expense cost pool		$ 6,485		
39		Mohave Water 4 Factor	7.9%		
40					
41		Test Year Miscellaneous Expense allocated		$	512
42					
43					
44	Increase / (Decrease) in Miscellaneous Expense			$	(512)
45					
46	Rebuttal Adjustment to Revenue and/or Expense			$	(512)
47	Test Year Adjustments 12-19				
48	June 2103 12 Months by BU				
49					
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls				

Line No.					
1	**Corporate Allocation Pro Forma**				
2	The Company is voluntarily removing of the financial component of the incentive compensation metrics which represents 10% of the award.				
3					
4	Actual At-Risk Compensation	$	597,657		
5					
6	Less: Financial & Other Component	$	315,792		
7					
8	Incentive Compensation to be allocated	$	281,865		
9	Mohave Water 4 Factor		7.9%		
10					
11	Total Pro Forma incentive compensation allocated			$	22,257
12					
13	Test Year Incentive Compensation in cost pool	$	597,657		
14	Mohave Water 4 Factor		7.9%		
15					
16	Test Year incentive compensation allocated			$	47,193
17					
18					
19	Increase / (Decrease) in Corporate Allocation Expense			$	(24,936)
20					
21	Rebuttal Adjustment to Revenue and/or Expense			$	(24,936)
22					
23					
24	Workpapers & Supporting Documents:				
25					
26	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls				
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38					
39	Workpapers & Supporting Documents:				
40					
41	\Corporate Allocation ADJ 60R basic Data.xlxs				
42	\CorporateAllocationandIncentiveComp (EUI).xlxs				
43	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls				

Line No.			
1	**24-Month Deferral Request**		
	On October 14, 2012, Mohave Water Water filed Docket No. W-01303A-12-0427		
2	seeking approval of an accounting order to defer Post-in-Service AFUDC and		
3	Depreciation on investment between rate filings. This filing was withdrawn June 27,		
4	2013 to enable the Company to pursue those deferrals on an individual district		
5	basis.		
6			
7	Pro Forma 24-Month Deferral Balance	$	763,868
8			
9			
10	Increase / (Decrease) in Deferred Debits	$	763,868
11			
12			
13	Increase / (Decrease) to Rate Base	$	763,868
14			
15			
16			
17	In addition to the deferral request, in this application Paradise Valley Water		
18	Company requests authority to begin the amortization of the deferred balance	Current	
19	associated with the 24-Month Deferral Request using the composite depreciation		2.65%
20			
21			
22	Pro Forma adjustment for Amortization of Balance of 24-Month Deferral Request		
23	associated with Docket No. W-01303A-12-0427 at composite depreciation rate.	$	20,234
24			
25	Original AFUDC Ask	$	22,070
26			
27	Difference	$	(1,837)
28			
29			
30			
31			
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46			
47	Workpapers & Supporting Documents:		
48	\Test Year Rebuttal Adjustments 02-09.xlsx		
49	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Mohave Water
Test Year Ended June 30, 2013
Income Statement Adjustment SM-14R

Line No.	RESIDENTIAL	ORIGINAL CALC	
	Increase / (Decrease) in Operating Expenses:		Other Customer
1		Postage	Accounting
2			
	Test Year Adjusted Expense from Sch C-2		
3		$ 75,574	$ 507,436
4	Avg Customers times 12 bills	192,806	192,806
5	Cost per Unit	$ 0.39	$ 2.63
6			
7	Customer Growth by Volume	(431)	(431)
8	Customer Growth by Count		
9			
10	Additional Expense	($168)	($1,133)
11			
12	**Total Original Calculation - Residential**		**$ (1,301)**
13			
14			

Line No.	COMMERCIAL	ORIGINAL CALC		REVISED CALC		
16	***Increase / (Decrease) in Operating Expenses:***		Other Customer		Other Customer	
17		Postage	Accounting	Postage	Accounting	
18						
19	Test Year Adjusted Expense from Sch C-2	$ 75,574	$ 507,436	$ 75,574	$ 507,436	
20	Year-End Number of Customers times 12 bills			192,300	192,300	
21	Avg Customers times 12 bills	192,806	192,806	192,806	192,806	
22	Cost per Unit	$ 0.39	$ 2.63	$ 0.39	$ 2.63	
23						
24	Customer Growth by Volume	(142)	(142)			
25	Customer Growth by Count			(506)	(506)	
26						
27	Additional Expense	($56)	($374)	($197)	($1,331)	($1,528)
28						
29	**Total Original Calculation - Commercial**		**$ (430)**			
30						
31						
32	Total Original Revision		$ (1,731)			
33						
34	Reverse original Adjustment		$ 1,731			
35	Revised Customer Accounting Adjustment		$ (1,528)			
36	Total Adjustment		$ 203			
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Workpapers & Schedules					
48	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls					
49	\2013 Mohave Water Sch. H.xls					

Line No.					
1	**Labor Expense Pro Forma**	Mohave Water 4 Factor	7.9%		
2					
3	The Company is voluntarily removing of the financial component of the incentive compensation metrics which				
4	represents 10% of the award.				
5	Incentive Compensation in cost pool		$ 801,709		
6					
7	Removal 10% attributable to the financial component		$ (80,171)		
8					
9	Incentive Compensation to be allocated		$ 721,538		
10		Mohave Water 4 Factor	7.9%		
11					
12		Total Pro Forma incentive compensation allocated		$	56,975
13					
14	Test Year Incentive Compensation in cost pool		$ 801,709		
15		Mohave Water 4 Factor	7.9%		
16					
17		Test Year incentive compensation allocated		$	63,306
18					
19					
20	Increase / (Decrease) in Labor Expense			$	(6,331)
21					
22	Rebuttal Adjustment to Revenue and/or Expense			$	(6,331)
23					
24					
25					
26					
27					
28					
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46	Workpapers & Supporting Documents:				
47					
48					
49	\CorporateAllocationandIncentiveComp (EUI).xlxs				
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls				

Mohave Water
Test Year Ended June 30, 2013
Computation of Gross Revenue Conversion Factor

Exhibit
Schedule C-3 Rebuttal
Page 1
Witness: Murrey

Line No.	Description					Percentage of Incremental Gross Revenues
1	Federal Income Taxes					31.96%
2						
3	State Income Taxes					6.00%
4				Combined	37.96%	
5	Property Taxes	Effective Rate =	0.85%	One Minus Combined	62.04%	0.53%
6						
7	Bad Debt Expense	Effective Rate =	0.75%	One Minus Combined	62.04%	0.47%
8						
9	Total Tax Percentage					38.96%
10						
11	Operating Income % = 100% - Tax Percentage					61.04%
12						
13						
14						
15	1	= Gross Revenue Conversion Factor				
16						
17						
18	Operating Income %					1.6382
19						
20						
21						
22						
23						
24						
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43	Supporting Schedules:				Recap Schedules:	
44					A-1 Rebuttal	
45						
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47						
48						
49						
50	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls					

Mohave Water
Test Year Ended June 30, 2013
Summary of Cost of Capital
Total Company - EPCOR Water Arizona

Exhibit
Schedule D-1 Rebuttal
Page 1
Witness: Hubbard

Line No.	Item of Capital	End of Test Year Dollar Amount	Percent of Total	Cost Rate	Weighted Cost	End of Projected Year Dollar Amount	Percent of Total	Cost Rate	Weighted Cost
1	Long-Term Debt	$ 231,000,000	58.47%	4.29%	2.51%	$ 231,000,000	59.76%	4.29%	2.56%
2									
3	Short-Term Debt	$ 8,560,000	2.17%	0.31%	0.01%	$ -	0.00%	0.31%	0.00%
4									
5	Stockholder's Equity	$ 155,533,624	39.37%	10.55%	4.15%	$ 155,533,624	40.24%	10.55%	4.25%
6									
7	Totals	$ 395,093,624	100.00%		6.67%	$ 386,533,624	100.00%		6.81%
8									
9									
10									
11									
12									
13									
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20									
21									
22									
23									
24									
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29									
30	Supporting Schedules:		Recap Schedules:						
31	D-2		A-1						
32									
33									
34									
35	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls								

Mohave Water
Test Year Ended June 30, 2013
Summary of Cost of Capital
Total Company - EPCOR Water Arizona
District Level -Mohave Water - Proposed

Exhibit
Schedule D-1 Rebuttal
Page 2
Witness: Hubbard

Line No.	Item of Capital	End of Test Year Dollar Amount	End of Test Year Percent of Total	End of Test Year Cost Rate	End of Test Year Weighted Cost	End of Projected Year Dollar Amount	End of Projected Year Percent of Total	End of Projected Year Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	$ 13,776,539	58.47%	4.29%	2.51%	$ 14,081,628	59.76%	4.29%	2.56%
2									
3	Short-Term Debt	$ 510,507	2.17%	0.31%	0.01%	$ -	0.00%	0.31%	0.00%
4									
5	Stockholder's Equity	$ 9,275,823	39.37%	10.55%	4.15%	$ 9,481,241	40.24%	10.55%	4.25%
6									
7	Totals	$ 23,562,869	100.00%		6.67%	$ 23,562,869	100.00%		6.81%
8									
9									
10									
11									
12									
13									
14									
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22									
23									
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29									
30	Supporting Schedules:		Recap Schedules:						
31	D-2		A-1 Revised						
32									
33									
34									
35	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls								

Mohave Water
Test Year Ended June 30, 2010
Cost of Long Term Debt
Test Year - Mohave Water - Proposed

Exhibit
Schedule D-2 Rebuttal
Page 1
Witness: Hubbard

At Parent Level

Line No.		End of Test Year Amount Outstanding	End of Test Year Annual Cost	End of Test Year Interest Rate	End of Projected Year Amount Outstanding	End of Projected Year Annual Cost	End of Projected Year Interest Rate
1	Long-Term Debt						
2	10-Year EPCOR Water USA Note	133,000,000	5,004,790	3.77%	133,000,000	5,004,790	3.77%
3	30-Year EPCOR Water USA Note	98,000,000	4,907,513	5.02%	98,000,000	4,907,513	5.02%
4							
5							
6	Totals	$ 231,000,000	$ 9,912,303	4.29%	$ 231,000,000	$ 9,912,303	4.29%
7							
8							
9	Common Equity						
10	Common Stock	$ 522,880			$ 522,880		
11	Paid in Capital	184,882,920			184,882,920		
12	Retained Earnings	(29,872,177)			(29,872,177)		
13		$ 155,533,624		10.55%	$ 155,533,624		10.55%
14							
15							
16							
17	Short-Term Debt						
18	S-T Debt from EPCOR Utilities, Inc	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
19							
20							
21	Totals	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
22							
23							
24							
25	Supporting Schedules:		Recap Schedules:				
26	E-1		D-1				
27							
28							
29	\EUSA TB By BU_131101_Sch E.xlsx						
30	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls						

Mohave Water
Test Year Ended June 30, 2013
Cost of Long Term Debt
Test Year - Mohave Water - Proposed

Exhibit
Schedule D-2 Rebuttal
Page 2
Witness: Hubbard

Line No.		End of Test Year Amount Outstanding	Annual Cost	Interest Rate	End of Projected Year Amount Outstanding	Annual Cost	Interest Rate
1	Long-Term Debt						
2	10-Year EPCOR Water USA Note	$ 133,000,000	$ 5,004,790	3.77%	$ 133,000,000	$ 5,004,790	3.77%
3	30-Year EPCOR Water USA Note	98,000,000	4,907,513	5.02%	98,000,000	4,907,513	5.02%
4							
5							
6	Totals	$ 231,000,000	$ 9,912,303	4.29%	$ 231,000,000	$ 9,912,303	4.29%
7							
8							
9	Common Equity						
10	Common Stock	$ 522,880			$ 522,880		
11	Paid in Capital	184,882,920			184,882,920		
12	Retained Earnings	(29,872,177)			(29,872,177)		
13		$ 155,533,624		10.55%	$ 155,533,624		10.55%
14							
15							
16							
17	Short-Term Debt						
18	Intercompany Payable	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
19							
20							
21	Totals	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
22							
23							
24							
25	Supporting Schedules:		Recap Schedules:				
26	E-1		D-1				
27							
28							
29	\EUSA TB By BU_131101_Sch E.xlsx						
30	\2013 Mohave Water Sch. A-F Rebuttal (Oct2014 Direct).xls						

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Returns at Present Rates by Class

Exhibit
Rebuttal Schedule G-1
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Apartment	Commercial	Other Public Auth.
1	Water Revenues	$ 6,214,939	$ 4,259,442	$ 491,092	$ 1,231,245	$ 233,159
2	Fire Service Revenues	$ 35,756	33,151	603	1,821	180
3	Revenue Annualizations	(1,235)	(743)	(45)	(450)	3
4	Low Income Program Adjustment	35,483	35,483	-	-	-
5	Declining Usage	(114,235)	(78,451)	(8,987)	(22,531)	(4,265)
6	Misc. Revenues[1]	221,297	205,176	3,734	11,273	1,114
7	Reconciliation H-1 to C-1[1]	(2,229)	(2,067)	(38)	(114)	(11)
8	Total Revenues	$ 6,389,776	$ 4,451,991	$ 486,360	$ 1,221,245	$ 230,179
9						
10	Operating Expenses[2]	$ 4,573,552	$ 3,675,132	$ 194,732	$ 562,032	$ 141,656
11	Depreciation and					
12	Amortization[2]	1,293,668	955,986	77,591	205,525	54,566
13	Property Tax[3]	164,282	114,461	12,504	31,398	5,918
14	Income Tax[4]	(92,977)	(274,229)	61,075	120,314	(137)
15	Total Operating Expenses	$ 5,938,524	$ 4,471,350	$ 345,903	$ 919,269	$ 202,003
16	Operating Income	$ 451,251	$ (19,358)	$ 140,458	$ 301,976	$ 28,177
17	Interest Expense[5]	603,209	428,830	40,639	105,340	28,400
18	Net Income	$ (151,958)	$ (448,189)	$ 99,819	$ 196,636	$ (224)
19	Rate Base[6]	$ 23,562,869	$ 16,751,186	$ 1,587,457	$ 4,114,845	$ 1,109,381
20	Return on Rate Base[7]	1.92%	-0.12%	8.85%	7.34%	2.54%
21						
22	**Percent of Total Customers**		92.72%	1.69%	5.09%	0.50%
23						
24						
25						
26						
27						
28						

29 [1] Allocated based on customer counts.
30 [2] Operating Expenses and Depreciation computations are shown on Schedule G-4, Page 1.
31 [3] Property Taxes allocation based on Revenues.
32 [4] Income Tax from Schedule C-1, at present rates. Income Taxes allocated based on taxable income.
33 [5] Interest Synchronized Interest Expense. Allocation based on Rate Base
34 [6] Rate Base computations are shown on Schedule G-3, Page 1
35 [7] Operating Income Divided by Rate Base
36
37

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Returns at Proposed Rates by Class

Line No.		Totals	Residential	Apartment	Commercial	Other Public Auth.
1	Water Revenues	$ 8,130,550	$ 5,688,109	$ 617,839	$ 1,507,072	$ 317,530
2	Fire Service Revenues	44,091	40,879	744	2,246	222
3	Revenue Annualizations	(1,534)	(1,016)	(50)	(473)	4
4	Low Income Program Adjustment	35,483	35,483	-	-	-
5	Declining Usage	(149,397)	(104,703)	(11,306)	(27,580)	(5,808)
6	Misc. Revenues[1]	221,297	205,176	3,734	11,273	1,114
7	Reconciliation H-1 to C-1[1]	(1,298)	(1,203)	(22)	(66)	(7)
8	Total Revenues	$ 8,279,192	$ 5,862,726	$ 610,939	$ 1,492,471	$ 313,055
9						
10	Operating Expenses[2]	$ 4,587,798	$ 3,688,341	$ 194,972	$ 562,758	$ 141,728
11	Depreciation and					
12	Amortization[2]	1,293,668	955,986	77,591	205,525	54,566
13	Property Tax[3]	180,360	127,718	13,309	32,513	6,820
14	Income Tax[4]	612,733	251,239	107,969	222,573	30,953
15	Total Operating Expenses	$ 6,674,560	$ 5,023,283	$ 393,841	$ 1,023,369	$ 234,067
16	Operating Income	$ 1,604,632	$ 839,443	$ 217,098	$ 469,102	$ 78,989
17	Interest Expense[5]	603,209	428,830	40,639	105,340	28,400
18	Net Income	$ 1,001,422	$ 410,612	$ 176,459	$ 363,762	$ 50,589
19	Rate Base[6]	$ 23,562,869	$ 16,751,186	$ 1,587,457	$ 4,114,845	$ 1,109,381
20	Return on Rate Base[7]	6.81%	5.01%	13.68%	11.40%	7.12%
21						
22	**Percent of Total Customers**		92.72%	1.69%	5.09%	0.50%
23						
24	**Indicated Monthly Minimums and Single-Tier Commody Rates for 5/8 x3/4 Inch Meter**					
25		Sched. G-8, pg 4A	Sched. G-8, pg 4B	Sched. G-8, pg 4C	Sched. G-8, pg 4D	Sched. G-8, pg 4E
26		All Classes	Residential	Apartment	Commercial	Other Public Auth.
27	Monthly Minimums	**$ 16.02**	$ 15.98	$ 13.17	$ 16.69	$ 21.42
28	Single-Tier Commodity Rate	**$ 2.378**	$ 2.493	$ 2.188	$ 2.133	$ 2.080
29						
30						

31 [1] Allocated based on customer counts.
32 [2] Operating Expenses and Depreciation computations are shown on Schedule G-4, Page 2.
33 [3] Property Taxes allocation based on Revenues
34 [4] Income Tax from Schedule C-1, at proposed rates. Income Taxes allocated based on taxable income
35 [5] Interest Synchronized Interest Expense. Allocation based on Rate Base
36 [6] Rate Base computations are shown on Schedule G-3, Page 1
37 [7] Operating Income Divided by Rate Base
38

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Allocation of Assets to Customer Classes

Exhibit
Rebuttal Schedule G-3
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Apartment	Commercial	Other Public Auth.
1						
2						
3						
4	Plant, Minus Accumulated Depreciation, Advances and Contributions in Aid, Meter Deposits, and Deferred Income Tax (from Schedule G-5, Page 1)					
5	Commodity	$ 4,282,794	$ 2,978,153	$ 295,717	$ 794,141	$ 214,783
6	Demand	12,151,759	8,359,687	764,165	2,316,237	711,670
7	Customer	59,654	55,309	1,007	3,039	300
8	Service	5,082,538	3,564,911	477,000	873,963	166,663
9	Meter	1,986,124	1,793,126	49,569	127,465	15,964
10	Total	$ 23,562,869	$ 16,751,186	$ 1,587,457	$ 4,114,845	$ 1,109,381
11						
12						
13						
14	**Summary**					
15	Net Rate Base	$ 23,562,869	$ 16,751,186	$ 1,587,457	$ 4,114,845	$ 1,109,381
16	% of Net Rate Base	100.00%	71.09%	6.74%	17.46%	4.71%
17						
18						
19						
20						

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Expenses to Customer Classes - Present Rates

Exhibit
Rebuttal Schedule G-4
Page 1
Witness: Bourassa

Line No.		Adjusted Per C-1	Residential	Apartment	Commercial	Other Public Auth.	Totals
	Operation and Maintenance Expense (from Schedule G-6, Page 1)						
1	Commodity	$ 1,163,683	$ 809,198	$ 80,350	$ 215,777	$ 58,359	$ 1,163,683
2	Demand	1,235,467	849,928	77,692	235,491	72,355	1,235,467
3	Customer	2,174,402	2,016,007	36,689	110,764	10,942	2,174,402
4	Service	-	-	-	-	-	-
5	Meter	-	-	-	-	-	-
6	Totals	$ 4,573,552	$ 3,675,132	$ 194,732	$ 562,032	$ 141,656	$ 4,573,552
7							
8	Depreciaton Expense on Plant (from Schedule G-6, Page 2)						
9	Commodity	207,678	$ 144,415	$ 14,340	$ 38,509	$ 10,415	$ 207,678
10	Demand	608,100	418,337	38,240	115,909	35,613	608,100
11	Customer	54,754	50,765	924	2,789	276	54,754
12	Service	196,348	137,719	18,427	33,763	6,439	196,348
13	Meter	226,788	204,751	5,660	14,555	1,823	226,788
14	Totals	$ 1,293,668	$ 955,986	$ 77,591	$ 205,525	$ 54,566	$ 1,293,668
15							
16	Operation and Maintenance Expense and Depreciation Expense						
17	Commodity	$ 1,371,362	$ 953,612	$ 94,689	$ 254,286	$ 68,774	$ 1,371,362
18	Demand	1,843,567	1,268,265	115,933	351,401	107,969	1,843,567
19	Customer	2,229,155	2,066,772	37,613	113,553	11,217	2,229,155
20	Service	196,348	137,719	18,427	33,763	6,439	196,348
21	Meter	226,788	204,751	5,660	14,555	1,823	226,788
22	Total	$ 5,867,220	$ 4,631,118	$ 272,323	$ 767,557	$ 196,222	$ 5,867,220
23							
24	Total Expenses (excluding Income Tax and						
25	Property Taxes)	$ 5,867,220	$ 4,631,118	$ 272,323	$ 767,557	$ 196,222	$ 5,867,220
26							
27	Property Taxes, Allocated on Schedules G-1 & G-2	$ 164,282					
28	Income Tax, Allocated on Schedules G-1 & G-2	(92,977)					
29	Total Expenses	**$ 5,938,524**					
30							

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Expenses to Customer Classes - Proposed Rates

Exhibit
Rebuttal Schedule G-4
Page 2
Witness: Bourassa

Line No.		At Proposed C-1	Residential	Apartment	Commercial	Other Public Auth.	Totals
1							
2	Operation and Maintenance Expense (from Schedule G-6, Page 1)						
3	Commodity	$ 1,163,683	$ 809,198	$ 80,350	$ 215,777	$ 58,359	$ 1,163,683
4	Demand	1,235,467	849,928	77,692	235,491	72,355	1,235,467
5	Customer	2,188,648	2,029,215	36,930	111,489	11,014	2,188,648
6	Service	-	-	-	-	-	-
7	Meter	-	-	-	-	-	-
8	Totals	$ 4,587,798	$ 3,688,341	$ 194,972	$ 562,758	$ 141,728	$ 4,587,798
9							
10	Depreciaton Expense on Plant (from Schedule G-6, Page 3.2)						
11	Commodity	$ 207,678	$ 144,415	$ 14,340	$ 38,509	$ 10,415	$ 207,678
12	Demand	608,100	418,337	38,240	115,909	35,613	608,100
13	Customer	54,754	50,765	924	2,789	276	54,754
14	Service	196,348	137,719	18,427	33,763	6,439	196,348
15	Meter	226,788	204,751	5,660	14,555	1,823	226,788
16	Totals	$ 1,293,668	$ 955,986	$ 77,591	$ 205,525	$ 54,566	$ 1,293,668
17							
18	Operation and Maintenance Expense and Depreciation Expense						
19	Commodity	$ 1,371,362	$ 953,612	$ 94,689	$ 254,286	$ 68,774	$ 1,371,362
20	Demand	1,843,567	1,268,265	115,933	351,401	107,969	1,843,567
21	Customer	2,243,401	2,079,980	37,854	114,279	11,289	2,243,401
22	Service	196,348	137,719	18,427	33,763	6,439	196,348
23	Meter	226,788	204,751	5,660	14,555	1,823	226,788
24	Total	$ 5,881,466	$ 4,644,326	$ 272,563	$ 768,283	$ 196,293	$ 5,881,466
25							
26	Total Expenses (excluding Income Tax and						
27	Property Taxes)	$ 5,881,466	$ 4,644,326	$ 272,563	$ 768,283	$ 196,293	$ 5,881,466
28							
29	Property Taxes, Allocated on Schedules G-1 & G-2	$ 180,360					
30	Income Tax, Allocated on Schedules G-1 & G-2	612,733					
31	Total Expenses	$ 6,674,560					
32							
33							
34							

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Rate Base by Function

Exhibit
Rebuttal Schedule G-5
Page 1
Witness: Bourassa

Line No.		Adjusted Per B-2	Demand	Commodity	Customer	Meter	Service
1							
2	**Rate Base**						
3	Plant minus (Accumulated Depreciation	$ 23,562,869	$ 12,151,759	$ 4,282,794	$ 59,654	$ 1,986,124	$ 5,082,538
4	Contributions in Aid of Construction						
5	Advances in Aid of Construction,						
6	Meter Deposits and Deferred Income Tax)						
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							

Mohave Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1		**Intangible**									
2	301000	Organization	$ 34,004	$ -	$ 34,004	F-1	25,163	8,841	-	-	-
3	302000	Franchises	37,061	-	37,061	F-1	27,425	9,636	-	-	-
4	303100	Other Intangible Plant	-	-	-	F-1	-	-	-	-	-
5		**Subtotal Intangible**	71,064		71,064		52,587	18,477	-	-	-
6											
7		***Source of Supply & Pumping Plant***									
8	303200	Land and Land Rights - Supply	$ 528,700	$ -	$ 528,700	F-1	$ 391,238	$ 137,462	$ -	$ -	$ -
9	303300	Land and Land Rights - Pumping	2,351	(10)	2,361	F-1	1,747	614	-	-	-
10	304100	Structures and Improvements - Supply	475,826	220,832	254,994	F-1	188,695	66,298	-	-	-
11	304200	Structures and Improvements - Pumping	31,201	(225)	31,427	F-1	23,256	8,171	-	-	-
12	305000	Collecting and Impounding Res.	663,944	261,543	402,401	F-1	297,777	104,624	-	-	-
13	306000	Lakes, Rivers, Other Intakes	-	-	-	F-1	-	-	-	-	-
14	307000	Wells and Springs	6,589,253	590,903	5,998,350	F-1	4,438,779	1,559,571	-	-	-
15	308000	Infiltration Galleries and Tunnels	-	-	-	F-1	-	-	-	-	-
16	309000	Supply Mains	93,481	5,717	87,764	F-1	64,945	22,819	-	-	-
17	310000	Power Generation Equipment	50,355	15,586	34,769	F-1	25,729	9,040	-	-	-
18	311000	Pumping Equipment - Steam	409,521	11,448	398,074	F-1	294,575	103,499	-	-	-
19	311200	Pumping Equipment - Electric	2,782,895	1,852,565	930,331	F-1	688,445	241,886	-	-	-
20	311300	Pumping Equipment - Diesel	-	-	-	F-1	-	-	-	-	-
21	311400	Pumping Equipment - Hydraulic	-	-	-	F-1	-	-	-	-	-
22	311500	Pumping Equipment - Other	1,009	270	738	F-1	546	192	-	-	-
23	311530	Pumping Equipment - Water Treatment	-	-	-	F-1	-	-	-	-	-
24		**Subtotal Source of Supply & Pumping Plant**	$ 11,628,537	$ 2,958,628	$ 8,669,909		$ 6,415,733	$ 2,254,176	$ -	$ -	$ -
25											
26		**Water Treatment**									
27	303400	Land and Land Rights - Treatment	$ -	$ -	$ -	F-1	$ -	$ -	$ -	$ -	$ -
28	304300	Structures and Improvements - Treatment	47,846	19,748	28,098	F-1	20,793	7,306	-	-	-
29	320000	Water Treatment Plant	-	-	-	F-1	-	-	-	-	-
30	320100	Water Treatment Equipment - Non-media	96,932	117,495	(20,563)	F-1	(15,217)	(5,346)	-	-	-
31	320200	Water Treatment Equipment - Media	360,547	18,027	342,519	F-1	253,464	89,055	-	-	-
32		**Subtotal Water Treatment**	$ 505,325	$ 155,271	$ 350,055		$ 259,040	$ 91,014	$ -	$ -	$ -
33											
34		**Transmission and Distribution Plant**									
35	303500	Land and Land Rights - T&D	$ 9,609	$ -	$ 9,609	F-1	$ 7,111	$ 2,498	$ -	$ -	$ -
36	304400	Structures and Improvements - T&D	43,546	6,097	37,449	F-1	27,712	9,737	-	-	-
37	330000	Distribution Reservoirs & Standpipes	2,832,819	627,010	2,205,810	F-1	1,632,299	573,510	-	-	-
38	330100	Elevated Tank & Standpipes	-	3,569	(3,569)	F-1	(2,641)	(928)	-	-	-
39	330200	Ground Level Tanks	-	-	-	F-1	-	-	-	-	-
40	330300	Below Ground Tanks	-	-	-	F-1	-	-	-	-	-
41	331001	T&D Mains Not Classified	269,444	5,719	263,726	F-1	195,157	68,569	-	-	-
42	331100	T&D Mains 4in & less	12,008,818	6,473,604	5,535,214	F-1	4,096,059	1,439,156	-	-	-
43	331200	T&D Mains 6in to 8in	3,693,499	492,852	3,200,647	F-1	2,368,479	832,168	-	-	-
44	331300	T&D Mains 10in to 16in	1,484,810	52,751	1,432,059	F-1	1,059,724	372,335	-	-	-
45	331400	TD Mains 18in & Grtr	76,265	6,813	69,452	F-1	51,395	18,058	-	-	-
46	332000	Fire Mains	-	-	-	F-2	-	-	-	-	-

Mohave Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	333000	Services	7,853,908	2,767,241	5,086,666	F-3	-	-	-	-	5,086,666
2	334100	Meters	2,638,552	827,982	1,810,571	F-4	-	-	-	1,810,571	-
3	334200	Meter Installations	276,354	96,672	179,682	F-4	-	-	-	179,682	-
4	334300	Meter Vaults	-	-	-	F-4	-	-	-	-	-
5	335000	Hydrants	185,402	12,554	172,848	F-5	-	-	172,848	-	-
6	336000	Backflow Prevention Devices	-	-	-	F-1	-	-	-	-	-
7	339100	Other P/E-Intangible	-	-	-	F-1	-	-	-	-	-
8	339200	Other P/E-Supply	82,583	9,128	73,455	F-1	54,356	19,098	-	-	-
9	339500	Other P/E-TD	-	-	-	F-1	-	-	-	-	-
10	339600	Other P/E-CPS	186,826	32,654	154,172	F-1	114,087	40,085	-	-	-
11	**Subtotal Transmission and Distribution Plant**		$ 31,642,436	$ 11,414,646	$ 20,227,790		$ 9,603,737	$ 3,374,286	$ 172,848	$ 1,990,253	$ 5,086,666
12											
13	**General Plant**										
14	303600	Land and Land Rights	$ 47,358	$ -	$ 47,358	F-1	$ 35,045	$ 12,313	$ -	$ -	$ -
15	304500	Structures and Improvements - General	43,231	4,016	39,215	F-1	29,019	10,196	-	-	-
16	304600	Structures and Improvements - Offices	449,617	137,766	311,851	F-1	230,770	81,081	-	-	-
17	304620	Structures and Improvements - Leasehold	-	-	-	F-1	-	-	-	-	-
18	304700	Structures and Improvements - Sore,Shop,(	29,223	13,582	15,641	F-1	11,574	4,067	-	-	-
19	304800	Structures and Improvements - General	-	-	-	F-1	-	-	-	-	-
20	340100	Office Furniture & Equipment	101,669	(5,919)	107,588	F-6	26,897	-	80,691	-	-
21	340200	Computers & Software	109,956	(254,621)	364,578	F-6	91,144	-	273,433	-	-
22	340300	Computer Software	3,521	1,468	2,052	F-6	513	-	1,539	-	-
23	340310	Computer Software Mainframe	-	-	-	F-6	-	-	-	-	-
24	340325	Computer Software Customized	-	-	-	F-6	-	-	-	-	-
25	340330	Computer Software Other	-	-	-	F-6	-	-	-	-	-
26	340500	Other Office Equipment	-	-	-	F-6	-	-	-	-	-
27	341100	Transportation Equip Light Duty Truks	99,015	808,721	(709,706)	F-6	(177,426)	-	(532,279)	-	-
28	341200	Transportation Equip Heavy Duty Truks	72,088	29,241	42,847	F-6	10,712	-	32,135	-	-
29	341300	Transportation Equipment Autos	-	-	-	F-6	-	-	-	-	-
30	341400	Transportation Equipment Other	59,848	18,023	41,825	F-6	10,456	-	31,369	-	-
31	342000	Stores Equipment	1,420	1,529	(109)	F-6	(27)	-	(82)	-	-
32	343000	Tools and Work Equipment	221,156	209,262	11,894	F-1	8,801	3,092	-	-	-
33	344000	Laboratory Equipment	7,623	9,781	(2,158)	F-1	(1,597)	(561)	-	-	-
34	345000	Power Operated Equipment	171,959	192,293	(20,334)	F-1	(15,047)	(5,287)	-	-	-
35	346100	Communication Equipment Non-Telephone	188,877	86,199	102,679	F-1	75,982	26,696	-	-	-
36	346190	Remote Control & Instrument	880,737	44,939	835,798	F-1	618,490	217,307	-	-	-
37	346200	Communication Equipment Telephone	-	(10,833)	10,833	F-1	8,017	2,817	-	-	-
38	346300	Communication Equipment Other	5,111	(6,235)	11,346	F-1	8,396	2,950	-	-	-
39	347000	Structures and Improvements - Offices	-	-	-	F-1	-	-	-	-	-
40	348000	Structures and Improvements - Leasehold	-	-	-	F-1	-	-	-	-	-
41	**Subtotal General Plant**		$ 2,492,409	$ 1,279,211	$ 1,213,198		$ 971,720	$ 354,672	$ (113,194)	$ -	$ -
42	**Total Direct Plant**		$ 46,339,772	$ 15,807,756	$ 30,532,016		$ 17,302,818	$ 6,092,625	$ 59,654	$ 1,990,253	$ 5,086,666
43											

Mohave Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.2
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Allocated General Plant**										
2	399000	Allocated Corporate General Plant	391,360	126,369	264,990	F-1	196,093	68,897	-	-	-
	399000	NMVC Allocation	-	-	-	F-1	-	-	-	-	-
3	399000	Reconcilation to PIS Balance	-	-	-	F-1	-	-	-	-	-
4	**Test Year Ended June 30, 2013**		$ 391,360	$ 126,369	$ 264,990		$ 196,093	$ 68,897	$ -	$ -	$ -
5	Total Plant		$ 46,731,131	$ 15,934,125	$ 30,797,006		$ 17,498,910	$ 6,161,523	$ 59,654	$ 1,990,253	$ 5,086,666
6											
7	Contributions in Aid of Construction		(570,329)	89,194	(481,135)	F-1	(356,040)	(125,095)	-	-	-
8	Advances in Aid of Construction		(7,012,710)		(7,012,710)	F-1	(5,189,405)	(1,823,304)	-	-	-
9	Meter Deposits		(8,257)		(8,257)	F-7	-	-	-	(4,129)	(4,129)
10	Deferred Income Tax		(696,852)		(696,852)	F-1	(515,670)	(181,181)	-	-	-
11	Working Capital		133,907		133,907	F-1	99,091	34,816	-	-	-
12	Deferred Reg Assets/Liabilities		830,910		830,910	F-1	614,873	216,036	-	-	-
13											
14	Rounding		(1)		(1)	F-1	(1)	(0)	-	0	0
15	Totals		$ 39,407,800	$ 16,023,319	$ 23,562,869		$ 12,151,759	$ 4,282,794	$ 59,654	$ 1,986,124	$ 5,082,538
16	Rate Bases (Plant -(AIAC, CIAC, Meter Deposits & Accum. Depr.)				$ 23,562,869		$ 12,151,759	$ 4,282,794	$ 59,654	$ 1,986,124	$ 5,082,538
17	Fair Value Rate Base										

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Allocation of Expenses to Functions
At Present Rates

Exhibit
Rebuttal Schedule G-6
Page 1
Witness: Bourassa

Line No.	Description	Adjusted per C-1	Demand	Commodity	Customer	Meters	Services	Totals
1	Labor	$ 1,383,642	$ 553,457	$ 276,728	$ 553,457	$ -	$ -	$ 1,383,642
2	Purchased Water	26,831	-	26,831	-	-	-	26,831
3	Fuel & Power	546,720	-	546,720	-	-	-	546,720
4	Chemicals	10,916	-	10,916	-	-	-	10,916
5	Waste Disposal	7,886	3,154	1,577	3,154	-	-	7,886
6	Intercompany Support Services	950	380	190	380	-	-	950
7	Corporate Allocation	322,082	128,833	64,416	128,833	-	-	322,082
8	Outside Services	192,587	154,069	38,517	-	-	-	192,587
9	Group Insurance	418,599	167,439	83,720	167,439	-	-	418,599
10	Pensions	6,694	2,678	1,339	2,678	-	-	6,694
11	Regulatory Expense	85,438	34,175	17,088	34,175	-	-	85,438
12	Insurance Other Than Group	101,045	40,418	20,209	40,418	-	-	101,045
13	Customer Accounting	631,868	-	-	631,868	-	-	631,868
14	Rents	16,923	-	-	16,923	-	-	16,923
15	General Office Expense	238,703	-	-	238,703	-	-	238,703
16	Miscellaneous	55,680	-	-	55,680	-	-	55,680
17	Maintenance Expense	377,160	150,864	75,432	150,864	-	-	377,160
18	Depreciation & Amortization[1]	1,293,668	608,100	207,678	54,754	226,788	196,348	1,293,668
19	General Taxes-Other	149,829	-	-	149,829	-	-	149,829
20								
21								
22	Property Taxes, Allocated on Schedules G-1 & G-2							
23	Income Tax, Allocated on Schedules G-1 & G-2							
24								
25	Total	$ 5,867,220	$ 1,843,567	$ 1,371,362	$ 2,229,155	$ 226,788	$ 196,348	$ 5,867,220
26								
27								
28	[1] Depreciation allocation computed on Schedule G-6, Page 3.1 and 3.2							
29								
30								
31								
32								
33								
34	See Schedule G-7, page 2.2 for allocation factors.							
35	See Schedule G-5, page 1 for allocations by class.							
36								
37								
38								

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Allocation of Expenses to Functions
At Proposed Rates

Exhibit
Rebuttal Schedule G-6
Page 2
Witness: Bourassa

Line No.	Description	At Proposed Per C-1	Demand	Commodity	Customer	Meters	Services	Totals
1	Labor	$ 1,383,642	$ 553,457	$ 276,728	$ 553,457	$ -	$ -	$ 1,383,642
2	Purchased Water	26,831	-	26,831	-	-	-	26,831
3	Fuel & Power	546,720	-	546,720	-	-	-	546,720
4	Chemicals	10,916	-	10,916	-	-	-	10,916
5	Waste Disposal	7,886	3,154	1,577	3,154	-	-	7,886
6	Intercompany Support Services	950	380	190	380	-	-	950
7	Corporate Allocation	322,082	128,833	64,416	128,833	-	-	322,082
8	Outside Services	192,587	154,069	38,517	-	-	-	192,587
9	Group Insurance	418,599	167,439	83,720	167,439	-	-	418,599
10	Pensions	6,694	2,678	1,339	2,678	-	-	6,694
11	Regulatory Expense	85,438	34,175	17,088	34,175	-	-	85,438
12	Insurance Other Than Group	101,045	40,418	20,209	40,418	-	-	101,045
13	Customer Accounting	646,115	-	-	646,115	-	-	646,115
14	Rents	16,923	-	-	16,923	-	-	16,923
15	General Office Expense	238,703	-	-	238,703	-	-	238,703
16	Miscellaneous	55,680	-	-	55,680	-	-	55,680
17	Maintenance Expense	377,160	150,864	75,432	150,864	-	-	377,160
18	Depreciation & Amortization[1]	1,293,668	608,100	207,678	54,754	226,788	196,348	1,293,668
19	General Taxes-Other	149,829	-	-	149,829	-	-	149,829
20								
21								
22	Property Taxes, Allocated on Schedules G-1 & G-2							
23	Income Tax, Allocated on Schedules G-1 & G-2							
24								
25	Total	$ 5,881,466	$ 1,843,567	$ 1,371,362	$ 2,243,401	$ 226,788	$ 196,348	**$ 5,881,466**
26								
27								
28	[1] Depreciation allocation computed on Schedule G-6, Page 3.1 and 3.2							
29								
30								
31								
32								
33								
34	See Schedule G-7, page 2.2 for allocation factors.							
35	See Schedule G-4, page 2 for allocations by class.							
36								
37								
38								

Mohave Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1		**Intangible**									
2	301000	Organization	$ 34,004		$ -	F-1	$ -	$ -	$ -	$ -	$ -
3	302000	Franchises	37,061		-	F-1	-	-	-	-	-
4	303100	Other Intangible Plant	-		-	F-1	-	-	-	-	-
5		**Subtotal Intangible**	$ 71,064		$ -		$ -	$ -	$ -	$ -	$ -
6											
7		**Source of Supply & Pumping Plant**									
8	303200	Land and Land Rights - Supply	$ 528,700	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
9	303300	Land and Land Rights - Pumping	2,351	0.000%	-	F-1	-	-	-	-	-
10	304100	Structures and Improvements - Supply	475,826	2.500%	11,896	F-1	8,803	3,093	-	-	-
11	304200	Structures and Improvements - Pumping	31,201	2.000%	624	F-1	462	162	-	-	-
12	305000	Collecting and Impounding Res.	663,944	1.667%	11,066	F-1	8,189	2,877	-	-	-
13	306000	Lakes, Rivers, Other Intakes	-	0.000%	-	F-1	-	-	-	-	-
14	307000	Wells and Springs	6,589,253	2.500%	164,731	F-1	121,901	42,830	-	-	-
15	308000	Infiltration Galleries and Tunnels	-	0.000%	-	F-1	-	-	-	-	-
16	309000	Supply Mains	93,481	1.667%	1,558	F-1	1,153	405	-	-	-
17	310000	Power Generation Equipment	50,355	3.333%	1,679	F-1	1,242	436	-	-	-
18	311000	Pumping Equipment - Steam	409,521	4.000%	16,381	F-1	12,122	4,259	-	-	-
19	311200	Pumping Equipment - Electric	2,782,895	4.000%	111,316	F-1	82,374	28,942	-	-	-
20	311300	Pumping Equipment - Diesel	-	0.000%	-	F-1	-	-	-	-	-
21	311400	Pumping Equipment - Hydraulic	-	0.000%	-	F-1	-	-	-	-	-
22	311500	Pumping Equipment - Other	1,009	4.000%	40	F-1	30	10	-	-	-
23	311530	Pumping Equipment - Water Treatment	-	0.000%	-	F-1	-	-	-	-	-
24		**Subtotal Source of Supply & Pumping Plant**	$ 11,628,537		$ 319,290		$ 236,275	$ 83,015	$ -	$ -	$ -
25											
26		**Water Treatment**									
27	303400	Land and Land Rights - Treatment	$ -	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
28	304300	Structures and Improvements - Treatment	47,846	2.000%	957	F-1	708	249	-	-	-
29	320000	Water Treatment Plant	-	0.000%	-	F-1	-	-	-	-	-
30	320100	Water Treatment Equipment - Non-media	96,932	5.000%	(0)	F-1	(0)	(0)	-	-	-
31	320200	Water Treatment Equipment - Media	360,547	10.000%	36,055	F-1	26,680	9,374	-	-	-
32		**Subtotal Water Treatment**	$ 505,325		$ 37,012		$ 27,389	$ 9,623	$ -	$ -	$ -
33											
34		**Transmission and Distribution Plant**									
35	303500	Land and Land Rights - T&D	$ 9,609	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
36	304400	Structures and Improvements - T&D	43,546	2.000%	871	F-1	644	226	-	-	-
37	330000	Distribution Reservoirs & Standpipes	2,832,819	1.538%	43,582	F-1	32,251	11,331	-	-	-
38	330100	Elevated Tank & Standpipes	-	1.538%	-	F-1	-	-	-	-	-
39	330200	Ground Level Tanks	-	0.000%	-	F-1	-	-	-	-	-
40	330300	Below Ground Tanks	-	0.000%	-	F-1	-	-	-	-	-
41	331001	T&D Mains Not Classified	269,444	2.000%	5,389	F-1	3,988	1,401	-	-	-
42	331100	T&D Mains 4in & less	12,008,818	1.429%	171,555	F-1	126,950	44,604	-	-	-
43	331200	T&D Mains 6in to 8in	3,693,499	1.429%	52,764	F-1	39,046	13,719	-	-	-
44	331300	T&D Mains 10in to 16in	1,484,810	1.429%	21,212	F-1	15,697	5,515	-	-	-
45	331400	TD Mains 18in & Grtr	76,265	1.429%	1,089	F-1	806	283	-	-	-
46	332000	Fire Mains	-	0.000%	-	F-2	-	-	-	-	-

Mohave Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	333000	Services	$ 7,853,908	2.500%	$ 196,348	F-3	$ -	$ -	$ -	$ -	$ 196,348
2	334100	Meters	2,638,552	8.333%	219,879	F-4	-	-	-	219,879	-
3	334200	Meter Installations	276,354	2.500%	6,909	F-4	-	-	-	6,909	-
4	334300	Meter Vaults	-	0.000%	-	F-4	-	-	-	-	-
5	335000	Hydrants	185,402	2.000%	3,708	F-5	-	-	3,708	-	-
6	336000	Backflow Prevention Devices	-	0.000%	-	F-1	-	-	-	-	-
7	339100	Other P/E-Intangible	-	0.000%	-	F-1	-	-	-	-	-
8	339200	Other P/E-Supply	82,583	3.333%	2,753	F-1	2,037	716	-	-	-
9	339500	Other P/E-TD	-	0.000%	-	F-1	-	-	-	-	-
10	339600	Other P/E-CPS	186,826	3.333%	6,228	F-1	4,608	1,619	-	-	-
11	**Subtotal Transmission and Distribution Plant**		$ 31,642,436		$ 732,286		$ 226,027	$ 79,415	$ 3,708	$ 226,788	$ 196,348
12											
13	**General Plant**										
14	303600	Land and Land Rights	$ 47,358	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
15	304500	Structures and Improvements - General	43,231	2.500%	1,081	F-1	800	281	-	-	-
16	304600	Structures and Improvements - Offices	449,617	2.500%	11,240	F-1	8,318	2,923	-	-	-
17	304620	Structures and Improvements - Leasehold	-	0.000%	-	F-1	-	-	-	-	-
18	304700	Structures and Improvements - Sore,Shop,Gge	29,223	2.500%	731	F-1	541	190	-	-	-
19	304800	Structures and Improvements - General	-	0.000%	-	F-1	-	-	-	-	-
20	340100	Office Furniture & Equipment	101,669	4.500%	4,575	F-6	1,144	-	3,431	-	-
21	340200	Computers & Software	109,956	10.000%	10,996	F-6	2,749	-	8,247	-	-
22	340300	Computer Software	3,521	20.000%	409	F-6	102	-	307	-	-
23	340310	Computer Software Mainframe	-	0.000%	-	F-6	-	-	-	-	-
24	340325	Computer Software Customized	-	0.000%	-	F-6	-	-	-	-	-
25	340330	Computer Software Other	-	0.000%	-	F-6	-	-	-	-	-
26	340500	Other Office Equipment	-	0.000%	-	F-6	-	-	-	-	-
27	341100	Transportation Equip Light Duty Truks	99,015	20.000%	0	F-6	0	-	0	-	-
28	341200	Transportation Equip Heavy Duty Truks	72,088	14.286%	10,298	F-6	2,575	-	7,724	-	-
29	341300	Transportation Equipment Autos	-	0.000%	-	F-6	-	-	-	-	-
30	341400	Transportation Equipment Other	59,848	16.667%	9,975	F-6	2,494	-	7,481	-	-
31	342000	Stores Equipment	1,420	4.000%	(0)	F-6	(0)	-	(0)	-	-
32	343000	Tools and Work Equipment	221,156	4.000%	8,846	F-1	6,546	2,300	-	-	-
33	344000	Laboratory Equipment	7,623	4.000%	-	F-1	-	-	-	-	-
34	345000	Power Operated Equipment	171,959	5.000%	(0)	F-1	(0)	(0)	-	-	-
35	346100	Communication Equipment Non-Telephone	188,877	10.000%	18,888	F-1	13,977	4,911	-	-	-
36	346190	Remote Control & Instrument	880,737	10.000%	88,074	F-1	65,175	22,899	-	-	-
37	346200	Communication Equipment Telephone	-	10.000%	-	F-1	-	-	-	-	-
38	346300	Communication Equipment Other	5,111	10.000%	511	F-1	378	133	-	-	-
39	347000	Structures and Improvements - Offices	-	0.000%	-	F-1	-	-	-	-	-
40	348000	Structures and Improvements - Leasehold	-	0.000%	-	F-1	-	-	-	-	-
41	**Subtotal General Plant**		$ 2,492,409		$ 165,623		$ 104,797	$ 33,636	$ 27,189	$ -	$ -
42	**Total Direct Plant**		$ 46,339,772		$ 1,254,211		$ 594,488	$ 205,690	$ 30,897	$ 226,788	$ 196,348

Mohave Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.2
Witness: Bourassa

Line No.	Account No.	Description	Original Cost	Depreciatior Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Allocated General Plant**										
2	399000	Allocated Corporate General Plant	391,360		31,808	F-6	7,952	-	23,856	-	-
3	399000	Reconcilation to PIS Balance	-		221	F-1	163	57	-	-	-
4	**Test Year Ended June 30, 2013**		$ 391,360		$ 32,029		$ 8,115	$ 57	$ 23,856	$ -	$ -
5	**Total Plant**		$ 46,731,131		$ 1,286,239		$ 602,603	$ 205,747	$ 54,754	$ 226,788	$ 196,348
6											
7											
8	Less:	Contributions in Aid of Construction	$ (570,329)	2.74%	$ (15,600)	F-1	(11,544)	(4,056)	-	-	-
9		Advances in Aid of Construction	$ (7,012,710)			F-1	-	-	-	-	-
10		Meter Deposits	(8,257)			F-7	-	-	-	-	-
11		Deferred Income Tax	(696,852)			F-1	-	-	-	-	-
12		Working Capital	133,907			F-1	-	-	-	-	-
13		Deferred Reg Assets/Liabilities	830,910		23,029	F-1	17,041	5,988	-	-	-
14	Total		$ 39,407,801		$ 1,293,668		$ 608,100	$ 207,678	$ 54,754	$ 226,788	$ 196,348
15											
16											
17											
18											
19											

Mohave Water District
Test Year Ended June 30, 2013
Summary of Commodity - Demand Method Functions Factors

Exhibit
Rebuttal Schedule G-7
Page 1
Witness: Bourassa

Line No.	Class	Demand	Commodity	Customer	Meters	Services
3	Residential	0.688	0.695	0.927	0.903	0.701
4	Apartment	0.063	0.069	0.017	0.025	0.094
5	Commercial	0.191	0.185	0.051	0.064	0.172
6	Other Public Authority	0.059	0.050	0.005	0.008	0.033
8	Total	1.000	1.000	1.000	1.000	1.000

34 SUPPORTING SCHEDULES
35 G-7, page 3.1 to 3.3

Mohave Water District
Test Year Ended June 30, 2013
COMMODITY - DEMAND METHOD FUNCTION FACTORS
Plant-in-Service. Accumulated Depreciation and Depreciation Expense Allocations Functions

Exhibit
Rebuttal Schedule G-7
Page 2.1
Witness: Bourassa

Line No.	Factor	Demand	Commodity	Customer	Meters	Services
1						
2	Factor	Demand	Commodity	Customer	Meters	Services
3	F-1	0.74	0.26			
4	F-2	1.00				
5	F-3					1.00
6	F-4				1.00	
7	F-5			1.00		
8	F-6	0.25		0.75		
9	F-7				0.50	0.50
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	Development of F-1 Allocation Factor					
26		MGD		RATIO		DEMAND FACTOR
27		(a)		(b)		(c)
28	(1) Avg day	4,863.08	G-7, page 3	1.00		1.00 1/(b)
29	(2) Max day	6,552.19	G-7, page 3	1.35	Max day/Avg day	0.74 1/(b)
30						
31						

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Expense Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 2.2
Witness: Bourassa

Line No.	Expense Type	Demand	Commodity	Customer	Meters	Services
1						
2	Labor	0.40	0.20	0.40	-	-
3	Purchased Water	-	1.00	-	-	-
4	Fuel & Power	-	1.00	-	-	-
5	Chemicals	-	1.00	-	-	-
6	Waste Disposal	0.40	0.20	0.40	-	-
7	Intercompany Support Services	0.40	0.20	0.40	-	-
8	Corporate Allocation	0.40	0.20	0.40	-	-
9	Outside Services	0.80	0.20	-	-	-
10	Group Insurance	0.40	0.20	0.40	-	-
11	Pensions	0.40	0.20	0.40	-	-
12	Regulatory Expense	0.40	0.20	0.40	-	-
13	Insurance Other Than Group	0.40	0.20	0.40		
14	Customer Accounting	-	-	1.00	-	-
15	Rents	-	-	1.00	-	-
16	General Office Expense	-	-	1.00	-	-
17	Miscellaneous	-	-	1.00	-	-
18	Maintenance Expense	0.40	0.20	0.40	-	-
19	Depreciation & Amortization		See Schedule G-7, page 2.1			
20	General Taxes-Other	-	-	1.00	-	-
21						
22						
23						
24						
25						
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30						
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32						
33						
34						
35						

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

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COMMODITY ALLOCATION FACTOR

Meter Size	Class	(a) Total Gallons (in 1,000's) In Test Year	Percent of Total
5/8x3/4"	Residential	1,193,630	67.25%
5/8x3/4"	Apartment	9,112	0.51%
5/8x3/4"	Commercial	36,434	2.05%
5/8x3/4"	Other Public Auth.	2,053	0.12%
3/4"	Residential	728	0.04%
3/4"	Apartment	-	0.00%
3/4"	Commercial	-	0.00%
3/4"	Other Public Auth.	-	0.00%
1"	Residential	21,901	1.23%
1"	Apartment	12,656	0.71%
1"	Commercial	52,352	2.95%
1"	Other Public Auth.	2,403	0.14%
1-1/2"	Residential	-	0.00%
1-1/2"	Apartment	1,274	0.07%
1-1/2"	Commercial	689	0.04%
1-1/2"	Other Public Auth.	51	0.00%
2"	Residential	18,053	1.02%
2"	Apartment	80,686	4.55%
2"	Commercial	188,596	10.62%
2"	Other Public Auth.	51,374	2.89%
3"	Residential	-	0.00%
3"	Apartment	-	0.00%
3"	Commercial	11,722	0.66%
3"	Other Public Auth.	13,912	0.78%
4"	Residential	-	0.00%
4"	Apartment	4,098	0.23%
4"	Commercial	4,382	0.25%
4"	Other Public Auth.	3,662	0.21%
6"	Residential	-	0.00%
6"	Apartment	14,735	0.83%
6"	Commercial	34,962	1.97%
6"	Other Public Auth.	15,563	0.88%
8"	Residential	-	0.00%
8"	Apartment	-	0.00%
8"	Commercial	-	0.00%
8"	Other Public Auth.	-	0.00%
		-	0.00%
		-	0.00%
		-	0.00%
		-	0.00%
		-	0.00%
Totals		1,775,027	100.00%

Class	(a) Total Gallons (in 1,000's) In Test Year	Percent of Total
Residential	1,234,312	69.538%
Apartment	122,561	6.905%
Commercial	329,136	18.543%
Other Public Auth.	89,018	5.015%
Total	1,775,027	100.000%

DEMAND ALLOCATION FACTOR

Meter Size	Class	Avg. Daily Gallons (1,000's)	Demand Factor	Avg. Peak Demand (1,000's)	Percent of Total
5/8x3/4"	Residential	3,270.22	1.33	4,346.41	66.34%
5/8x3/4"	Apartment	24.96	1.14	28.40	0.43%
5/8x3/4"	Commercial	99.82	1.29	128.79	1.97%
5/8x3/4"	Other Public Auth.	5.62	1.52	8.54	0.13%
3/4"	Residential	1.99	2.24	4.46	0.07%
3/4"	Apartment	-	-	-	0.00%
3/4"	Commercial	-	-	-	0.00%
3/4"	Other Public Auth.	-	-	-	0.00%
1"	Residential	60.00	1.27	76.39	1.17%
1"	Apartment	34.67	1.34	46.35	0.71%
1"	Commercial	143.43	1.57	225.40	3.44%
1"	Other Public Auth.	6.58	2.20	14.49	0.22%
1-1/2"	Residential	-	-	-	0.00%
1-1/2"	Apartment	3.49	4.10	14.30	0.22%
1-1/2"	Commercial	1.89	1.46	2.77	0.04%
1-1/2"	Other Public Auth.	0.14	1.88	0.26	0.00%
2"	Residential	49.46	1.62	80.26	1.22%
2"	Apartment	221.06	1.18	260.12	3.97%
2"	Commercial	516.70	1.37	707.78	10.80%
2"	Other Public Auth.	140.75	1.27	179.41	2.74%
3"	Residential	-	-	-	0.00%
3"	Apartment	-	-	-	0.00%
3"	Commercial	32.11	1.64	52.56	0.80%
3"	Other Public Auth.	38.12	2.31	87.92	1.34%
4"	Residential	-	-	-	0.00%
4"	Apartment	11.23	1.16	13.06	0.20%
4"	Commercial	12.01	1.72	20.65	0.32%
4"	Other Public Auth.	10.03	1.99	19.98	0.30%
6"	Residential	-	-	-	0.00%
6"	Apartment	40.37	1.23	49.81	0.76%
6"	Commercial	95.79	1.16	110.96	1.69%
6"	Other Public Auth.	42.64	1.71	73.12	1.12%
8"	Residential	-	-	-	0.00%
8"	Apartment	-	-	-	0.00%
8"	Commercial	-	-	-	0.00%
8"	Other Public Auth.	-	-	-	0.00%
		-	-	-	0.00%
		-	-	-	0.00%
		-	-	-	0.00%
		-	-	-	0.00%
		-	-	-	0.00%
Totals		4,863.08		6,552.19	100.00%

Class	Avg. Peak Demand (1,000's)	Percent of Total
Residential	4,508	68.794%
Apartment	412	6.289%
Commercial	1,249	19.061%
Other Public Auth.	384	5.857%
Total	6,552	100.000%

(a) Includes customer and gallons sold annualization.

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
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CUSTOMER ALLOCATION FACTOR

Meter Size	Class	Number of Meters	Percent of Total
5/8x3/4"	Residential	14,634	92.05%
5/8x3/4"	Apartment	66	0.42%
5/8x3/4"	Commercial	384	2.42%
5/8x3/4"	Other Public Auth.	18	0.11%
3/4"	Residential	4	0.03%
3/4"	Apartment	1	0.01%
3/4"	Commercial	-	0.00%
3/4"	Other Public Auth.	-	0.00%
1"	Residential	77	0.49%
1"	Apartment	53	0.33%
1"	Commercial	199	1.25%
1"	Other Public Auth.	11	0.07%
1-1/2"	Residential	-	0.00%
1-1/2"	Apartment	2	0.01%
1-1/2"	Commercial	3	0.02%
1-1/2"	Other Public Auth.	1	0.01%
2"	Residential	24	0.15%
2"	Apartment	143	0.90%
2"	Commercial	206	1.30%
2"	Other Public Auth.	46	0.29%
3"	Residential	-	0.00%
3"	Apartment	-	0.00%
3"	Commercial	13	0.08%
3"	Other Public Auth.	2	0.01%
4"	Residential	-	0.00%
4"	Apartment	2	0.01%
4"	Commercial	2	0.01%
4"	Other Public Auth.	1	0.01%
6"	Residential	-	0.00%
6"	Apartment	1	0.01%
6"	Commercial	3	0.02%
6"	Other Public Auth.	1	0.01%
8"	Residential	-	0.00%
8"	Apartment	-	0.00%
8"	Commercial	-	0.00%
8"	Other Public Auth.	-	0.00%
Totals		15,898	100.00%

Class	Number of Meters	Percent of Total
Residential	14,740	92.715%
Apartment	268	1.687%
Commercial	810	5.094%
Other Public Auth.	80	0.503%
Total	15,898	100.000%

SERVICES ALLOCATION FACTOR (b)

Meter Size	Class	Number of Services	Install-ation Cost	Dollar Weighted Number Services	Percent of Total
5/8x3/4"	Residential	14,634	445.00	6,512,167	89.46%
5/8x3/4"	Apartment	66	445.00	29,407	0.40%
5/8x3/4"	Commercial	384	445.00	170,991	2.35%
5/8x3/4"	Other Public Auth.	18	445.00	8,010	0.11%
3/4"	Residential	4	445.00	1,780	0.02%
3/4"	Apartment	1	445.00	445	0.01%
3/4"	Commercial	0	445.00	-	0.00%
3/4"	Other Public Auth.	0	445.00	-	0.00%
1"	Residential	77	495.00	38,321	0.53%
1"	Apartment	53	495.00	26,235	0.36%
1"	Commercial	199	495.00	98,423	1.35%
1"	Other Public Auth.	11	495.00	5,445	0.07%
1-1/2"	Residential	0	550.00	-	0.00%
1-1/2"	Apartment	2	550.00	1,100	0.02%
1-1/2"	Commercial	3	550.00	1,650	0.02%
1-1/2"	Other Public Auth.	1	550.00	550	0.01%
2"	Residential	24	830.00	20,128	0.28%
2"	Apartment	143	830.00	118,828	1.63%
2"	Commercial	206	830.00	171,049	2.35%
2"	Other Public Auth.	46	830.00	38,180	0.52%
3"	Residential	0	1,165.00	-	0.00%
3"	Apartment	0	1,165.00	-	0.00%
3"	Commercial	13	1,165.00	14,757	0.20%
3"	Other Public Auth.	2	1,165.00	2,330	0.03%
4"	Residential	0	1,670.00	-	0.00%
4"	Apartment	2	1,670.00	3,340	0.05%
4"	Commercial	2	1,670.00	3,340	0.05%
4"	Other Public Auth.	1	1,670.00	1,670	0.02%
6"	Residential	0	2,330.00	-	0.00%
6"	Apartment	1	2,330.00	2,330	0.03%
6"	Commercial	3	2,330.00	6,990	0.10%
6"	Other Public Auth.	1	2,330.00	2,330	0.03%
8"	Residential	0	3,262.00	-	0.00%
8"	Apartment	0	3,262.00	-	0.00%
8"	Commercial	0	3,262.00	-	0.00%
8"	Other Public Auth.	0	3,262.00	-	0.00%
Totals		15,898		$ 7,279,796	100.00%

Class	Dollar Weighted Number Services	Percent of Total
Residential	6,572,396	90.283%
Apartment	181,685	2.496%
Commercial	467,200	6.418%
Other Public Auth.	58,515	0.804%
Total	7,279,796	100.000%

(b) Meter and Service Line cost from Arizona Corporation Commission Memo of February 21, 2008 from Marlin Scott, Jr.. Meter costs based on compound meters. Cost of service line and meter is based on costs allowed for a compound meter installation.

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

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METER ALLOCATION FACTOR (b)

Meter Size		Number of Meters	Meter Cost	Weighted Dollars of Meters	Percent of Total
5/8x3/4"	Residential	14,634	155.00	2,268,283	68.00%
5/8x3/4"	Apartment	66	155.00	10,243	0.31%
5/8x3/4"	Commercial	384	155.00	59,559	1.79%
5/8x3/4"	Other Public Auth.	18	155.00	2,790	0.08%
3/4"	Residential	4	255.00	1,020	0.03%
3/4"	Apartment	1	255.00	255	0.01%
3/4"	Commercial	0	255.00	0	0.00%
3/4"	Other Public Auth.	0	255.00	0	0.00%
1"	Residential	77	315.00	24,386	0.73%
1"	Apartment	53	315.00	16,695	0.50%
1"	Commercial	199	315.00	62,633	1.88%
1"	Other Public Auth.	11	315.00	3,465	0.10%
1-1/2"	Residential	0	525.00	0	0.00%
1-1/2"	Apartment	2	525.00	1,050	0.03%
1-1/2"	Commercial	3	525.00	1,575	0.05%
1-1/2"	Other Public Auth.	1	525.00	525	0.02%
2"	Residential	24	1,890.00	45,833	1.37%
2"	Apartment	143	1,890.00	270,585	8.11%
2"	Commercial	206	1,890.00	389,498	11.68%
2"	Other Public Auth.	46	1,890.00	86,940	2.61%
3"	Residential	0	2,545.00	0	0.00%
3"	Apartment	0	2,545.00	0	0.00%
3"	Commercial	13	2,545.00	32,237	0.97%
3"	Other Public Auth.	2	2,545.00	5,090	0.15%
4"	Residential	0	3,645.00	0	0.00%
4"	Apartment	2	3,645.00	7,290	0.22%
4"	Commercial	2	3,645.00	7,290	0.22%
4"	Other Public Auth.	1	3,645.00	3,645	0.11%
6"	Residential	0	6,920.00	0	0.00%
6"	Apartment	1	6,920.00	6,920	0.21%
6"	Commercial	3	6,920.00	20,760	0.62%
6"	Other Public Auth.	1	6,920.00	6,920	0.21%
8"	Residential	0	9,688.00	0	0.00%
8"	Apartment	0	9,688.00	0	0.00%
8"	Commercial	0	9,688.00	0	0.00%
8"	Other Public Auth.	0	9,688.00	0	0.00%
Totals		15,898		########	100.00%

Class	Weighted Dollars of Meters	Percent of Total
Residential	2,339,522	70.140%
Apartment	313,038	9.385%
Commercial	573,550	17.195%
Other Public Auth.	109,375	3.279%
Total	3,335,485	100.000%

(b) Meter and Service Line cost from Arizona Corporation Commission Memo of February 21, 2008 from Marlin Scott, Jr.. Meter costs based on compound meters. Cost of service line and meter is based on costs allowed for a compound meter installation.

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
ALL CUSTOMER CLASSES

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Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				4,062	346,121	135,255
3	Fire and Misc. Revenues (From Sched G-2, page1)					(221,297)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					2,243,401	196,348	226,788
5	Property Taxes (From Sched. G-2, page 1)					180,360		
6	Income Taxes (From Sched. G-2, page 1)					612,733		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					2,819,261	542,469	362,043
8								
9	**Customer Charge**							
10	Number of Bills =	15,898	times 12 months			190,774		
11								
12	**Charge per Bill**					$ 14.78		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		19,956	times	12	months	239,475	239,475
17								
18	**Charge per Equivalent Meter**						$ 2.27	$ 1.51
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 14.78	
24	Charge per Equivalent Service Line						2.27	
25	Charge per Equivalent Meter						1.51	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 18.56	

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Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
ALL CUSTOMER CLASSES

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Line No.			
1	**DEMAND CHARGE:**		
2			
3	Return on Rate Base	6.81%	827,535
4	Demand Expenses (From Schedule G-4, Page 2)		1,843,567
5			
6	Totals		2,671,102
7	Total Revenue Requirement / Demand Component		
8	Equivalent Number of 5/8 Meters billings		239,475
9	Demand Charge for 5/8 Inch Meter		$ 11.15
10			
11			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
12				
13	5/8 Inch Meter	$ 11.15	1.0	$ 11.15
14	3/4 Inch Meter	11.15	1.5	16.73
15	1 Inch Meter	11.15	2.5	27.89
16	1 1/2 Inch Meter	11.15	5.0	55.77
17	2 Inch Meter	11.15	8.0	89.23
18	3 Inch Meter	11.15	16.0	178.46
19	4 Inch Meter	11.15	25.0	278.85
20	6 Inch Meter	11.15	50.0	557.70
21	8 Inch Meter	11.15	80.0	892.32
22	10 Inch Meter	11.15	115.0	1,282.71
23	12 Inch Meter	11.15	215.0	2,398.11

Mohave Water District
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Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
ALL CUSTOMER CLASSES

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Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	291,658	4,062	346,121	135,255	827,535
4	Less: Miscellaneous Revenues			(221,297)			
5							
6	Expenses (From Sch. G-4. Page 2)		1,371,362	2,243,401	196,348	226,788	1,843,567
7	Property Taxes (From Sched. G-2, page 1)			180,360			
8	Income Taxes (From Sched. G-2, page 1)			612,733			
9	Total Revenue Requirement by function		1,663,020	2,819,261	542,469	362,043	2,671,102
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		1,775,027				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9369**				
12	Annualized Number of Bills			190,774			
13	Equivalent Meters and Service Lines				239,475	239,475	239,475
14	Customer Charge (line 9 divided by line 12)			$ 14.78			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 2.27	$ 1.51	$ 11.15
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 29.71
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 29.71	1.0	$ 29.71
22	3/4 Inch Meter	29.71	1.5	44.56
23	1 Inch Meter	29.71	2.5	74.27
24	1 1/2 Inch Meter	29.71	5.0	148.55
25	2 Inch Meter	29.71	8.0	237.67
26	3 Inch Meter	29.71	16.0	475.35
27	4 Inch Meter	29.71	25.0	742.73
28	6 Inch Meter	29.71	50.0	1,485.45
29	8 Inch Meter	29.71	80.0	2,376.73
30	10 Inch Meter	29.71	115.0	3,416.55
31	12 Inch Meter	29.71	215.0	6,387.46
32				
33				

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
ALL CUSTOMER CLASSES

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Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ 3,723,773	40%	$ 1,489,509
7	Demand Costs	2,671,102	40%	1,068,441
8	Commodity Costs	1,663,020	100%	1,663,020
9	Total Costs to be Collected via Commodity			$ 4,220,970
10	Gallons Sold			1,775,027
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 2.378**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 8,057,895
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(4,220,970)
19	Balance to be Recovered through Monthly Minimum			$ 3,836,925
20				
21				
22	Number of Equivalent 5/8 Inch Meter Billings			239,475
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 16.02**
25				
26				
27				

47.62%
Percent revenue recovery from monthly mins

	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 16.02	1.0	$ 16.02
30	3/4 Inch Meter	16.02	1.5	24.03
31	1 Inch Meter	16.02	2.5	40.06
32	1 1/2 Inch Meter	16.02	5.0	80.11
33	2 Inch Meter	16.02	8.0	128.18
34	3 Inch Meter	16.02	16.0	256.36
35	4 Inch Meter	16.02	25.0	400.56
36	6 Inch Meter	16.02	50.0	801.11
37	8 Inch Meter	16.02	80.0	1,281.78
38	10 Inch Meter	16.02	115.0	1,842.56
39	12 Inch Meter	16.02	215.0	3,444.79

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Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
RESIDENTIAL CLASS

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Witness: Bourassa

Line No.						Customer	Service	Meter
1	Return on Rate Base	6.81%				3,767	242,770	122,112
2	Misc. Revenues (From Sched G-2, page1)					(205,176)		
3	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					2,079,980	137,719	204,751
4	Property Taxes (From Sched. G-2, page 1)					127,718		
5	Income Taxes (From Sched. G-2, page 1)					251,239		
6	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					2,257,527	380,489	326,862
7								
8	**Customer Charge**							
9	Number of Bills =	14,740	times 12 months			176,877		
10								
11	**Charge per Bill**					$ 12.76		
12	(Customer Revenue Requirement divided by Annualized Number of Bills)							
13								
14	**Service Line and Meter Charge**							
15	Equivalent 5/8 Meters		15,028	times	12	months	180,332	180,332
16								
17	**Charge per Equivalent Meter**						$ 2.11	$ 1.81
18								
19								
20	CUSTOMER CHARGE:							
21	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
22	Charge per Bill						$ 12.76	
23	Charge per Equivalent Service Line						2.11	
24	Charge per Equivalent Meter						1.81	
25	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
26	Monthly Minimum for 5/8 Inch Meter, WITHOUT Demand Charge Included						$ 16.69	

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 2B
Witness: Bourassa

Line No.	DEMAND CHARGE:		
1			
2	Return on Rate Base	6.81%	569,295
3	Demand Expenses (From Schedule G-4, Page 2)		1,268,265
4			
5	Totals		1,837,559
6	Total Revenue Requirement / Demand Component		
7	Equivalent Number of 5/8 Meters billings		180,332
8	Demand Charge for 5/8 Inch Meter		$ 10.19
9			
10			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
11				
12	5/8 Inch Meter	$ 10.19	1.0	$ 10.19
13	3/4 Inch Meter	10.19	1.5	15.28
14	1 Inch Meter	10.19	2.5	25.47
15	1 1/2 Inch Meter	10.19	5.0	50.95
16	2 Inch Meter	10.19	8.0	81.52
17	3 Inch Meter	10.19	16.0	163.04
18	4 Inch Meter	10.19	25.0	254.75
19	6 Inch Meter	10.19	50.0	509.49
20	8 Inch Meter	10.19	80.0	815.19
21	10 Inch Meter	10.19	115.0	1,171.84
22	12 Inch Meter	10.19	215.0	2,190.83

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 3B
Witness: Bourassa

Line No.			Commodity	Customer	Service	Meter	Demand
1	**Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum**						
2							
3	Return on Rate Base	6.81%	202,812	3,767	242,770	122,112	569,295
4	Less: Miscellaneous Revenues			(205,176)			
5							
6	Expenses (From Sch. G-4. Page 2)		953,612	2,079,980	137,719	204,751	1,268,265
7	Property Taxes (From Sched. G-2, page 1)			127,718			
8	Income Taxes (From Sched. G-2, page 1)			251,239			
9	Total Revenue Requirement by function		1,156,425	2,257,527	380,489	326,862	1,837,559
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		1,234,312				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9369**				
12	Annualized Number of Bills			176,877			
13	Equivalent Meters and Service Lines				180,332	180,332	180,332
14	Customer Charge (line 9 divided by line 12)			$ 12.76			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 2.11	$ 1.81	$ 10.19
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 26.88
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 26.88	1.0	$ 26.88
22	3/4 Inch Meter	26.88	1.5	40.31
23	1 Inch Meter	26.88	2.5	67.19
24	1 1/2 Inch Meter	26.88	5.0	134.38
25	2 Inch Meter	26.88	8.0	215.01
26	3 Inch Meter	26.88	16.0	430.01
27	4 Inch Meter	26.88	25.0	671.89
28	6 Inch Meter	26.88	50.0	1,343.78
29	8 Inch Meter	26.88	80.0	2,150.05
30	10 Inch Meter	26.88	115.0	3,090.70
31	12 Inch Meter	26.88	215.0	5,778.27
32				
33				

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 4B
Witness: Bourassa

Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ 2,964,879	40%	$ 1,185,952
7	Demand Costs	1,837,559	40%	735,024
8	Commodity Costs	1,156,425	100%	1,156,425
9	Total Costs to be Collected via Commodity			$ 3,077,400
10	Gallons Sold			1,234,312
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 2.493**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 5,958,863
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(3,077,400)
19	Balance to be Recovered through Monthly Minimum			$ 2,881,463
20				
21				
22	Number of Equivalent 5/8 Inch Meter Billings			180,332
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 15.98**
25				
26				
27				
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 15.98	1.0	$ 15.98
30	3/4 Inch Meter	15.98	1.5	23.97
31	1 Inch Meter	15.98	2.5	39.95
32	1 1/2 Inch Meter	15.98	5.0	79.89
33	2 Inch Meter	15.98	8.0	127.83
34	3 Inch Meter	15.98	16.0	255.66
35	4 Inch Meter	15.98	25.0	399.47
36	6 Inch Meter	15.98	50.0	798.94
37	8 Inch Meter	15.98	80.0	1,278.30
38	10 Inch Meter	15.98	115.0	1,837.55
39	12 Inch Meter	15.98	215.0	3,435.42

48.36%
Percent revenue recovery from monthly mins

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
APARTMENT CLASS

Exhibit
Rebuttal Schedule G-8
Page 1C
Witness: Bourassa

Line No.						Customer	Service	Meter
1	Return on Rate Base	6.81%				69	32,484	3,376
2	Misc. Revenues (From Sched G-2, page1)					(3,734)		
3	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					37,854	18,427	5,660
4	Property Taxes (From Sched. G-2, page 1)					13,309		
5	Income Taxes (From Sched. G-2, page 1)					107,969		
6	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					155,466	50,911	9,036
7								
8	**Customer Charge**							
9	Number of Bills =	268	times 12 months			3,219		
10								
11	**Charge per Bill**					$ 48.30		
12	(Customer Revenue Requirement divided by Annualized Number of Bills)							
13								
14	**Service Line and Meter Charge**							
15	Equivalent 5/8 Meters		1,455	times	12	months	17,465	17,465
16								
17	**Charge per Equivalent Meter**						$ 2.92	$ 0.52
18								
19								
20	**CUSTOMER CHARGE:**							
21	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
22	Charge per Bill						$ 48.30	
23	Charge per Equivalent Service Line						2.92	
24	Charge per Equivalent Meter						0.52	
25	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
26	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 51.73	

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
APARTMENT CLASS

Exhibit
Rebuttal Schedule G-8
Page 2C
Witness: Bourassa

Line No.	DEMAND CHARGE:		
1			
2	Return on Rate Base	6.81%	52,040
3	Demand Expenses (From Schedule G-4, Page 2)		115,933
4			
5	Totals		167,973
6	Total Revenue Requirement / Demand Component		
7	Equivalent Number of 5/8 Meters billings		17,465
8	Demand Charge for 5/8 Inch Meter		$ 9.62
9			
10			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
12	5/8 Inch Meter	$ 9.62	1.0	$ 9.62
13	3/4 Inch Meter	9.62	1.5	14.43
14	1 Inch Meter	9.62	2.5	24.04
15	1 1/2 Inch Meter	9.62	5.0	48.09
16	2 Inch Meter	9.62	8.0	76.94
17	3 Inch Meter	9.62	16.0	153.88
18	4 Inch Meter	9.62	25.0	240.44
19	6 Inch Meter	9.62	50.0	480.88
20	8 Inch Meter	9.62	80.0	769.41
21	10 Inch Meter	9.62	115.0	1,106.03
22	12 Inch Meter	9.62	215.0	2,067.80

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
APARTMENT CLASS

Exhibit
Rebuttal Schedule G-8
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Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	20,138	69	32,484	3,376	52,040
4	Less: Miscellaneous Revenues			(3,734)			
5							
6	Expenses (From Sch. G-4. Page 2)		94,689	37,854	18,427	5,660	115,933
7	Property Taxes (From Sched. G-2, page 1)			13,309			
8	Income Taxes (From Sched. G-2, page 1)			107,969			
9	Total Revenue Requirement by function		114,828	155,466	50,911	9,036	167,973
10	*Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)*		122,561				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9369**				
12	Annualized Number of Bills			3,219			
13	Equivalent Meters and Service Lines				17,465	17,465	17,465
14	Customer Charge (line 9 divided by line 12)			$ 48.30			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 2.92	$ 0.52	$ 9.62
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	*(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)*						**$ 61.35**
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 61.35	1.0	$ 61.35
22	3/4 Inch Meter	61.35	1.5	92.02
23	1 Inch Meter	61.35	2.5	153.37
24	1 1/2 Inch Meter	61.35	5.0	306.73
25	2 Inch Meter	61.35	8.0	490.77
26	3 Inch Meter	61.35	16.0	981.54
27	4 Inch Meter	61.35	25.0	1,533.66
28	6 Inch Meter	61.35	50.0	3,067.32
29	8 Inch Meter	61.35	80.0	4,907.72
30	10 Inch Meter	61.35	115.0	7,054.84
31	12 Inch Meter	61.35	215.0	13,189.49
32				
33				

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
APARTMENT CLASS

Exhibit
Rebuttal Schedule G-8
Page 4C
Witness: Bourassa

Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ 215,413	40%	$ 86,165
7	Demand Costs	167,973	40%	67,189
8	Commodity Costs	114,828	100%	114,828
9	Total Costs to be Collected via Commodity			$ 268,182
10	Gallons Sold			122,561
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 2.188**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 498,213
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(268,182)
19	Balance to be Recovered through Monthly Minimum			$ 230,031 46.17%
20				Percent revenue recovery from monthly mins
21				
22	Number of Equivalent 5/8 Inch Meter Billings			17,465
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 13.17**
25				
26				
27				
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 13.17	1.0	$ 13.17
30	3/4 Inch Meter	13.17	1.5	19.76
31	1 Inch Meter	13.17	2.5	32.93
32	1 1/2 Inch Meter	13.17	5.0	65.85
33	2 Inch Meter	13.17	8.0	105.37
34	3 Inch Meter	13.17	16.0	210.74
35	4 Inch Meter	13.17	25.0	329.27
36	6 Inch Meter	13.17	50.0	658.55
37	8 Inch Meter	13.17	80.0	1,053.68
38	10 Inch Meter	13.17	115.0	1,514.66
39	12 Inch Meter	13.17	215.0	2,831.76

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 1D
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				207	59,517	8,680
3	Misc. Revenues (From Sched G-2, page1)					(11,273)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					114,279	33,763	14,555
5	Property Taxes (From Sched. G-2, page 1)					32,513		
6	Income Taxes (From Sched. G-2, page 1)					222,573		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					358,299	93,280	23,235
8								
9	**Customer Charge**							
10	Number of Bills =	810	times 12 months			9,718		
11								
12	**Charge per Bill**					$ 36.87		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		2,948	times	12	months	35,372	35,372
17								
18	**Charge per Equivalent Meter**						$ 2.64	$ 0.66
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 36.87	
24	Charge per Equivalent Service Line						2.64	
25	Charge per Equivalent Meter						0.66	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 40.16	

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 2D
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
2			
3	Return on Rate Base	6.81%	157,736
4	Demand Expenses (From Schedule G-4, Page 2)		351,401
5			
6	Totals		509,137
7	Total Revenue Requirement / Demand Component		
8	Equivalent Number of 5/8 Meters billings		35,372
9	Demand Charge for 5/8 Inch Meter		$ 14.39
10			
11			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
13	5/8 Inch Meter	$ 14.39	1.0	$ 14.39
14	3/4 Inch Meter	14.39	1.5	21.59
15	1 Inch Meter	14.39	2.5	35.98
16	1 1/2 Inch Meter	14.39	5.0	71.97
17	2 Inch Meter	14.39	8.0	115.15
18	3 Inch Meter	14.39	16.0	230.30
19	4 Inch Meter	14.39	25.0	359.84
20	6 Inch Meter	14.39	50.0	719.69
21	8 Inch Meter	14.39	80.0	1,151.50
22	10 Inch Meter	14.39	115.0	1,655.28
23	12 Inch Meter	14.39	215.0	3,094.66

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 3D
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	54,081	207	59,517	8,680	157,736
4	Less: Miscellaneous Revenues			(11,273)			
6	Expenses (From Sch. G-4. Page 2)		254,286	114,279	33,763	14,555	351,401
8	Income Taxes (From Sched. G-2, page 1)			32,513			
9	Total Revenue Requirement by function			222,573			
			308,367	358,299	93,280	23,235	509,137
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		329,136				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9369**				
12	Annualized Number of Bills			9,718			
13	Equivalent Meters and Service Lines				35,372	35,372	35,372
14	Customer Charge (line 9 divided by line 12)			$ 36.87			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 2.64	$ 0.66	$ 14.39
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 54.56

Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
5/8 Inch Meter	$ 54.56	1.0	$ 54.56
3/4 Inch Meter	54.56	1.5	81.84
1 Inch Meter	54.56	2.5	136.39
1 1/2 Inch Meter	54.56	5.0	272.79
2 Inch Meter	54.56	8.0	436.46
3 Inch Meter	54.56	16.0	872.92
4 Inch Meter	54.56	25.0	1,363.93
6 Inch Meter	54.56	50.0	2,727.87
8 Inch Meter	54.56	80.0	4,364.59
10 Inch Meter	54.56	115.0	6,274.09
12 Inch Meter	54.56	215.0	11,729.83

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 4D
Witness: Bourassa

Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ 474,813	40%	$ 189,925
7	Demand Costs	509,137	40%	203,655
8	Commodity Costs	308,367	100%	308,367
9	Total Costs to be Collected via Commodity			$ 701,947
10	Gallons Sold			329,136
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 2.133**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 1,292,317
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(701,947)
19	Balance to be Recovered through Monthly Minimum			$ 590,370
20				
21				
22	Number of Equivalent 5/8 Inch Meter Billings			35,372
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 16.69**
25				
26				
27				
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 16.69	1.0	$ 16.69
30	3/4 Inch Meter	16.69	1.5	25.04
31	1 Inch Meter	16.69	2.5	41.73
32	1 1/2 Inch Meter	16.69	5.0	83.45
33	2 Inch Meter	16.69	8.0	133.52
34	3 Inch Meter	16.69	16.0	267.05
35	4 Inch Meter	16.69	25.0	417.26
36	6 Inch Meter	16.69	50.0	834.52
37	8 Inch Meter	16.69	80.0	1,335.23
38	10 Inch Meter	16.69	115.0	1,919.39
39	12 Inch Meter	16.69	215.0	3,588.42

45.68%
Percent revenue recovery from monthly mins

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
OTHER PUBLIC AUTHORITY

Exhibit
Rebuttal Schedule G-8
Page 1E
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				20	11,350	1,087
3	Misc. Revenues (From Sched G-2, page1)					(1,114)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					11,289	6,439	1,823
5	Property Taxes (From Sched. G-2, page 1)					6,820		
6	Income Taxes (From Sched. G-2, page 1)					30,953		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					47,969	17,788	2,910
8								
9	**Customer Charge**							
10	Number of Bills =	80	times 12 months			960		
11								
12	**Charge per Bill**					$ 49.97		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		526	times	12	months	6,306	6,306
17								
18	**Charge per Equivalent Meter**						$ 2.82	$ 0.46
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 49.97	
24	Charge per Equivalent Service Line						2.82	
25	Charge per Equivalent Meter						0.46	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 53.25	

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
OTHER PUBLIC AUTHORITY

Exhibit
Rebuttal Schedule G-8
Page 2E
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
1			
2	Return on Rate Base	6.81%	48,465
3	Demand Expenses (From Schedule G-4, Page 2)		107,969
4			
5	Totals		156,434
6	Total Revenue Requirement / Demand Component		
7	Equivalent Number of 5/8 Meters billings		6,306
8	Demand Charge for 5/8 Inch Meter		$ 24.81
9			
10			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
11				
12	5/8 Inch Meter	$ 24.81	1.0	$ 24.81
13	3/4 Inch Meter	24.81	1.5	37.21
14	1 Inch Meter	24.81	2.5	62.02
15	1 1/2 Inch Meter	24.81	5.0	124.04
16	2 Inch Meter	24.81	8.0	198.46
17	3 Inch Meter	24.81	16.0	396.91
18	4 Inch Meter	24.81	25.0	620.18
19	6 Inch Meter	24.81	50.0	1,240.35
20	8 Inch Meter	24.81	80.0	1,984.57
21	10 Inch Meter	24.81	115.0	2,852.82
22	12 Inch Meter	24.81	215.0	5,333.53

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
OTHER PUBLIC AUTHORITY

Exhibit
Rebuttal Schedule G-8
Page 3E
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	14,627	20	11,350	1,087	48,465
4	Less: Miscellaneous Revenues			(1,114)			
5							
6	Expenses (From Sch. G-4. Page 2)		68,774	11,289	6,439	1,823	107,969
7	Property Taxes (From Sched. G-2, page 1)			6,820			
8	Income Taxes (From Sched. G-2, page 1)			30,953			
9	Total Revenue Requirement by function		83,401	47,969	17,788	2,910	156,434
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		89,018				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9369**				
12	Annualized Number of Bills			960			
13	Equivalent Meters and Service Lines				6,306	6,306	6,306
14	Customer Charge (line 9 divided by line 12)			$ 49.97			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 2.82	$ 0.46	$ 24.81
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 78.06
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 78.06	1.0	$ 78.06
22	3/4 Inch Meter	78.06	1.5	117.09
23	1 Inch Meter	78.06	2.5	195.14
24	1 1/2 Inch Meter	78.06	5.0	390.29
25	2 Inch Meter	78.06	8.0	624.46
26	3 Inch Meter	78.06	16.0	1,248.92
27	4 Inch Meter	78.06	25.0	1,951.43
28	6 Inch Meter	78.06	50.0	3,902.86
29	8 Inch Meter	78.06	80.0	6,244.58
30	10 Inch Meter	78.06	115.0	8,976.58
31	12 Inch Meter	78.06	215.0	16,782.30
32				
33				

Mohave Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
OTHER PUBLIC AUTHORITY

Exhibit
Rebuttal Schedule G-8
Page 4E
Witness: Bourassa

Line No.					
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**				
2					
3	Revenue Requirements Collected via Commodity Charge				
4				Commodity	
5		Total Rev. Req.	%	Portion of Rev. Req.	
6	Customer, Service, and Meter Costs	$ 68,667	40%	$ 27,467	
7	Demand Costs	156,434	40%	62,573	
8	Commodity Costs	83,401	100%	83,401	
9	Total Costs to be Collected via Commodity			$ 173,441	
10	Gallons Sold			83,401	
11					
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 2.080**	
13					
14	Revenue Requirement Collected via Monthly Minimum				
15					
16	Monthly Minimum 5/8 Meter				
17	Total Revenue Requirement			$ 308,502	
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(173,441)	
19	Balance to be Recovered through Monthly Minimum			$ 135,061	43.78%
20					Percent revenue recovery from monthly mins
21					
22	Number of Equivalent 5/8 Inch Meter Billings			6,306	
23					
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 21.42**	
25					
26					
27					
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum	
29	5/8 Inch Meter	$ 21.42	1.0	$ 21.42	
30	3/4 Inch Meter	21.42	1.5	32.13	
31	1 Inch Meter	21.42	2.5	53.54	
32	1 1/2 Inch Meter	21.42	5.0	107.09	
33	2 Inch Meter	21.42	8.0	171.34	
34	3 Inch Meter	21.42	16.0	342.68	
35	4 Inch Meter	21.42	25.0	535.44	
36	6 Inch Meter	21.42	50.0	1,070.89	
37	8 Inch Meter	21.42	80.0	1,713.42	
38	10 Inch Meter	21.42	115.0	2,463.05	
39	12 Inch Meter	21.42	215.0	4,604.82	

Mohave Water District
Test Year Ended June 30, 2013
Comparison of Proposed Rates to Computed Costs
For a 5/8x3/4-Inch Residential Meter (With Required Operating Margin)

Exhibit
Rebuttal Schedule G-9
Page 1
Witness: Bourassa

Column Number-->		(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Revenues									(Col. 2 - Col. 8) Total Revenues minus Total Charges & Costs
Line No.	Water Usage	Monthly Minimum	Commodity	Total	Demand Charges	Customer Charges	Service Line Charges	Meter Charges	Commodity Charges	Total Charges & Costs	
1	-	$ 15.35	$ -	$ 15.35	$ 11.15	$ 14.78	$ 2.27	$ 1.51	0	$ 29.71	$ (14.36)
2	1,000	15.35	1.53	16.88	11.15	14.78	2.27	1.51	0.937	30.65	(13.77)
3	2,000	15.35	3.06	18.41	11.15	14.78	2.27	1.51	1.874	31.58	(13.18)
4	3,000	15.35	4.59	19.94	11.15	14.78	2.27	1.51	2.811	32.52	(12.58)
5	4,000	15.35	7.07	22.42	11.15	14.78	2.27	1.51	3.748	33.46	(11.04)
6	5,000	15.35	9.55	24.90	11.15	14.78	2.27	1.51	4.684	34.39	(9.50)
7	6,000	15.35	12.03	27.38	11.15	14.78	2.27	1.51	5.621	35.33	(7.96)
8	7,000	15.35	14.51	29.86	11.15	14.78	2.27	1.51	6.558	36.27	(6.41)
9	8,000	15.35	16.99	32.34	11.15	14.78	2.27	1.51	7.495	37.20	(4.87)
10	9,000	15.35	19.47	34.82	11.15	14.78	2.27	1.51	8.432	38.14	(3.33)
11	10,000	15.35	21.95	37.30	11.15	14.78	2.27	1.51	9.369	39.08	(1.78)
12	12,000	15.35	28.36	43.71	11.15	14.78	2.27	1.51	11.243	40.95	2.75
13	14,000	15.35	34.77	50.12	11.15	14.78	2.27	1.51	13.117	42.83	7.29
14	16,000	15.35	41.18	56.53	11.15	14.78	2.27	1.51	14.990	44.70	11.83
15	18,000	15.35	47.59	62.94	11.15	14.78	2.27	1.51	16.864	46.57	16.36
16	20,000	15.35	54.00	69.35	11.15	14.78	2.27	1.51	18.738	48.45	20.90
17	25,000	15.35	70.03	85.37	11.15	14.78	2.27	1.51	23.422	53.13	32.24
18	30,000	15.35	86.05	101.40	11.15	14.78	2.27	1.51	28.107	57.82	43.58
19	35,000	15.35	102.08	117.42	11.15	14.78	2.27	1.51	32.791	62.50	54.92
20	40,000	15.35	118.10	133.45	11.15	14.78	2.27	1.51	37.476	67.19	66.26
21	45,000	15.35	134.13	149.47	11.15	14.78	2.27	1.51	42.160	71.87	77.60
22	50,000	15.35	150.15	165.50	11.15	14.78	2.27	1.51	46.845	76.55	88.94
23	60,000	15.35	182.20	197.55	11.15	14.78	2.27	1.51	56.214	85.92	111.62
24	70,000	15.35	214.25	229.60	11.15	14.78	2.27	1.51	65.583	95.29	134.30
25	80,000	15.35	246.30	261.65	11.15	14.78	2.27	1.51	74.952	104.66	156.98
26	90,000	15.35	278.35	293.70	11.15	14.78	2.27	1.51	84.321	114.03	179.67
27	100,000	15.35	310.40	325.75	11.15	14.78	2.27	1.51	93.690	123.40	202.35

Mohave Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	5/8x3/4 Inch	Residential	$ 4,107,557	$ 5,499,350	$ 1,391,793	33.88%	64.28%	66.42%
2	3/4 Inch	Residential	2,149	2,674	525	24.42%	0.03%	0.03%
3	1 Inch	Residential	81,146	99,548	18,402	22.68%	1.27%	1.20%
4	1.5 Inch	Residential	-	-	-	0.00%	0.00%	0.00%
5	2 Inch	Residential	68,590	86,538	17,948	26.17%	1.07%	1.05%
6	6 Inch	Residential	-	-	-	0.00%	0.00%	0.00%
7		Subtotal	4,259,442	5,688,109	1,428,668	33.54%	66.66%	68.70%
8								
9	5/8x3/4 Inch	Apartment	$ 30,048	$ 37,626	$ 7,578	25.22%	0.47%	0.45%
10	3/4 Inch	Apartment	132	184	52	39.50%	0.00%	0.00%
11	1 Inch	Apartment	48,395	60,547	12,152	25.11%	0.76%	0.73%
12	1.5 Inch	Apartment	4,385	5,451	1,067	24.33%	0.07%	0.07%
13	2 Inch	Apartment	345,225	439,502	94,277	27.31%	5.40%	5.31%
14	4 Inch	Apartment	16,279	20,707	4,428	27.20%	0.25%	0.25%
15	6 Inch	Apartment	46,629	53,823	7,194	15.43%	0.73%	0.65%
16		Subtotal	$ 491,092	$ 617,839	$ 126,747	25.81%	7.69%	7.46%
17								
18	5/8x3/4 Inch	Commercial	$ 139,286	$ 174,562	$ 35,276	25.33%	2.18%	2.11%
19	3/4 Inch	Commercial	-	-	-	0.00%	0.00%	0.00%
20	1 Inch	Commercial	198,662	244,391	45,729	23.02%	3.11%	2.95%
21	1.5 Inch	Commercial	3,331	4,523	1,192	35.77%	0.05%	0.05%
22	2 Inch	Commercial	700,402	856,278	155,876	22.26%	10.96%	10.34%
23	3 Inch	Commercial	56,150	71,278	15,128	26.94%	0.88%	0.86%
24	4 Inch	Commercial	17,208	21,665	4,457	25.90%	0.27%	0.26%
25	6 Inch	Commercial	116,206	134,374	18,168	15.63%	1.82%	1.62%
26		Subtotal	$ 1,231,245	$ 1,507,072	$ 275,826	22.40%	19.27%	18.20%
27								
28	5/8 x3/4Inch	Other Public Authority	$ 6,154	$ 8,406	$ 2,252	36.60%	0.10%	0.10%
29	1 Inch	Other Public Authority	8,052	11,023	2,972	36.91%	0.13%	0.13%
30	1.5 Inch	Other Public Authority	754	1,047	293	38.91%	0.01%	0.01%
31	2 Inch	Other Public Authority	143,104	195,171	52,067	36.38%	2.24%	2.36%
32	3 Inch	Other Public Authority	29,822	40,394	10,572	35.45%	0.47%	0.49%
33	4 Inch	Other Public Authority	10,038	13,685	3,647	36.33%	0.16%	0.17%
34	6 Inch	Other Public Authority	35,236	47,803	12,567	35.67%	0.55%	0.58%
35		Subtotal	233,159	317,530	84,371	36.19%	3.65%	3.84%
36								
37	2 Inch	Fire	$ 870	$ 1,114	$ 244	28.05%	0.01%	0.01%
38	4 Inch	Fire	8,285	10,186	1,900	22.93%	0.13%	0.12%
39	6 Inch	Fire	7,299	8,863	1,565	21.44%	0.11%	0.11%
40	8 Inch	Fire	3,473	4,202	730	21.02%	0.05%	0.05%
41	Private Hydrant		15,829	19,725	3,896	24.61%	0.25%	0.24%
42								
43								
44								
45	Total Revenues Before Annualization		$ 6,250,694	$ 8,174,641	$ 1,923,947	30.78%	97.82%	98.74%

Mohave Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 2
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Additional Bills	Additional Gallons to be Pumped (In 1,000's)	Schedule
1				Revenue Annualization					
5	5/8x3/4 Inch	Residential	$ (800)	$ (1,078)	(278)	34.78%	0	(435)	See Work Papers
6	3/4 Inch	Residential	-	-	-	0.00%	-	-	See Work Papers
7	1 Inch	Residential	(73)	(78)	(5)	6.83%	0	(24)	See Work Papers
8	1.5 Inch	Residential	-	-	-	0.00%	-	-	See Work Papers
9	2 Inch	Residential	130	140	11	8.34%	-	45	See Work Papers
10	6 Inch	Residential	-	-	-	0.00%	-	-	See Work Papers
11		Subtotal	$ (743)	$ (1,016)	(272)	36.66%	0	(414)	
13	5/8x3/4 Inch	Apartment	$ (23.79)	$ (25)	(1.44)	6.03%	(0)	(8)	See Work Papers
14	3/4 Inch	Apartment	-	-	-	0.00%	-	-	See Work Papers
15	1 Inch	Apartment	-	-	-	0.00%	-	-	See Work Papers
16	1.5 Inch	Apartment	-	-	-	0.00%	-	-	See Work Papers
17	2 Inch	Apartment	(21)	(25)	(4)	17.99%	(0)	(9)	See Work Papers
18	4 Inch	Apartment	-	-	-	0.00%	-	-	See Work Papers
19	6 Inch	Apartment	-	-	-	0.00%	-	-	See Work Papers
20		Subtotal	$ (45)	$ (50)	(5)	11.63%	(0)	(17)	
22	5/8x3/4 Inch	Commercial	$ 5	$ 7	2	37.22%	-	3	See Work Papers
23	3/4 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
24	1 Inch	Commercial	(172)	(183)	(12)	6.86%	0	(57)	See Work Papers
25	1.5 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
26	2 Inch	Commercial	(280)	(299)	(19)	6.83%	0	(93)	See Work Papers
27	3 Inch	Commercial	(4)	3	6	-171.94%	(0)	4	See Work Papers
28	4 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
29	6 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
31		Subtotal	$ (450)	$ (473)	(23)	5.10%	0	(144)	
33	5/8 x3/4Inch	Other Public Authority	$ -	$ -	-	0.00%	-	-	See Work Papers
34	1 Inch	Other Public Authority	-	-	-	0.00%	-	-	See Work Papers
35	1.5 Inch	Other Public Authority	-	-	-	0.00%	-	-	See Work Papers
36	2 Inch	Other Public Authority	-	-	-	0.00%	-	-	See Work Papers
37	3 Inch	Other Public Authority	-	-	-	0.00%	-	-	See Work Papers
38	4 Inch	Other Public Authority	-	-	-	0.00%	-	-	See Work Papers
39	6 Inch	Other Public Authority	-	-	-	0.00%	-	-	See Work Papers
40		Subtotal	$ -	$ -	-	0.00%	-	-	
43	2 Inch	Fire	$ 3	$ 4	1	34.78%	-	2	See Work Papers
44	4 Inch	Fire	-	-	-	0.00%	(0)	0	See Work Papers
45	6 Inch	Fire	-	-	-	0.00%	-	0	See Work Papers
46	8 Inch	Fire	-	-	-	0.00%	-	-	See Work Papers
47	Private Hydrant		-	-	-	0.00%	0	0	See Work Papers
49	Total Revenue Annualization		$ (1,235)	$ (1,534)	$ (299)	24.26%	0	(573)	

Mohave Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 3
Witness: Bourassa

Line No.		Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues	Schedule
1								
2								
3	Subtotal Metered Revenues	$ 6,250,694	$ 8,174,641	$ 1,923,947	30.78%	97.82%	98.74%	
4								
5	Low Income Overcollection	35,483	35,483					
6	Declining Usage Adjustment	(114,235)	(149,397)	(35,163)	30.78%	-1.79%	-1.80%	Schedule H-1, page 4
7	Subtotal Revenue Annualization	(1,235)	(1,534)	(299)	24.26%	-0.02%	-0.02%	
8	Total Metered Revenues	$ 6,170,708	$ 8,059,193	$ 1,888,485	30.60%	96.02%	96.91%	
9	Misc. Revenues	$ 221,297	$ 221,297	-	0.00%	3.46%	2.67%	
10								
11	Reconciling Amount to GL	(2,229)	(1,298)	931	-41.77%	-0.03%	-0.02%	
12	Total Water Revenues	$ 6,389,776	$ 8,279,192	$ 1,889,416	29.57%	99.44%	99.57%	
13								
14								
15								
16								

Mohave Water District
Estimate of Future Revenue Loss
Prior Test Year vs Current Test Year

Rebuttal Schedule H-1
Page 4
Witness: Bourassa

Line No.	Meter Size, Class		[1] Currrent TY Average No. Customers	[2] Prior Rate Case Average Bill	[3] Current Rate case Average Bill	[4] = [1] x [2] Expected Revenues Revenues Based On Prior Rate Case Avg Bill.	[5] = [1] x [3] Test Year Revenues Based On TY Average Bill	[6] = [5] - [4] Revenue Loss Prior TY Vs Current Test Year
1	5/8x3/4 Inch	Residential	14,634	$ 25.11	$ 23.39	$ 4,409,892	$ 4,107,557	$ (302,335)
2	3/4 Inch	Residential	4	25.11	44.77	1,205	2,149	944
3	1 Inch	Residential	77	84.73	87.35	78,713	81,146	2,433
4	1.5 Inch	Residential	-			-	-	-
5	2 Inch	Residential	24	260.54	235.70	75,817	68,590	(7,227)
6	3 Inch	Residential				-	-	-
7	6 Inch	Residential	-			-	-	-
8		Subtotal	14,740			4,565,628	4,259,442	(306,186)
9								
10	5/8x3/4 Inch	Apartment	66	$ 41.22	$ 37.89	$ 32,686	$ 30,048	$ (2,639)
11	3/4 Inch	Apartment	1			-	-	-
12	1 Inch	Apartment	53	75.52	76.09	48,033	48,395	362
13	1.5 Inch	Apartment	2	200.87	182.69	4,821	4,385	(436)
14	2 Inch	Apartment	143	194.94	200.95	334,908	345,225	10,317
15	4 Inch	Apartment	2	464.41	678.31	11,146	16,279	5,134
16	6 Inch	Apartment	1	3,353.21	3,885.75	40,239	46,629	6,390
17								
18		Subtotal	268			$ 471,832	$ 490,960	$ 19,128
19								
20	5/8x3/4 Inch	Commercial	384	$ 35.72	$ 30.21	$ 164,721	$ 139,286	$ (25,435)
21	3/4 Inch	Commercial	-					
22	1 Inch	Commercial	199	95.29	83.26	227,351	198,662	(28,689)
23	1.5 Inch	Commercial	3	215.63	92.54	7,763	3,331	(4,431)
24	2 Inch	Commercial	206	342.18	283.22	846,212	700,402	(145,810)
25	3 Inch	Commercial	13	384.19	369.41	58,397	56,150	(2,247)
26	4 Inch	Commercial	2	933.16	717.00	22,396	17,208	(5,188)
27	6 Inch	Commercial	3	2,370.51	3,227.96	85,338	116,206	30,868
28		Subtotal	810			$ 1,412,177	$ 1,231,245	$ (180,932)
29								
30	5/8 x3/4Inch	Other Public Authority	18	$ 32.88	$ 28.49	$ 7,102	$ 6,154	$ (949)
31	1 Inch	Other Public Authority	11	74.38	61.00	9,818	8,052	(1,766)
32	1.5 Inch	Other Public Authority	1	129.18	62.82	1,550	754	(796)
33	2 Inch	Other Public Authority	46	267.45	259.25	147,634	143,104	(4,530)
34	3 Inch	Other Public Authority	2	1,753.11	1,242.59	42,075	29,822	(12,253)
35	4 Inch	Other Public Authority	1	784.48	836.51	9,414	10,038	624
36	6 Inch	Other Public Authority	1	3,152.37	2,936.33	37,828	35,236	(2,592)
37								
38		Subtotal	80			$ 255,421	$ 233,159	$ (22,262)
39								
40								
41								
42								
43		Total	15,898			$ 6,705,058	$ 6,214,807	$ (490,251)
44								
45		Revenue Loss as Percent						-7.31%
46								
47		Revenue Loss as Percent of Requested Rate Increase						25.95%
48								
49		Current Metered Revenues					$ 6,249,460	
50		Proposed Metered Revenues						$ 8,173,107
51		Expected Revenue Loss, as percent (25% of actual percentage of revenue loss)					-1.83%	-1.83%
52		Expected Revenue Annual Decline					$ (114,235)	$ (149,397)
53								

Mohave Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 1
Witness: Bourassa

Line No.	Meter Size, Class		(a) Average Number of Customers at 6/30/2013	Average Consumption	Average Bill Present Rates	Average Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8x3/4 Inch	Residential	14,634	6,800	$ 20.63	$ 29.36	8.73	42.30%
2	3/4 Inch	Residential	4	15,167	42.02	53.85	11.83	28.16%
3	1 Inch	Residential	77	23,601	80.90	103.13	22.23	27.47%
4	1.5 Inch	Residential	-	-	55.00	76.73	21.73	39.50%
5	2 Inch	Residential	24	61,883	215.65	284.85	69.20	32.09%
6	6 Inch	Residential	-	-	550.00	767.25	217.25	39.50%
7		Subtotal	14,740					
8								
9	5/8x3/4 Inch	Apartment	66	11,501	$ 33.90	$ 44.95	11.05	32.60%
10	3/4 Inch	Apartment	1	-	11.00	15.35	4.35	39.50%
11	1 Inch	Apartment	53	19,899	69.80	91.26	21.47	30.76%
12	1.5 Inch	Apartment	2	53,083	179.45	225.11	45.66	25.44%
13	2 Inch	Apartment	143	46,970	174.43	239.25	64.82	37.16%
14	4 Inch	Apartment	2	170,750	613.25	822.13	208.88	34.06%
15	6 Inch	Apartment	1	1,227,917	3,885.75	4,485.22	599.47	15.43%
16		Subtotal	268					
17								
18	5/8x3/4 Inch	Commercial	384	7,901	$ 25.54	$ 34.94	9.40	36.81%
19	3/4 Inch	Commercial	-	-	11.00	15.35	4.35	39.50%
20	1 Inch	Commercial	199	21,965	76.00	97.89	21.89	28.80%
21	1.5 Inch	Commercial	3	19,139	90.22	124.19	33.97	37.66%
22	2 Inch	Commercial	206	76,300	258.90	331.05	72.15	27.87%
23	3 Inch	Commercial	13	77,092	317.85	436.71	118.86	37.39%
24	4 Inch	Commercial	2	182,583	648.75	860.05	211.30	32.57%
25	6 Inch	Commercial	3	971,167	3,115.50	3,662.34	546.84	17.55%
26		Subtotal	810					
27								
28	5/8 x3/4Inch	Other Public Authority	18	9,505	$ 28.49	$ 38.92	10.43	36.60%
29	1 Inch	Other Public Authority	11	18,205	61.00	83.51	22.51	36.91%
30	1.5 Inch	Other Public Authority	1	4,250	62.82	87.27	24.45	38.91%
31	2 Inch	Other Public Authority	46	93,069	259.25	353.57	94.32	36.38%
32	3 Inch	Other Public Authority	2	579,667	1,242.59	1,683.09	440.51	35.45%
33	4 Inch	Other Public Authority	1	305,167	836.51	1,140.44	303.93	36.33%
34	6 Inch	Other Public Authority	1	1,296,917	2,936.33	3,983.60	1,047.28	35.67%
35		Subtotal	80					
36								
37	2 Inch	Fire						
38	4 Inch	Fire	7	3,346	$ 11.16	$ 14.29	3.13	28.05%
39	6 Inch	Fire	54	1,461	12.69	15.60	2.91	22.93%
40	8 Inch	Fire	36	1,030	16.90	20.52	3.62	21.44%
41	Private Hydrant		72	3,204	18.21	22.70	4.48	24.61%
42								
43		Total	16,067					
44								

45 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Mohave Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 2
Witness: Bourassa

Line No.	Meter Size, Class		(a) Average Number of Customers at 6/30/2013	Median Consumption	Median Bill Present Rates	Median Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8 x3/4Inch	Residential	14,634	5,000	$ 17.32	$ 24.90	7.58	43.74%
2	3/4 Inch	Residential	4	13,500	$ 37.02	$ 48.51	11.49	31.04%
3	1 Inch	Residential	77	11,000	47.74	65.64	17.90	37.50%
4	1.5 Inch	Residential	-	-	55.00	76.73	21.73	39.50%
5	2 Inch	Residential	24	40,000	161.60	221.96	60.36	37.35%
6	6 Inch	Residential	-	-	550.00	767.25	217.25	39.50%
7		Subtotal	14,740					
8								
9	5/8x3/4 Inch	Apartment	66	8,000	$ 25.72	$ 35.19	9.47	36.80%
10	3/4 Inch	Apartment	1	-	$ 11.00	$ 15.35	4.35	39.50%
11	1 Inch	Apartment	53	10,000	45.90	63.16	17.26	37.61%
12	1.5 Inch	Apartment	2	46,500	159.70	204.01	44.31	27.74%
13	2 Inch	Apartment	143	18,000	121.12	167.40	46.28	38.21%
14	4 Inch	Apartment	2	153,500	561.50	766.84	205.34	36.57%
15	6 Inch	Apartment	1	1,228,000	3,886.00	4,485.49	599.49	15.43%
16		Subtotal	268					
17								
18	5/8 x3/4Inch	Commercial	384	2,000	$ 14.68	$ 20.31	5.63	38.32%
19	3/4 Inch	Commercial	-	-	11.00	15.35	4.35	39.50%
20	1 Inch	Commercial	199	10,000	45.90	63.16	17.26	37.61%
21	1.5 Inch	Commercial	3	21,000	93.64	128.81	35.17	37.55%
22	2 Inch	Commercial	206	31,000	145.04	199.64	54.60	37.64%
23	3 Inch	Commercial	13	3,000	181.52	252.96	71.44	39.36%
24	4 Inch	Commercial	2	114,000	484.76	666.35	181.59	37.46%
25	6 Inch	Commercial	3	236,000	984.24	1,352.53	368.29	37.42%
26		Subtotal	810					
27								
28	5/8 x3/4Inch	Other Public Authority	18	-	$ 11.00	$ 15.35	4.35	39.50%
29	1 Inch	Other Public Authority	11	9,500	44.98	61.92	16.94	37.67%
30	1.5 Inch	Other Public Authority	1	4,000	62.36	86.65	24.29	38.94%
31	2 Inch	Other Public Authority	46	13,000	111.92	155.00	43.08	38.49%
32	3 Inch	Other Public Authority	2	240,000	617.60	840.72	223.12	36.13%
33	4 Inch	Other Public Authority	1	307,500	840.80	1,146.23	305.43	36.33%
34	6 Inch	Other Public Authority	1	1,314,000	2,967.76	4,025.97	1,058.21	35.66%
35		Subtotal	80					
36								
37								
38	2 Inch	Fire	7	-	$ 5.00	$ 5.99	0.99	19.75%
39	4 Inch	Fire	54	1,000	$ 11.84	$ 14.46	2.62	22.09%
40	6 Inch	Fire	36	1,000	$ 16.84	$ 20.44	3.60	21.39%
41	8 Inch	Fire	13	1,000	$ 21.84	$ 26.43	4.59	21.02%
42	Public Hydrant		72	2,000	$ 16.00	$ 19.71	3.71	23.21%
43								
44								
45		Total	16,080					
46								

47 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.
48

Mohave Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 1
Witness: Bourassa

Line No.	Monthly Service Charge for:	Present Rates	Proposed Rates	Dollar Change
1	5/8x3/4 Inch - Residential - Low Income	$ 6.00	$ 9.21	$ 3.21
2	5/8x3/4 Inch - Residential*	11.00	15.35	4.35
2	5/8x3/4 Inch - Apartment, Commercial, Industial, OPA	11.00	15.35	4.35
3	3/4 Inch - Residential	11.00	15.35	4.35
3	3/4 Inch - Commercial, Industial	11.00	15.35	4.35
4	3/4 Inch - Apartment, OPA	NT	15.35	
4	1 Inch - All classes*	27.50	38.36	10.86
5	1 1/2 Inch - All classes	55.00	76.73	21.73
6	2 Inch - All classes	88.00	122.76	34.76
7	3 Inch - All classes	176.00	245.52	69.52
8	4 Inch - All classes	275.00	383.63	108.63
9	6 Inch - All classes	550.00	767.25	217.25
10	8 Inch - All classes	880.00	1,227.60	347.60
11	10 Inch - All classes	1,265.00	1,764.68	499.68
12	12 Inch - All classes	2,365.00	3,299.18	934.18
13				
14	**Monthly Fire Service Charges**			
15	2 Inch - Private Fire	5.00	5.99	0.99
16	4 Inch - Private Fire	10.00	11.98	1.98
17	6 Inch - Private Fire	15.00	17.96	2.96
18	8 Inch - Private Fire	20.00	23.95	3.95
19	10 Inch - Private Fire	25.00	29.94	4.94
20	Public Hydrants	12.32	14.75	2.43
21	Private Hydrants	12.32	14.75	2.43
22	Public Sprinkler Head	0.73	0.87	0.14
23				
24		Present Rates	Proposed Rates	
25				
26	Gallons In Minimum (All Meter Sizes and Classes)	-	-	
27				
28				

	Commodity Rates (per 1,000 gallons)	Block				Present Rate	Proposed Rate	Dollar Change
31	5/8x3/4 Inch Meter - Residential*	1	gallons to	3,000	gallons	$ 0.8800	$ 1.5300	$ 0.6500
32		3,001	gallons to	10,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
33			over	10,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
34								
35	5/8x3/4 Inch Meter - Apartment, Commercial**, Industrial	1	gallons to	10,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
36			over	10,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
37								
38	5/8x3/4 Inch Meter - Other Public Authority		All gallons			$ 1.8400	$ 2.4800	$ 0.6400
39								

40 * Includes Rio Residential customers
41 ** Includes BHC Veterans Memorial

Mohave Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 2
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block				Present Rate	Proposed Rate	Dollar Change
4	3/4 Inch Meter - Residential	1	gallons to	3,000	gallons	$ 0.8800	$ 1.5300	$ 0.6500
5		3,001	gallons to	10,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
6			over	10,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
8	3/4 Inch Meter - Commercial, Industrial	1	gallons to	10,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
9			over	10,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
11	3/4 Inch Meter - Apartment	1	gallons to	10,000	gallons	NT	$ 2.4800	
12			over	10,000	gallons	NT	$ 3.2050	
14	3/4 Inch Meter - Other Public Authority		All gallons			NT	$ 2.4800	
16	1 Inch Meter - Residential*, Apartment, Commercial, Industrial	1	gallons to	15,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
17			over	15,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
19	1 Inch Meter - Other Public Authority		All gallons			$ 1.8400	$ 2.4800	$ 0.6400
21	1 1/2 Inch Meter - Residential, Apartment, Commercial, Industrial	1	gallons to	30,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
22			over	30,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
24	1 1/2 Inch Meter - Other Public Authority		All gallons			$ 1.8400	$ 2.4800	$ 0.6400
26	2 Inch Meter -Residential, Apartment, Commercial, Industrial	1	gallons to	50,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
27			over	50,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
29	2 Inch Meter - Other Public Authority		All gallons			$ 1.8400	$ 2.4800	$ 0.6400
31	3 Inch Meter - Residential, Apartment, Commercial, Industrial	1	gallons to	100,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
32			over	100,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
34	3 Inch Meter - Other Public Authority		All gallons			$ 1.8400	$ 2.4800	$ 0.6400
36	4 Inch Meter - Residential, Apartment, Commercial, Industrial	1	gallons to	150,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
37			over	150,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
39	4 Inch Meter - Other Public Authority		All gallons			$ 1.8400	$ 2.4800	$ 0.6400

41 * Includes Rio Residenital customers

Mohave Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 3
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block			Present Rate	Proposed Rate	Dollar Change
4	6 Inch Meter - Residential, Apartment, Commercial, Industrial	1 gallons to	300,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
5		over	300,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
7	6 Inch Meter - Other Public Authority	All gallons			$ 1.8400	$ 2.4800	$ 0.6400
9	8 Inch Meter - Residential, Apartment, Commercial, Industrial	1 gallons to	500,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
10		over	500,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
12	8 Inch Meter - Other Public Authority	All gallons			$ 1.8400	$ 2.4800	$ 0.6400
14	10 Inch Meter - Residential, Apartment, Commercial, Industrial	1 gallons to	750,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
15		over	750,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
17	10 Inch Meter - Other Public Authority	All gallons			$ 1.8400	$ 2.4800	$ 0.6400
19	12 Inch Meter - Residential, Apartment, Commercial, Industrial	1 gallons to	1,400,000	gallons	$ 1.8400	$ 2.4800	$ 0.6400
20		over	1,400,000	gallons	$ 3.0000	$ 3.2050	$ 0.2050
22	12 Inch Meter - Other Public Authority	All gallons			$ 1.8400	$ 2.4800	$ 0.6400
24	Fire and Hydrant Water	All gallons			$ 1.8400	$ 2.4800	$ 0.6400
26	Effluent (per acre foot)	All gallons			$ 227.79	See Mohave WW	

		Present Rate*	Proposed Rate**
29	Low Income Program Discount Revenue Recovery		
30	Program Participation Limit (No. of Customers)		475
31	Estimated Annual Discounts		$ 34,987
32	Under(Over) Collections from previous years		$ -
33	Net Annual Discounts to be Recovered		$ 34,987
34	Highest Cost Commodity Rate Gallons Sold to Residential, Apartment, Commercial (in 1,000s)		609,633
35	Estimate of Low Income Surcharge on Highest Cost Commodity Rate (Residential, Apartment, Commercial Customers Only)	$ 0.2066	$ 0.0570

37 * Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for
38 residential and commercial customers is comprised of the approved rate listed in table above plus and additional $0.2066 for the
39 Low Income Surcharge.
40 ** Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for
41 residential and commercial customers is comprised of the approved rate listed in table above plus and additional $0.0580 for the
42 Low Income Surcharge.

Mohave Water District
Changes in Representative Rate Schedules
Test Year Ended June 30, 2013

Exhibit
Rebuttal Schedule H-3
Page 4
Witness: Bourassa

Line No.	Service Charges	Present Rates	Proposed Rates
1			
2			
3	Service Charges	Present Rates	Proposed Rates
4	Establishment or Reestablishment of Service		$ 35.00
5	Including Sewer Service	$ 25.00	Remove
6	Not Including Sewer Service	$ 20.00	Remove
7	Regular Hours	NT	Remove
8	After Hours	NT	Remove
9	Reconnection of Service (Delinquent)		$ 35.00
10	Regular Hours	$ 35.00	Remove
11	After Hours	$ 35.00	Remove
12	Meter Test (if correct)	$ 35.00	$ 35.00
13	Meter Reread (if correct)	$ 25.00	$ 25.00
14	NSF Check	$ 25.00	$ 25.00
15	Late Fee Charge, per month	1.50%	1.50%
16	Deferred Payment, Per Month	1.50%	1.50%
17	Deposit Requirements	(a)	(a)
18	Deposit Interest	(b)	(b)
19	After Hours Service Charge©	NT	$ 30.00
20			
21			
22			
23			
24	(a) Per ACC Rules R14-2-403(B) Residential - two times the average bill.		
25	Non-residential - two and one-half times the estimated maximum bill.		
26	(b) Interest per A.C.C. R-14-2-403(B)		
27	(c) After hours service charge: After regular working hors, Saturdays, Sundays, and holidays if at the customer's		
28	request or for the customer's convenience.		
29			
30			
31			
32			
33	IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM		
34	ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE		
35	TAX. PER COMMISSION RULE 14-2-409D(5).		
36			
37			
38			
39			
40			

Mohave Water District
Test Year Ended June 30, 2013
Meter and Service Line Charges

Exhibit
Rebuttal Schedule H-3
Page 5
Witness: Bourassa

Refundable Meter and Service Line Installation Charges

Line No.		Present Service Line Charge	Present Meter Install-ation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Install-ation Charge	Total Proposed Charge
9	5/8 x 3/4 Inch	$ 370.00	$ 130.00	$ 500.00	$ 370.00	$ 130.00	$ 500.00
10	3/4 Inch	370.00	205.00	575.00	370.00	205.00	575.00
11	1 Inch	420.00	240.00	660.00	420.00	240.00	660.00
12	1 1/2 Inch	450.00	450.00	900.00	450.00	450.00	900.00
13	2 Inch / Turbine	580.00	945.00	1,525.00	580.00	945.00	1,525.00
14	2 Inch / Compound	580.00	1,640.00	2,220.00	580.00	1,640.00	2,220.00
15	3 Inch / Turbine	745.00	1,420.00	2,165.00	745.00	1,420.00	2,165.00
16	3 Inch / Compound	465.00	2,195.00	2,660.00	465.00	2,195.00	2,660.00
17	4 Inch / Turbine	1,090.00	2,270.00	3,360.00	1,090.00	2,270.00	3,360.00
18	4 Inch / Compound	1,120.00	3,145.00	4,265.00	1,120.00	3,145.00	4,265.00
19	6 Inch / Turbine	1,610.00	4,425.00	6,035.00	1,610.00	4,425.00	6,035.00
20	6 Inch / Compound	1,630.00	6,120.00	7,750.00	1,630.00	6,120.00	7,750.00
21	8 Inch & Larger	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost

Paradise Valley Water
Test Year Ended June 30, 2013
Computation of Increase in Gross Revenue Requirement

Exhibit
Schedule A-1 Rebuttal
Page 1
Witness: Hubbard

Line No.			
1	Original Cost Rate Base	$	39,001,567
2			
3	Adjusted Operating Income	$	2,297,022
4			
5	Current Rate of Return		5.89%
6			
7	Required Operating Income	$	2,656,007
8			
9	Required Rate of Return		6.81%
10			
11	Operating Income Deficiency	$	358,985
12			
13	Gross Revenue Conversion Factor		1.6354
14			
15	Increase in Gross Revenue		
16	Requirement	$	587,088
17			

18	Customer				
19	Classification	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
20					
21	Residential	$ 7,360,312	$ 7,788,526	$ 428,214	5.8%
22	Commercial	1,789,884	1,894,231	104,347	5.8%
23	Other Public Authority	20,936	22,145	1,208	5.8%
24	Other	451,778	512,308	60,531	13.4%
25	Decline Usage Adjustment	(24,494)	(31,705)	(7,211)	29.4%
26					
27	Total Water Revenues	$ 9,598,416	$ 10,185,504	$ 587,088	6.1%
28					
29	Other Revenues	$ 58,978	$ 58,978	$ -	0.0%
30					
31	Total Revenues	$ 9,657,394	$ 10,244,483	$ 587,088	6.1%
32					

33
34
35
36
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44

45 Supporting Schedules:
46 B-1 Rebuttal
47 C-1 Rebuttal
48 H-1 Rebuttal
49 \2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls
50 \2013 Paradise Valley Water Sch. H.xls

Paradise Valley Water
Test Year Ended June 30, 2013
Summary of Fair Value Rate Base

Exhibit
Schedule B-1 Rebuttal
Page 1
Witness: Hubbard

Line No.			Original Cost Rate Base
1			
2	Gross Utility Plant in Service	$	73,128,007
3			
4	Less:		
5			
6	Accumulated Depreciation		23,455,384
7			
8	Net Utility Plant in Service	$	49,672,623
9			
10	Less:		
11			
12	Advances in Aid of Construction	$	1,554,766
13			
14	Contribution in Aid of Construction -		
15	Net of Amortization		9,259,772
16			
17	Customer Meter Deposits		23,819
18	Deferred Income Taxes & Credits		212,749
19	Investment Tax Credits		39,646
20			
21			
22	Plus:		
23	Deferred Debits		397,156
24	Working Capital Allowance		22,540
25	Utility Plant Acquisition Adjustment		-
26			
27			
28	Total Rate Base	$	39,001,567
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41	Supporting Schedules:		
42	B-2 Rebuttal		
43	B-5 Rebuttal		
44	B-3		
45	E-1		
46			
47			
48			
49			
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Recap Schedules:
A-1 Rebuttal

Paradise Valley Water
Test Year Ended June 30, 2013
Original Cost Rate Base Pro Forma Adjustments

Exhibit
Schedule B-2 Rebuttal
Page 1
Witness: Hubbard

Line No.		Company Rebuttal						
		[A] Adjusted End of Test Year	[B] ADJ SLH-1R Working Capital Adjustment	[C] ADJ SLH-2R *Not Used*	[D] ADJ SLH-3R 24 Month Deferral AFUDC Adjustment	[E] ADJ SLH-4R Regulatory Liability Adjustment	[F] Total Rebuttal Pro Forma Adjustments	[G] Rebuttal Adjusted End of Test Year
1	Gross Utility							
2	Plant in Service	$ 73,128,007					$ -	$ 73,128,007
3								
4	**Less:**							
5								
6	Accumulated Depreciation	23,455,384					-	23,455,384
7								
8	Net Utility Plant							
9	in Service	$ 49,672,623	$ -	$ -	$ -	$ -	$ -	$ 49,672,623
10								
11	**Less:**							
12	Advances in Aid of							
13	Construction	1,554,766					-	1,554,766
14	Contributions in Aid of	-					-	-
15	Construction - Net	9,259,772					-	9,259,772
16		-					-	-
17		-					-	-
18	Customer Meter Deposits	23,819					-	23,819
19	Deferred Income Taxes	212,749					-	212,749
20	Investment Tax Credits	39,646					-	39,646
21		-					-	-
22		-					-	-
23	**Plus:**	-					-	-
24	Deferred Debits	778,686			(381,529)		(381,529)	397,156
25	Working Capital Allowance	19,885	2,655				2,655	22,540
26	Utility Plant Acquisition Adjustment	-					-	-
27								
28	Total	$ 39,380,442	$ 2,655	$ -	$ (381,529)	$ -	$ (378,875)	$ 39,001,567
29								
30	Supporting Schedules:			Recap Schedules:				
31	B-3, B-5 Rebutal			B-1 Rebuttal				
32	E-1							
33								
34								
35	\2013 Paradise Valley Water Sch. A-F Rebutt							

Paradise Valley Water
Test Year Ended June 30, 2013
Rate Base Adjustment SLH-3R

Exhibit
Schedule B-2
Page 2
Witness: Hubbard

Line No.			
1	**24-Month Deferral Request**		
2	On October 14, 2012, Paradise Valley Water filed Docket No. W-01303A-12-0427 seeking approval of an		
3	accounting order to defer Post-in-Service AFUDC and Depreciation on investment between rate filings.		
4	This filing was withdrawn June 27, 2013 to enable the Company to pursue those deferrals on an		
5	individual district basis.		
6			
7	Pro Forma 24-Month Deferral Balance	$	397,156
8	Test Year filed 24-Month Deferral Balance	$	427,597
9			
10	Increase / (Decrease) in Deferred Debits	$	(30,441)
11			
12			
13	Increase / (Decrease) to Rate Base	$	(30,441)
14			
15	Deferred Debits other than 24- Month Deferral	$	(351,088)
16			
17			
18			
19			
20			
21			
22	Increase/ (Decrease) in Deferred Debits	$	(381,529)
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
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41			
42			
43			
44			
45	Workpapers and Supporting Documents		
46	\2-yr Deferral Request & Recovery		
47	\Rate Impact for Public Notices.xls		
48	\Test Year Rebuttal Adjustments 02-09.xlxs		
49	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls		
50	\Test Year Rebuttal Adjustments 2-09.xlsx		

Paradise Valley Water
Test Year Ended June 30, 2013
Computation of Working Capital Allowance

Exhibit
Schedule B-5 Rebuttal
Page 1
Witness: Hubbard

Line No.			
1			
2	Cash Working Capital Requirement	$	(181,167)
3	Required Bank Balances[1]		-
4	Material and Supplies Inventories[1]		159,515
5	Prepayments[1]		44,192
6			
7	Total Working Capital Allowance	$	22,540
8			
9	Less Company amount in Original Filing	$	19,885
10			
11	Increase / (Decrease) to Working Capital Allowance	$	2,655
12			
13			
14	Increase / (Decrease) to Rate Base	$	2,655
15			
16			
17			
18			
19	[1] Calculated using thirteen-month averages.		
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
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34			
35			
36			
37			
38			
39			
40			
41			
42			
43	Supporting Schedules:	Recap Schedules:	
44	E-1	B-1 Rebuttal	
45	B-6 Rebuttal		
46	Workpapers & Supporting Documents		
47	\ #9 B - Materials and Supplies Prepayments & Deferred Cost.xlsx		
48	\ Lead-Lag Workpapers		
49			
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Paradise Valley Water
Test Year Ended June 30, 2013
Lead/Lag Study - Working Cash Requirement

Exhibit
Schedule B-6 Rebuttal
Page 1
Witness: Hubbard

Line No.	Description [a]	Test Year Adjusted Results [b]	Revenue Lag Days [c]	Expense Lag Days [d]	Net Lag Days [e] = [c] - [d]	Lead/ Lag Factor [f] = [e] / 365	Cash Working Capital Required [g] = [b] x [f]
1	OPERATING EXPENSES						
2	Labor	$ 1,199,696	41.125	30.633	10.492	0.029	$ 34,485
3	Purchased Water	-	41.125	-	41.125	0.113	-
4	Fuel & Power	1,329,797	41.125	49.428	(8.303)	(0.023)	(30,250)
5	Chemicals	58,815	41.125	16.000	25.125	0.069	4,049
6	Waste Disposal	15,320	41.125	60.864	(19.739)	(0.054)	(828)
7	Intercompany Support Services	860	41.125	30.417	10.708	0.029	25
8	Corporate Allocation	291,760	41.125	30.420	10.705	0.029	8,557
9	Outside Services	233,418	41.125	51.273	(10.148)	(0.028)	(6,489)
10	Group Insurance	325,846	41.125	(10.716)	51.841	0.142	46,280
11	Regulatory Expense	66,802	41.125	(33.294)	74.419	0.204	13,620
12	Insurance Other Than Group	138,643	41.125	54.919	(13.794)	(0.038)	(5,239)
13	Customer Accounting	193,681	41.125	49.834	(8.709)	(0.024)	(4,621)
14	Rents	30,456	41.125	31.639	9.486	0.026	792
15	General Office Expense	123,332	41.125	34.304	6.821	0.019	2,305
16	Miscellaneous	92,394	41.125	30.349	10.776	0.030	2,728
17	Maintenance Expense	462,182	41.125	50.446	(9.321)	(0.026)	(11,803)
18							
19							
20	TAXES						
21	Property Taxes	$ 342,963	41.125	213.250	(172.125)	(0.472)	(161,733)
22	Taxes - Payroll	85,375	41.125	26.402	14.723	0.040	3,444
23	Taxes -Other	35,401	41.125	(129.466)	170.591	0.467	16,546
24	Income Tax	1,014,204	41.125	41.750	(0.625)	(0.002)	(1,737)
25							
26	Interest	$ 998,440	41.125	74.500	(33.375)	(0.091)	(91,296)
27							
28							
29							
30							
31	WORKING CASH REQUIREMENT	$ 7,039,385					$ (181,167)
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43	Supporting Schedules:		Recap Schedules:				
44	C-1 Rebuttal		B-5 Rebuttal				
45							
46	Workpapers & Supporting Documents						
47							
48							
49							
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls						

Paradise Valley Water
Test Year Ended June 30, 2013
Adjusted Test Year Income Statement

Exhibit
Schedule C-1 Rebuttal
Page 1
Witness: Murrey

Line No.		[A] Adjusted Test Year Results	[B] Total Rebuttal Pro Forma Adjustments	[C] Test Year Adjusted Results	[D] Proposed Rate Increase	[E] Adjusted with Rate Increase
1	**Revenues**					
2	Water Revenues	$ 9,589,273	$ 9,143	$ 9,598,416	$ 587,088	$ 10,185,505
3	Other Revenues	58,978	-	58,978		58,978
4		$ 9,648,251	$ 9,143	$ 9,657,395	$ 587,088	$ 10,244,483
5						
6	**Operating Expenses**					
7	Labor	$ 1,205,431	$ (5,735)	$ 1,199,696	-	$ 1,199,696
8	Purchased Water	0	-	-	-	-
9	Fuel & Power	1,329,578	219	1,329,797	-	1,329,797
10	Chemicals	58,805	10	58,815	-	58,815
11	Waste Disposal	15,320	-	15,320	-	15,320
12	Intercompany Support Services	860	-	860	-	860
13	Corporate Allocation	314,349	(22,589)	291,760	-	291,760
14	Outside Services	233,418	-	233,418	-	233,418
15	Group Insurance	321,965	-	321,965	-	321,965
16	Pensions	3,881	-	3,881	-	3,881
17	Regulatory Expense	66,802	-	66,802	-	66,802
18	Insurance Other Than Group	138,643	-	138,643	-	138,643
19	Customer Accounting	197,288	(5,261)	192,027	1,654	193,681
20	Rents	30,456	-	30,456	-	30,456
21	General Office Expense	132,498	(9,166)	123,332	-	123,332
22	Miscellaneous	91,440	954	92,394	-	92,394
23	Maintenance Expense	512,882	(50,700)	462,182	-	462,182
24	Depreciation & Amortization	1,608,655	(61,124)	1,547,531	-	1,547,531
25	General Taxes-Property	335,846	318	336,164	6,799	342,963
26	General Taxes-Other	120,776	-	120,776	-	120,776
27	Income Taxes	735,635	58,920	794,554	219,650	1,014,204
28						
29	**Total Operating Expenses**	$ 7,454,528	$ (94,155)	$ 7,360,373	$ 228,103	$ 7,588,476
30	**Utility Operating Income**	$ 2,193,723	$ 103,299	$ 2,297,022	$ 358,985	$ 2,656,007
31	**Other Income & Deductions**					
32	Other Income & Deductions	$ -	$ -	$ -		$ -
33	Interest Expense	1,008,139	(9,699)	998,440		998,440
34	Other Expense	-	-	-		-
35	Gain/Loss Sale of Fixed Assets	-	-	-		-
36	**Total Other Income & Deductions**	$ (1,008,139)	$ 9,699	$ (998,440)	$ -	$ (998,440)
37	**Net Profit (Loss)**	$ 1,185,584	$ 112,997	$ 1,298,581	$ 358,985	$ 1,657,567
38						
39						
40						
41						
42						
43						
44	Supporting Schedules:					Recap Schedules:
45	E-2 Revised					A-1 Rebuttal
46	C-2 Rebuttal					
47						
48						
49						
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls					

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Pro Forma Adjustments

Exhibit
Schedule C-2 Rebuttal
Page 1
Witness: Murrey

Line No.		[A]	*Not used* [B] ADJ SM-1R *Accept STF ADJ #1*	Page 3 [C] ADJ SLH-2R *Revised STF ADJ #2*	Page 4 [D] ADJ SM-3R *Revised STF ADJ #3*	Page 5 [E] ADJ SM-4R *Revised STF ADJ #4*	Page 6 [F] ADJ SM-5R *Revised STF ADJ #5*	Page 7 [G] ADJ SM-6R *Revised STF ADJ #6*	*Not used* [H] ADJ SM-7R *Revised Staff Adj #8*	Page 8 [I] ADJ SM-8R	Page 9 [J] ADJ SM-9R *Ruco Adj #8*	Page 10 [K] ADJ SM-10R *Revised RUCO Adj # 6 Staff Adj # 5g*	Page 11 [L] ADJ SLH-11R *Revised Ruco Adj # 6, Staff Adj # 5*	Page 12 [M] ADJ SLH-12R	Page 13 [N] ADJ SM-13R *Revised RUCO Adj #1*
		Adjusted Test Year Results	Water Revenue (Sun City and Mohave Water only)	Depreciation Expense	Property Tax	Federal and State Income Tax	Arizona Corporate Allocations	Water Testing	Chemical Expense (Tubac only)	Interest Synchronization	Tank Maintenance	General Office Expense	Corporate Allocations	24 Month Deferral AFUDC Ammortization	6" New Meter Annualization
1	**Revenues**														
2	Water Revenues	$ 9,589,273													
3	Other Revenues	58,978													
4		$ 9,648,251	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,143
5															
6	***Operating Expenses***														
7	Labor	$ 1,205,431													
8	Purchased Water	-													
9	Fuel & Power	1,329,578													
10	Chemicals	58,805													
11	Waste Disposal	15,320													219
12	Intercompany Support Services	860													10
13	Corporate Allocation	314,349													
14	Outside Services	233,418													
15	*Group Insurance*	321,965					-						(22,589)		
16	Pensions	3,881													
17	Regulatory Expense	66,802					-								
18	*Insurance Other Than Group*	138,643													
19	Customer Accounting	197,288													
20	Rents	30,456					(4,492)								
21	General Office Expense	132,498													
22	Miscellaneous	91,440													
23	Maintenance Expense	512,882						1,418				(9,166)			
24	*Depreciation & Amortization*	1,608,655		(60,928)								(464)			
25	General Taxes-Property	335,846					(1,767)				(50,700)				
26	General Taxes-Other	120,776			318									1,570	
27	Income Taxes	735,635				58,920									
28															
29	**Total Operating Expenses**	$ 7,454,528	$ -	$ (60,928)	$ 318	$ 58,920	$ (6,259)	$ 1,418	$ -	$ -	$ (50,700)	$ (9,630)	$ (22,589)	$ 1,570	$ 229
30	**Utility Operating Income**	$ 2,193,723	$ -	$ 60,928	$ (318)	$ (58,920)	$ 6,259	$ (1,418)	$ -	$ -	$ 50,700	$ 9,630	$ 22,589	$ (1,570)	$ 8,915
31	**Other Income & Deductions**														
32	Other Income & Deductions	$ -													
33	Interest Expense	1,008,139													
34	Other Expense	-								(9,699)					
35	Gain/Loss Sale of Fixed Assets	-													
36	**Total Other Income & Deductions**	$ (1,008,139)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,699	$ -	$ -	$ -	$ -	$ -
37	**Net Profit (Loss)**	$ 1,185,584	$ -	$ 60,928	$ (318)	$ (58,920)	$ 6,259	$ (1,418)	$ -	$ 9,699	$ 50,700	$ 9,630	$ 22,589	$ (1,570)	$ 8,915
38															
39															

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Pro Forma Adjustments

Exhibit
Schedule C-2 Rebuttal
Page 2
Witness: Murrey

Line No.		Page 14 [O] ADJ SM-14R *Revised RUCO Adj #2*	Page 15 [P] ADJ SLH-15R *Revised Ruco Adj # 6, Staff Adj # 5*	[Q] Total Pro Forma Adjustments	[R] Test Year Adjusted Results	[S] Proposed Rate Increase	[T] Adjusted with Rate Increase
1	**Revenues**	Customer Accounting	Arizona Labor				
2	Water Revenues			$ 9,143	$ 9,598,416	$ 587,088	$ 10,185,505
3	Other Revenues			-	58,978		58,978
4		$ -	$ -	$ 9,143	$ 9,657,395	$ 587,088	$ 10,244,483
5							
6	**Operating Expenses**						
7	Labor		(5,735)	$ (5,735)	$ 1,199,696		$ 1,199,696
8	Purchased Water			-	-		-
9	Fuel & Power			219	1,329,797		1,329,797
10	Chemicals			10	58,815		58,815
11	Waste Disposal			-	15,320		15,320
12	Intercompany Support Services			-	860		860
13	Corporate Allocation			(22,589)	291,760		291,760
14	Outside Services			-	233,418		233,418
15	Group Insurance			-	321,965		321,965
16	Pensions			-	3,881		3,881
17	Regulatory Expense			-	66,802		66,802
18	Insurance Other Than Group			-	138,643		138,643
19	Customer Accounting	(769)		(5,261)	192,027	1,654	193,681
20	Rents			-	30,456		30,456
21	General Office Expense			(9,166)	123,332		123,332
22	Miscellaneous			954	92,394		92,394
23	Maintenance Expense			(50,700)	462,182		462,182
24	Depreciation & Amortization			(61,124)	1,547,531		1,547,531
25	General Taxes-Property			318	336,164	6,799	342,963
26	General Taxes-Other			-	120,776		120,776
27	Income Taxes			58,920	794,554	219,650	1,014,204
28							
29	**Total Operating Expenses**	$ (769)	$ (5,735)	$ (94,155)	$ 7,360,373	$ 228,103	$ 7,588,476
30	**Utility Operating Income**	$ 769	$ 5,735	$ 103,299	$ 2,297,022	$ 358,985	$ 2,656,007
31	**Other Income & Deductions**						
32	Other Income & Deductions			$ -	$ -		$ -
33	Interest Expense			(9,699)	998,440		998,440
34	Other Expense			-	-		-
35	Gain/Loss Sale of Fixed Assets				-		-
36	**Total Other Income & Deductions**	$ -	$ -	$ 9,699	$ (998,440)	$ -	$ (998,440)
37	**Net Profit (Loss)**	$ 769	$ 5,735	$ 112,997	$ 1,298,581	$ 358,985	$ 1,657,567
38							
39							

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SLH-2R

Exhibit
Schedule C-2 Rebuttal
Page 3
Witness: Hubbard

Line No.		EPCOR Paradise Valley Water	Staff Proposed Paradise Valley Water	Difference Paradise Valley Water
1	Depreciation Expense			
7	Depreciation Expense	$ 1,608,655	$ 1,527,744	$ (80,911)
12	Staff Adjustment # 2 Depreciation Expense			$ (80,911)
14	Amounts Company Rejected			
15	Difference from Calculated Depreciation Exp	1,730		
16	24 Month Deferral Disallowance	$ (11,973)		
17	CIAC Depreciation Difference	$ (4,484)		
18	Regulatory Asset Ammortization	$ (5,256)		
19	Total Amount Rejected		$ (19,983)	
21	Amounts Company Accepted			
23	Difference from Over Depreciated Assets	(60,928) 1]		
24	Total Amount Accepted		$ (60,928)	
27	Increase / (Decrease) in Depreciation and Amortization Expense		$ (60,928)	
29	Rebuttal Adjustment to Revenue and/or Expense		$ (60,928)	

1]	NARUC ASSET CC	Group Description	PPE Balance	Depr Rate	Depr Expense
	304100	Structures and Improvemer	$ 158,547	2.50%	$ 3,964
	340200	Computer & Peripheral Equ	$ 38,077	10.00%	$ 3,808
	340300	Computer Software	$ 37,405	20.00%	$ 7,481
	346100	Communication Equip non	$ 456,755	10.00%	$ 45,676
		Total	$ 690,784		$ 60,928

Workpapers & Schedules

\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls
\Depreciation Expense Adjustments - Staff vs Company.xlsx

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-3R

Exhibit
Schedule C-2 Rebuttal
Page 4
Witness: Murrey

Line No.		[A] Property Tax Expense	[B] Property Tax Expense
1			
2	**Adjust Property Taxes to Reflect Proposed Revenues:**		For Conversion Factor
3			
4	Adjusted Revenues in Year Ended June 2010	$ 9,657,395	$ 9,657,395
5	Adjusted Revenues in Year Ended June 2010	9,657,395	9,657,395
6	Proposed Revenues	9,657,395	10,244,483
7	Average of Three Year's of Revenue	$ 9,657,395	$ 9,853,091
8	Average of Three Year's of Revenue, times 2	$19,314,789	$19,706,181
9	Add:		
10	Construction Work in Progress at 10%	36,119	36,119
11	Deduct:		
12	Net Book Value of Transportation Equipment	$ -	$ -
13			
14	Full Cash Value	$ 19,350,908	$ 19,742,300
15	Assessment Ratio (For 2011 per HB 2784)	18.5%	18.5%
16	Assessed Value	$ 3,579,918	$ 3,652,326
17	Property Tax Rate	9.39%	9.39%
18			
19	Property Tax	336,164	342,963
20	Tax on Parcels	-	-
21			
22	Adjusted Test Year Property Taxes at Present Rates (Line 19+Line 20, Col [A])	$ 336,164	
23	Rebuttal AdjustedTest Year Property Taxes	335,846	
24	Adjustment to Revenue and/or Expense (To Sch C-2)	$ 318	
25			
26	Adjusted Test Year Property Taxes at Proposed Rates (Line 19+Line 20)		$ 342,963
27	Adjusted Test Year Property Taxes at Present Rates (Line 22, Col [A])		336,164
28	Additional Property Taxes on Proposed Revenues (To Sch C-2)		$ 6,799
29			
30			
31			
32	CALCULATION OF PROPERTY TAX FACTOR TO COMPUTE GROSS REVENUE CONVERSION FACTOR (SCH C-3):		
33			
34	Increase in Property Tax Due to Increase in Revenue Requirement (Line 28, Col [B])		$ 6,799
35			
36	Increase in Revenue Requirement (From Sch. A1)		$ 587,088
37			
38	Increase in Property Tax Per Dollar Increase in Revenue (Line 34/Line 36)		1.16%
39			
40			
41			
42			
43			
44	Workpapers & Supporting Documents:		
45			
46			
47			
48			
49			
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Revised Adjustment SM-4R

Exhibit
Schedule C-2 Rebuttal
Page 5
Witness: Murrey

Line No.			Test Year Adjusted Results	Adjusted with Rate Increase
1				
2	**Calculation of Income Taxes at Proposed Rates**			
3				
4				
5	Operating Income Before Inc. Taxes		$ 3,091,576	$ 3,670,211
6	Interest Expense		998,440	998,440
7	Arizona Taxable Income		$ 2,093,136	$ 2,671,771
8				
9	Less Arizona Income Tax		$ 125,588	$ 160,306
10	Arizona Income Tax Rate =	6.000%		
11				
12	Federal Income Before Taxes		$ 2,093,136	$ 2,671,771
13	Less Arizona Income Taxes		125,588	160,306
14	Federal Taxable Income		$ 1,967,548	$ 2,511,465
15				
16	FEDERAL INCOME TAXES:			
17				
18				
19				
20				
21				
22				
23	Federal Income Taxes	34.000%	$ 668,966	$ 853,898
24				
25				
26	Total Income Tax		$ 794,554	$ 1,014,204
27				
28	Tax Rate		37.96%	37.96%
29				
30	Effective Income Tax Rates			
31	State		6.000%	6.000%
32	Federal		31.96%	31.96%
33				
34				
35	Adjusted Test Year Income Taxes		$ 735,635	
36	Increase in Income Taxes, Rebuttal		$ 58,920	
37				
38	Adjustment to Revenues and/or Expense		$ 58,920	
39				
40	Test Year Income Taxes, Rebuttal			$ 794,554
41	Increase in Income Taxes			219,650
42				
43	Adjustment to Revenue and/or Expense			$ 219,650
44				
45				
46				
47	Workpapers & Schedules			
48				
49	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls			
50				

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-5R

Exhibit
Schedule C-2 Rebuttal
Page 6
Witness: Murrey

Line No.					
1	**Depreciation Expense Pro Forma**		Paradise Valley Water 4 Factor	7.2%	
2					
3					
4	The Company accepts Staff's proposal to remove Year 2000 software costs.				
5					
6	Depreciation Expense in cost pool			$ 24,699	
7	Remove: Year 2000 Software costs			$ (24,699)	
8	Depreciation Expense to be allocated			$ -	
9		Paradise Valley Water 4 Factor		7.2%	
10					
11		Total Pro Forma Depreciation Expense allocated			$ -
12					
13	Test Year Depreciation Expense in cost pool			$ 24,699	
14		Paradise Valley Water 4 Factor		7.2%	
15					
16		Test Year Depreciation Expense allocated			$ 1,767
17					
18	Increase / (Decrease) in Depreciation Expense				$ (1,767)
19					
20	Rebuttal Adjustment to Revenue and/or Expense				$ (1,767)
21					
22	**Customer Accounting Pro Forma**				
23	The Company recalculates bad debt expense on a district basis				
24					
25	Actual bad debt by district/business unit	Jul-12		Paradise Valley Water 1,384	
26		Aug-12		4,794	
27		Sep-12		1,297	
28		Oct-12		4,730	
29		Nov-12		1,913	
30		Dec-12		1,709	
31		Jan-13		1,931	
32		Feb-13		1,090	
33		Mar-13		1,813	
34		Apr-13		451	
35		May-13		1,018	
36		Jun-13		106	$ 22,236
37					
38	Test Year Bad Debt Expense		4 Factor	Connection Count	
39	Jul to Dec 2012 Months Bad Debt Expense	$ 266,016	7.2%	$ 19,028	
40	Jan to Jun 2013 Bad Debt Expense	$ 256,213		3.01% $ 7,700	$ 26,728
41					
42					
43					
44	Increase / (Decrease) in Customer Accounting				$ (4,492)
45					
46	Rebuttal Adjustment to Revenue and/or Expense				$ (4,492)
47	Workpapers & Supporting Documents:				
48	\A-1SummarizeChanges1.27.15.xlxs				
49	\CorporateAllocationandIncentiveComp (EUI).xlxs				
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls				

Line No.			
1	**Water Testing Expense**		
2	Company accepts Staff's proposed water testing expense of $13,152 as outlined in Table M of the Paradise Valley Water Enginneering Report.		
3			
4			
5	Pro Forma Water Testing Expense per STF ADJ #6	$	13,152
6			
7			
8	Adjusted Test Year Water Testing Expense	$	11,734
9			
10			
11	Increase/(Decrease) in Water Testing Expense	$	1,418
12			
13	Rebuttal Adjustment to Revenue and/or Expense	$	1,418
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
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41			
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44			
45			
46	Workpapers & Supporting Documents:		
47			
48			
49			
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Line No.			
1			
2	**Interest Synchronization with Rate Base**		
3			
4	Original Cost Rate Base (Sch. B-1, Ln. 28)		$ 39,001,567
5	Weighted Cost of Debt from Schedule D-1		2.56%
6	Synchronized Interest Expense		$ 998,440
7			
8	Test Year Interest Expense	$ 1,008,139	
9			
10	Adjusted Test Year Interest Expense		$ 1,008,139
11			
12	Increase/(Decrease) in Interest Expense		$ (9,699)
13			
14	Adjustment to Revenue and/or Expense		$ (9,699)
15			
16			
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19			
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46	Workpapers & Supporting Documents:		
47			
48			
49			
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-9R

Exhibit
Schedule C-2 Rebuttal
Page 9
Witness: Murrey

Line No.		
1		
2	**Tank Maintenance Expense**	
3		
4	Company Total Cost Proposal - Rebuttal	$ 1,892,108
5	Less:	
6	Company Total Cost Proposal - Original	$ 2,601,914
7		
8	Change in Proposed Cost	$ (709,806)
9		
10		
11	Recovery Period, Years	14
12		
13		
14	Annual Adjustment to Tank Maintenance	$ (50,700)
15		
16		
17		
18		
19		
20		
21		
22		
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27		
28		
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45		
46	Workpapers & Supporting Documents:	
47		
48		
49	\Tank Maintenance JWS Adjust Line Costs.xlsx	
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls	

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-10R

Exhibit
Schedule C-2 Rebuttal
Page 10
Witness: Murrey

Line No.				
1	**General Office Expense Pro Forma**	Paradise Valley Water 4 Factor	7.2%	
2				
3				
4				
5	Duplicate I/T expense related to license fees of $11,010			
6				
7	I/T Costs in Corporate Allocation and General Office Expense	$	(11,010)	
8	General Office Expense to be allocated	$	(11,010)	
9	Paradise Valley Water 4 Factor		7.2%	
10				
11	Total Pro Forma General Office Expense allocated			$ (788)
12				
13				
14	Test Year total Promotions, Donations, and Advertising Expense per Income Statement	$	(21,392)	
15	Less Promotions, Donations, and Advertising alrady allocated out (proforma adjustment SM#10)	$	13,014	
16	Adjusted Test Year General Office Expense in cost pool			$ (8,379)
17				
18				
19				
20				
21	Total Increase / (Decrease) in General Office Expense			$ (9,166)
22				
23	Rebuttal Adjustment to Revenue and/or Expense			$ (9,166)
24				
25				
26	**Miscellaneous Pro Forma**			
27	The Company accepts Staff's proposed adjusment .			
28				
29	Miscellaneous Expense in cost pool	$	6,485	
30				
31	Remove: Items such as food, flowers, linen, etc	$	(6,485)	
32				
33	Miscellaneous Expense to be allocated	$	-	
34	Paradise Valley Water 4 Factor		7.2%	
35				
36	Total Pro Forma Miscellaneous Expense allocated			$ -
37				
38	Test Year Miscellaneous Expense cost pool	$	6,485	
39	Paradise Valley Water 4 Factor		7.2%	
40				
41	Test Year Miscellaneous Expense allocated			$ 464
42				
43				
44	Increase / (Decrease) in Miscellaneous Expense			$ (464)
45				
46	Rebuttal Adjustment to Revenue and/or Expense			$ (464)
47				
48	\RebuttalSummaryA-1,B-1,C-1.xlsx			
49	\SummaryofRebuttalAdjustments2-9.xlxs			
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls			

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SLH-11R

Exhibit
Schedule C-2 Rebuttal
Page 11
Witness: Murrey

Line No.					
1					
2	**Corporate Allocation Pro Forma**				
3	The Company is voluntarily removing of the financial component of the incentive compensation metrics which represents 10% of the award.				
4					
5	Actual At-Risk Compensation		$ 597,657		
6					
7	Less: Financial & Other Component		$ 315,792		
8					
9	Incentive Compensation to be allocated		$ 281,865		
10		Paradise Valley Water 4 Factor	7.2%		
11					
12		Total Pro Forma incentive compensation allocated		$	20,162
13					
14	Test Year Incentive Compensation in cost pool		$ 597,657		
15		Paradise Valley Water 4 Factor	7.2%		
16					
17		Test Year incentive compensation allocated		$	42,750
18					
19					
20	Increase / (Decrease) in Corporate Allocation Expense			$	(22,589)
21					
22	Rebuttal Adjustment to Revenue and/or Expense			$	(22,589)
23					
24					
25					
26					
27					
28					
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46					
47	Workpapers & Supporting Documents:				
48	\Corporate Allocation ADJ 60R basic Data.xlsx				
49	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls				
50	\Corporate Allocation and Incentive Comp (EUI).xlsx				

Line No.			
1	**24-Month Deferral Request**		
2			
3			
4	On October 14, 2012, Paradise Valley Water filed Docket No. W-01303A-12-0427 seeking approval of an accounting order to defer Post-in-Service AFUDC and Depreciation on investment between rate filings. This filing was withdrawn		
5	June 27, 2013 to enable the Company to pursue those deferrals on an individual district basis.		
6			
7	Pro Forma 24-Month Deferral Balance	$	397,156
8			
9			
10	Increase / (Decrease) in Deferred Debits	$	397,156
11			
12			
13	Increase / (Decrease) to Rate Base	$	397,156
14			
15			
16			
17	In addition to the deferral request, in this application Paradise Valley Water Company requests authority to begin the		
18	amortization of the deferred balance associated with the 24-Month Deferral Request using the composite depreciation	Current	
19	rate (See Adj SM-13, page 2 of 3).		3.41%
20			
21			
22	Pro Forma adjustment for Amortization of Balance of 24-Month Deferral Request		
23	associated with Docket No. W-01303A-12-0427 at composite depreciation rate.	$	13,543
24			
25	Original AFUDC Ask	$	11,973
26			
27	Increaes /(Decrease) to operating expenses	$	1,570
28			
29			
30			
31			
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45			
46	Workpapers & Supporting Documents:		
47			
48			
49	\Test Year Rebuttal Adjustments 02-09.xlxs		
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-13R

Exhibit
Schedule C-2 Rebuttal
Page 13
Witness: Murrey

Line No.			
1			
2	**Revenue Annualization - 6" Commercial Meter**		
3			
4	REVENUE ADJUSTMENT		
5	Revenues included in test year from (Motorola Solutions)	*May and June 2013	$ (1,646)
6	Revenues July 2013 to June 2014	July 2013 to June 2014	$ 10,790
7	Annualization Adjustment for Account 439140		$ 9,143
8	* Date meter installed		
9			
10	**Fuel, Power, and Chemicals Annualization - 6" Commercial Meter**		
11			
12		Fuel &	
13		Power	Chemicals
14	Test Year Adjusted Expense from Sch C-2	$ 1,329,578	$ 58,805
15	Test Year 1,000 Gals Sold	3,142,189	$ 3,142,189
16	Expense per 1,000 gallons sold	$ 0.42	$ 0.02
17			
18			
19	Gallons included in test year from Account 442831 (Motorola Solutions)	(272)	(272)
20	July 2013 to June 2014 Usage per Vertex	790	790
21	Increase in Gallons sold	518	518
22	Annualized Increase in Expenses per 1,000 gallons sold	$ 219	$ 10
23			
24			
25			
26			
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45			
46	Workpapers & Supporting Documents:		
47			
48			
49	Additional 6" Meter Customers in Sun City and Paradise Valley		
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls		

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Adjustment SM-14R

Exhibit
Schedule C-2
Page 14
Witness: Murrey

Line No.	RESIDENTIAL *Increase / (Decrease) in Operating Expenses:*	ORIGINAL CALC Postage	ORIGINAL CALC Other Customer Accounting
1			
2			
3	Test Year Adjusted Expense from Sch C-2	$ 22,980	$ 173,459
4	Avg Customers times 12 bills	58,344	58,344
5	Cost per Unit	$ 0.39	$ 2.97
6			
7	Customer Growth by Volume	(950)	(950)
8	Customer Growth by Count		
9			
10	Additional Expense	($370)	($2,820)
11			
12	**Total Original Calculation - Residential**		**$ (3,190)**
13			
14			

Line No.	COMMERCIAL *Increase / (Decrease) in Operating Expenses:*	ORIGINAL CALC Postage	ORIGINAL CALC Other Customer Accounting	REVISED CALC Postage	REVISED CALC Other Customer Accounting	
15						
16						
17						
18						
19	Test Year Adjusted Expense from Sch C-2	$ 22,980	$ 173,459	$ 22,980	$ 173,459	
20	Year-End Number of Customers times 12 bills			58,368	58,368	
21	Avg Customers times 12 bills	58,344	58,344	58,344	58,344	
22	Cost per Unit	$ 0.39	$ 2.97	$ 0.39	$ 2.97	
23						
24	Customer Growth by Volume	1,202	1,202			
25	Customer Growth by Count			24	24	
26						
27	Additional Expense	$469	$3,570	$9	$71	$80
28						
29	**Total Original Calculation - Commercial**		**$ 4,039**			
30						
31						
32	Total Original Revision		$ 849			
33						
34	Reverse original Adjustment		$ (849)			
35	Revised Customer Accounting Adjustment		$ 80			
36	Total Adjustment		$ (769)			
37						
38						
39						
40						
41						
42						
43						
44						
45	Workpapers & Schedules					
46						
47	\2013 Paradise Valley Water Sch. H.xls					
48	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls					

Paradise Valley Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SLH-15R

Exhibit
Schedule C-2 Rebuttal
Page 15

Witness: Murrey

Line No.					
1	**Arizona Labor Expense Pro Forma**	Paradise Valley Water 4 Factor		7.2%	
2					
3	The Company is voluntarily removing of the financial component of the incentive compensation metrics which represents 10% of the award.				
4					
5	Incentive Compensation in cost pool		$	801,709	
6					
7	Removal 10% attributable to the financial component		$	(80,171)	
8					
9	Incentive Compensation to be allocated		$	721,538	
10		Paradise Valley Water 4 Factor		7.2%	
11					
12		Total Pro Forma incentive compensation allocated			$ 51,611
13					
14	Test Year Incentive Compensation in cost pool		$	801,709	
15		Paradise Valley Water 4 Factor		7.2%	
16					
17		Test Year incentive compensation allocated			$ 57,346
18					
19					
20	Increase / (Decrease) in Labor Expense				$ (5,735)
21					
22	Rebuttal Adjustment to Revenue and/or Expense				$ (5,735)
23					
24					
25					
26					
27					
28					
29					
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48					
49	\CorporateAllocationandIncentiveComp (EUI).xlxs				
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls				

Paradise Valley Water
Test Year Ended June 30, 2013
Computation of Gross Revenue Conversion Factor

Exhibit
Schedule C-3 Rebuttal
Page 1
Witness: Murrey

Line No.	Description					Percentage of Incremental Gross Revenues
1	Federal Income Taxes					31.96%
2						
3	State Income Taxes					6.00%
4				Combined	37.96%	
5	Property Taxes	Effective Rate =	1.16%	One Minus Combined	62.04%	0.72%
6						
7	Bad Debt Expense	Effective Rate =	0.28%	One Minus Combined	62.04%	0.17%
8						
9	Total Tax Percentage					38.85%
10						
11	Operating Income % = 100% - Tax Percentage					61.15%
12						
13						
14						
15	1 = Gross Revenue Conversion Factor					
16						
17						
18	Operating Income %					1.6354
19						
20						
21						
22						
23						
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26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
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39						
40						
41						
42						
43	Supporting Schedules:					Recap Schedules:
44						A-1 Rebuttal
45						
46						
47						
48						
49						
50	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls					

Paradise Valley Water
Test Year Ended June 30, 2010
Summary of Cost of Capital
Total Company - EPCOR Water Arizona

Exhibit
Schedule D-1 Rebuttal
Page 1
Witness: Hubbard

Line No.	Item of Capital	End of Test Year Dollar Amount	End of Test Year Percent of Total	End of Test Year Cost Rate	End of Test Year Weighted Cost	End of Projected Year Dollar Amount	End of Projected Year Percent of Total	End of Projected Year Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	$ 231,000,000	58.47%	4.29%	2.51%	$ 231,000,000	59.76%	4.29%	2.56%
2									
3	Short-Term Debt	$ 8,560,000	2.17%	0.31%	0.01%	$ -	0.00%	0.31%	0.00%
4									
5	Stockholder's Equity	$ 155,533,624	39.37%	10.55%	4.15%	$ 155,533,624	40.24%	10.55%	4.25%
6									
7	Totals	$ 395,093,624	100.00%		6.67%	$ 386,533,624	100.00%		6.81%
8									
9									
10									
11									
12									
13									
14									
15									
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20									
21									
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24									
25									
26									
27									
28									
29									
30	Supporting Schedules:		Recap Schedules:						
31	D-2 Rebuttal		A-1 Rebuttal						
32									
33									
34									
35	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls								

Paradise Valley Water
Test Year Ended June 30, 2010
Summary of Cost of Capital
Total Company - EPCOR Water Arizona
District Level - Paradise Valley Water - Proposed

Exhibit
Schedule D-1 Rebuttal
Page 2
Witness: Hubbard

Line No.	Item of Capital	End of Test Year Dollar Amount	End of Test Year Percent of Total	End of Test Year Cost Rate	End of Test Year Weighted Cost	End of Projected Year Dollar Amount	End of Projected Year Percent of Total	End of Projected Year Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	$ 22,803,106	58.47%	4.29%	2.51%	$ 23,308,094	59.76%	4.29%	2.56%
2									
3	Short-Term Debt	$ 844,998	2.17%	0.31%	0.01%	$ -	0.00%	0.31%	0.00%
4									
5	Stockholder's Equity	$ 15,353,462	39.37%	10.55%	4.15%	$ 15,693,473	40.24%	10.55%	4.25%
6									
7	Totals	$ 39,001,567	100.00%		6.67%	$ 39,001,567	100.00%		6.81%
8									
9									
10									
11									
12									
13									
14									
15									
16									
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20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30	Supporting Schedules:		Recap Schedules:						
31	D-2 Rebuttal		A-1 Rebuttal						
32									
33									
34									
35	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls								

Paradise Valley Water
Test Year Ended June 30, 2013
Cost of Long Term Debt
Test Year - Paradise Valley Water - Proposed

Exhibit
Schedule D-2 Rebuttal
Page 1
Witness: Hubbard

At Parent Level

Line No.		End of Test Year Amount Outstanding	End of Test Year Annual Cost	End of Test Year Interest Rate	End of Projected Year Amount Outstanding	End of Projected Year Annual Cost	End of Projected Year Interest Rate
1	Long-Term Debt						
2	10-Year EPCOR Water USA Note	133,000,000	5,004,790	3.77%	133,000,000	5,004,790	3.77%
3	30-Year EPCOR Water USA Note	98,000,000	4,907,513	5.02%	98,000,000	4,907,513	5.02%
4							
5							
6	Totals	$ 231,000,000	$ 9,912,303	4.29%	$ 231,000,000	$ 9,912,303	4.29%
7							
8							
9	Common Equity						
10	Common Stock	$ 522,880			$ 522,880		
11	Paid in Capital	184,882,920			184,882,920		
12	Retained Earnings	(29,872,177)			(29,872,177)		
13		$ 155,533,624		10.55%	$ 155,533,624		10.55%
14							
15							
16							
17	Short-Term Debt						
18	S-T Debt from EPCOR Utilities, Inc	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
19							
20							
21	Totals	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
22							
23							
24							
25	Supporting Schedules:		Recap Schedules:				
26	E-1		D-1 Rebuttal				
27							
28							
29	\EUSA TB By BU_131101_Sch E.xlsx						
30	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls						

Paradise Valley Water
Test Year Ended June 30, 2013
Cost of Long Term Debt
Test Year - Paradise Valley Water - Proposed

Exhibit
Schedule D-2 Rebuttal
Page 2
Witness: Hubbard

Line No.		End of Test Year Amount Outstanding	End of Test Year Annual Cost	End of Test Year Interest Rate	End of Projected Year Amount Outstanding	End of Projected Year Annual Cost	End of Projected Year Interest Rate
1	Long-Term Debt						
2	10-Year EPCOR Water USA Note	$ 133,000,000	$ 5,004,790	3.77%	$ 133,000,000	$ 5,004,790	3.77%
3	30-Year EPCOR Water USA Note	98,000,000	4,907,513	5.02%	98,000,000	4,907,513	5.02%
4							
5							
6	Totals	$ 231,000,000	$ 9,912,303	4.29%	$ 231,000,000	$ 9,912,303	4.29%
7							
8							
9	Common Equity						
10	Common Stock	$ 522,880			$ 522,880		
11	Paid in Capital	184,882,920			184,882,920		
12	Retained Earnings	(29,872,177)			(29,872,177)		
13		$ 155,533,624		10.55%	$ 155,533,624		10.55%
14							
15							
16							
17	Short-Term Debt						
18	Intercompany Payable	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
19							
20							
21	Totals	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
22							
23							
24							
25	Supporting Schedules:		Recap Schedules:				
26	E-1		D-1 Rebuttal				
27							
28							
29	\EUSA TB By BU_131101_Sch E.xlsx						
30	\2013 Paradise Valley Water Sch. A-F Rebuttal (Oct2014 Direct).xls						

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Returns at Present Rates by Class

Exhibit
Rebuttal Schedule G-1
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Turf	Commercial	Other Public Auth.
1	Water Revenues	$ 9,613,561	$ 7,360,312	$ 442,429	$ 1,789,884	$ 20,936
2	Fire Service Revenues	9,349	8,672	12	644	21
3	Revenue Annualizations	7,811	(3,299)	-	11,109	-
4	Declining Usage	(36,037)	(27,561)	(1,656)	(6,741)	(78)
5	Misc. Revenues[1]	58,978	54,709	74	4,060	135
6	Reconciliation H-1 to C-1[1]	3,698	3,430	5	255	8
7	Total Revenues	$ 9,657,360	$ 7,396,264	$ 440,863	$ 1,799,210	$ 21,023
8						
9	Operating Expenses[2]	$ 4,682,124	$ 3,574,378	$ 320,975	$ 778,711	$ 8,059
10	Depreciation and					
11	Amortization[2]	1,547,531	1,113,626	133,569	297,214	3,122
12	Property Tax[3]	336,164	257,457	15,346	62,629	732
13	Income Tax[4]	794,554	662,729	(46,462)	175,535	2,753
14	Total Operating Expenses	$ 7,360,373	$ 5,608,190	$ 423,429	$ 1,314,089	$ 14,666
15	Operating Income	$ 2,296,987	$ 1,788,074	$ 17,435	$ 485,121	$ 6,357
16	Interest Expense[5]	998,440	704,972	93,368	198,243	1,858
17	Net Income	$ 1,298,547	$ 1,083,103	$ (75,933)	$ 286,878	$ 4,499
18	Rate Base[6]	$ 39,001,567	$ 27,537,952	$ 3,647,193	$ 7,743,857	$ 72,564
19	Return on Rate Base[7]	5.89%	6.49%	0.48%	6.26%	8.76%
20						
21	**Percent of Total Customers**		92.76%	0.13%	6.88%	0.23%
22						
23						
24						
25						
26						
27						
28	[1] Allocated based on customer counts.					
29	[2] Operating Expenses and Depreciation computations are shown on Schedule G-4, Page 1.					
30	[3] Property Taxes allocation based on Revenues.					
31	[4] Income Tax from Schedule C-1, at present rates. Income Taxes allocated based on taxable income.					
32	[5] Interest Synchronized Interest Expense. Allocation based on Rate Base					
33	[6] Rate Base computations are shown on Schedule G-3, Page 1					
34	[7] Operating Income Divided by Rate Base					
35						
36						

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Returns at Proposed Rates by Class

Line No.		Totals	Residential	Turf	Commercial	Other Public Auth.
1	Water Revenues	$ 10,207,746	$ 7,788,526	$ 502,845	$ 1,894,231	$ 22,145
2	Fire Service Revenues	9,464	8,779	12	651	22
3	Revenue Annualizations	8,300	(3,490)	-	11,790	-
4	Declining Usage	(38,262)	(29,163)	(1,882)	(7,134)	(83)
5	Misc. Revenues[1]	58,978	54,709	74	4,060	135
6	Reconciliation H-1 to C-1[1]	(1,743)	(1,617)	(2)	(120)	(4)
7	Total Revenues	$ 10,244,483	$ 7,817,744	$ 501,047	$ 1,903,478	$ 22,215
8						
9	Operating Expenses[2]	$ 4,683,778	$ 3,575,912	$ 320,978	$ 778,825	$ 8,063
10	Depreciation and					
11	Amortization[2]	1,547,531	1,113,626	133,569	297,214	3,122
12	Property Tax[3]	342,963	261,721	16,774	63,724	744
13	Income Tax[4]	1,014,204	820,510	(24,159)	214,653	3,199
14	Total Operating Expenses	$ 7,588,476	$ 5,771,770	$ 447,162	$ 1,354,416	$ 15,128
15	Operating Income	$ 2,656,006	$ 2,045,974	$ 53,885	$ 549,061	$ 7,086
16	Interest Expense[5]	998,440	704,972	93,368	198,243	1,858
17	Net Income	$ 1,657,566	$ 1,341,002	$ (39,484)	$ 350,819	$ 5,229
18	Rate Base[6]	$ 39,001,567	$ 27,537,952	$ 3,647,193	$ 7,743,857	$ 72,564
19	Return on Rate Base[7]	6.81%	7.43%	1.48%	7.09%	9.77%
20						
21	**Percent of Total Customers**		92.76%	0.13%	6.88%	0.23%
22						
23	**Indicated Monthly Minimums and Single-Tier Commody Rates for 3/4 Inch Meter**					
24		Sched. G-8, pg 4A	Sched. G-8, pg 4B	Sched. G-8, pg 4C	Sched. G-8, pg 4D	Sched. G-8, pg 4E
25		All Classes	Residential	Turf	Commercial	Other Public Auth.
26	Monthly Minimums	$ 31.36	$ 29.48	$ 230.31	$ 31.10	$ 13.87
27	Single-Tier Commodity Rate	$ 1.889	$ 1.965	$ 1.638	$ 1.731	$ 2.414
28						
29						

30 [1] Allocated based on customer counts.
31 [2] Operating Expenses and Depreciation computations are shown on Schedule G-4, Page 2.
32 [3] Property Taxes allocation based on Revenues
33 [4] Income Tax from Schedule C-1, at proposed rates. Income Taxes allocated based on taxable income
34 [5] Interest Synchronized Interest Expense. Allocation based on Rate Base
35 [6] Rate Base computations are shown on Schedule G-3, Page 1
36 [7] Operating Income Divided by Rate Base
37

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Allocation of Assets to Customer Classes

Exhibit
Rebuttal Schedule G-3
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Turf	Commercial	Other Public Auth.
1						
2						
3						
4	Plant, Minus Accumulated Depreciation, Advances and Contributions in Aid, Meter Deposits, and Deferred Income Tax (from Schedule G-5, Page 1)					
5	Commodity	$ 11,190,093	$ 7,877,470	$ 947,023	$ 2,349,740	$ 15,860
6	Demand	23,775,162	16,258,999	2,681,101	4,797,528	37,533
7	Customer	809,471	750,880	1,013	55,721	1,857
8	Service	1,853,699	1,415,631	14,331	410,608	13,128
9	Meter	1,373,142	1,234,972	3,724	130,260	4,186
10	Total	$ 39,001,567	$ 27,537,952	$ 3,647,193	$ 7,743,857	$ 72,564
11						
12						
13						
14	**Summary**					
15	Net Rate Base	$ 39,001,567	$ 27,537,952	$ 3,647,193	$ 7,743,857	$ 72,564
16	% of Net Rate Base	100.00%	70.61%	9.35%	19.86%	0.19%
17						
18						
19						
20						

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Expenses to Customer Classes - Present Rates

Exhibit
Rebuttal Schedule G-4
Page 1
Witness: Bourassa

Line No.		Adjusted Per C-1	Residential	Turf	Commercial	Other Public Auth.	Totals
	Operation and Maintenance Expense (from Schedule G-6, Page 1)						
1	Commodity	$ 1,933,986	$ 1,361,464	$ 163,674	$ 406,106	$ 2,741	$ 1,933,986
2	Demand	1,379,710	943,536	155,589	278,408	2,178	1,379,710
3	Customer	1,368,428	1,269,378	1,713	94,197	3,140	1,368,428
4	Service	-	-	-	-	-	-
5	Meter	-	-	-	-	-	-
6	Totals	$ 4,682,124	$ 3,574,378	$ 320,975	$ 778,711	$ 8,059	$ 4,682,124
7							
8	Depreciaton Expense on Plant (from Schedule G-6, Page 2)						
9	Commodity	405,371	$ 285,369	$ 34,307	$ 85,121	$ 575	$ 405,371
10	Demand	870,125	595,048	98,123	175,580	1,374	870,125
11	Customer	53,216	49,364	67	3,663	122	53,216
12	Service	95,471	72,909	738	21,147	676	95,471
13	Meter	123,349	110,937	335	11,701	376	123,349
14	Totals	$ 1,547,531	$ 1,113,626	$ 133,569	$ 297,214	$ 3,122	$ 1,547,531
15							
16	Operation and Maintenance Expense and Depreciation Expense						
17	Commodity	$ 2,339,357	$ 1,646,833	$ 197,981	$ 491,227	$ 3,316	$ 2,339,357
18	Demand	2,249,835	1,538,583	253,712	453,988	3,552	2,249,835
19	Customer	1,421,643	1,318,742	1,779	97,860	3,262	1,421,643
20	Service	95,471	72,909	738	21,147	676	95,471
21	Meter	123,349	110,937	335	11,701	376	123,349
22	Total	$ 6,229,655	$ 4,688,004	$ 454,545	$ 1,075,925	$ 11,181	$ 6,229,655
23							
24	Total Expenses (excluding Income Tax and						
25	Property Taxes)	$ 6,229,655	$ 4,688,004	$ 454,545	$ 1,075,925	$ 11,181	$ 6,229,655
26							
27	Property Taxes, Allocated on Schedules G-1 & G-2	$ 336,164					
28	Income Tax, Allocated on Schedules G-1 & G-2	794,554					
29	Total Expenses	**$ 7,360,373**					
30							

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Expenses to Customer Classes - Proposed Rates

Exhibit
Rebuttal Schedule G-4
Page 2
Witness: Bourassa

Line No.		At Proposed C-1	Residential	Turf	Commercial	Other Public Auth.	Totals
1							
2	Operation and Maintenance Expense (from Schedule G-6, Page 1)						
3	Commodity	$ 1,933,986	$ 1,361,464	$ 163,674	$ 406,106	$ 2,741	$ 1,933,986
4	Demand	1,379,710	943,536	155,589	278,408	2,178	1,379,710
5	Customer	1,370,082	1,270,912	1,715	94,311	3,144	1,370,082
6	Service	-	-	-	-	-	-
7	Meter	-	-	-	-	-	-
8	Totals	$ 4,683,778	$ 3,575,912	$ 320,978	$ 778,825	$ 8,063	$ 4,683,778
9							
10	Depreciaton Expense on Plant (from Schedule G-6, Page 3.2)						
11	Commodity	$ 405,371	$ 285,369	$ 34,307	$ 85,121	$ 575	$ 405,371
12	Demand	870,125	595,048	98,123	175,580	1,374	870,125
13	Customer	53,216	49,364	67	3,663	122	53,216
14	Service	95,471	72,909	738	21,147	676	95,471
15	Meter	123,349	110,937	335	11,701	376	123,349
16	Totals	$ 1,547,531	$ 1,113,626	$ 133,569	$ 297,214	$ 3,122	$ 1,547,531
17							
18	Operation and Maintenance Expense and Depreciation Expense						
19	Commodity	$ 2,339,357	$ 1,646,833	$ 197,981	$ 491,227	$ 3,316	$ 2,339,357
20	Demand	2,249,835	1,538,583	253,712	453,988	3,552	2,249,835
21	Customer	1,423,297	1,320,276	1,781	97,974	3,266	1,423,297
22	Service	95,471	72,909	738	21,147	676	95,471
23	Meter	123,349	110,937	335	11,701	376	123,349
24	Total	$ 6,231,309	$ 4,689,538	$ 454,547	$ 1,076,039	$ 11,185	$ 6,231,309
25							
26	Total Expenses (excluding Income Tax and						
27	Property Taxes)	$ 6,231,309	$ 4,689,538	$ 454,547	$ 1,076,039	$ 11,185	$ 6,231,309
28							
29	Property Taxes, Allocated on Schedules G-1 & G-2	$ 342,963					
30	Income Tax, Allocated on Schedules G-1 & G-2	1,014,204					
31	Total Expenses	**$ 7,588,476**					
32							
33							
34							

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Rate Base by Function

Exhibit
Rebuttal Schedule G-5
Page 1
Witness: Bourassa

Line No.		Adjusted Per B-2	Demand	Commodity	Customer	Meter	Service	Totals
1								
2	**Rate Base**							
3	Plant minus (Accumulated Depreciation	$ 39,001,567	$ 23,775,162	$ 11,190,093	$ 809,471	$ 1,373,142	$ 1,853,699	$ 39,001,567
4	Contributions in Aid of Construction							
5	Advances in Aid of Construction,							
6	Meter Deposits and Deferred Income Tax)							
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								

Paradise Valley Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref	Demand	Commodity	Customer	Meters	Services
1	**Intangible**										
2	301000	Organization	$ 1,831	(477,283)	$ 479,113	F-1	325,797	153,316	-	-	-
3	302000	Franchises	-	-	-	F-1	-	-	-	-	-
4	303100	Other Intangible Plant	-	-	-	F-1	-	-	-	-	-
5	**Subtotal Intangible**		1,831	(477,283)	479,113		325,797	153,316	-	-	-
6											
7	**Source of Supply & Pumping Plant**										
8	303200	Land and Land Rights - Supply	$ -	$ -	$ -	F-1	$ -	$ -	$ -	$ -	$ -
9	303300	Land and Land Rights - Pumping	-	-	-	F-1	-	-	-	-	-
10	304100	Structures and Improvements - Supply	158,547	986,421	(827,874)	F-1	(562,954)	(264,920)	-	-	-
11	304200	Structures and Improvements - Pumping	1,282,693	(70,795)	1,353,487	F-1	920,371	433,116	-	-	-
12	305000	Collecting and Impounding Res.	-	-	-	F-1	-	-	-	-	-
13	306000	Lakes, Rivers, Other Intakes	-	-	-	F-1	-	-	-	-	-
14	307000	Wells and Springs	2,639,547	814,870	1,824,676	F-1	1,240,780	583,896	-	-	-
15	308000	Infiltration Galleries and Tunnels	-	-	-	F-1	-	-	-	-	-
16	309000	Supply Mains	373,503	18,387	355,116	F-1	241,479	113,637	-	-	-
17	310000	Power Generation Equipment	230,827	8,677	222,150	F-1	151,062	71,088	-	-	-
18	310100	Power Generation Oher	554,631	157,986	396,646	F-1	269,719	126,927	-	-	-
19	311000	Pumping Equipment - Steam	-	-	-	F-1	-	-	-	-	-
20	311200	Pumping Equipment - Electric	3,893,762	1,116,616	2,777,146	F-1	1,888,459	888,687	-	-	-
21	311300	Pumping Equipment - Diesel	190	(62,413)	62,603	F-1	42,570	20,033	-	-	-
22	311400	Pumping Equipment - Hydraulic	-	-	-	F-1	-	-	-	-	-
23	311500	Pumping Equipment - Other	-	-	-	F-1	-	-	-	-	-
24	311530	Pumping Equipment - Water Treatment	358,319	39,546	318,773	F-1	216,766	102,007	-	-	-
25	**Subtotal Source of Supply & Pumping Plant**		$ 9,492,019	$ 3,009,295	$ 6,482,724		$ 4,408,252	$ 2,074,472	$ -	$ -	$ -
26											
27	**Water Treatment**										
28	303400	Land and Land Rights - Treatment	$ -	$ -	$ -	F-1	$ -	$ -	$ -	$ -	$ -
29	304300	Structures and Improvements - Treatment	20,737,611	2,410,288	18,327,323	F-1	12,462,580	5,864,743	-	-	-
30	320000	Water Treatment Plant	-	-	-	F-1	-	-	-	-	-
31	320100	Water Treatment Equipment - Non-media	10,628,951	8,353,934	2,275,017	F-1	1,547,011	728,005	-	-	-
32	320200	Water Treatment Equipment - Media	702,863	127,303	575,559	F-1	391,380	184,179	-	-	-
33	**Subtotal Water Treatment**		$ 32,069,425	$ 10,891,526	$ 21,177,899		$ 14,400,971	$ 6,776,928	$ -	$ -	$ -
34											
35	**Transmission and Distribution Plant**										
36	303500	Land and Land Rights - T&D	$ 8,324	$ 30	$ 8,294	F-1	$ 5,640	$ 2,654	$ -	$ -	$ -
37	304400	Structures and Improvements - T&D	23,764	3,825	19,939	F-1	13,559	6,381	-	-	-
38	330000	Distribution Reservoirs & Standpipes	2,400,280	516,355	1,883,925	F-1	1,281,069	602,856	-	-	-
39	330100	Elevated Tank & Standpipes	-	-	-	F-1	-	-	-	-	-
40	330200	Ground Level Tanks	-	-	-	F-1	-	-	-	-	-
41	330300	Below Ground Tanks	-	-	-	F-1	-	-	-	-	-
42	331001	T&D Mains Not Classified	3,911,448	(2,734,125)	6,645,572	F-1	4,518,989	2,126,583	-	-	-
43	331100	T&D Mains 4in & less	364,519	9,063	355,456	F-1	241,710	113,746	-	-	-
44	331200	T&D Mains 6in to 8in	5,987,202	3,166,751	2,820,451	F-1	1,917,907	902,544	-	-	-
45	331300	T&D Mains 10in to 16in	9,380,895	6,053,081	3,327,815	F-1	2,262,914	1,064,901	-	-	-
46	331400	TD Mains 18in & Grtr	547,004	56,120	490,885	F-1	333,802	157,083	-	-	-
47	332000	Fire Mains	14,058	1,471	12,588	F-2	12,588	-	-	-	-

Paradise Valley Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.2
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref	Demand	Commodity	Customer	Meters	Services
1	333000	Services	3,818,826	1,953,218	1,865,608	F-3	-	-	-	-	1,865,608
2	334100	Meters	1,426,812	195,794	1,231,018	F-4	-	-	-	1,231,018	-
3	334200	Meter Installations	177,916	23,882	154,034	F-4	-	-	-	154,034	-
4	334300	Meter Vaults	-	-	-	F-4	-	-	-	-	-
5	335000	Hydrants	1,368,179	525,547	842,632	F-5	-	-	842,632	-	-
6	335100	Hydrants replaced	16,118	161	15,956	F-5	-	-	15,956	-	-
7	336000	Backflow Prevention Devices	-	-	-	F-1	-	-	-	-	-
8	339100	Other P/E-Intangible	-	-	-	F-1	-	-	-	-	-
9	339200	Other P/E-Supply	-	-	-	F-1	-	-	-	-	-
10	339500	Other P/E-TD	-	-	-	F-1	-	-	-	-	-
11	339600	Other P/E-CPS	180,523	(573,501)	754,025	F-1	512,737	241,288	-	-	-
12	**Subtotal Transmission and Distribution Plant**		$ 29,625,869	$ 9,197,671	$ 20,428,198		$ 11,100,914	$ 5,218,036	$ 858,589	$ 1,385,052	$ 1,865,608
13											
14	**General Plant**										
15	303600	Land and Land Rights	$ -	$ -	$ -	F-1	$ -	$ -	$ -	$ -	$ -
16	304500	Structures and Improvements - General	26,113	(704)	26,817	F-1	18,236	8,581	-	-	-
17	304600	Structures and Improvements - Offices	-	-	-	F-1	-	-	-	-	-
18	304620	Structures and Improvements - Leasehold	0	-	0	F-1	0	0	-	-	-
19	304700	Structures and Improvements - Sore,Shop,(	4,629	(17,912)	22,542	F-1	15,328	7,213	-	-	-
20	304800	Structures and Improvements - General	(8,633)	(133,751)	125,118	F-1	85,080	40,038	-	-	-
21	340100	Office Furniture & Equipment	61,561	32,201	29,360	F-6	7,340	-	22,020	-	-
22	340200	Computers & Software	38,077	93,695	(55,618)	F-6	(13,905)	-	(41,714)	-	-
23	340300	Computer Software	37,405	181,341	(143,937)	F-6	(35,984)	-	(107,952)	-	-
24	340310	Computer Software Mainframe	-	-	-	F-6	-	-	-	-	-
25	340325	Computer Software Customized	-	-	-	F-6	-	-	-	-	-
26	340330	Computer Software Other	(6,528)	(9,129)	2,601	F-6	650	-	1,951	-	-
27	340500	Other Office Equipment	321	(14,473)	14,794	F-6	3,699	-	11,096	-	-
28	341100	Transportation Equip Light Duty Truks	(0)	20,414	(20,414)	F-6	(5,103)	-	(15,310)	-	-
29	341200	Transportation Equip Heavy Duty Truks	-	-	-	F-6	-	-	-	-	-
30	341300	Transportation Equipment Autos	(0)	13	(13)	F-6	(3)	-	(10)	-	-
31	341400	Transportation Equipment Other	194,854	88,624	106,231	F-6	26,558	-	79,673	-	-
32	342000	Stores Equipment	1,943	438	1,505	F-6	376	-	1,129	-	-
33	343000	Tools and Work Equipment	294,430	46,950	247,480	F-1	168,287	79,194	-	-	-
34	344000	Laboratory Equipment	17,620	7,630	9,989	F-1	6,793	3,197	-	-	-
35	345000	Power Operated Equipment	32,228	(43,446)	75,674	F-1	51,458	24,216	-	-	-
36	346100	Communication Equipment Non-Telephone	456,755	458,900	(2,145)	F-1	(1,459)	(686)	-	-	-
37	346190	Remote Control & Instrument	609,765	34,482	575,283	F-1	391,192	184,091	-	-	-
38	346200	Communication Equipment Telephone	-	-	-	F-1	-	-	-	-	-
39	346300	Communication Equipment Other	58,841	49,939	8,902	F-1	6,054	2,849	-	-	-
40	347000	Computer Software Customized	-	-	-	F-1	-	-	-	-	-
41	348000	Computer Software Other	-	-	-	F-1	-	-	-	-	-
42	**Subtotal General Plant**		$ 1,819,381	$ 795,210	$ 1,024,171		$ 724,597	$ 348,691	$ (49,118)	$ -	$ -
43	**Total Direct Plant**		$ 73,008,525	$ 23,416,420	$ 49,592,105		$ 30,960,531	$ 14,571,443	$ 809,471	$ 1,385,052	$ 1,865,608
44											

Paradise Valley Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.3
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref	Demand	Commodity	Customer	Meters	Services
1	**Allocated General Plant**										
2	399000	Allocated Corporate General Plant	119,482	38,964	80,519	F-1	54,753	25,766	-	-	-
3	399000	Reconcilation to PIS Balance	-	-	-	F-1	-	-	-	-	-
4	**Test Year Ended June 30, 2013**		$ 119,482	$ 38,964	$ 80,519		$ 54,753	$ 25,766	$ -	$ -	$ -
5	Total Plant		$ 73,128,007	$ 23,455,384	$ 49,672,623		$ 31,015,284	$ 14,597,209	$ 809,471	$ 1,385,052	$ 1,865,608
6											
7	Contributions in Aid of Construction		(18,123,893)	8,864,120	(9,259,772)	F-1	(6,296,645)	(2,963,127)	-	-	-
8	Advances in Aid of Construction		(1,554,766)		(1,554,766)	F-1	(1,057,241)	(497,525)	-	-	-
9	Meter Deposits		(23,819)		(23,819)	F-7	-	-	-	(11,909)	(11,909)
10	Deferred Income Tax/Invest Tax Credits		(252,395)		(252,395)	F-1	(171,629)	(80,767)	-	-	-
11	Working Capital		22,540		22,540	F-1	15,327	7,213	-	-	-
12	Deferred Reg Assets/Liabilities		397,156		397,156	F-1	270,066	127,090	-	-	-
13											
14	Rounding										
15	Totals		$ 53,592,830	$ 32,319,504	$ 39,001,567		$ 23,775,162	$ 11,190,093	$ 809,471	$ 1,373,142	$ 1,853,699
16	Rate Bases (Plant -(AIAC, CIAC, Meter Deposits & Accum. Depr.)				$ 39,001,567		$ 23,775,162	$ 11,190,093	$ 809,471	$ 1,373,142	$ 1,853,699
17	Fair Value Rate Base										

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Allocation of Expenses to Functions
At Present Rates

Exhibit
Rebuttal Schedule G-6
Page 1
Witness: Bourassa

Line No.	Description	Adjusted per C-1	Demand	Commodity	Customer	Meters	Services	Totals
1	Labor	$ 1,199,696	$ 479,878	$ 239,939	$ 479,878	$ -	$ -	$ 1,199,696
2	Purchased Water	-	-	-	-	-	-	-
3	Fuel & Power	1,329,797	-	1,329,797	-	-	-	1,329,797
4	Chemicals	58,815	-	58,815	-	-	-	58,815
5	Waste Disposal	15,320	13,788	1,532	-	-	-	15,320
6	Intercompany Support Services	860	344	172	344	-	-	860
7	Corporate Allocation	291,760	116,704	58,352	116,704	-	-	291,760
8	Outside Services	233,418	186,734	46,684	-	-	-	233,418
9	Group Insurance	321,965	128,786	64,393	128,786	-	-	321,965
10	Pensions	3,881	1,553	776	1,553	-	-	3,881
11	Regulatory Expense	66,802	26,721	13,360	26,721	-	-	66,802
12	Insurance Other Than Group	138,643	55,457	27,729	55,457	-	-	138,643
13	Customer Accounting	192,027	-	-	192,027	-	-	192,027
14	Rents	30,456	-	-	30,456	-	-	30,456
15	General Office Expense	123,332	-	-	123,332	-	-	123,332
16	Miscellaneous	92,394	-	-	92,394	-	-	92,394
17	Maintenance Expense	462,182	369,745	92,436	-	-	-	462,182
18	Depreciation & Amortization[1]	1,547,531	870,125	405,371	53,216	123,349	95,471	1,547,531
19	General Taxes-Other	120,776	-	-	120,776	-	-	120,776
20								
21								
22	Property Taxes, Allocated on Schedules G-1 & G-2							
23	Income Tax, Allocated on Schedules G-1 & G-2							
24								
25	Total	$ 6,229,655	$ 2,249,835	$ 2,339,357	$ 1,421,643	$ 123,349	$ 95,471	**$ 6,229,655**
26								
27								
28								
29								
30								
31	[1] Depreciation allocation computed on Schedule G-6, Page 3.1 through 3.3							
32								
33								
34	See Schedule G-7, page 2.2 for allocation factors.							
35	See Schedule G-5, page 1 for allocations by class.							
36								
37								
38								

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Allocation of Expenses to Functions
At Proposed Rates

Exhibit
Rebuttal Schedule G-6
Page 2
Witness: Bourassa

Line No.	Description	At Proposed Per C-1	Demand	Commodity	Customer	Meters	Services	Totals
1	Labor	$ 1,199,696	$ 479,878	$ 239,939	$ 479,878	$ -	$ -	$ 1,199,696
2	Purchased Water	-	-	-	-	-	-	-
3	Fuel & Power	1,329,797	-	1,329,797	-	-	-	1,329,797
4	Chemicals	58,815	-	58,815	-	-	-	58,815
5	Waste Disposal	15,320	13,788	1,532	-	-	-	15,320
6	Intercompany Support Services	860	344	172	344	-	-	860
7	Corporate Allocation	291,760	116,704	58,352	116,704	-	-	291,760
8	Outside Services	233,418	186,734	46,684	-	-	-	233,418
9	Group Insurance	321,965	128,786	64,393	128,786	-	-	321,965
10	Pensions	3,881	1,553	776	1,553	-	-	3,881
11	Regulatory Expense	66,802	26,721	13,360	26,721	-	-	66,802
12	Insurance Other Than Group	138,643	55,457	27,729	55,457	-	-	138,643
13	Customer Accounting	193,681	-	-	193,681	-	-	193,681
14	Rents	30,456	-	-	30,456	-	-	30,456
15	General Office Expense	123,332	-	-	123,332	-	-	123,332
16	Miscellaneous	92,394	-	-	92,394	-	-	92,394
17	Maintenance Expense	462,182	369,745	92,436	-	-	-	462,182
18	Depreciation & Amortization[1]	1,547,531	870,125	405,371	53,216	123,349	95,471	1,547,531
19	General Taxes-Other	120,776	-	-	120,776	-	-	120,776
20								
21								
22	Property Taxes, Allocated on Schedules G-1 & G-2							
23	Income Tax, Allocated on Schedules G-1 & G-2							
24								
25	Total	$ 6,231,309	$ 2,249,835	$ 2,339,357	$ 1,423,297	$ 123,349	$ 95,471	**$ 6,231,309**
26								
27								
28								
29	See Schedule G-7, page 2.2 for allocation factors.							
30								
31								
32								
33								
34	See Schedule G-7, page 2.2 for allocation factors.							
35	See Schedule G-4, page 2 for allocations by class.							
36								
37								
38								

Paradise Valley Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Intangible**										
2	301000	Organization	$ 1,831		$ -	F-1	$ -	$ -	$ -	$ -	$ -
3	302000	Franchises	-		-	F-1	-	-	-	-	-
4	303100	Other Intangible Plant	-		-	F-1	-	-	-	-	-
5	**Subtotal Intangible**		$ 1,831		$ -		$ -	$ -	$ -	$ -	$ -
6											
7		**Source of Supply & Pumping Plant**									
8	303200	Land and Land Rights - Supply	$ -	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
9	303300	Land and Land Rights - Pumping	-	0.000%	-	F-1	-	-	-	-	-
10	304100	Structures and Improvements - Supply	158,547	2.500%	(0)	F-1	(0)	(0)	-	-	-
11	304200	Structures and Improvements - Pumping	1,282,693	2.000%	25,654	F-1	17,445	8,209	-	-	-
12	305000	Collecting and Impounding Res.	-	0.000%	-	F-1	-	-	-	-	-
13	306000	Lakes, Rivers, Other Intakes	-	0.000%	-	F-1	-	-	-	-	-
14	307000	Wells and Springs	2,639,547	2.500%	65,989	F-1	44,872	21,116	-	-	-
15	308000	Infiltration Galleries and Tunnels	-	0.000%	-	F-1	-	-	-	-	-
16	309000	Supply Mains	373,503	1.667%	6,225	F-1	4,233	1,992	-	-	-
17	310000	Power Generation Equipment	230,827	3.333%	7,694	F-1	5,232	2,462	-	-	-
18	310100	Power Generation Equipment Other	554,631	3.333%	18,488	F-1	12,572	5,916	-	-	-
19	311000	Pumping Equipment - Steam	-	0.000%	-	F-1	-	-	-	-	-
20	311200	Pumping Equipment - Electric	3,893,762	4.000%	155,750	F-1	105,910	49,840	-	-	-
21	311300	Pumping Equipment - Diesel	190	4.000%	8	F-1	5	2	-	-	-
22	311400	Pumping Equipment - Hydraulic	-	0.000%	-	F-1	-	-	-	-	-
23	311500	Pumping Equipment - Other	-	0.000%	-	F-1	-	-	-	-	-
24	311530	Pumping Equipment - Water Treatment	358,319	4.000%	14,333	F-1	9,746	4,586	-	-	-
25	**Subtotal Source of Supply & Pumping Plant**		$ 9,492,019		$ 294,140		$ 200,015	$ 94,125	$ -	$ -	$ -
26											
27	**Water Treatment**										
28	303400	Land and Land Rights - Treatment	$ -	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
29	304300	Structures and Improvements - Treatment	20,737,611	2.000%	414,752	F-1	282,032	132,721	-	-	-
30	320000	Water Treatment Plant	-	0.000%	-	F-1	-	-	-	-	-
31	320100	Water Treatment Equipment - Non-media	10,628,951	5.000%	531,448	F-1	361,384	170,063	-	-	-
32	320200	Water Treatment Equipment - Media	702,863	10.000%	70,286	F-1	47,795	22,492	-	-	-
33	**Subtotal Water Treatment**		$ 32,069,425		$ 1,016,486		$ 691,211	$ 325,276	$ -	$ -	$ -
34											
35	**Transmission and Distribution Plant**										
36	303500	Land and Land Rights - T&D	$ 8,324	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
37	304400	Structures and Improvements - T&D	23,764	2.000%	475	F-1	323	152	-	-	-
38	330000	Distribution Reservoirs & Standpipes	2,400,280	1.538%	36,927	F-1	25,111	11,817	-	-	-
39	330100	Elevated Tank & Standpipes	-	0.000%	-	F-1	-	-	-	-	-
40	330200	Ground Level Tanks	-	0.000%	-	F-1	-	-	-	-	-
41	330300	Below Ground Tanks	-	0.000%	-	F-1	-	-	-	-	-
42	331001	T&D Mains Not Classified	3,911,448	2.000%	78,229	F-1	53,196	25,033	-	-	-
43	331100	T&D Mains 4in & less	364,519	1.429%	5,207	F-1	3,541	1,666	-	-	-
44	331200	T&D Mains 6in to 8in	5,987,202	1.429%	85,531	F-1	58,161	27,370	-	-	-
45	331300	T&D Mains 10in to 16in	9,380,895	1.429%	134,013	F-1	91,129	42,884	-	-	-
46	331400	TD Mains 18in & Grtr	547,004	1.429%	7,814	F-1	5,314	2,501	-	-	-
47	332000	Fire Mains	14,058	1.429%	201	F-2	201	-	-	-	-

Paradise Valley Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.2
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	333000	Services	$ 3,818,826	2.500%	$ 95,471	F-3	$ -	$ -	$ -	$ -	$ 95,471
2	334100	Meters	1,426,812	8.333%	118,901	F-4	-	-	-	118,901	-
3	334200	Meter Installations	177,916	2.500%	4,448	F-4	-	-	-	4,448	-
4	334300	Meter Vaults	-	0.000%	-	F-4	-	-	-	-	-
5	335000	Hydrants	1,368,179	2.000%	27,364	F-5	-	-	27,364	-	-
6	335100	Hydrants replaced	16,118	2.000%	322	F-5	-	-	322	-	-
7	336000	Backflow Prevention Devices	-	0.000%	-	F-1	-	-	-	-	-
8	339100	Other P/E-Intangible	-	0.000%	-	F-1	-	-	-	-	-
9	339200	Other P/E-Supply	-	0.000%	-	F-1	-	-	-	-	-
10	339500	Other P/E-TD	-	0.000%	-	F-1	-	-	-	-	-
11	339600	Other P/E-CPS	180,523	3.333%	6,017	F-1	4,092	1,926	-	-	-
12	**Subtotal Transmission and Distribution Plant**		$ 29,625,869		$ 600,921		$ 241,067	$ 113,349	$ 27,686	$ 123,349	$ 95,471
13											
14	**General Plant**										
15	303600	Land and Land Rights	$ -	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
16	304500	Structures and Improvements - General	26,113	2.500%	653	F-1	444	209	-	-	-
17	304600	Structures and Improvements - Offices	-	2.500%	-	F-1	-	-	-	-	-
18	304620	Structures and Improvements - Leasehold	0	0.000%	-	F-1	-	-	-	-	-
19	304700	Structures and Improvements - Sore,Shop,Gge	4,629	2.500%	116	F-1	79	37	-	-	-
20	304800	Structures and Improvements - General	(8,633)	2.500%	(216)	F-1	(147)	(69)	-	-	-
21	340100	Office Furniture & Equipment	61,561	4.500%	2,770	F-6	693	-	2,078	-	-
22	340200	Computers & Software	38,077	10.000%	(0)	F-6	(0)	-	(0)	-	-
23	340300	Computer Software	37,405	20.000%	(0)	F-6	(0)	-	(0)	-	-
24	340310	Computer Software Mainframe	-	20.000%	-	F-6	-	-	-	-	-
25	340325	Computer Software Customized	-	20.000%	-	F-6	-	-	-	-	-
26	340330	Computer Software Other	(6,528)	20.000%	(1,306)	F-6	(326)	-	(979)	-	-
27	340500	Other Office Equipment	321	6.667%	21	F-6	5	-	16	-	-
28	341100	Transportation Equip Light Duty Truks	(0)	0.000%	-	F-6	-	-	-	-	-
29	341200	Transportation Equip Heavy Duty Truks	-	0.000%	-	F-6	-	-	-	-	-
30	341300	Transportation Equipment Autos	(0)	0.000%	-	F-6	-	-	-	-	-
31	341400	Transportation Equipment Other	194,854	16.667%	32,476	F-6	8,119	-	24,357	-	-
32	342000	Stores Equipment	1,943	4.000%	78	F-6	19	-	58	-	-
33	343000	Tools and Work Equipment	294,430	4.000%	11,777	F-1	8,009	3,769	-	-	-
34	344000	Laboratory Equipment	17,620	4.000%	705	F-1	479	226	-	-	-
35	345000	Power Operated Equipment	32,228	5.000%	1,611	F-1	1,096	516	-	-	-
36	346100	Communication Equipment Non-Telephone	456,755	10.000%	0	F-1	0	0	-	-	-
37	346190	Remote Control & Instrument	609,765	10.000%	60,977	F-1	41,464	19,512	-	-	-
38	346200	Communication Equipment Telephone	-	10.000%	-	F-1	-	-	-	-	-
39	346300	Communication Equipment Other	58,841	10.000%	5,884	F-1	4,001	1,883	-	-	-
40	347000	Structures and Improvements - Offices	-	6.250%	-	F-1	-	-	-	-	-
41	348000	Structures and Improvements - Leasehold	-	0.000%	-	F-1	-	-	-	-	-
42	**Subtotal General Plant**		$ 1,819,381		$ 115,546		$ 63,934	$ 26,082	$ 25,530	$ -	$ -
43	**Total Direct Plant**		$ 73,008,525		$ 2,027,094		$ 1,196,228	$ 558,831	$ 53,216	$ 123,349	$ 95,471

Paradise Valley Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.3
Witness: Bourassa

Line No.	Account No.	Description	Original Cost	Depreciatior Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Allocated General Plant**										
2	399000	Allocated Corporate General Plant	119,482		8,540	F-1	5,807	2,733	-	-	-
3	399000	Reconcilation to PIS Balance	-		-	F-1	-	-	-	-	-
4	**Test Year Ended June 30, 2013**		$ 119,482		$ 8,540		$ 5,807	$ 2,733	$ -	$ -	$ -
5	**Total Plant**		$ 73,128,007		$ 2,035,634		$ 1,202,035	$ 561,564	$ 53,216	$ 123,349	$ 95,471
6											
7											
8	Less:	Contributions in Aid of Construction	$ (18,123,893)	2.80%	$ (506,902)	F-1	(344,693)	(162,209)	-	-	-
9		Advances in Aid of Construction	$ (1,554,766)			F-1	-	-	-	-	-
10		Meter Deposits	(23,819)			F-7	-	-	-	-	-
11		Deferred Income Tax	(252,395)			F-1	-	-	-	-	-
12		Working Capital	22,540			F-1	-	-	-	-	-
13		Deferred Reg Assets/Liabilities	397,156		18,799	F-1	12,783	6,016	-	-	-
14	Total		$ 53,592,830		$ 1,547,531		$ 870,125	$ 405,371	$ 53,216	$ 123,349	$ 95,471
15											
16											
17											
18											
19											

Paradise Valley Water District
Test Year Ended June 30, 2013
Summary of Commodity - Demand Method Functions Factors

Exhibit
Rebuttal Schedule G-7
Page 1
Witness: Bourassa

Line No.	Class	Demand	Commodity	Customer	Meters	Services
1						
2	Class	Demand	Commodity	Customer	Meters	Services
3	Residential	0.684	0.704	0.928	0.899	0.764
4	Apartment	0.113	0.085	0.001	0.003	0.008
5	Commercial	0.202	0.210	0.069	0.095	0.222
6	Other Public Authority	0.002	0.001	0.002	0.003	0.007
7						
8	Total	1.000	1.000	1.000	1.000	1.000
9						
10						
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33						
34	SUPPORTING SCHEDULES					
35	G-7, page 3					

Paradise Valley Water District
Test Year Ended June 30, 2013
COMMODITY - DEMAND METHOD FUNCTION FACTORS
Plant-in-Service, Accumulated Depreciation, and Depreciation Expense Allocations Functions

Exhibit
Rebuttal Schedule G-7
Page 2.1
Witness: Bourassa

Line No.	Factor	Demand	Commodity	Customer	Meters	Services
1						
2	Factor	Demand	Commodity	Customer	Meters	Services
3	F-1	0.68	0.32			
4	F-2	1.00				
5	F-3					1.00
6	F-4				1.00	
7	F-5			1.00		
8	F-6	0.25		0.75		
9	F-7				0.50	0.50
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	Development of F-1 Allocation Factor					
22		MGD		RATIO		DEMAND FACTOR
23		(a)		(b)		(c)
24	(1) Avg day	8,607.98	G-7, page 3	1.00		1.00 1/(b)
25	(2) Max day	12,537.54	G-7, page 3	1.46	Max day/Avg day	0.68 1/(b)

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Expense Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 2.2
Witness: Bourassa

Line No.	Expense Type	Demand	Commodity	Customer	Meters	Services
1						
2	Labor	0.40	0.20	0.40	-	-
3	Purchased Water	-	1.00	-	-	-
4	Fuel & Power	-	1.00	-	-	-
5	Chemicals	-	1.00	-	-	-
6	Waste Disposal	0.90	0.10	-	-	-
7	Intercompany Support Services	0.40	0.20	0.40	-	-
8	Corporate Allocation	0.40	0.20	0.40	-	-
9	Outside Services	0.80	0.20	-	-	-
10	Group Insurance	0.40	0.20	0.40	-	-
11	Pensions	0.40	0.20	0.40	-	-
12	Regulatory Expense	0.40	0.20	0.40	-	-
13	Insurance Other Than Group	0.40	0.20	0.40	-	-
14	Customer Accounting	-	-	1.00	-	-
15	Rents	-	-	1.00	-	-
16	General Office Expense	-	-	1.00	-	-
17	Miscellaneous	-	-	1.00	-	-
18	Maintenance Expense	0.80	0.20	-	-	-
19	Depreciation & Amortization		See Schedule G-7, page 2.1			
20	General Taxes-Other	-	-	1.00	-	-
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

Exhibit
Rebuttal Schedule G-7
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COMMODITY ALLOCATION FACTOR

Meter Size	Class	(a) Total Gallons (in 1,000's) In Test Year	Percent of Total
5/8x3/4"	Residential	490,255	15.60%
5/8x3/4"	Turf	-	0.00%
5/8x3/4"	Commercial	5,420	0.17%
5/8x3/4"	Other Public Auth.	50	0.00%
3/4"	Residential	6,372	0.20%
3/4"	Turf	-	0.00%
3/4"	Commercial	-	0.00%
3/4"	Other Public Auth.	-	0.00%
1"	Residential	1,317,392	41.93%
1"	Turf	-	0.00%
1"	Commercial	62,147	1.98%
1"	Other Public Auth.	2,125	0.07%
1-1/2"	Residential	146,889	4.68%
1-1/2"	Turf	-	0.00%
1-1/2"	Commercial	34,225	1.09%
1-1/2"	Other Public Auth.	-	0.00%
2"	Residential	250,903	7.99%
2"	Turf	-	0.00%
2"	Commercial	428,793	13.65%
2"	Other Public Auth.	2,278	0.07%
3"	Residential	-	0.00%
3"	Turf	13,622	0.43%
3"	Commercial	48,272	1.54%
3"	Other Public Auth.	-	0.00%
4"	Residential	-	0.00%
4"	Turf	63,566	2.02%
4"	Commercial	8,054	0.26%
4"	Other Public Auth.	-	0.00%
6"	Residential	-	0.00%
6"	Turf	188,714	6.01%
6"	Commercial	72,840	2.32%
6"	Other Public Auth.	-	0.00%
8"	Residential	-	0.00%
8"	Turf	-	0.00%
8"	Commercial	-	0.00%
8"	Other Public Auth.	-	0.00%
		-	0.00%
		-	0.00%
		-	0.00%
		-	0.00%
		-	0.00%
Totals		3,141,917	100.00%

Class	(a) Total Gallons (in 1,000's) In Test Year	Percent of Total
Residential	2,211,809	70.397%
Turf	265,902	8.463%
Commercial	659,752	20.998%
Other Public Auth.	4,453	0.142%
Total	3,141,917	100.000%

DEMAND ALLOCATION FACTOR

Meter Size	Class	Avg. Daily Gallons	Demand Factor	Avg. Peak Demand (1,000's)	Percent of Total
5/8x3/4"	Residential	1,343.16	1.36	1,830.36	14.60%
5/8x3/4"	Turf	-	0.00	-	0.00%
5/8x3/4"	Commercial	14.85	1.52	22.55	0.18%
5/8x3/4"	Other Public Auth.	0.14	1.92	0.27	0.00%
3/4"	Residential	17.46	1.46	25.54	0.20%
3/4"	Turf	-	0.00	-	0.00%
3/4"	Commercial	-	0.00	-	0.00%
3/4"	Other Public Auth.	-	0.00	-	0.00%
1"	Residential	3,609.29	1.43	5,162.78	41.18%
1"	Turf	-	0.00	-	0.00%
1"	Commercial	170.27	1.35	229.55	1.83%
1"	Other Public Auth.	5.82	1.55	9.01	0.07%
1-1/2"	Residential	402.43	1.45	585.29	4.67%
1-1/2"	Turf	-	0.00	-	0.00%
1-1/2"	Commercial	93.77	1.51	141.40	1.13%
1-1/2"	Other Public Auth.	-	0.00	-	0.00%
2"	Residential	687.40	1.41	970.03	7.74%
2"	Turf	-	0.00	-	0.00%
2"	Commercial	1,174.78	1.39	1,629.68	13.00%
2"	Other Public Auth.	6.24	1.69	10.52	0.08%
3"	Residential	-	0.00	-	0.00%
3"	Turf	37.32	2.60	97.02	0.77%
3"	Commercial	132.25	1.95	257.71	2.06%
3"	Other Public Auth.	-	0.00	-	0.00%
4"	Residential	-	0.00	-	0.00%
4"	Turf	174.15	1.84	320.18	2.55%
4"	Commercial	22.07	1.33	29.33	0.23%
4"	Other Public Auth.	-	0.00	-	0.00%
6"	Residential	-	0.00	-	0.00%
6"	Turf	517.02	1.93	996.65	7.95%
6"	Commercial	199.56	1.10	219.69	1.75%
6"	Other Public Auth.	-	0.00	-	0.00%
8"	Residential	-	0.00	-	0.00%
8"	Turf	-	0.00	-	0.00%
8"	Commercial	-	0.00	-	0.00%
8"	Other Public Auth.	-	0.00	-	0.00%
		-	0.00	-	0.00%
		-	0.00	-	0.00%
		-	0.00	-	0.00%
		-	0.00	-	0.00%
		-	0.00	-	0.00%
Totals		8,607.98		12,537.54	100.00%

Class	Peak Demand (1,000's)	Percent of Total
Residential	8,574	68.386%
Turf	1,414	11.277%
Commercial	2,530	20.179%
Other Public Auth.	20	0.158%
Total	12,538	100.000%

(a) Includes customer and gallons sold annualization.

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

Exhibit
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CUSTOMER ALLOCATION FACTOR

Meter Size	Class	Number of Meters	Percent of Total
5/8x3/4"	Residential	2,121	44.24%
5/8x3/4"	Turf	3	0.06%
5/8x3/4"	Commercial	66	1.38%
5/8x3/4"	Other Public Auth.	3	0.06%
3/4"	Residential	27	0.56%
3/4"	Turf	-	0.00%
3/4"	Commercial	-	0.00%
3/4"	Other Public Auth.	-	0.00%
1"	Residential	1,981	41.32%
1"	Turf	-	0.00%
1"	Commercial	71	1.48%
1"	Other Public Auth.	2	0.04%
1-1/2"	Residential	161	3.36%
1-1/2"	Turf	-	0.00%
1-1/2"	Commercial	27	0.56%
1-1/2"	Other Public Auth.	-	0.00%
2"	Residential	157	3.27%
2"	Turf	-	0.00%
2"	Commercial	151	3.15%
2"	Other Public Auth.	6	0.13%
3"	Residential	-	0.00%
3"	Turf	1	0.02%
3"	Commercial	10	0.21%
3"	Other Public Auth.	-	0.00%
4"	Residential	-	0.00%
4"	Turf	1	0.02%
4"	Commercial	1	0.02%
4"	Other Public Auth.	-	0.00%
6"	Residential	-	0.00%
6"	Turf	1	0.02%
6"	Commercial	4	0.08%
6"	Other Public Auth.	-	0.00%
8"	Residential	-	0.00%
8"	Turf	-	0.00%
8"	Commercial	-	0.00%
8"	Other Public Auth.	-	0.00%
Totals		4,794	100.00%

Class	Number of Meters	Percent of Total
Residential	4,447	92.762%
Turf	6	0.125%
Commercial	330	6.884%
Other Public Auth.	11	0.229%
Total	4,794	100.000%

SERVICES ALLOCATION FACTOR (b)

Meter Size	Class	Number of Services	Install-ation Cost	Dollar Weighted Number Services	Percent of Total
5/8x3/4"	Residential	2,121	445.00	943,845	39.39%
5/8x3/4"	Turf	3	445.00	1,335	0.06%
5/8x3/4"	Commercial	66	445.00	29,370	1.23%
5/8x3/4"	Other Public Auth.	3	445.00	1,335	0.06%
3/4"	Residential	27	445.00	12,015	0.50%
3/4"	Turf	0	445.00	-	0.00%
3/4"	Commercial	0	445.00	-	0.00%
3/4"	Other Public Auth.	0	445.00	-	0.00%
1"	Residential	1,981	495.00	980,595	40.92%
1"	Turf	0	495.00	-	0.00%
1"	Commercial	71	495.00	35,145	1.47%
1"	Other Public Auth.	2	495.00	990	0.04%
1-1/2"	Residential	161	550.00	88,550	3.70%
1-1/2"	Turf	0	550.00	-	0.00%
1-1/2"	Commercial	27	550.00	14,850	0.62%
1-1/2"	Other Public Auth.	0	550.00	-	0.00%
2"	Residential	157	830.00	130,310	5.44%
2"	Turf	0	830.00	-	0.00%
2"	Commercial	151	830.00	125,330	5.23%
2"	Other Public Auth.	6	830.00	4,980	0.21%
3"	Residential	0	1,165.00	-	0.00%
3"	Turf	1	1,165.00	1,165	0.05%
3"	Commercial	10	1,165.00	11,650	0.49%
3"	Other Public Auth.	0	1,165.00	-	0.00%
4"	Residential	0	1,670.00	-	0.00%
4"	Turf	1	1,670.00	1,670	0.07%
4"	Commercial	1	1,670.00	1,670	0.07%
4"	Other Public Auth.	0	1,670.00	-	0.00%
6"	Residential	0	2,330.00	-	0.00%
6"	Turf	1	2,330.00	2,330	0.10%
6"	Commercial	4	2,330.00	9,320	0.39%
6"	Other Public Auth.	0	2,330.00	-	0.00%
8"	Residential	0	3,262.00	-	0.00%
8"	Turf	0	3,262.00	-	0.00%
8"	Commercial	0	3,262.00	-	0.00%
8"	Other Public Auth.	0	3,262.00	-	0.00%
Totals		4,794		$ 2,396,455	100.00%

Class	Dollar Weighted Number Services	Percent of Total
Residential	2,155,315	89.938%
Turf	6,500	0.271%
Commercial	227,335	9.486%
Other Public Auth.	7,305	0.305%
Total	2,396,455	100.000%

(b) Meter and Service Line cost from Arizona Corporation Commission Memo of February 21, 2008 from Marlin Scott, Jr.. Meter costs based on compound meters. Cost of service line and meter is based on costs allowed for a compound meter installation.

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

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METER ALLOCATION FACTOR (b)

Meter Size		Number of Meters	Meter Cost	Weighted Dollars of Meters	Percent of Total
5/8x3/4"	Residential	2,121	155.00	328,755	18.72%
5/8x3/4"	Turf	3	155.00	465	0.03%
5/8x3/4"	Commercial	66	155.00	10,230	0.58%
5/8x3/4"	Other Public Auth.	3	155.00	465	0.03%
3/4"	Residential	27	255.00	6,885	0.39%
3/4"	Turf	0	255.00	0	0.00%
3/4"	Commercial	0	255.00	0	0.00%
3/4"	Other Public Auth.	0	255.00	0	0.00%
1"	Residential	1,981	315.00	624,015	35.54%
1"	Turf	0	315.00	0	0.00%
1"	Commercial	71	315.00	22,365	1.27%
1"	Other Public Auth.	2	315.00	630	0.04%
1-1/2"	Residential	161	525.00	84,525	4.81%
1-1/2"	Turf	0	525.00	0	0.00%
1-1/2"	Commercial	27	525.00	14,175	0.81%
1-1/2"	Other Public Auth.	0	525.00	0	0.00%
2"	Residential	157	1,890.00	296,730	16.90%
2"	Turf	0	1,890.00	0	0.00%
2"	Commercial	151	1,890.00	285,390	16.25%
2"	Other Public Auth.	6	1,890.00	11,340	0.65%
3"	Residential	0	2,545.00	0	0.00%
3"	Turf	1	2,545.00	2,545	0.14%
3"	Commercial	10	2,545.00	25,450	1.45%
3"	Other Public Auth.	0	2,545.00	0	0.00%
4"	Residential	0	3,645.00	0	0.00%
4"	Turf	1	3,645.00	3,645	0.21%
4"	Commercial	1	3,645.00	3,645	0.21%
4"	Other Public Auth.	0	3,645.00	0	0.00%
6"	Residential	0	6,920.00	0	0.00%
6"	Turf	1	6,920.00	6,920	0.39%
6"	Commercial	4	6,920.00	27,680	1.58%
6"	Other Public Auth.	0	6,920.00	0	0.00%
8"	Residential	0	9,688.00	0	0.00%
8"	Turf	0	9,688.00	0	0.00%
8"	Commercial	0	9,688.00	0	0.00%
8"	Other Public Auth.	0	9,688.00	0	0.00%
Totals		4,794		$ 1,755,855	100.00%

Class	Weighted Dollars of Meters	Percent of Total
Residential	1,340,910	76.368%
Turf	13,575	0.773%
Commercial	388,935	22.151%
Other Public Auth.	12,435	0.708%
Total	1,755,855	100.000%

(b) Meter and Service Line cost from Arizona Corporation Commission Memo of February 21, 2008 from Marlin Scott, Jr.. Meter costs based on compound meters. Cost of service line and meter is based on costs allowed for a compound meter installation.

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
ALL CUSTOMER CLASSES

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Rebuttal Schedule G-8
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Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				55,125	126,237	93,511
3	Misc. Revenues (From Sched G-2, page1)					(58,978)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					1,423,297	95,471	123,349
5	Property Taxes (From Sched. G-2, page 1)					342,963		
6	Income Taxes (From Sched. G-2, page 1)					1,014,204		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					2,776,611	221,708	216,860
8								
9	**Customer Charge**							
10	Number of Bills =	4,794	times 12 months					
11						57,528		
12	**Charge per Bill**							
13	(Customer Revenue Requirement divided by Annualized Number of Bills)					$ 48.27		
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		11,297	times	12	months	135,558	135,558
17								
18	**Charge per Equivalent Meter**						$ 1.64	$ 1.60
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 48.27	
24	Charge per Equivalent Service Line						1.64	
25	Charge per Equivalent Meter						1.60	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 51.50	

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
ALL CUSTOMER CLASSES

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Line No.			
1	**DEMAND CHARGE:**		
2			
3	Return on Rate Base	6.81%	
4	Demand Expenses (From Schedule G-4, Page 2)		1,619,088
5			2,249,835
6	Totals		3,868,923
7	Total Revenue Requirement / Demand Component		
8	Equivalent Number of 5/8 Meters billings		135,558
9	Demand Charge for 5/8 Inch Meter		$ 28.54
10			
11			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
12				
13	5/8 Inch Meter	$ 28.54	1.0	$ 28.54
14	3/4 Inch Meter	28.54	1.5	42.81
15	1 Inch Meter	28.54	2.5	71.35
16	1 1/2 Inch Meter	28.54	5.0	142.70
17	2 Inch Meter	28.54	8.0	228.33
18	3 Inch Meter	28.54	16.0	456.65
19	4 Inch Meter	28.54	25.0	713.52
20	6 Inch Meter	28.54	50.0	1,427.04
21	8 Inch Meter	28.54	80.0	2,283.26
22	10 Inch Meter	28.54	115.0	3,282.18
23	12 Inch Meter	28.54	215.0	6,136.26

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
ALL CUSTOMER CLASSES

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Page 3A
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Line No.			Commodity	Customer	Service	Meter	Demand
1	**Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum**						
2							
3	Return on Rate Base	6.81%	762,045	55,125	126,237	93,511	1,619,088
4	Less: Miscellaneous Revenues			(58,978)			
5							
6	Expenses (From Sch. G-4. Page 2)		2,339,357	1,423,297	95,471	123,349	2,249,835
7	Property Taxes (From Sched. G-2, page 1)			342,963			
8	Income Taxes (From Sched. G-2, page 1)			1,014,204			
9	Total Revenue Requirement by function		3,101,402	2,776,611	221,708	216,860	3,868,923
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		3,141,917				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9871**				
12	Annualized Number of Bills			57,528			
13	Equivalent Meters and Service Lines				135,558	135,558	135,558
14	Customer Charge (line 9 divided by line 12)			$ 48.27			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 1.64	$ 1.60	$ 28.54
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 80.04
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
20				
21	5/8 Inch Meter	$ 80.04	1.0	$ 80.04
22	3/4 Inch Meter	80.04	1.5	120.06
23	1 Inch Meter	80.04	2.5	200.10
24	1 1/2 Inch Meter	80.04	5.0	400.21
25	2 Inch Meter	80.04	8.0	640.33
26	3 Inch Meter	80.04	16.0	1,280.66
27	4 Inch Meter	80.04	25.0	2,001.03
28	6 Inch Meter	80.04	50.0	4,002.07
29	8 Inch Meter	80.04	80.0	6,403.31
30	10 Inch Meter	80.04	115.0	9,204.76
31	12 Inch Meter	80.04	215.0	17,208.90
32				
33				

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
ALL CUSTOMER CLASSES

Exhibit
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Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ 3,215,179	40%	$ 1,286,072
7	Demand Costs	3,868,923	40%	1,547,569
8	Commodity Costs	3,101,402	100%	3,101,402
9	Total Costs to be Collected via Commodity			$ 5,935,043
10	Gallons Sold			3,141,917
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 1.889**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 10,185,504
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(5,935,043)
19	Balance to be Recovered through Monthly Minimum			$ 4,250,461
20				
21				
22	Number of Equivalent 5/8 Inch Meter Billings			135,558
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 31.36**
25				
26				
27				
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 31.36	1.0	$ 31.36
30	3/4 Inch Meter	31.36	1.5	47.03
31	1 Inch Meter	31.36	2.5	78.39
32	1 1/2 Inch Meter	31.36	5.0	156.78
33	2 Inch Meter	31.36	8.0	250.84
34	3 Inch Meter	31.36	16.0	501.68
35	4 Inch Meter	31.36	25.0	783.88
36	6 Inch Meter	31.36	50.0	1,567.76
37	8 Inch Meter	31.36	80.0	2,508.42
38	10 Inch Meter	31.36	115.0	3,605.86
39	12 Inch Meter	31.36	215.0	6,741.39

41.73%
Percent revenue recovery from monthly mins

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 1B
Witness: Bourassa

Line No.						Customer	Service	Meter
1	Return on Rate Base	6.81%				51,135	96,404	84,102
2	Misc. Revenues (From Sched G-2, page1)					(54,709)		
3	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					1,320,276	72,909	110,937
4	Property Taxes (From Sched. G-2, page 1)					261,721		
5	Income Taxes (From Sched. G-2, page 1)					820,510		
6	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					2,398,933	169,313	195,039
7								
8	**Customer Charge**							
9	Number of Bills =	4,447	times 12 months					
10						53,364		
11	**Charge per Bill**							
12	(Customer Revenue Requirement divided by Annualized Number of Bills)					$ 44.95		
13								
14	**Service Line and Meter Charge**							
15	Equivalent 5/8 Meters		9,175	times	12	months	110,100	110,100
16								
17	**Charge per Equivalent Meter**						$ 1.54	$ 1.77
18								
19								
20	**CUSTOMER CHARGE:**							
21	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
22	Charge per Bill						$ 44.95	
23	Charge per Equivalent Service Line						1.54	
24	Charge per Equivalent Meter						1.77	
25	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
26	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 48.26	

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 2B
Witness: Bourassa

Line No.	DEMAND CHARGE:		
1			
2	Return on Rate Base	6.81%	1,107,238
3	Demand Expenses (From Schedule G-4, Page 2)		1,538,583
4			
5	Totals		2,645,821
6	Total Revenue Requirement / Demand Component		
7	Equivalent Number of 5/8 Meters billings		110,100
8	Demand Charge for 5/8 Inch Meter		$ 24.03
9			
10			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
11				
12	5/8 Inch Meter	$ 24.03	1.0	$ 24.03
13	3/4 Inch Meter	24.03	1.5	36.05
14	1 Inch Meter	24.03	2.5	60.08
15	1 1/2 Inch Meter	24.03	5.0	120.16
16	2 Inch Meter	24.03	8.0	192.25
17	3 Inch Meter	24.03	16.0	384.50
18	4 Inch Meter	24.03	25.0	600.78
19	6 Inch Meter	24.03	50.0	1,201.55
20	8 Inch Meter	24.03	80.0	1,922.49
21	10 Inch Meter	24.03	115.0	2,763.57
22	12 Inch Meter	24.03	215.0	5,166.68

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 3B
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	536,456	51,135	96,404	84,102	1,107,238
4	Less: Miscellaneous Revenues			(54,709)			
6	Expenses (From Sch. G-4. Page 2)		1,646,833	1,320,276	72,909	110,937	1,538,583
7	Property Taxes (From Sched. G-2, page 1)			261,721			
8	Income Taxes (From Sched. G-2, page 1)			820,510			
9	Total Revenue Requirement by function		2,183,289	2,398,933	169,313	195,039	2,645,821
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		2,211,809				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9871**				
12	Annualized Number of Bills			53,364			
13	Equivalent Meters and Service Lines				110,100	110,100	110,100
14	Customer Charge (line 9 divided by line 12)			$ 44.95			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 1.54	$ 1.77	$ 24.03
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 72.29

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 72.29	1.0	$ 72.29
22	3/4 Inch Meter	72.29	1.5	108.44
23	1 Inch Meter	72.29	2.5	180.74
24	1 1/2 Inch Meter	72.29	5.0	361.47
25	2 Inch Meter	72.29	8.0	578.36
26	3 Inch Meter	72.29	16.0	1,156.71
27	4 Inch Meter	72.29	25.0	1,807.36
28	6 Inch Meter	72.29	50.0	3,614.73
29	8 Inch Meter	72.29	80.0	5,783.56
30	10 Inch Meter	72.29	115.0	8,313.87
31	12 Inch Meter	72.29	215.0	15,543.32

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 4B
Witness: Bourassa

Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ 2,763,285	40%	$ 1,105,314
7	Demand Costs	2,645,821	40%	1,058,328
8	Commodity Costs	2,183,289	100%	2,183,289
9	Total Costs to be Collected via Commodity			$ 4,346,931
10	Gallons Sold			2,211,809
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 1.965**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 7,592,395
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(4,346,931)
19	Balance to be Recovered through Monthly Minimum			$ 3,245,464
20				
21				
22	Number of Equivalent 5/8 Inch Meter Billings			110,100
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 29.48**
25				
26				
27				

42.75%
Percent revenue recovery from monthly mins

28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 29.48	1.0	$ 29.48
30	3/4 Inch Meter	29.48	1.5	44.22
31	1 Inch Meter	29.48	2.5	73.69
32	1 1/2 Inch Meter	29.48	5.0	147.39
33	2 Inch Meter	29.48	8.0	235.82
34	3 Inch Meter	29.48	16.0	471.64
35	4 Inch Meter	29.48	25.0	736.94
36	6 Inch Meter	29.48	50.0	1,473.87
37	8 Inch Meter	29.48	80.0	2,358.19
38	10 Inch Meter	29.48	115.0	3,389.90
39	12 Inch Meter	29.48	215.0	6,337.64

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
TURF CLASS

Exhibit
Rebuttal Schedule G-8
Page 1C
Witness: Bourassa

Line No.						Customer	Service	Meter
1	Return on Rate Base	6.81%				69	976	254
2	Misc. Revenues (From Sched G-2, page1)					(74)		
3	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					1,781	738	335
4	Property Taxes (From Sched. G-2, page 1)					16,774		
5	Income Taxes (From Sched. G-2, page 1)					(24,159)		
6	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					(5,608)	1,714	588
7								
8	**Customer Charge**							
9	Number of Bills =	6	times 12 months			72		
10								
11	**Charge per Bill**							
12	(Customer Revenue Requirement divided by Annualized Number of Bills)					$ (77.89)		
13								
14	**Service Line and Meter Charge**							
15	Equivalent 5/8 Meters			94	times 12	months	1,128	1,128
16								
17	**Charge per Equivalent Meter**						$ 1.52	$ 0.52
18								
19								
20	**CUSTOMER CHARGE:**							
21	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
22	Charge per Bill						$ (77.89)	
23	Charge per Equivalent Service Line						1.52	
24	Charge per Equivalent Meter						0.52	
25	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
26	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ (75.85)	

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
TURF CLASS

Exhibit
Rebuttal Schedule G-8
Page 2C
Witness: Bourassa

Line No.	DEMAND CHARGE:		
1			
2	Return on Rate Base	6.81%	
3	Demand Expenses (From Schedule G-4, Page 2)		182,583
4			253,712
5	Totals		436,295
6	Total Revenue Requirement / Demand Component		
7	Equivalent Number of 5/8 Meters billings		1,128
8	Demand Charge for 5/8 Inch Meter		$ 386.79
9			
10			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
11				
12	5/8 Inch Meter	$ 386.79	1.0	$ 386.79
13	3/4 Inch Meter	386.79	1.5	580.18
14	1 Inch Meter	386.79	2.5	966.97
15	1 1/2 Inch Meter	386.79	5.0	1,933.93
16	2 Inch Meter	386.79	8.0	3,094.29
17	3 Inch Meter	386.79	16.0	6,188.58
18	4 Inch Meter	386.79	25.0	9,669.65
19	6 Inch Meter	386.79	50.0	19,339.30
20	8 Inch Meter	386.79	80.0	30,942.88
21	10 Inch Meter	386.79	115.0	44,480.39
22	12 Inch Meter	386.79	215.0	83,158.99

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
TURF CLASS

Exhibit
Rebuttal Schedule G-8
Page 3C
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	64,492	69	976	254	182,583
4	Less: Miscellaneous Revenues			(74)			
5							
6	Expenses (From Sch. G-4. Page 2)		197,981	1,781	738	335	253,712
7	Property Taxes (From Sched. G-2, page 1)			16,774			
8	Income Taxes (From Sched. G-2, page 1)			(24,159)			
9	Total Revenue Requirement by function		262,473	(5,608)	1,714	588	436,295
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		265,902				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9871**				
12	Annualized Number of Bills			72			
13	Equivalent Meters and Service Lines				1,128	1,128	1,128
14	Customer Charge (line 9 divided by line 12)			$ (77.89)			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 1.52	$ 0.52	$ 386.79
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						**$ 310.94**
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 310.94	1.0	$ 310.94
22	3/4 Inch Meter	310.94	1.5	466.41
23	1 Inch Meter	310.94	2.5	777.34
24	1 1/2 Inch Meter	310.94	5.0	1,554.69
25	2 Inch Meter	310.94	8.0	2,487.50
26	3 Inch Meter	310.94	16.0	4,975.00
27	4 Inch Meter	310.94	25.0	7,773.43
28	6 Inch Meter	310.94	50.0	15,546.87
29	8 Inch Meter	310.94	80.0	24,874.99
30	10 Inch Meter	310.94	115.0	35,757.80
31	12 Inch Meter	310.94	215.0	66,851.53
32				
33				

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
TURF CLASS

Exhibit
Rebuttal Schedule G-8
Page 4C
Witness: Bourassa

Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ (3,306)	40%	$ (1,322)
7	Demand Costs	436,295	40%	174,518
8	Commodity Costs	262,473	100%	262,473
9	Total Costs to be Collected via Commodity			$ 435,669
10	Gallons Sold			265,902
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 1.638**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 695,462
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(435,669)
19	Balance to be Recovered through Monthly Minimum			$ 259,793
20				
21				
22	Number of Equivalent 5/8 Inch Meter Billings			1,128
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 230.31**
25				
26				
27				

37.36%
Percent revenue recovery from monthly mins

	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 230.31	1.0	$ 230.31
30	3/4 Inch Meter	230.31	1.5	345.47
31	1 Inch Meter	230.31	2.5	575.78
32	1 1/2 Inch Meter	230.31	5.0	1,151.57
33	2 Inch Meter	230.31	8.0	1,842.51
34	3 Inch Meter	230.31	16.0	3,685.01
35	4 Inch Meter	230.31	25.0	5,757.83
36	6 Inch Meter	230.31	50.0	11,515.66
37	8 Inch Meter	230.31	80.0	18,425.06
38	10 Inch Meter	230.31	115.0	26,486.02
39	12 Inch Meter	230.31	215.0	49,517.34

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 1D
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				3,795	27,962	8,871
3	Misc. Revenues (From Sched G-2, page1)					(4,060)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					97,974	21,147	11,701
5	Property Taxes (From Sched. G-2, page 1)					63,724		
6	Income Taxes (From Sched. G-2, page 1)					214,653		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					376,086	49,110	20,572
8								
9	**Customer Charge**							
10	Number of Bills =	330	times 12 months			3,960		
11								
12	**Charge per Bill**					$ 94.97		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		1,972	times	12	months	23,658	23,658
17								
18	**Charge per Equivalent Meter**						$ 2.08	$ 0.87
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 94.97	
24	Charge per Equivalent Service Line						2.08	
25	Charge per Equivalent Meter						0.87	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 97.92	

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 2D
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
2			
3	Return on Rate Base	6.81%	326,712
4	Demand Expenses (From Schedule G-4, Page 2)		453,988
5			
6	Totals		780,700
7	Total Revenue Requirement / Demand Component		
8	Equivalent Number of 5/8 Meters billings		23,658
9	Demand Charge for 5/8 Inch Meter		$ 33.00
10			
11			

12	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
13	5/8 Inch Meter	$ 33.00	1.0	$ 33.00
14	3/4 Inch Meter	33.00	1.5	49.50
15	1 Inch Meter	33.00	2.5	82.50
16	1 1/2 Inch Meter	33.00	5.0	165.00
17	2 Inch Meter	33.00	8.0	264.00
18	3 Inch Meter	33.00	16.0	527.99
19	4 Inch Meter	33.00	25.0	824.99
20	6 Inch Meter	33.00	50.0	1,649.97
21	8 Inch Meter	33.00	80.0	2,639.95
22	10 Inch Meter	33.00	115.0	3,794.93
23	12 Inch Meter	33.00	215.0	7,094.87

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 3D
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	160,017	3,795	27,962	8,871	326,712
4	Less: Miscellaneous Revenues			(4,060)			
6	Expenses (From Sch. G-4. Page 2)		491,227	97,974	21,147	11,701	453,988
8	Income Taxes (From Sched. G-2, page 1)			63,724			
9	Total Revenue Requirement by function			214,653			
			651,245	376,086	49,110	20,572	780,700
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		659,752				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.9871**				
12	Annualized Number of Bills			3,960			
13	Equivalent Meters and Service Lines				23,658	23,658	23,658
14	Customer Charge (line 9 divided by line 12)			$ 94.97			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 2.08	$ 0.87	$ 33.00
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 130.92

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 130.92	1.0	$ 130.92
22	3/4 Inch Meter	130.92	1.5	196.37
23	1 Inch Meter	130.92	2.5	327.29
24	1 1/2 Inch Meter	130.92	5.0	654.58
25	2 Inch Meter	130.92	8.0	1,047.33
26	3 Inch Meter	130.92	16.0	2,094.66
27	4 Inch Meter	130.92	25.0	3,272.90
28	6 Inch Meter	130.92	50.0	6,545.80
29	8 Inch Meter	130.92	80.0	10,473.29
30	10 Inch Meter	130.92	115.0	15,055.35
31	12 Inch Meter	130.92	215.0	28,146.96

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 4D
Witness: Bourassa

Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ 445,768	40%	$ 178,307
7	Demand Costs	780,700	40%	312,280
8	Commodity Costs	651,245	100%	651,245
9	Total Costs to be Collected via Commodity			$ 1,141,832
10	Gallons Sold			659,752
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 1.731**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 1,877,713
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(1,141,832)
19	Balance to be Recovered through Monthly Minimum			$ 735,881 39.19%
20				
21				Percent revenue recovery from monthly mins
22	Number of Equivalent 5/8 Inch Meter Billings			23,658
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 31.10**
25				
26				
27				
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 31.10	1.0	$ 31.10
30	3/4 Inch Meter	31.10	1.5	46.66
31	1 Inch Meter	31.10	2.5	77.76
32	1 1/2 Inch Meter	31.10	5.0	155.52
33	2 Inch Meter	31.10	8.0	248.84
34	3 Inch Meter	31.10	16.0	497.68
35	4 Inch Meter	31.10	25.0	777.62
36	6 Inch Meter	31.10	50.0	1,555.25
37	8 Inch Meter	31.10	80.0	2,488.40
38	10 Inch Meter	31.10	115.0	3,577.07
39	12 Inch Meter	31.10	215.0	6,687.56

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
OTHER PUBLIC AUTHORITY CLASS

Exhibit
Rebuttal Schedule G-8
Page 1E
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				126	894	285
3	Misc. Revenues (From Sched G-2, page1)					(135)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					3,266	676	376
5	Property Taxes (From Sched. G-2, page 1)					744		
6	Income Taxes (From Sched. G-2, page 1)					3,199		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					7,200	1,570	661
8								
9	**Customer Charge**							
10	Number of Bills =	11	times 12 months			132		
11								
12	**Charge per Bill**							
13	(Customer Revenue Requirement divided by Annualized Number of Bills)					$ 54.55		
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		56	times	12	months	672	672
17								
18	**Charge per Equivalent Meter**						$ 2.34	$ 0.98
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 54.55	
24	Charge per Equivalent Service Line						2.34	
25	Charge per Equivalent Meter						0.98	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 57.87	

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
OTHER PUBLIC AUTHORITY CLASS

Exhibit
Rebuttal Schedule G-8
Page 2E
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
1			
2	Return on Rate Base	6.81%	2,556
3	Demand Expenses (From Schedule G-4, Page 2)		3,552
4			
5	Totals		6,108
6	Total Revenue Requirement / Demand Component		
7	Equivalent Number of 5/8 Meters billings		672
8	Demand Charge for 5/8 Inch Meter		$ 9.09
9			
10			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
11				
12	5/8 Inch Meter	$ 9.09	1.0	$ 9.09
13	3/4 Inch Meter	9.09	1.5	13.63
14	1 Inch Meter	9.09	2.5	22.72
15	1 1/2 Inch Meter	9.09	5.0	45.44
16	2 Inch Meter	9.09	8.0	72.71
17	3 Inch Meter	9.09	16.0	145.42
18	4 Inch Meter	9.09	25.0	227.22
19	6 Inch Meter	9.09	50.0	454.45
20	8 Inch Meter	9.09	80.0	727.12
21	10 Inch Meter	9.09	115.0	1,045.23
22	12 Inch Meter	9.09	215.0	1,954.13

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
OTHER PUBLIC AUTHORITY CLASS

Exhibit
Rebuttal Schedule G-8
Page 3E
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	1,080	126	894	285	2,556
4	Less: Miscellaneous Revenues			(135)			
5							
6	Expenses (From Sch. G-4. Page 2)		3,316	3,266	676	376	3,552
7	Property Taxes (From Sched. G-2, page 1)			744			
8	Income Taxes (From Sched. G-2, page 1)			3,199			
9	Total Revenue Requirement by function		4,396	7,200	1,570	661	6,108
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		4,453				
11	Computed Commodity Rate (line 9 divided by line10)		$ 0.9871				
12	Annualized Number of Bills			132			
13	Equivalent Meters and Service Lines				672	672	672
14	Customer Charge (line 9 divided by line 12)			$ 54.55			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 2.34	$ 0.98	$ 9.09
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 66.95
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 66.95	1.0	$ 66.95
22	3/4 Inch Meter	66.95	1.5	100.43
23	1 Inch Meter	66.95	2.5	167.39
24	1 1/2 Inch Meter	66.95	5.0	334.77
25	2 Inch Meter	66.95	8.0	535.64
26	3 Inch Meter	66.95	16.0	1,071.27
27	4 Inch Meter	66.95	25.0	1,673.87
28	6 Inch Meter	66.95	50.0	3,347.73
29	8 Inch Meter	66.95	80.0	5,356.37
30	10 Inch Meter	66.95	115.0	7,699.78
31	12 Inch Meter	66.95	215.0	14,395.24
32				
33				

Paradise Valley Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
OTHER PUBLIC AUTHORITY CLASS

Exhibit
Rebuttal Schedule G-8
Page 4E
Witness: Bourassa

Line No.		Total Rev. Req.	%	Commodity Portion of Rev. Req.
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**			
2				
3	Revenue Requirements Collected via Commodity Charge			
4				
5				
6	Customer, Service, and Meter Costs	$ 9,431	40%	$ 3,772
7	Demand Costs	6,108	40%	2,443
8	Commodity Costs	4,396	100%	4,396
9	Total Costs to be Collected via Commodity			$ 10,611
10	Gallons Sold			4,396
11				
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 2.414**
13				
14	Revenue Requirement Collected via Monthly Minimum			
15				
16	Monthly Minimum 5/8 Meter			
17	Total Revenue Requirement			$ 19,935
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(10,611)
19	Balance to be Recovered through Monthly Minimum			$ 9,323 46.77%
20				Percent revenue recovery from monthly mins
21				
22	Number of Equivalent 5/8 Inch Meter Billings			672
23				
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 13.87**
25				
26				
27				
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum
29	5/8 Inch Meter	$ 13.87	1.0	$ 13.87
30	3/4 Inch Meter	13.87	1.5	20.81
31	1 Inch Meter	13.87	2.5	34.69
32	1 1/2 Inch Meter	13.87	5.0	69.37
33	2 Inch Meter	13.87	8.0	110.99
34	3 Inch Meter	13.87	16.0	221.99
35	4 Inch Meter	13.87	25.0	346.85
36	6 Inch Meter	13.87	50.0	693.70
37	8 Inch Meter	13.87	80.0	1,109.93
38	10 Inch Meter	13.87	115.0	1,595.52
39	12 Inch Meter	13.87	215.0	2,982.93

Paradise Valley Water District
Test Year Ended June 30, 2013
Comparison of Proposed Rates to Computed Costs
For a 5/8x3/4-Inch Residential Meter (With Required Operating Margin)

Exhibit
Rebuttal Schedule G-9
Page 1
Witness: Bourassa

Column Number-->		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Revenues								(Col. 2 - Col. 8) Total Revenues minus Total Charges & Costs
Line No.	Water Usage	Monthly Minimum	Commodity	Total	Demand Charges	Customer Charges	Service Line Charges	Meter Charges	Commodity Charges	Total Charges & Costs
1	-	$ 26.58	$ -	$ 26.58	$ 28.54	$ 48.27	$ 1.64	$ 1.60	0	$ 80.04	$ (53.46)
2	1,000	26.58	1.11	27.70	28.54	48.27	1.64	1.60	0.987	81.03	(53.33)
3	2,000	26.58	2.22	28.81	28.54	48.27	1.64	1.60	1.974	82.02	(53.21)
4	3,000	26.58	3.33	29.92	28.54	48.27	1.64	1.60	2.961	83.00	(53.08)
5	4,000	26.58	4.45	31.03	28.54	48.27	1.64	1.60	3.948	83.99	(52.96)
6	5,000	26.58	5.56	32.14	28.54	48.27	1.64	1.60	4.936	84.98	(52.84)
7	6,000	26.58	6.88	33.47	28.54	48.27	1.64	1.60	5.923	85.96	(52.50)
8	7,000	26.58	8.21	34.79	28.54	48.27	1.64	1.60	6.910	86.95	(52.16)
9	8,000	26.58	9.53	36.11	28.54	48.27	1.64	1.60	7.897	87.94	(51.83)
10	9,000	26.58	10.85	37.44	28.54	48.27	1.64	1.60	8.884	88.93	(51.49)
11	10,000	26.58	12.18	38.76	28.54	48.27	1.64	1.60	9.871	89.91	(51.15)
12	12,000	26.58	14.82	41.41	28.54	48.27	1.64	1.60	11.845	91.89	(50.48)
13	14,000	26.58	17.47	44.05	28.54	48.27	1.64	1.60	13.819	93.86	(49.81)
14	16,000	26.58	21.12	47.70	28.54	48.27	1.64	1.60	15.794	95.84	(48.13)
15	18,000	26.58	25.78	52.36	28.54	48.27	1.64	1.60	17.768	97.81	(45.45)
16	20,000	26.58	30.44	57.02	28.54	48.27	1.64	1.60	19.742	99.78	(42.76)
17	25,000	26.58	42.08	68.67	28.54	48.27	1.64	1.60	24.678	104.72	(36.05)
18	30,000	26.58	53.73	80.31	28.54	48.27	1.64	1.60	29.613	109.65	(29.34)
19	35,000	26.58	65.38	91.96	28.54	48.27	1.64	1.60	34.549	114.59	(22.63)
20	40,000	26.58	77.02	103.60	28.54	48.27	1.64	1.60	39.484	119.53	(15.92)
21	45,000	26.58	91.58	118.16	28.54	48.27	1.64	1.60	44.420	124.46	(6.30)
22	50,000	26.58	106.14	132.72	28.54	48.27	1.64	1.60	49.355	129.40	3.32
23	60,000	26.58	135.25	161.83	28.54	48.27	1.64	1.60	59.226	139.27	22.57
24	70,000	26.58	164.36	190.95	28.54	48.27	1.64	1.60	69.097	149.14	41.81
25	80,000	26.58	193.48	220.06	28.54	48.27	1.64	1.60	78.968	159.01	61.05
26	90,000	26.58	227.63	254.22	28.54	48.27	1.64	1.60	88.839	168.88	85.33
27	100,000	26.58	261.79	288.37	28.54	48.27	1.64	1.60	98.711	178.75	109.62

Paradise Valley Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	5/8x3/4 Inch	Residential	$ 1,554,527	$ 1,644,699	$ 90,172	5.80%	16.10%	16.05%
2	3/4 Inch	Residential	21,629	22,883	1,254	5.80%	0.22%	0.22%
3	1 Inch	Residential	4,267,673	4,516,183	248,510	5.82%	44.19%	44.08%
4	1.5 Inch	Residential	551,539	583,620	32,081	5.82%	5.71%	5.70%
5	2 Inch	Residential	964,943	1,021,140	56,197	5.82%	9.99%	9.97%
6	6 Inch	Residential	-	-	-	0.00%	0.00%	0.00%
7								
8		Subtotal	7,360,312	7,788,526	428,214	5.82%	76.21%	76.03%
9								
10	5/8x3/4 Inch	Commercial	$ 30,488	$ 32,244	$ 1,756	5.76%	0.32%	0.31%
11	3/4 Inch	Commercial	-	-	-	0.00%	0.00%	0.00%
12	1 Inch	Commercial	165,693	175,347	9,655	5.83%	1.72%	1.71%
13	1.5 Inch	Commercial	96,445	102,058	5,613	5.82%	1.00%	1.00%
14	2 Inch	Commercial	1,127,180	1,192,921	65,741	5.83%	11.67%	11.64%
15	3 Inch	Commercial	135,386	143,277	7,892	5.83%	1.40%	1.40%
16	4 Inch	Commercial	22,397	23,703	1,305	5.83%	0.23%	0.23%
17	6 Inch	Commercial	212,295	224,681	12,386	5.83%	2.20%	2.19%
18								
19		Subtotal	$ 1,789,884	$ 1,894,231	$ 104,347	5.83%	18.53%	18.49%
20								
21	5/8x3/4 Inch	Other Public Authority	$ 1,003	$ 1,060	$ 57	5.72%	0.01%	0.01%
22	1 Inch	Other Public Authority	5,351	5,663	312	5.83%	0.06%	0.06%
23	2 Inch	Other Public Authority	14,583	15,421	839	5.75%	0.15%	0.15%
24								
25		Subtotal	$ 20,936	$ 22,145	$ 1,208	5.77%	0.22%	0.22%
26								
27	3 Inch	Turf	26,205	29,598	3,393	12.95%	0.27%	0.29%
28	4 Inch	Turf	112,344	127,611	15,267	13.59%	1.16%	1.25%
29	6 Inch	Paradise Valley Country Club	303,880	345,636	41,756	13.74%	3.15%	3.37%
30	Private Fire		9,349	9,464	115	1.23%	0.10%	0.09%
31								
32								
33								
34								
35								
36	Total Revenues Before Annualization		9,622,910	10,217,210	$ 594,300	6.18%	99.64%	99.73%
37								

Paradise Valley Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 2
Witness: Bourassa

Revenue Annualization

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Additional Bills	Additional Gallons to be Pumped (In 1,000's)	Schedule
1	5/8x3/4 Inch	Residential	$ (420)	$ (445)	(25)	5.88%	1	(215)	See Work papers
2	3/4 Inch	Residential	$ (279)	$ (296)	(16)	5.85%	(1)	(130)	See Work papers
3	1 Inch	Residential	470	498	28	5.94%	(4)	194	See Work papers
4	1.5 Inch	Residential	(55)	(58)	(3)	4.74%	(4)	35	See Work papers
5	2 Inch	Residential	(3,014)	(3,190)	(176)	5.83%	(5)	(832)	See Work papers
6	6 Inch	Residential	-	-	-	0.00%	-	-	See Work papers
7		Subtotal	$ (3,299)	$ (3,490)	(191)	5.81%	(13)	(950)	
8	5/8x3/4 Inch	Commercial	$ -	$ -	-	0.00%	-	-	See Work papers
9	3/4 Inch	Commercial	-	-	-	0.00%	-	-	See Work papers
10	1 Inch	Commercial	331	350	19	5.82%	2	118	See Work papers
11	1.5 Inch	Commercial	610	645	35	5.77%	4	127	See Work papers
12	2 Inch	Commercial	1,822	1,929	107	5.86%	1	862	See Work papers
13	3 Inch	Commercial	3,835	4,060	225	5.87%	-	1,765	See Work papers
14	4 Inch	Commercial	-	-	-	0.00%	-	-	See Work papers
15	6 Inch	Commercial	(4,632)	(4,903)	(270)	5.84%	(1)	(1,671)	See Work papers
16		Subtotal	$ 1,966	$ 2,082	116	5.90%	6	1,202	
17	Rebuttal 6 Inch Meter Annualization Adjustment		$ 9,143	9,708	565	6.18%	-	790	See Work papers
18	Total Revenue Annualization		$ 7,811	$ 8,300	$ 489	6.26%	(7)	$ 1,043	

Paradise Valley Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 3
Witness: Bourassa

Line No.		Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues	
1	Subtotal Metered Revenues	$ 9,622,910	$ 10,217,210	$ 594,300	6.18%	99.64%	99.73%	
2								
3								
4	Declining Usage Adjustment	(36,037)	(38,262)	(2,226)	6.18%	-0.37%	-0.37%	H-1, page 4
5	Subtotal Revenue Annualization	7,811	8,300	489	6.26%	0.08%	0.08%	
6	Total Metered Revenues	$ 9,594,684	$ 10,187,247	$ 592,563.41	6.18%	99.35%	99.44%	
7	Misc. Revenues	58,978	58,978	-	0.00%	0.61%	0.58%	
8								
9								
10	Reconciling Amount to GL	3,698	(1,743)	(5,441)	-147.13%	0.04%	-0.02%	
11	Total Water Revenues	$ 9,657,360	$ 10,244,483	$ 587,122	6.08%	100.00%	100.00%	
12								
13								

Paradise Valley Water District
Estimate of Revenue Loss Assuming Customer Growth
Prior Test Year vs Current Test Year

Exhibit
Rebuttal Schedule H-1
Page 4
Witness: Bourassa

Meter Size, Class		[1] Currrent TY Average No. Customers	[2] Prior Rate Case Average Bill	[3] Current rate case Average Bill	[4] Expected Revenues Revenues Based On Prior Rate Case Avg Bill.	[5] Test Year Revenues Based On TY Average Bill	[6] Revenue Loss Prior TY Vs Current Test Year
5/8x3/4 Inch	Residential	2,121	$ 63.35	$ 61.08	$ 1,612,314	$ 1,554,589	$ (57,726)
3/4 Inch	Residential	27	77.63	66.55	25,151	21,562	(3,589)
1 Inch	Residential	1,981	184.89	179.50	4,395,230	4,266,955	(128,274)
1.5 Inch	Residential	161	263.92	284.89	509,890	550,400	40,510
2 Inch	Residential	157	510.64	510.82	962,041	962,389	348
6 Inch	Residential	-					
Subtotal		4,447			7,504,626	7,355,895	(148,731)
5/8x3/4 Inch	Commercial	66	$ 35.75	$ 38.49	$ 28,317	$ 30,488	$ 2,171
3/4 Inch	Commercial	-			-	-	-
1 Inch	Commercial	71	163.80	194.93	139,558	166,082	26,524
1.5 Inch	Commercial	27	419.15	301.39	135,803	97,651	(38,153)
2 Inch	Commercial	151	687.86	622.41	1,246,396	1,127,803	(118,593)
3 Inch	Commercial	10	679.08	1,128.21	81,490	135,386	53,896
4 Inch	Commercial	1	846.10	1,866.44	10,153	22,397	12,244
6 Inch	Commercial	4	2,851.85	4,332.56	136,889	207,963	71,074
Subtotal		330			$ 1,778,606	$ 1,787,769	$ 9,164
5/8x3/4 Inch	Other Public Authority	3	$ 25.80	$ 27.86	$ 929	$ 1,003	$ 74
1 Inch	Other Public Authority	2	$ 136.17	222.96	3,268	5,351	2,083
2 Inch	Other Public Authority	6	228.14	202.54	16,426	14,583	(1,843)
Subtotal		11			$ 20,623	$ 20,936	$ 314
Total		4,788			$ 9,303,854	$ 9,164,600	$ (139,254)
Revenue Loss as Percent							-1.50%

Paradise Valley Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 1
Witness: Bourassa

Line No.	Meter Size, Class		(a) Average Number of Customers at 6/30/2013	Average Consumption	Average Bill Present Rates	Average Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8x3/4 Inch	Residential	2,121	19,271	$ 52.30	$ 55.32	3.03	5.79%
2	3/4 Inch	Residential	27	20,006	$ 54.92	$ 58.10	3.18	5.78%
3	1 Inch	Residential	1,981	55,400	165.40	175.03	9.62	5.82%
4	1.5 Inch	Residential	161	75,854	261.89	277.11	15.22	5.81%
5	2 Inch	Residential	157	133,264	495.41	524.26	28.84	5.82%
6	6 Inch	Residential	-	-	930.00	983.01	53.01	5.70%
7		Subtotal	4,447					
8								
9	5/8x3/4 Inch	Commercial	66	6,843	$ 38.49	$ 40.71	2.22	5.76%
10	3/4 Inch	Commercial	-	-	26.16	27.65	1.49	5.68%
11	1 Inch	Commercial	71	72,975	192.60	203.82	11.22	5.83%
12	1.5 Inch	Commercial	27	106,556	298.32	315.68	17.36	5.82%
13	2 Inch	Commercial	151	236,295	601.62	636.70	35.08	5.83%
14	3 Inch	Commercial	10	387,558	1,032.39	1,092.53	60.14	5.83%
15	4 Inch	Commercial	1	671,167	1,866.44	1,975.23	108.79	5.83%
16	6 Inch	Commercial	4	1,520,633	4,287.46	4,537.58	250.13	5.83%
17								
18		Subtotal	330					
19								
20	5/8x3/4 Inch	Other Public Authority	3	1,389	$ 27.86	$ 29.45	1.59	5.72%
21	1 Inch	Other Public Authority	2	88,542	222.96	235.96	13.00	5.83%
22	2 Inch	Other Public Authority	6	31,639	202.54	214.19	11.65	5.75%
23								
24		Subtotal	11					
25								
26	3 Inch	Turf	1	1,135,167	$ 2,183.73	$ 2,466.49	282.76	12.95%
27	4 Inch	Turf	1	5,297,167	9,362.00	10,634.27	1,272.27	13.59%
28	6 Inch	Paradise Valley Country Club	1	15,726,167	25,323.32	28,802.97	3,479.65	13.74%
29	Private Fire		71	615	10.96	11.09	0.13	1.23%
30								
31								
32								
33		Total	4,862					
34								

35 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Paradise Valley Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 2
Witness: Bourassa

Line No.	Meter Size, Class		(a) Average Number of Customers at 6/30/2013	Median Consumption	Median Bill Present Rates	Median Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8 x3/4Inch	Residential	2,121	10,000	$ 36.65	$ 38.76	2.11	5.75%
2	3/4 Inch	Residential	27	6,000	$ 32.66	$ 34.53	1.87	5.72%
3	1 Inch	Residential	1,981	37,000	116.45	123.20	6.75	5.80%
4	1.5 Inch	Residential	161	40,000	163.29	172.72	9.43	5.78%
5	2 Inch	Residential	157	74,000	307.09	324.88	17.79	5.79%
6	6 Inch	Residential	-	-	930.00	983.01	53.01	5.70%
7		Subtotal	4,447					
8								
9	5/8 Inch	Commercial	66	3,000	$ 31.00	$ 32.78	1.78	5.73%
10	3/4 Inch	Commercial	-	-	26.16	27.65	1.49	5.68%
11	1 Inch	Commercial	71	25,000	99.05	104.78	5.73	5.78%
12	1.5 Inch	Commercial	27	52,500	192.92	204.09	11.17	5.79%
13	2 Inch	Commercial	151	132,000	398.24	421.38	23.14	5.81%
14	3 Inch	Commercial	10	27,500	330.28	349.19	18.92	5.73%
15	4 Inch	Commercial	1	649,000	1,815.46	1,921.25	105.79	5.83%
16	6 Inch	Commercial	4	306,000	1,526.70	1,614.74	88.04	5.77%
17								
18		Subtotal	330					
19								
20	5/8x3/4 Inch	Other Public Authority	3	1,000	$ 27.10	$ 28.65	1.55	5.71%
21	1 Inch	Other Public Authority	2	73,000	192.65	203.87	11.22	5.83%
22	2 Inch	Other Public Authority	6	13,500	167.17	176.74	9.57	5.73%
23								
24		Subtotal	11					
25								
26	3 Inch	Turf	1	1,013,500	$ 1,979.33	$ 2,233.47	254.14	12.84%
27	4 Inch	Turf	1	5,398,000	9,531.40	10,827.39	1,295.99	13.60%
28	6 Inch	Paradise Valley Country Club	1	17,473,500	28,049.16	31,910.43	3,861.27	13.77%
29	Private Fire		71	-	10.00	10.00	-	0.00%
30								
31								
32								
33		Total	4,791					
34								

35 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.
36

Paradise Valley Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 1
Witness: Bourassa

Line No.	Monthly Service Charge for:	Present Rates	Proposed Rates	Dollar Change
1	Meter Size (All Classes):			
2	5/8x3/4 Inch Residential Low Income		$ 15.95	
3	5/8x3/4 Inch	$ 25.15	26.58	$ 1.43
4	3/4 Inch	26.16	27.65	1.49
5	1 Inch	50.30	53.17	2.87
6	1 1/2 Inch	90.54	95.70	5.16
6	2 Inch	140.84	148.87	8.03
7	3 Inch	276.65	292.42	15.77
8	4 Inch	462.76	489.14	26.38
9	6 Inch	930.00	983.01	53.01
10	8 Inch	2,245.00	2,372.97	127.97
11	10 Inch	3,228.00	3,412.00	184.00
12	12 Inch	6,034.00	6,377.94	343.94
13	6 Inch Paradise Valley Country Club	790.50	835.56	45.06
14				
15	Private Fire Protection Service	10.00	10.00	-
16				
17		Present Rates	Proposed Rates	
18				
19	Gallons In Minimum (All Meter Sizes and Classes)	-	-	
20				
21				

Line No.	Commodity Rates (per 1,000 gallons)	Block				Present Rate	Proposed Rate	Dollar Change
22								
23								
24	5/8x3/4 Inch and 3/4 Inch Meter - Residential	1	gallon to	5,000	gallons	$ 1.0500	$ 1.1116	$ 0.0616
25		5,001	to	15,000	gallons	$ 1.2500	$ 1.3234	$ 0.0734
26		15,001	to	40,000	gallons	$ 2.2000	$ 2.3292	$ 0.1292
27		40,001	to	80,000	gallons	$ 2.7500	$ 2.9115	$ 0.1615
28			over	80,000	gallons	$ 3.2259	$ 3.4153	$ 0.1894
29								
30	5/8x3/4 Inch and 3/4 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
31			over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
32								
33	5/8x3/4 Inch and 3/4 Inch Meter - Other Public Authority		All gallons			$ 1.9500	$ 2.0645	$ 0.1145
34								
35	5/8x3/4 Inch and 3/4 Inch Meter - Turf		All gallons			$ 1.6800	$ 1.9152	$ 0.2352
36								
37								
38								
39								
40								
41								
42								
43								

Paradise Valley Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

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Rebuttal Schedule H-3
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Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block					Present Rate		Proposed Rate		Dollar Change
1	1 Inch Meter - Residential	1	gallon to	5,000	gallons	$	1.0500	$	1.1116	$	0.0616
2		5,001	to	15,000	gallons	$	1.2500	$	1.3234	$	0.0734
3		15,001	to	40,000	gallons	$	2.2000	$	2.3292	$	0.1292
4		40,001	to	80,000	gallons	$	2.7500	$	2.9115	$	0.1615
5			over	80,000	gallons	$	3.2259	$	3.4153	$	0.1894
6											
7	1 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$	1.9500	$	2.0645	$	0.1145
8			over	400,000	gallons	$	2.3000	$	2.4350	$	0.1350
9											
10	1 Inch Meter - Other Public Authority		All gallons			$	1.9500	$	2.0645	$	0.1145
11											
12	1 Inch Meter - Turf		All gallons			$	1.6800	$	1.9152	$	0.2352
13											
14	1 1/2 Inch Meter - Residential	1	gallon to	5,000	gallons	$	1.0500	$	1.1116	$	0.0616
15		5,001	to	15,000	gallons	$	1.2500	$	1.3234	$	0.0734
16		15,001	to	40,000	gallons	$	2.2000	$	2.3292	$	0.1292
17		40,001	to	80,000	gallons	$	2.7500	$	2.9115	$	0.1615
18			over	80,000	gallons	$	3.2259	$	3.4153	$	0.1894
19											
20	1 1/2 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$	1.9500	$	2.0645	$	0.1145
21			over	400,000	gallons	$	2.3000	$	2.4350	$	0.1350
22											
23	1 1/2 Inch Meter - Other Public Authority		All gallons			$	1.9500	$	2.0645	$	0.1145
24											
25	1 1/2 Inch Meter - Turf		All gallons			$	1.6800	$	1.9152	$	0.2352
26											
27	2 Inch Meter - Residential	1	gallon to	5,000	gallons	$	1.0500	$	1.1116	$	0.0616
28		5,001	to	15,000	gallons	$	1.2500	$	1.3234	$	0.0734
29		15,001	to	40,000	gallons	$	2.2000	$	2.3292	$	0.1292
30		40,001	to	80,000	gallons	$	2.7500	$	2.9115	$	0.1615
31			over	80,000	gallons	$	3.2259	$	3.4153	$	0.1894
32											
33	2 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$	1.9500	$	2.0645	$	0.1145
34			over	400,000	gallons	$	2.3000	$	2.4350	$	0.1350
35											
36	2 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$	1.9500	$	2.0645	$	0.1145
37			over	400,000	gallons	$	2.3000	$	2.4350	$	0.1350
38											
39											
40											

Paradise Valley Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 3
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block			Present Rate	Proposed Rate	Dollar Change
1							
2	2 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
3							
4	2 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
5							
6	3 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
7		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
8							
9	3 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
10		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
11							
12	3 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
13							
14	3 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
15							
16	4 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
17		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
18							
19	4 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
20		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
21							
22	4 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
23							
24	4 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
25							
26	6 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
27		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
28							
29	6 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
30		over	-	gallons	$ 2.3000	$ 2.4350	$ 0.1350
31							
32	6 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
33							
34	6 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
35							
36	8 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
37		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
38							
39	8 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
40		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350

Paradise Valley Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 4
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block		Present Rate	Proposed Rate	
1						
2	8 Inch Meter - Other Public Authority	All gallons		$ 1.9500	$ 2.0645	$ 0.1145
3						
4	8 Inch Meter - Turf	All gallons		$ 1.6800	$ 1.9152	$ 0.2352
5						
6	10 Inch Meter - Residential	1 gallon to	400,000 gallons	$ 1.9500	$ 2.0645	$ 0.1145
7		over	400,000 gallons	$ 2.3000	$ 2.4350	$ 0.1350
8						
9						
10	10 Inch Meter - Com., Ind.	1 gallon to	400,000 gallons	$ 1.9500	$ 2.0645	$ 0.1145
11		over	400,000 gallons	$ 2.3000	$ 2.4350	$ 0.1350
12						
13	10 Inch Meter - Other Public Authority	All gallons		$ 1.9500	$ 2.0645	$ 0.1145
14						
15	10 Inch Meter - Turf	All gallons		$ 1.6800	$ 1.9152	$ 0.2352
16						
17	12 Inch Meter - Residential	1 gallon to	400,000 gallons	$ 1.9500	$ 2.0645	$ 0.1145
18		over	400,000 gallons	$ 2.3000	$ 2.4350	$ 0.1350
19						
20	12 Inch Meter - Com., Ind.	1 gallon to	400,000 gallons	$ 1.9500	$ 2.0645	$ 0.1145
21		over	400,000 gallons	$ 2.3000	$ 2.4350	$ 0.1350
22						
23	12 Inch Meter - Other Public Authority	All gallons		$ 1.9500	$ 2.0645	$ 0.1145
24						
25	12 Inch Meter - Turf	All gallons		$ 1.6800	$ 1.9152	$ 0.2352
26						
27	6 Inch Paradise Valley Country Club	All gallons		$ 1.5600	$ 1.7784	$ 0.2184
28						
29						
30						

		Present Rate	Proposed Rate*
31	Low Income Program Discount Revenue Recovery*		
32	Program Participation Limit (No. of Customers)		50
33	Estimated Annual Discounts		$ 9,570
34	Under(Over) Collections from previous years		$ -
35	Net Annual Discounts to be Recovered		$ 9,570
36	Highest Cost Commodity Rate Gallons Sold to Residential, Apartment, Commercial (in 1,000s)		770,615
37	Estimate of Low Income Surcharge on Highest Cost Commodity Rate (Residential, Apartment, Commercial Customers Only)		$ 0.0120
38			

39 * Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for
40 residential and commercial customers is comprised of the approved rate listed in table above plus and additional $0.0130 for the
41 Low Income Surcharge.

Paradise Valley Water District
Changes in Representative Rate Schedules
Test Year Ended June 30, 2013

Exhibit
Rebuttal Schedule H-3
Page 5
Witness: Bourassa

Line No.	Service Charges	Present Rates	Proposed Rates
1			
2			
3	Service Charges	Present Rates	Proposed Rates
4	Establishment of Water Service		$ 35.00
5	Regular Hours	$ 20.00	Remove
6	After Hours	$ 40.00	Remove
7	Re-establishment of Service within 12 months	(a)	(a)
8	Reconnection of Water Service (Delinquent)		$ 35.00
9	Regular Hours	$ 30.00	Remove
10	After Hours	$ 60.00	Remove
11	Meter Test (if correct)	$ 15.00	$ 35.00
12	Meter Reread (if correct)	$ 10.00	$ 25.00
13	NSF Check	$ 12.00	$ 25.00
14	Late Fee Charge, per month	1.50%	1.50%
15	Deferred Payment		1.50%
16	Deposit Requirements	(b)	(b)
17	Deposit Interest	(c)	(c)
18	After Hours Service Charge(d)	NT	$ 30.00
19			
20			
21			
22			
23			
24	(a) Minimum charge times number of full months off the system. per Rule R14-2-403(D).		
25	(b) Per ACC Rules R14-2-403(B) Residential - two times the average bill.		
26	Non-residential - two and one-half times the estimated maximum bill.		
27	(c) Interest per A.C.C. Rule 14-2-403(B)		
28	(d) After hours service charge: After regular working hours, Saturdays, Sundays, and holidays if at the customer's		
29	request or for the customer's convenience.		
30			
31	IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM		
32	ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE		
33	TAX. PER COMMISSION RULE 14-2-409D(5).		
34			
35			

Paradise Valley Water District
Test Year Ended June 30, 2013
Meter and Service Line Charges

Exhibit
Rebuttal Schedule H-3
Page 5
Witness: Bourassa

Line No.

1

2 **Refundable Meter and Service Line Installation Charges**

3

4–8		Present Service Line Charge	Present Meter Install-ation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Install-ation Charge	Total Proposed Charge
9	5/8 x 3/4 Inch	$ 445.00	$ 155.00	$ 600.00	$ 445.00	$ 155.00	$ 600.00
10	3/4 Inch	445.00	255.00	700.00	445.00	255.00	700.00
11	1 Inch	495.00	315.00	810.00	495.00	315.00	810.00
12	1 1/2 Inch	550.00	525.00	1,075.00	550.00	525.00	1,075.00
13	2 Inch	830.00	1,045.00	1,875.00	830.00	1,045.00	1,875.00
14	3 Inch	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost
15	4 Inch	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost
16	6 Inch / Turbine	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost
17	Over 6 inch	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost

18
19
20
21
22
23
24
25

Paradise Valley Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	5/8x3/4 Inch	Residential	$ 1,554,527	$ 1,644,699	$ 90,172	5.80%	16.10%	16.05%
2	3/4 Inch	Residential	21,629	22,883	1,254	5.80%	0.22%	0.22%
3	1 Inch	Residential	4,267,673	4,516,183	248,510	5.82%	44.19%	44.08%
4	1.5 Inch	Residential	551,539	583,620	32,081	5.82%	5.71%	5.70%
5	2 Inch	Residential	964,943	1,021,140	56,197	5.82%	9.99%	9.97%
6	6 Inch	Residential	-	-	-	0.00%	0.00%	0.00%
7								
8		Subtotal	7,360,312	7,788,526	428,214	5.82%	76.21%	76.03%
9								
10	5/8x3/4 Inch	Commercial	$ 30,488	$ 32,244	$ 1,756	5.76%	0.32%	0.31%
11	3/4 Inch	Commercial	-	-	-	0.00%	0.00%	0.00%
12	1 Inch	Commercial	165,693	175,347	9,655	5.83%	1.72%	1.71%
13	1.5 Inch	Commercial	96,445	102,058	5,613	5.82%	1.00%	1.00%
14	2 Inch	Commercial	1,127,180	1,192,921	65,741	5.83%	11.67%	11.64%
15	3 Inch	Commercial	135,386	143,277	7,892	5.83%	1.40%	1.40%
16	4 Inch	Commercial	22,397	23,703	1,305	5.83%	0.23%	0.23%
17	6 Inch	Commercial	212,295	224,681	12,386	5.83%	2.20%	2.19%
18								
19		Subtotal	$ 1,789,884	$ 1,894,231	$ 104,347	5.83%	18.53%	18.49%
20								
21	5/8x3/4 Inch	Other Public Authority	$ 1,003	$ 1,060	$ 57	5.72%	0.01%	0.01%
22	1 Inch	Other Public Authority	5,351	5,663	312	5.83%	0.06%	0.06%
23	2 Inch	Other Public Authority	14,583	15,421	839	5.75%	0.15%	0.15%
24								
25		*Subtotal*	$ 20,936	$ 22,145	$ 1,208	5.77%	0.22%	0.22%
26								
27	3 Inch	Turf	26,205	29,598	3,393	12.95%	0.27%	0.29%
28	4 Inch	Turf	112,344	127,611	15,267	13.59%	1.16%	1.25%
29	6 Inch	Paradise Valley Country Club	303,880	345,636	41,756	13.74%	3.15%	3.37%
30	Private Fire		9,349	9,464	115	1.23%	0.10%	0.09%
31								
32								
33								
34								
35								
36	Total Revenues Before Annualization		9,622,910	10,217,210	$ 594,300	6.18%	99.64%	99.73%
37								

Paradise Valley Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 2
Witness: Bourassa

Revenue Annualization

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Additional Bills	Additional Gallons to be Pumped (In 1,000's)	Schedule
1									
2									
3									
4									
5	5/8x3/4 Inch	Residential	$ (420)	$ (445)	(25)	5.88%	1	(215)	See Work papers
6	3/4 Inch	Residential	$ (279)	$ (296)	(16)	5.85%	(1)	(130)	See Work papers
7	1 Inch	Residential	470	498	28	5.94%	(4)	194	See Work papers
8	1.5 Inch	Residential	(55)	(58)	(3)	4.74%	(4)	35	See Work papers
9	2 Inch	Residential	(3,014)	(3,190)	(176)	5.83%	(5)	(832)	See Work papers
10	6 Inch	Residential	-	-	-	0.00%	-	-	See Work papers
11									
12		Subtotal	$ (3,299)	$ (3,490)	(191)	5.81%	(13)	(950)	
13									
14	5/8x3/4 Inch	Commercial	$ -	$ -	-	0.00%	-	-	See Work papers
15	3/4 Inch	Commercial	-	-	-	0.00%	-	-	See Work papers
16	1 Inch	Commercial	331	350	19	5.82%	2	118	See Work papers
17	1.5 Inch	Commercial	610	645	35	5.77%	4	127	See Work papers
18	2 Inch	Commercial	1,822	1,929	107	5.86%	1	862	See Work papers
19	3 Inch	Commercial	3,835	4,060	225	5.87%	-	1,765	See Work papers
20	4 Inch	Commercial	-	-	-	0.00%	-	-	See Work papers
21	6 Inch	Commercial	(4,632)	(4,903)	(270)	5.84%	(1)	(1,671)	See Work papers
22					-				
23		Subtotal	$ 1,966	$ 2,082	116	5.90%	6	1,202	
24									
25									
26	Rebuttal 6 Inch Meter Annualization Adjustment		$ 9,143	9,708	565	6.18%	-	790	See Work papers
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39	Total Revenue Annualization		$ 7,811	$ 8,300	$ 489	6.26%	(7)	$ 1,043	
40									

Paradise Valley Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 3
Witness: Bourassa

Line No.		Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues	
1	Subtotal Metered Revenues	$ 9,622,910	$ 10,217,210	$ 594,300	6.18%	99.64%	99.73%	
2								
3								
4	Declining Usage Adjustment	(36,037)	(38,262)	(2,226)	6.18%	-0.37%	-0.37%	H-1, page 4
5	Subtotal Revenue Annualization	7,811	8,300	489	6.26%	0.08%	0.08%	
6	Total Metered Revenues	$ 9,594,684	$ 10,187,247	$ 592,563.41	6.18%	99.35%	99.44%	
7	Misc. Revenues	58,978	58,978	-	0.00%	0.61%	0.58%	
8								
9								
10	Reconciling Amount to GL	3,698	(1,743)	(5,441)	-147.13%	0.04%	-0.02%	
11	Total Water Revenues	$ 9,657,360	$ 10,244,483	$ 587,122	6.08%	100.00%	100.00%	
12								
13								

Paradise Valley Water District
Estimate of Revenue Loss Assuming Customer Growth
Prior Test Year vs Current Test Year

Exhibit
Rebuttal Schedule H-1
Page 4
Witness: Bourassa

Meter Size, Class		[1] Currrent TY Average No. Customers	[2] Prior Rate Case Average Bill	[3] Current rate case Average Bill	[4] Expected Revenues Revenues Based On Prior Rate Case Avg Bill.	[5] Test Year Revenues Based On TY Average Bill	[6] Revenue Loss Prior TY Vs Current Test Year
5/8x3/4 Inch	Residential	2,121	$ 63.35	$ 61.08	$ 1,612,314	$ 1,554,589	$ (57,726)
3/4 Inch	Residential	27	77.63	66.55	25,151	21,562	(3,589)
1 Inch	Residential	1,981	184.89	179.50	4,395,230	4,266,955	(128,274)
1.5 Inch	Residential	161	263.92	284.89	509,890	550,400	40,510
2 Inch	Residential	157	510.64	510.82	962,041	962,389	348
6 Inch	Residential	-					
Subtotal		4,447			7,504,626	7,355,895	(148,731)
5/8x3/4 Inch	Commercial	66	$ 35.75	$ 38.49	$ 28,317	$ 30,488	$ 2,171
3/4 Inch	Commercial	-			-	-	-
1 Inch	Commercial	71	163.80	194.93	139,558	166,082	26,524
1.5 Inch	Commercial	27	419.15	301.39	135,803	97,651	(38,153)
2 Inch	Commercial	151	687.86	622.41	1,246,396	1,127,803	(118,593)
3 Inch	Commercial	10	679.08	1,128.21	81,490	135,386	53,896
4 Inch	Commercial	1	846.10	1,866.44	10,153	22,397	12,244
6 Inch	Commercial	4	2,851.85	4,332.56	136,889	207,963	71,074
Subtotal		330			$ 1,778,606	$ 1,787,769	$ 9,164
5/8x3/4 Inch	Other Public Authority	3	$ 25.80	$ 27.86	$ 929	$ 1,003	$ 74
1 Inch	Other Public Authority	2	$ 136.17	222.96	3,268	5,351	2,083
2 Inch	Other Public Authority	6	228.14	202.54	16,426	14,583	(1,843)
	Subtotal	11			$ 20,623	$ 20,936	$ 314
Total		4,788			$ 9,303,854	$ 9,164,600	$ (139,254)
Revenue Loss as Percent							-1.50%

Paradise Valley Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 1
Witness: Bourassa

Line No.	Meter Size, Class		(a) Average Number of Customers at 6/30/2013	Average Consumption	Average Bill Present Rates	Average Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8x3/4 Inch	Residential	2,121	19,271	$ 52.30	$ 55.32	3.03	5.79%
2	3/4 Inch	Residential	27	20,006	$ 54.92	$ 58.10	3.18	5.78%
3	1 Inch	Residential	1,981	55,400	165.40	175.03	9.62	5.82%
4	1.5 Inch	Residential	161	75,854	261.89	277.11	15.22	5.81%
5	2 Inch	Residential	157	133,264	495.41	524.26	28.84	5.82%
6	6 Inch	Residential	-	-	930.00	983.01	53.01	5.70%
7		Subtotal	4,447					
8								
9	5/8x3/4 Inch	Commercial	66	6,843	$ 38.49	$ 40.71	2.22	5.76%
10	3/4 Inch	Commercial	-	-	26.16	27.65	1.49	5.68%
11	1 Inch	Commercial	71	72,975	192.60	203.82	11.22	5.83%
12	1.5 Inch	Commercial	27	106,556	298.32	315.68	17.36	5.82%
13	2 Inch	Commercial	151	236,295	601.62	636.70	35.08	5.83%
14	3 Inch	Commercial	10	387,558	1,032.39	1,092.53	60.14	5.83%
15	4 Inch	Commercial	1	671,167	1,866.44	1,975.23	108.79	5.83%
16	6 Inch	Commercial	4	1,520,633	4,287.46	4,537.58	250.13	5.83%
17								
18		Subtotal	330					
19								
20	5/8x3/4 Inch	Other Public Authority	3	1,389	$ 27.86	$ 29.45	1.59	5.72%
21	1 Inch	Other Public Authority	2	88,542	222.96	235.96	13.00	5.83%
22	2 Inch	Other Public Authority	6	31,639	202.54	214.19	11.65	5.75%
23								
24		Subtotal	11					
25								
26	3 Inch	Turf	1	1,135,167	$ 2,183.73	$ 2,466.49	282.76	12.95%
27	4 Inch	Turf	1	5,297,167	9,362.00	10,634.27	1,272.27	13.59%
28	6 Inch	Paradise Valley Country Club	1	15,726,167	25,323.32	28,802.97	3,479.65	13.74%
29	Private Fire		71	615	10.96	11.09	0.13	1.23%
30								
31								
32								
33		Total	4,862					
34								

35 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Paradise Valley Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 2
Witness: Bourassa

Line No.	Meter Size, Class		(a) Average Number of Customers at 6/30/2013	Median Consumption	Median Bill Present Rates	Median Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8 x3/4Inch	Residential	2,121	10,000	$ 36.65	$ 38.76	2.11	5.75%
2	3/4 Inch	Residential	27	6,000	$ 32.66	$ 34.53	1.87	5.72%
3	1 Inch	Residential	1,981	37,000	116.45	123.20	6.75	5.80%
4	1.5 Inch	Residential	161	40,000	163.29	172.72	9.43	5.78%
5	2 Inch	Residential	157	74,000	307.09	324.88	17.79	5.79%
6	6 Inch	Residential	-	-	930.00	983.01	53.01	5.70%
7		Subtotal	4,447					
8								
9	5/8 Inch	Commercial	66	3,000	$ 31.00	$ 32.78	1.78	5.73%
10	3/4 Inch	Commercial	-	-	26.16	27.65	1.49	5.68%
11	1 Inch	Commercial	71	25,000	99.05	104.78	5.73	5.78%
12	1.5 Inch	Commercial	27	52,500	192.92	204.09	11.17	5.79%
13	2 Inch	Commercial	151	132,000	398.24	421.38	23.14	5.81%
14	3 Inch	Commercial	10	27,500	330.28	349.19	18.92	5.73%
15	4 Inch	Commercial	1	649,000	1,815.46	1,921.25	105.79	5.83%
16	6 Inch	Commercial	4	306,000	1,526.70	1,614.74	88.04	5.77%
17								
18		Subtotal	330					
19								
20	5/8x3/4 Inch	Other Public Authority	3	1,000	$ 27.10	$ 28.65	1.55	5.71%
21	1 Inch	Other Public Authority	2	73,000	192.65	203.87	11.22	5.83%
22	2 Inch	Other Public Authority	6	13,500	167.17	176.74	9.57	5.73%
23								
24		Subtotal	11					
25								
26	3 Inch	Turf	1	1,013,500	$ 1,979.33	$ 2,233.47	254.14	12.84%
27	4 Inch	Turf	1	5,398,000	9,531.40	10,827.39	1,295.99	13.60%
28	6 Inch	Paradise Valley Country Club	1	17,473,500	28,049.16	31,910.43	3,861.27	13.77%
29	Private Fire		71	-	10.00	10.00	-	0.00%
30								
31								
32								
33		Total	4,791					
34								

35 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.
36

Paradise Valley Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 1
Witness: Bourassa

Line No.	Monthly Service Charge for:	Present Rates	Proposed Rates	Dollar Change
1	Meter Size (All Classes):			
2	5/8x3/4 Inch Residential Low Income		$ 15.95	
3	5/8x3/4 Inch	$ 25.15	26.58	$ 1.43
4	3/4 Inch	26.16	27.65	1.49
5	1 Inch	50.30	53.17	2.87
6	1 1/2 Inch	90.54	95.70	5.16
6	2 Inch	140.84	148.87	8.03
7	3 Inch	276.65	292.42	15.77
8	4 Inch	462.76	489.14	26.38
9	6 Inch	930.00	983.01	53.01
10	8 Inch	2,245.00	2,372.97	127.97
11	10 Inch	3,228.00	3,412.00	184.00
12	12 Inch	6,034.00	6,377.94	343.94
13	6 Inch Paradise Valley Country Club	790.50	835.56	45.06
14				
15	Private Fire Protection Service	10.00	10.00	-
16				
17		Present Rates	Proposed Rates	
18				
19	Gallons In Minimum (All Meter Sizes and Classes)	-	-	
20				
21				

Line No.	Commodity Rates (per 1,000 gallons)	Block				Present Rate	Proposed Rate	Dollar Change
22								
23								
24	5/8x3/4 Inch and 3/4 Inch Meter - Residential	1	gallon to	5,000	gallons	$ 1.0500	$ 1.1116	$ 0.0616
25		5,001	to	15,000	gallons	$ 1.2500	$ 1.3234	$ 0.0734
26		15,001	to	40,000	gallons	$ 2.2000	$ 2.3292	$ 0.1292
27		40,001	to	80,000	gallons	$ 2.7500	$ 2.9115	$ 0.1615
28			over	80,000	gallons	$ 3.2259	$ 3.4153	$ 0.1894
29								
30	5/8x3/4 Inch and 3/4 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
31			over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
32								
33	5/8x3/4 Inch and 3/4 Inch Meter - Other Public Authority		All gallons			$ 1.9500	$ 2.0645	$ 0.1145
34								
35	5/8x3/4 Inch and 3/4 Inch Meter - Turf		All gallons			$ 1.6800	$ 1.9152	$ 0.2352
36								
37								
38								
39								
40								
41								
42								
43								

Paradise Valley Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 2
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block					Present Rate		Proposed Rate		Dollar Change
1											
2	1 Inch Meter - Residential	1	gallon to	5,000	gallons	$	1.0500	$	1.1116	$	0.0616
3		5,001	to	15,000	gallons	$	1.2500	$	1.3234	$	0.0734
4		15,001	to	40,000	gallons	$	2.2000	$	2.3292	$	0.1292
5		40,001	to	80,000	gallons	$	2.7500	$	2.9115	$	0.1615
6			over	80,000	gallons	$	3.2259	$	3.4153	$	0.1894
7											
8	1 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$	1.9500	$	2.0645	$	0.1145
9			over	400,000	gallons	$	2.3000	$	2.4350	$	0.1350
10											
11	1 Inch Meter - Other Public Authority		All gallons			$	1.9500	$	2.0645	$	0.1145
12											
13	1 Inch Meter - Turf		All gallons			$	1.6800	$	1.9152	$	0.2352
14											
15	1 1/2 Inch Meter - Residential	1	gallon to	5,000	gallons	$	1.0500	$	1.1116	$	0.0616
16		5,001	to	15,000	gallons	$	1.2500	$	1.3234	$	0.0734
17		15,001	to	40,000	gallons	$	2.2000	$	2.3292	$	0.1292
18		40,001	to	80,000	gallons	$	2.7500	$	2.9115	$	0.1615
19			over	80,000	gallons	$	3.2259	$	3.4153	$	0.1894
20											
21	1 1/2 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$	1.9500	$	2.0645	$	0.1145
22			over	400,000	gallons	$	2.3000	$	2.4350	$	0.1350
23											
24	1 1/2 Inch Meter - Other Public Authority		All gallons			$	1.9500	$	2.0645	$	0.1145
25											
26	1 1/2 Inch Meter - Turf		All gallons			$	1.6800	$	1.9152	$	0.2352
27											
28	2 Inch Meter - Residential	1	gallon to	5,000	gallons	$	1.0500	$	1.1116	$	0.0616
29		5,001	to	15,000	gallons	$	1.2500	$	1.3234	$	0.0734
30		15,001	to	40,000	gallons	$	2.2000	$	2.3292	$	0.1292
31		40,001	to	80,000	gallons	$	2.7500	$	2.9115	$	0.1615
32			over	80,000	gallons	$	3.2259	$	3.4153	$	0.1894
33											
34	2 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$	1.9500	$	2.0645	$	0.1145
35			over	400,000	gallons	$	2.3000	$	2.4350	$	0.1350
36											
37	2 Inch Meter - Com., Ind.	1	gallon to	400,000	gallons	$	1.9500	$	2.0645	$	0.1145
38			over	400,000	gallons	$	2.3000	$	2.4350	$	0.1350
39											
40											

Paradise Valley Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 3
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block			Present Rate	Proposed Rate	Dollar Change
1							
2	2 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
3							
4	2 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
5							
6	3 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
7		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
8							
9	3 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
10		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
11							
12	3 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
13							
14	3 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
15							
16	4 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
17		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
18							
19	4 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
20		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
21							
22	4 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
23							
24	4 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
25							
26	6 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
27		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
28							
29	6 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
30		over	-	gallons	$ 2.3000	$ 2.4350	$ 0.1350
31							
32	6 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
33							
34	6 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
35							
36	8 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
37		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
38							
39	8 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
40		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350

Paradise Valley Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 4
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block			Present Rate	Proposed Rate	
1							
2	8 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
3							
4	8 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
5							
6	10 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
7		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
8							
9							
10	10 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
11		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
12							
13	10 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
14							
15	10 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
16							
17	12 Inch Meter - Residential	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
18		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
19							
20	12 Inch Meter - Com., Ind.	1 gallon to	400,000	gallons	$ 1.9500	$ 2.0645	$ 0.1145
21		over	400,000	gallons	$ 2.3000	$ 2.4350	$ 0.1350
22							
23	12 Inch Meter - Other Public Authority	All gallons			$ 1.9500	$ 2.0645	$ 0.1145
24							
25	12 Inch Meter - Turf	All gallons			$ 1.6800	$ 1.9152	$ 0.2352
26							
27	6 Inch Paradise Valley Country Club	All gallons			$ 1.5600	$ 1.7784	$ 0.2184
28							
29							
30							

		Present Rate	Proposed Rate*
31	Low Income Program Discount Revenue Recovery*		
32	Program Participation Limit (No. of Customers)		50
33	Estimated Annual Discounts		$ 9,570
34	Under(Over) Collections from previous years		$ -
35	Net Annual Discounts to be Recovered		$ 9,570
36	Highest Cost Commodity Rate Gallons Sold to Residential, Apartment, Commercial (in 1,000s)		770,615
37	Estimate of Low Income Surcharge on Highest Cost Commodity Rate (Residential, Apartment, Commercial Customers Only)		$ 0.0120
38			

39 * Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for
40 residential and commercial customers is comprised of the approved rate listed in table above plus and additional $0.0130 for the
41 Low Income Surcharge.

Paradise Valley Water District
Changes in Representative Rate Schedules
Test Year Ended June 30, 2013

Exhibit
Rebuttal Schedule H-3
Page 5
Witness: Bourassa

Line No.	Service Charges	Present Rates	Proposed Rates
1			
2			
3	Service Charges	Present Rates	Proposed Rates
4	Establishment of Water Service		$ 35.00
5	Regular Hours	$ 20.00	Remove
6	After Hours	$ 40.00	Remove
7	Re-establishment of Service within 12 months	(a)	(a)
8	Reconnection of Water Service (Delinquent)		$ 35.00
9	Regular Hours	$ 30.00	Remove
10	After Hours	$ 60.00	Remove
11	Meter Test (if correct)	$ 15.00	$ 35.00
12	Meter Reread (if correct)	$ 10.00	$ 25.00
13	NSF Check	$ 12.00	$ 25.00
14	Late Fee Charge, per month	1.50%	1.50%
15	Deferred Payment		1.50%
16	Deposit Requirements	(b)	(b)
17	Deposit Interest	(c)	(c)
18	After Hours Service Charge(d)	NT	$ 30.00
19			
20			
21			
22			
23			
24	(a) Minimum charge times number of full months off the system. per Rule R14-2-403(D).		
25	(b) Per ACC Rules R14-2-403(B) Residential - two times the average bill.		
26	Non-residential - two and one-half times the estimated maximum bill.		
27	(c) Interest per A.C.C. Rule 14-2-403(B)		
28	(d) After hours service charge: After regular working hours, Saturdays, Sundays, and holidays if at the customer's		
29	request or for the customer's convenience.		
30			
31	IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM		
32	ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE		
33	TAX. PER COMMISSION RULE 14-2-409D(5).		
34			
35			

Paradise Valley Water District
Test Year Ended June 30, 2013
Meter and Service Line Charges

Exhibit
Rebuttal Schedule H-3
Page 5
Witness: Bourassa

Refundable Meter and Service Line Installation Charges

Line No.		Present Service Line Charge	Present Meter Install-ation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Install-ation Charge	Total Proposed Charge
9	5/8 x 3/4 Inch	$ 445.00	$ 155.00	$ 600.00	$ 445.00	$ 155.00	$ 600.00
10	3/4 Inch	445.00	255.00	700.00	445.00	255.00	700.00
11	1 Inch	495.00	315.00	810.00	495.00	315.00	810.00
12	1 1/2 Inch	550.00	525.00	1,075.00	550.00	525.00	1,075.00
13	2 Inch	830.00	1,045.00	1,875.00	830.00	1,045.00	1,875.00
14	3 Inch	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost
15	4 Inch	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost
16	6 Inch / Turbine	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost
17	Over 6 inch	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost	Actual Cost

Sun City Water
Test Year Ended June 30, 2013
Computation of Increase in Gross Revenue Requirement

Exhibit
Schedule A-1 Rebuttal
Page 1
Witness:

Line No.			
1	Original Cost Rate Base	$	26,666,677
2			
3	Adjusted Operating Income	$	1,062,975
4			
5	Current Rate of Return		3.99%
6			
7	Required Operating Income	$	1,816,001
8			
9	Required Rate of Return		6.81%
10			
11	Operating Income Deficiency	$	753,026
12			
13	Gross Revenue Conversion Factor		1.6462
14			
15	Increase in Gross Revenue		
16	Requirement	$	1,239,639

18 Customer	Present	Proposed	Dollar	Percent
19 Classification	Rates	Rates	Increase	Increase
20				
21 Residential	$ 8,243,473	$ 9,235,787	$992,314	12.0%
22 Commercial	1,867,458	2,087,120	219,662	11.8%
23 Irrigation Sales	135,008	136,072	1,064	0.8%
24 Hydrants	21,074	23,076	2,002	9.5%
25 Annualization/Declining Usage/LIRP Over Collection Adj	(119,482)	(94,885)	24,598	-20.6%
26				
27 Total Water Revenues	$ 10,147,531	$ 11,387,171	$ 1,239,640	12.2%
28				
29 Other Revenues	$ 162,387	$ 162,387	$ -	0.0%
30				
31 Total Revenues	$ 10,309,918	$ 11,549,558	$ 1,239,640	12.0%

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46 Supporting Schedules:
47 B-1 Rebuttal
48 C-1 Rebuttal
49 H-1 Rebuttal
50 \2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls

Sun City Water
Test Year Ended June 30, 2013
Summary of Fair Value Rate Base

Exhibit
Schedule B-1 Rebuttal
Page 1
Witness: Hubbard

Line No.			Original Cost Rate Base
1			
2	Gross Utility Plant in Service	$	76,011,241
3			
4	Less:		
5			
6	Accumulated Depreciation		26,280,898
7			
8	Net Utility Plant in Service	$	49,730,343
9			
10	Less:		
11			
12	Advances in Aid of Construction	$	6,374,283
13			
14	Contribution in Aid of Construction -		
15	Net of Amortization		16,125,275
16			
17	Customer Meter Deposits		4,903
18	Deferred Income Taxes & Credits		1,014,247
19	Investment Tax Credits		-
20	Regulatory Liabilities		(1)
21			
22	Plus:		
23	Deferred Debits		392,361
24	Working Capital Allowance		62,681
25	Utility Plant Acquisition Adjustment		-
26			
27			
28	Total Rate Base	$	26,666,677
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41	Supporting Schedules:		
42	B-2 Rebuttal		
43	B-5 Rebuttal		
44	B-3		
45	E-1		
46			
47			
48			
49			
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls		

Recap Schedules:
A-1 Rebuttal

Sun City Water
Test Year Ended June 30, 2013
Original Cost Rate Base Pro Forma Adjustments

Exhibit
Schedule B-2 Rebuttal
Page 1
Witness: Hubbard

Line No.		Company Rebuttal						
		[A] Adjusted End of Test Year	[B] ADJ SLH-1R Working Capital Adjustment	[C] ADJ SLH-2R *Not Used*	[D] ADJ SLH-3R 24 Month Deferral AFUDC Adjustment	[E] ADJ SLH-4R Regulatory Liability Adjustment	[F] Total Rebuttal Pro Forma Adjustments	[G] Rebuttal Adjusted End of Test Year
1	Gross Utility							
2	Plant in Service	$ 76,011,241					$ -	$ 76,011,241
3								
4	**Less:**							
5								
6	Accumulated Depreciation	26,280,898					-	26,280,898
7								
8	Net Utility Plant							
9	in Service	$ 49,730,343	$ -	$ -	$ -	$ -	$ -	$ 49,730,343
10								
11	**Less:**							
12	Advances in Aid of							
13	Construction	6,374,283					-	6,374,283
14	Contributions in Aid of							
15	Construction - Net	16,125,275					-	16,125,275
16								
17								
18	Customer Meter Deposits	4,903					-	4,903
19	Deferred Income Taxes	1,014,247					-	1,014,247
20	Investment Tax Credits	-					-	-
21	Regulatory Liabilities	90,329				(90,330)	(90,330)	(1)
22								-
23	**Plus:**	-						-
24	Deferred Debits	225,112			167,250		167,250	392,361
25	Working Capital Allowance	62,866	(189)				(189)	62,677
26	Utility Plant Acquisition Adjustment	-					-	-
27								
28	Total	$ 26,409,282	$ (189)	$ -	$ 167,250	$ 90,330	$ 257,391	$ 26,666,673
29								
30	Supporting Schedules:							
31	B-3, B-5 Revised							
32	E-1							
33								
34								
35	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls							

Line No.

1 **24-Month Deferral Request**

2 On October 14, 2012, Sun City Water filed Docket No. W-1303A-12-0427 seeking approval of an accounting order to defer Post-in-Service AFUDC
3 and Depreciation on investment between rate filings. This filing was withdrawn June 27, 2013, to enable the Company to pursue those deferrals
4 on an individual district basis.

8	Pro Forma 24-Month Deferral Balance	$ 392,361
9	Test Year filed 24-Month Deferral Balance	$ 225,112
11	Increase / (Decrease) in Deferred Debits	$ 167,250
14	Increase / (Decrease) to Rate Base	$ 167,250
19	Removal of Deferred Debits other than 24-Month AFUDC	0
22	Increase / (Decrease) to Rate Base	$ 167,250

41 Workpapers and Supporting Documents
42 \2-yr Deferrral Request & Recovery
43 \Rate Impact for Public Notices.xls
44 \Test Year Adjustments 12-19.xlsx
45
46 \2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls

Line No.			
1	**Regulatory Liability Reversal**		
2			
3			
4	The Company has agreed to staff's adjustment to revenues for the over collected Low Income		
5	Program Funds. Removal of the Liability is appropriate given the change in treatment/.		
6			
7			
8			
9			
10	Overcollection of Mohave Water Low Income Program	$	90,330
11			
12			
13	Increase/(Decrease) to Rate base	$	90,330

Sun City Water
Test Year Ended June 30, 2013
Computation of Working Capital Allowance

Exhibit
Schedule B-5 Rebuttal
Page 1
Witness: Hubbard

Line No.			
1			
2	Cash Working Capital Requirement	$	(123,384)
3	Required Bank Balances[1]		-
4	Material and Supplies Inventories[1]		117,539
5	Prepayments[1]		68,527
6			
7	Total Working Capital Allowance	$	62,681
8			
9	Less Company amount in Original Filing	$	62,870
10			
11	Increase / (Decrease) to Working Capital Allowance	$	(190)
12			
13			
14	Increase / (Decrease) to Rate Base	$	(190)
15			
16			
17			
18			
19	[1] Calculated using thirteen-month averages.		
20			
21			
22			
23			
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41			
42			
43	Supporting Schedules:	Recap Schedules:	
44	E-1	B-1 Revised	
45			
46	Workpapers & Supporting Documents		
47	\ #9 B - Materials and Supplies Prepayments & Deferred Cost.xlsx		
48	\ Lead-Lag Workpapers		
49			
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls		

Sun City Water
Test Year Ended June 30, 2013
Lead/Lag Study - Working Cash Requirement

Exhibit
Schedule B-6 Rebuttal
Page 1
Witness: Hubbard

Line No.	Description	Test Year Adjusted Results	Revenue Lag Days	Expense Lag Days	Net Lag Days	Lead/ Lag Factor	Cash Working Capital Required
	[a]	[b]	[c]	[d]	[e] = [c] - [d]	[f] = [e] / 365	[g] = [b] x [f]
1	OPERATING EXPENSES						
2	Labor	$ 1,702,156	41.235	30.633	10.602	0.029	$ 49,442
3	Purchased Water	-	41.235	-	41.235	0.113	-
4	Fuel & Power	1,560,999	41.235	48.669	(7.434)	(0.020)	(31,793)
5	Chemicals	34,194	41.235	54.941	(13.706)	(0.038)	(1,284)
6	Waste Disposal	4,661	41.235	31.063	10.172	0.028	130
7	Intercompany Support Services	1,396	41.235	30.417	10.818	0.030	41
8	Corporate Allocation	473,416	41.235	30.420	10.815	0.030	14,027
9	Outside Services	280,698	41.235	34.355	6.880	0.019	5,291
10	Group Insurance	497,020	41.235	(10.716)	51.951	0.142	70,742
11	Regulatory Expense	101,188	41.235	(37.316)	78.551	0.215	21,776
12	Insurance Other Than Group	288,791	41.235	72.688	(31.453)	(0.086)	(24,886)
13	Customer Accounting	822,925	41.235	49.828	(8.593)	(0.024)	(19,374)
14	Rents	45,805	41.235	13.376	27.859	0.076	3,496
15	General Office Expense	206,172	41.235	39.271	1.964	0.005	1,110
16	Miscellaneous	456,839	41.235	27.800	13.435	0.037	16,816
17	Maintenance Expense	205,746	41.235	46.886	(5.651)	(0.015)	(3,186)
18							
19							
20	TAXES						
21	Property Taxes	$ 453,476	41.235	213.250	(172.015)	(0.471)	(213,712)
22	Taxes - Payroll	121,105	41.235	26.402	14.833	0.041	4,921
23	Taxes -Other	97,801	41.235	(131.381)	172.616	0.473	46,252
24	Income Tax	693,445	41.235	41.750	(0.515)	(0.001)	(978)
25							
26	Interest	$ 682,667	41.235	74.500	(33.265)	(0.091)	(62,216)
27							
28							
29							
30							
31	WORKING CASH REQUIREMENT	$ 8,730,501					$ (123,384)
32							
33							
34							
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36							
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38							
39							
40							
41							
42							
43	Supporting Schedules:		Recap Schedules:				
44	C-1 Rebuttal		B-5 Rebuttal				
45							
46	Workpapers & Supporting Documents						
47							
48							
49							
50	\2013 Paradise Valley Water Sch. A-F.xls						

Sun City Water
Test Year Ended June 30, 2013
Adjusted Test Year Income Statement

Exhibit
Schedule C-1 Rebuttal
Page 1
Witness: Murrey

Line No.		[A] Adjusted Test Year Results	[B] Total Rebuttal Pro Forma Adjustments	[C] Test Year Adjusted Results	[D] Proposed Rate Increase	[E] Adjusted with Rate Increase
1	**Revenues**					
2	Water Revenues	$ 10,103,166	$ 44,365	$ 10,147,531	$ 1,239,639	$ 11,387,171
3	Other Revenues	162,387	-	162,387		162,387
4		$ 10,265,553	$ 44,365	$ 10,309,919	$ 1,239,639	$ 11,549,558
5						
6	**Operating Expenses**					
7	Labor	$ 1,711,461	$ (9,305)	$ 1,702,156	-	$ 1,702,156
8	Purchased Water	0	-	-	-	-
9	Fuel & Power	1,557,580	3,419	1,560,999	-	1,560,999
10	Chemicals	34,119	75	34,194	-	34,194
11	Waste Disposal	4,661	-	4,661	-	4,661
12	Intercompany Support Services	1,396	-	1,396	-	1,396
13	Corporate Allocation	510,069	(36,653)	473,416	-	473,416
14	Outside Services	280,698	-	280,698	-	280,698
15	Group Insurance	490,722	-	490,722	-	490,722
16	Pensions	6,298	-	6,298	-	6,298
17	Regulatory Expense	101,188	-	101,188	-	101,188
18	Insurance Other Than Group	288,791	-	288,791	-	288,791
19	Customer Accounting	834,153	(19,633)	814,520	8,404	822,925
20	Rents	45,805	-	45,805	-	45,805
21	General Office Expense	212,603	(6,432)	206,172	-	206,172
22	Miscellaneous	462,692	(5,853)	456,839	-	456,839
23	Maintenance Expense	205,746	-	205,746	-	205,746
24	Depreciation & Amortization	1,916,821	(231,098)	1,685,724	-	1,685,724
25	General Taxes-Property	434,142	1,875	436,016	17,460	453,476
26	General Taxes-Other	218,906	-	218,906	-	218,906
27	Income Taxes	104,004	128,692	232,696	460,749	693,445
28						
29	**Total Operating Expenses**	$ 9,421,857	$ (174,913)	$ 9,246,944	$ 486,613	$ 9,733,557
30	**Utility Operating Income**	$ 843,696	$ 219,279	$ 1,062,975	$ 753,026	$ 1,816,001
31	**Other Income & Deductions**					
32	Other Income & Deductions	$ -	$ -	$ -		$ -
33	Interest Expense	676,078	6,589	682,667		682,667
34	Other Expense	-	-	-		-
35	Gain/Loss Sale of Fixed Assets	-	-	-		-
36	**Total Other Income & Deductions**	$ (676,078)	$ (6,589)	$ (682,667)	$ -	$ (682,667)
37	**Net Profit (Loss)**	$ 167,618	$ 212,690	$ 380,308	$ 753,026	$ 1,133,334
38						
39						
40						
41						
42						
43						
44	Supporting Schedules:					Recap Schedules:
45	E-2 Revised					A-1 Rebuttal
46	C-2 Rebuttal					
47						
48						
49						
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls					

Sun City Water
Test Year Ended June 30, 2013
Income Statement Pro Forma Adjustments

Exhibit
Schedule C-2 Rebuttal
Page 1
Witness: Murrey

Line No.		[A] Adjusted Test Year Results	Page 3 [B] ADJ SM-1R *Accept STF ADJ #1* Water Revenue (Sun City and Mohave Water only)	Page 4 [C] ADJ SLH-2R *Revised STF ADJ #2* Depreciation Expense	Page 5 [D] ADJ SM-3R *Revised STF ADJ #3* Property Tax	Page 6 [E] ADJ SM-4R *Revised STF ADJ #4* Federal and State Income Tax	Page 7 [F] ADJ SM-5R *Revised STF ADJ #5* Arizona Corporate Allocations	Page 8 [G] ADJ SM-6R *Revised STF ADJ #6* Water Testing	*Not Used* [H] ADJ SM-7R *Revised Staff Adj #8* Chemical Expense (Tubac only)	Page 9 [I] ADJ SM-8R Interest Synchronization	*Not Used* [J] ADJ SM-9R *Ruco Adj #8* Tank Maintenance
1	**Revenues**										
2	Water Revenues	$ 10,103,166	$ 30,110								
3	Other Revenues	162,387									
4											
5		$ 10,265,553	$ 30,110	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6	**Operating Expenses**										
7	Labor	$ 1,711,461									
8	Purchased Water	-									
9	Fuel & Power	1,557,580									
10	Chemicals	34,119									
11	Waste Disposal and Other Utilites	4,661									
12	Intercompany Support Services	1,396									
13	Corporate Allocation	510,069									
14	Outside Services	280,698									
15	Group Insurance	490,722									
16	Pensions	6,298									
17	Regulatory Expense	101,188									
18	Insurance Other Than Group	288,791									
19	Customer Accounting	834,153									
20	Rents	45,805					(32,098)				
21	General Office Expense	212,603									
22	Miscellaneous	462,692									
23	Maintenance Expense	205,746						(5,100)			
24	Depreciation & Amortization	1,916,821		(233,659)							
25	General Taxes-Property	434,142					(2,867)				
26	General Taxes-Other	218,906			1,875						
27	Income Taxes	104,004				128,692					
28											
29	**Total Operating Expenses**	$ 9,421,857	$ -	$ (233,659)	$ 1,875	$ 128,692	$ (34,965)	$ (5,100)	$ -	$ -	$ -
30	***Utility Operating Income***	$ 843,696	$ 30,110	$ 233,659	$ (1,875)	$ (128,692)	$ 34,965	$ 5,100	$ -	$ -	$ -
31	**Other Income & Deductions**										
32	Other Income & Deductions	$ -									
33	Interest Expense	676,078									
34	Other Expense	-									
35	Gain/Loss Sale of Fixed Assets	-								6,589	
36	**Total Other Income & Deductions**	$ (676,078)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (6,589)	$ -
37	**Net Profit (Loss)**	$ 167,618	$ 30,110	$ 233,659	$ (1,875)	$ (128,692)	$ 34,965	$ 5,100	$ -	$ (6,589)	$ -
38											
39											
40	Supporting Schedules:										
41	*E-6*										
42	Workpapers & Supporting Documents:										
43	\2013 Sun City Water Sch. A-F Rebuttal (Oct 201										

Sun City Water
Test Year Ended June 30, 2013
Income Statement Pro Forma Adjustments

Exhibit
Schedule C-2 Rebuttal
Page 2
Witness: Murrey

Line No.		Page 10 [K] ADJ SM-10R *Revised RUCO Adj # 6 Staff Adj # 5a* General Office Expense	Page 11 [I] ADJ SLH-11R *Revised Ruco Adj # 6, Staff Adj # 5* Corporate Allocations	Page 12 [M] ADJ SLH-12R 24 Month Deferral AFUDC Ammortization	Page 13 [N] ADJ SM-13R *Revised RUCO Adj #1* 6" New Meter Annualization	Page 14 [O] ADJ SM-14R *Revised RUCO Adj #2* Customer Accounting	Page 15 [P] ADJ SLH-15R *Revised Ruco Adj # 6, Staff Adj # 5* Arizona Labor	[Q] Total Rebuttal Pro Forma Adjustments	[R] Test Year Adjusted Results	[S] Proposed Rate Increase	[T] Adjusted with Rate Increase
1	**Revenues**										
2	Water Revenues				$ 14,255			$ 44,365	$ 10,147,531	$ 1,239,639	$ 11,387,171
3	Other Revenues							$ -	162,387		162,387
4		$ -	$ -	$ -	$ 14,255	$ -	$ -	$ 44,365	$ 10,309,919	$ 1,239,639	$ 11,549,558
5											
6	**Operating Expenses**										
7	Labor						(9,305)	$ (9,305)	$ 1,702,156		$ 1,702,156
8	Purchased Water							-	-		-
9	Fuel & Power				3,419			3,419	1,560,999		1,560,999
10	Chemicals				75			75	34,194		34,194
11	Waste Disposal and Other Utilites							-	4,661		4,661
12	Intercompany Support Services							-	1,396		1,396
13	Corporate Allocation		(36,653)					(36,653)	473,416		473,416
14	Outside Services							-	280,698		280,698
15	Group Insurance							-	490,722		490,722
16	Pensions							-	6,298		6,298
17	Regulatory Expense							-	101,188		101,188
18	Insurance Other Than Group							-	288,791		288,791
19	Customer Accounting					12,465		(19,633)	814,520	8,404	822,925
20	Rents							-	45,805		45,805
21	General Office Expense	(6,432)						(6,432)	206,172		206,172
22	Miscellaneous	(753)						(5,853)	456,839		456,839
23	Maintenance Expense							-	205,746		205,746
24	Depreciation & Amortization			5,428				(231,098)	1,685,724		1,685,724
25	General Taxes-Property							1,875	436,016	17,460	453,476
26	General Taxes-Other							-	218,906		218,906
27	Income Taxes							128,692	232,696	460,749	693,445
28											
29	**Total Operating Expenses**	$ (7,184)	$ (36,653)	$ 5,428	$ 3,493	$ 12,465	$ (9,305)	$ (174,913)	$ 9,246,944	$ 486,613	$ 9,733,557
30	**Utility Operating Income**	$ 7,184	$ 36,653	$ (5,428)	$ 10,762	$ (12,465)	$ 9,305	$ 219,279	$ 1,062,975	$ 753,026	$ 1,816,001
31	**Other Income & Deductions**										
32	Other Income & Deductions							$ -	$ -		$ -
33	Interest Expense							6,589	682,667		682,667
34	Other Expense							-	-		-
35	Gain/Loss Sale of Fixed Assets								-		-
36	**Total Other Income & Deductions**	$ -	$ -	$ -	$ -	$ -	$ -	$ (6,589)	$ (682,667)	$ -	$ (682,667)
37	**Net Profit (Loss)**	$ 7,184	$ 36,653	$ (5,428)	$ 10,762	$ (12,465)	$ 9,305	$ 212,690	$ 380,308	$ 753,026	$ 1,133,334
38											
39											
40	Supporting Schedules:										
41	E-6										
42	Workpapers & Supporting Documents:										
43	\2013 Sun City Water Sch. A-F Rebuttal (Oct 201										

Recap Schedules:
C-1 Rebuttal

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-1R

Exhibit
Schedule C-2 Rebuttal
Page 3
Witness: Murrey

Line No.			
1	Water Revenue		
2	Company accepts Staff ADJ #1 - Water Revenues which refunds the overcollection of revenue from the Sun City Water low income program over a 3		
3	year period		
4			
5			
6			
7	Overcollection of Sun City Water Low Income Program	$	90,330
8			
9	Refund over 3 year period		3
10			
11	Annual Refund	$	30,110
12			
13	Increase / (Decrease) in Water Revenues	$	30,110
14			
15	Adjustment to Revenue and/or Expense	$	30,110
16			
17			
18			
19			
20			
21			
22			
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46			
47			
48			
49	Workpapers & Schedules		
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls		

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SLH-2R

Exhibit
Schedule C-2 Rebuttal
Page 4
Witness: Hubbard

Line No.		EPCOR Sun City Water	Staff Proposed Sun City Water	Difference STF ADJ #2 Sun City Water
1	Depreciation Expense			
2				
3				
7	Depreciation Expense	$ 1,916,821	$ 1,679,018	$ (237,803)
8				
9				
10				
11				
12	Staff Adjustment # 2 Depreciation Expense			$ (237,803)
13				
14	Amounts Company Rejected			
15	Difference from Calculated Depreciation Exp		781	
16	24 Month Deferral Disallowance		$ (7,211)	
17	CIAC Depreciation Difference		$ 12,292	
18	Regulatory Asset Ammortization		$ (10,009)	
19	Total Amount Rejected			$ (4,147)
20				
21	Amounts Company Accepted			
22				
23	Difference from Over Depreciated Assets		(233,659) 1]	
24	Total Amount Accepted			$ (233,659)
25				
26				
27	Increase / (Decrease) in Depreciation and Amortization Expense			$ (233,659)
28				
29	Rebuttal Adjustment to Revenue and/or Expense			$ (233,659)
30				

	NARUC A	Group Descripti	PPE Balance	Depr Rate	Depr Expense
31 1]					
32	346100	Communication	$ 218,768	10.00%	$ 21,877
33	340300	Computer Softw	$ (43,402)	20.00%	$ 8,680
34	341100	Trans Equipm I	$ (976,241)	20.00%	$ 195,248
35	341200	Trans Equipm I	$ (54,958)	14.29%	$ 7,853
36		Total			$ 233,659

37

38 Workpapers & Supporting Documents:
39 \Depreciation Expense Adjustments - Staff vs Company.xlxs
40 \2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-3R

Exhibit
Schedule C-2 Rebuttal
Page 5
Witness: Murrey

Line No.		[A] Property Tax Expen	[B] Property Tax Expens For Conversion Facto
1			
2			
3			
4	Adjust Property Taxes to Reflect Proposed Revenues:		
5			
6	Adjusted Revenues in Year Ended June 2013	$ 10,309,919	$ 10,309,919
7	Adjusted Revenues in Year Ended June 2013	10,309,919	10,309,919
8	Proposed Revenues	10,309,919	11,549,558
9	Average of Three Year's of Revenue	$ 10,309,919	$ 10,723,132
10	Average of Three Year's of Revenue, times 2	$20,619,837	$21,446,263
11	Add:		
12	Construction Work in Progress at 10%	18,237	18,237
13	Deduct:		
14	Net Book Value of Transportation Equipment	$ -	$ -
15			
16	Full Cash Value	$ 20,638,075	$ 21,464,501
17	Assessment Ratio (For 2011 per HB 2784)	18.5%	18.5%
18	Assessed Value	$ 3,818,044	$ 3,970,933
19	Property Tax Rate	11.42%	11.42%
20			
21	Property Tax	436,016	453,476
22	Tax on Parcels	-	-
23			
24	Adjusted Test Year Property Taxes at Present Rates (Line 21+Line 22, Col [A])	$ 436,016	
25	AdjustedTest Year Property Taxes, Rebuttal	434,142	
26	Adjustment to Revenue and/or Expense (To Sch C-2)	$ 1,875	
27			
28	Adjusted Test Year Property Taxes at Proposed Rates (Line 21+Line 22, Col [B])		$ 453,476
29	Adjusted Test Year Property Taxes at Present Rates (Line 24, Col [A])		436,016
30	Additional Property Taxes on Proposed Revenues (To Sch C-2)		$ 17,460
31			
32			
33			
34	CALCULATION OF PROPERTY TAX FACTOR TO COMPUTE GROSS REVENUE CONVERSION FACTOR (SCH C-3):		
35			
36	Increase in Property Tax Due to Increase in Revenue Requirement (Line 30, Col [B])		$ 17,460
37			
38	Increase in Revenue Requirement (From Sch. A1)		$ 1,239,639
39			
40	Increase in Property Tax Per Dollar Increase in Revenue (Line 36/Line 38)		1.41%
41			
42			
43			
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58			
59	Workpapers & Supporting Documents:		
60	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls		

Sun City Water
Test Year Ended June 30, 2013

Income Statement Revised Adjustment SM-4R

Exhibit
Schedule C-2 Rebuttal

Page 6
Witness: Murrey

Line No.			Test Year Adjusted Results	Adjusted with Rate Increase
1				
2				
3				
4	Calculation of Income Taxes at Proposed Rates			
5				
6				
7	Operating Income Before Inc. Taxes		$ 1,295,671	$ 2,509,446
8	Interest Expense		682,667	682,667
9	Arizona Taxable Income		$ 613,004	$ 1,826,779
10				
11	Less Arizona Income Tax		$ 36,780	$ 109,607
12	Arizona Income Tax Rate =	6.000%		
13				
14	Federal Income Before Taxes		$ 613,004	$ 1,826,779
15	Less Arizona Income Taxes		36,780	109,607
16	Federal Taxable Income		$ 576,224	$ 1,717,172
17				
18	FEDERAL INCOME TAXES:			
19				
20				
21				
22				
23				
24				
25	Federal Income Taxes	34.000%	$ 195,916	$ 583,839
26				
27				
28	Total Income Tax		$ 232,696	$ 693,445
29				
30	Tax Rate		37.96%	37.96%
31				
32	Effective Income Tax Rates			
33	State		6.000%	6.000%
34	Federal		31.96%	31.96%
35				
36				
37	Adjusted Test Year Income Taxes		$ 104,004	
38	Increase in Income Taxes, Rebuttal		$ 128,692	
39				
40	Adjustment to Revenues and/or Expense		$ 128,692	
41				
42	Test Year Income Taxes, Rebuttal			$ 232,696
43	Increase in Income Taxes			460,749
44				
45	Adjustment to Revenue and/or Expense			$ 460,749
46				
47				
48				
49	Workpapers & Supporting Documents:			
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls			

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-5R

Exhibit
Schedule C-2 Rebuttal
Page 7
Witness: Murrey

Line No.							
1							
2							
3	**Depreciation Expense Pro Forma**			Sun City Water 4 Factor	11.6%		
4							
5							
6	The Company accepts Staff's proposal to remove Year 2000 software costs.						
7							
8	Depreciation Expense in cost pool				$ 24,699		
9	Remove: Year 2000 Software costs				$ (24,699)		
10	Depreciation Expense to be allocated				$ -		
11	Sun City Water 4 Factor				11.6%		
12							
13	Total Pro Forma Regulatory Expense allocated					$	-
14							
15	Test Year Depreciation Expense in cost pool				$ 24,699		
16	Sun City Water 4 Factor				11.6%		
17							
18	Test Year Regulatory Expense allocated					$	2,867
19							
20	Increase / (Decrease) in Depreciation Expense					$	(2,867)
21							
22	Rebuttal Adjustment to Revenue and/or Expense					$	(2,867)
23							
24	**Customer Accounting Pro Forma**						
25	The Company recalculates bad debt expense on a district basis						
26					Sun City Water		
27	Actual bad debt by district/busines	Jul-12			$ 2,579		
28		Aug-12			$ 1,916		
29		Sep-12			$ 2,451		
30		Oct-12			$ 3,443		
31		Nov-12			$ 4,031		
32		Dec-12			$ 4,627		
33		Jan-13			$ 4,437		
34		Feb-13			$ 2,765		
35		Mar-13			$ 1,810		
36		Apr-13			$ 2,028		
37		May-13			$ 2,553		
38		Jun-13			$ 2,718	$	35,358
39							
40	Test Year Bad Debt Expense		4 Factor	Connection Count			
41	Jul to Dec 2012 Months Bad De	$ 266,016	11.6%		$ 30,875		
42	Jan to Jun 2013 Bad Debt Expe	$ 256,213		14.28%	$ 36,581	$	67,457
43							
44							
45							
46	Increase / (Decrease) in Customer Accounting					$	(32,098)
47							
48	Rebuttal Adjustment to Revenue and/or Expense					$	(32,098)
49	Workpapers & Supporting Documents:		\CorporateAllocationandIncentiveComp (EUI).xlxs				
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls		\A-1SummarizeChanges1.27.15				

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-6R

Exhibit
Schedule C-2 Rebuttal
Page 8
Witness: Murrey

Line No.			
1			
2			
3	**Water Testing Expense**		
4	Company accepts Staff's proposed water testing expense of $55,260 as outlined in Table M of the		
5	Sun City Water Enginneering Report.		
6			
7	Pro Forma Water Testing Expense per STF ADJ #6	$	25,080
8			
9			
10	Adjusted Test Year Water Testing Expense	$	30,180
11			
12			
13	Increase/(Decrease) in Water Testing Expense	$	(5,100)
14			
15	Rebuttal Adjustment to Revenue and/or Expense	$	(5,100)
16			
17			
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19			
20			
21			
22			
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48			
49	Workpapers & Supporting Documents:		
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls		

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-8R

Exhibit
Schedule C-2 Rebuttal
Page 9
Witness: Murrey

Line No.			
1			
2			
3			
4	Interest Synchronization with Rate Base		
5			
6	Original Cost Rate Base (Sch. B-1, Ln. 28)		$ 26,666,677
7	Weighted Cost of Debt from Schedule D-1		2.56%
8	Synchronized Interest Expense		$ 682,667
9			
10	Test Year Interest Expense	$ 676,078	
11			
12	Adjusted Test Year Interest Expense		$ 676,078
13			
14	Increase/(Decrease) in Interest Expense		$ 6,589
15			
16	Adjustment to Revenue and/or Expense		$ 6,589
17			
18			
19			
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48			
49	Workpapers & Supporting Documents:		
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls		

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-10R

Exhibit
Schedule C-2 Rebuttal
Page 10
Witness: Murrey

Line No.					
1					
2					
3	**General Office Expense Pro Forma**	Sun City Water 4 Factor	11.6%		
4					
5					
6	The Company identified a duplicate I/T expense related to license fees of $11,010				
7					
8					
9	I/T Costs in Corporate Allocation and General Office Expense		$ (11,010)		
10					
11	Sun City Water 4 Factor		11.6%		
12					
13	Pro Forma General Office Expense allocated			$	(1,278)
14					
15	Income Statement - Donations, Promotions, Advertising		$ (24,282)		
16	Plus: Donations, Promotions, Advertising Removed in proforma adjustment # SM		$ 19,128		
17					
18					
19					
20	Pro Forma General Office Expense allocated			$	(5,154)
21					
22					
23	Increase / (Decrease) in General Office Expense			$	(6,432)
24					
25	Rebuttal Adjustment to Revenue and/or Expense			$	(6,432)
26					
27					
28	**Miscellaneous Pro Forma**				
29	The Company accepts Staff's proposed adjusment .				
30					
31	Miscellaneous Expense in cost pool		$ 6,485		
32					
33	Remove: Items such as food, flowers, linen, etc		$ (6,485)		
34					
35	Miscellaneous Expense to be allocated		$ -		
36	Sun City Water 4 Factor		11.6%		
37					
38	Total Pro Forma Miscellaneous Expense allocated			$	-
39					
40	Test Year Miscellaneous Expense cost pool		$ 6,485		
41	Sun City Water 4 Factor		11.6%		
42					
43	Test Year Miscellaneous Expense allocated			$	753
44					
45					
46	Increase / (Decrease) in Miscellaneous Expense			$	(753)
47					
48	Rebuttal Adjustment to Revenue and/or Expense			$	(753)
49	Workpapers & Supporting Documents:	RebuttalSummaryA-1,B-1,C-1.xlxs			
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls	\SummaryofRebuttalAdjustments2-9.xlxs			

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SLH-11R

Exhibit
Schedule C-2 Rebuttal
Page 11
Witness: Hubbard

Line No.					
1	**Corporate Allocation Pro Forma**				
2	The Company is voluntarily removing of the financial component of the incentive compensation				
3	metrics which represents 10% of the award.				
4	Actual At-Risk Compensation	$	597,657		
5					
6	Less: Financial & Other Component	$	315,792		
7					
8	Incentive Compensation to be allocated	$	281,865		
9	Sun City Water 4 Factor		11.6%		
10					
11	Total Pro Forma incentive compensation allocated			$	32,715
12					
13	Test Year Incentive Compensation in cost pool	$	597,657		
14	Sun City Water 4 Factor		11.6%		
15					
16	Test Year incentive compensation allocated			$	69,368
17					
18					
19	Increase / (Decrease) in Corporate Allocation Expense			$	(36,653)
20					
21	Rebuttal Adjustment to Revenue and/or Expense			$	(36,653)
22					
23					
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46					
47	Workpapers & Supporting Documents:				
48	\Corporate Allocation ADJ 60R basic Data.xlxs				
49	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls				

Line No.			
1	**24-Month Deferral Request**		
	On October 14, 2012, Sun City Water filed Docket No. W-1303A-12-0427 seeking		
2	approval of an accounting order to defer Post-in-Service AFUDC and		
3	Depreciation on investment between rate filings. This filing was withdrawn June		
4	27, 2013, to enable the Company to pursue those deferrals on an individual		
5	district basis.		
6			
7	Pro Forma 24-Month Deferral Balance	$	392,361
8			
9			
10	Increase / (Decrease) in Deferred Debits	$	392,361
11			
12			
13	Increase / (Decrease) to Rate Base	$	392,361
14			
15			
16			
17	In addition to the deferral request, in this application Paradise Valley Water		
18	Company requests authority to begin the amortization of the deferred balance	Current	
19	associated with the 24-Month Deferral Request using the composite		3.22%
20			
21			
22	Pro Forma adjustment for Amortization of Balance of 24-Month Deferral Request		
23	associated with Docket No. W-01303A-12-0427 at composite depreciation rate.	$	12,639
24			
25	Original AFUDC Ask	$	7,211
26			
27	Difference	$	5,428
28			
29			
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46			
47	Workpapers & Supporting Documents:		
48	\Test Year Rebuttal Adjustments 02-09.xlsx		
49	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls		

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-13R

Exhibit
Schedule C-2 Rebuttal
Page 13
Witness: Murrey

Line No.					
1					
2	**Revenue Annualization - 6" Commercial Meter**				
3					
4	**REVENUE ADJUSTMENT**				
5	Revenues included in test year from (Banner Boswell Medical)	*April and June 2013	$	(7,621)	
6	Revenues July 2013 to June 2014	July 2013 to June 2014	$	21,876	
7	Annualization Adjustment for Account 439140		$	14,255	
8	* Date meter installed				
9					
10	**Fuel, Power, and Chemicals Annualization - 6" Commercial Meter**				
11					
12			**Fuel &**		
13			**Power**		**Chemicals**
14	Test Year Adjusted Expense from Sch C-2		$ 1,557,580	$	34,119
15	Test Year 1,000 Gals Sold		4,112,485	$	4,112,485
16	Expense per 1,000 gallons sold		$ 0.38	$	0.01
17					
18					
19	Gallons included in test year from Account 439140 (Banner Boswell)		(3,533)		(3,533)
20	July 2013 to June 2014 Usage per Vertex		12559		12,559
21	Increase in Gallons sold		9,026		9,026
22	Annualized Increase in Expenses per 1,000 gallons sold		$ 3,419	$	75
23					
24					
25					
26					
27					
28					
29					
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31					
32					
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35					
36					
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38					
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43					
44					
45					
46					
47	Workpapers & Supporting Documents:				
48	\Additional 6 inch meter Customers PV and Sun City.xlsx				
49	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls				
50					

Sun City Water
Test Year Ended June 30, 2013
Income Statement Adjustment SM-14R

Exhibit
Schedule C-2 Rebuttal
Page 14
Witness: Murrey

Line No.	RESIDENTIAL	ORIGINAL CALC	
1	***Increase / (Decrease) in Operating Expenses:***		Other Customer
2		Postage	Accounting
3			
4	Test Year Adjusted Expense from Sch C-2	$ 108,521	$ 733,975
5	Avg Customers times 12 bills	276,052	276,052
6	Cost per Unit	$ 0.39	$ 2.66
7			
8	Customer Growth by Volume	3,759	3,759
9	Customer Growth by Count		
10			
11	Additional Expense	$1,466	$9,998
12			
13	**Total Original Calculation - Residential**		**$ 11,464**
14			
15			

Line No.	COMMERCIAL	ORIGINAL CALC		REVISED CALC	
17	***Increase / (Decrease) in Operating Expenses:***		Other Customer		Other Customer
18		Postage	Accounting	Postage	Accounting
19					
20	Test Year Adjusted Expense from Sch C-2	$ 108,521	$ 733,975	$ 108,521	$ 733,975
21	Year-End Number of Customers times 12 bills			277,404	277,404
22	Avg Customers times 12 bills	276,052	276,052	276,052	276,052
23	Cost per Unit	$ 0.39	$ 2.66	$ 0.39	$ 2.66
24					
25	Customer Growth by Volume	(6,494)	(6,494)		
26	Customer Growth by Count			1,352	1,352
27					
28	Additional Expense	($2,533)	($17,273)	$527	$3,596
29					$4,123
30	**Total Original Calculation - Commercial**		**$ (19,806)**		
31					
32					
33	Total Original Revision		$ (8,342)		
34					
35	Reverse original Adjustment		$ 8,342		
36	Revised Customer Accounting Adjustment		$ 4,123		
37	Total Increase/(Decrease) to Customer Accounting		$ 12,465		
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48	Workpapers & Schedules				
49	\2013 Sun City Water Sch H.xlsx				

Sun City Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SLH-15R

Exhibit
Schedule C-2 Rebuttal
Page 15

Witness: Hubbard

Line No.					
1					
2					
3	**Labor Expense Pro Forma**	Sun City Water 4 Factor	11.6%		
4					
5	The Company is voluntarily removing of the financial component of the				
6	incentive compensation metrics which represents 10% of the award.				
7	Incentive Compensation in cost pool		$ 801,710		
8					
9	Removal 10% attributable to the financial component		$ (80,171)		
10					
11	Incentive Compensation to be allocated		$ 721,539		
12		Sun City Water 4 Factor	11.6%		
13					
14		Total Pro Forma incentive compensation allocated		$	83,746
15					
16	Test Year Incentive Compensation in cost pool		$ 801,710		
17		Sun City Water 4 Factor	11.6%		
18					
19		Test Year incentive compensation allocated		$	93,051
20					
21					
22	Increase / (Decrease) in Labor Expense			$	(9,305)
23					
24	Rebuttal Adjustment to Revenue and/or Expense			$	(9,305)
25					
26					
27					
28					
29					
30					
31					
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43					
44					
45					
46					
47					
48	Workpapers & Supporting Documents:				
49	\CorporateAllocationandIncentiveComp (EUI).xlxs				
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls				

Sun City Water
Test Year Ended June 30, 2013
Computation of Gross Revenue Conversion Factor

Exhibit
Schedule C-3 Rebuttal
Page 1
Witness: Murrey

Line No.	Description					Percentage of Incremental Gross Revenues
1	Federal Income Taxes					31.96%
2						
3	State Income Taxes					6.00%
4				Combined	37.96%	
5	Property Taxes	Effective Rate =	1.4085%	One Minus Combined	62.04%	0.87%
6						
7	Bad Debt Expense	Effective Rate =	0.68%	One Minus Combined	62.04%	0.42%
8						
9	Total Tax Percentage					39.25%
10						
11	Operating Income % = 100% - Tax Percentage					60.75%
12						
13						
14						
15	1	= Gross Revenue Conversion Factor				
16	Operating Income %					1.6462
17						
18						
19						
20						
21						
22						
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27						
28						
29						
30						
31						
32						
33						
34						
35						
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37						
38						
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40						
41						
42						
43	Supporting Schedules:				Recap Schedules:	
44					A-1 Rebuttal	
45						
46						
47						
48						
49						
50	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls					

Sun City Water
Test Year Ended June 30, 2013
Summary of Cost of Capital
Total Company - EPCOR Water Arizona

Exhibit
Schedule D-1 Rebuttal
Page 1
Witness: Hubbard

Line No.	Item of Capital	End of Test Year Dollar Amount	End of Test Year Percent of Total	End of Test Year Cost Rate	End of Test Year Weighted Cost	End of Projected Year Dollar Amount	End of Projected Year Percent of Total	End of Projected Year Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	$ 231,000,000	58.47%	4.29%	2.51%	$ 231,000,000	59.76%	4.29%	2.56%
2									
3	Short-Term Debt	$ 8,560,000	2.17%	0.31%	0.01%	$ -	0.00%	0.31%	0.00%
4									
5	Stockholder's Equity	$ 155,533,624	39.37%	10.55%	4.15%	$ 155,533,624	40.24%	10.55%	4.25%
6									
7	Totals	$ 395,093,624	100.00%		6.67%	$ 386,533,624	100.00%		6.81%
8									
9									
10									
11									
12									
13									
14									
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18									
19									
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21									
22									
23									
24									
25									
26									
27									
28									
29									
30	Supporting Schedules:		Recap Schedules:						
31	D-2		A-1						
32									
33									
34									
35	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls								

Sun City Water
Test Year Ended June 30, 2013
Summary of Cost of Capital
Total Company - EPCOR Water Arizona
District Level - Sun City Water - Proposed

Exhibit
Schedule D-1 Rebuttal
Page 2
Witness: Hubbard

Line No.	Item of Capital	End of Test Year Dollar Amount	End of Test Year Percent of Total	End of Test Year Cost Rate	End of Test Year Weighted Cost	End of Projected Year Dollar Amount	End of Projected Year Percent of Total	End of Projected Year Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	$ 15,591,247	58.47%	4.29%	2.51%	$ 15,936,524	59.76%	4.29%	2.56%
2									
3	Short-Term Debt	$ 577,754	2.17%	0.31%	0.01%	$ -	0.00%	0.31%	0.00%
4									
5	Stockholder's Equity	$ 10,497,676	39.37%	10.55%	4.15%	$ 10,730,153	40.24%	10.55%	4.25%
6									
7	Totals	$ 26,666,677	100.00%		6.67%	$ 26,666,677	100.00%		6.81%
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30	Supporting Schedules:		Recap Schedules:						
31	D-2		A-1 Revised						
32									
33									
34									
35	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls								

Sun City Water
Test Year Ended June 30, 2013
Cost of Long Term Debt
Test Year - Sun City Water - Proposed

Exhibit
Schedule D-2 Rebuttal
Page 1
Witness: Hubbard

At Parent Level

Line No.		End of Test Year Amount Outstanding	End of Test Year Annual Cost	End of Test Year Interest Rate	End of Projected Year Amount Outstanding	End of Projected Year Annual Cost	End of Projected Year Interest Rate
1	Long-Term Debt						
2	10-Year EPCOR Water USA Note	133,000,000	5,004,790	3.77%	133,000,000	5,004,790	3.77%
3	30-Year EPCOR Water USA Note	98,000,000	4,907,513	5.02%	98,000,000	4,907,513	5.02%
4							
5							
6	Totals	$ 231,000,000	$ 9,912,303	4.29%	$ 231,000,000	$ 9,912,303	4.29%
7							
8							
9	Common Equity						
10	Common Stock	$ 522,880			$ 522,880		
11	Paid in Capital	184,882,920			184,882,920		
12	Retained Earnings	(29,872,177)			(29,872,177)		
13		$ 155,533,624		10.55%	$ 155,533,624		10.55%
14							
15							
16							
17	Short-Term Debt						
18	S-T Debt from EPCOR Utilities, Inc	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
19							
20							
21	Totals	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
22							
23							
24							
25	Supporting Schedules:		Recap Schedules:				
26	E-1		D-1				
27							
28							
29	\EUSA TB By BU_131101_Sch E.xlsx						
30	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls						

Sun City Water
Test Year Ended June 30, 2013
Cost of Long Term Debt
Test Year - Sun City Water - Proposed

Exhibit
Schedule D-2
Page 2
Witness: Hubbard

Line No.		End of Test Year Amount Outstanding	Annual Cost	Interest Rate	End of Projected Year Amount Outstanding	Annual Cost	Interest Rate
1	Long-Term Debt						
2	10-Year EPCOR Water USA Note	$ 133,000,000	$ 5,004,790	3.77%	$ 133,000,000	$ 5,004,790	3.77%
3	30-Year EPCOR Water USA Note	98,000,000	4,907,513	5.02%	98,000,000	4,907,513	5.02%
4							
5							
6	Totals	$ 231,000,000	$ 9,912,303	4.29%	$ 231,000,000	$ 9,912,303	4.29%
7							
8							
9	Common Equity						
10	Common Stock	$ 522,880			$ 522,880		
11	Paid in Capital	184,882,920			184,882,920		
12	Retained Earnings	(29,872,177)			(29,872,177)		
13		$ 155,533,624		10.55%	$ 155,533,624		10.55%
14							
15							
16							
17	Short-Term Debt						
18	Intercompany Payable	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
19							
20							
21	Totals	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
22							
23							
24							
25	Supporting Schedules:		Recap Schedules:				
26	E-1		D-1				
27							
28							
29	\EUSA TB By BU_131101_Sch E.xlsx						
30	\2013 Sun City Water Sch. A-F Rebuttal (Oct 2014).xls						

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Returns at Present Rates by Class

Exhibit
Rebuttal Schedule G-1
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Commercial	Other
1	Water Revenues	$ 10,245,940	$ 8,243,473	$ 1,867,458	$ 135,008
2	Fire Service Revenues	21,074	20,219	851	4
3	Revenue Annualizations	9,887	7,070	(11,438)	-
4	Low Income Program Adjustment	30,110	30,110	-	-
5	Declining Usage	(121,239)	(97,572)	(21,906)	(1,593)
6	Misc. Revenues[1]	162,387	155,799	6,560	28
7	Revenue Difference Com to Res Trnsfers	(24,880)	(23,871)	(1,005)	(4)
8	Reconciliation H-1 to C-1[1]	(13,360)	(12,818)	(540)	(2)
9	Total Revenues	$ 10,309,918	$ 8,322,410	$ 1,839,980	$ 133,440
10					
11	Operating Expenses[2]	$ 6,892,508	$ 5,859,096	$ 837,232	$ 196,180
12	Depreciation and				
13	Amortization[2]	1,685,724	1,419,448	212,156	54,120
14	Property Tax[3]	436,016	351,963	77,815	5,643
15	Income Tax[4]	232,696	50,806	233,538	(56,769)
16	Total Operating Expenses	$ 9,246,944	$ 7,681,312	$ 1,360,741	$ 199,174
17	Operating Income	$ 1,062,974	$ 641,099	$ 479,240	$ (65,734)
18	Interest Expense[5]	682,667	558,064	97,556	27,046
19	Net Income	$ 380,308	$ 83,034	$ 381,683	$ (92,780)
20	Rate Base[6]	$ 26,666,677	$ 21,799,384	$ 3,810,790	$ 1,056,502
21	Return on Rate Base[7]	3.99%	2.94%	12.58%	-6.22%
22					
23	**Percent of Total Customers**		95.94%	4.04%	0.02%
24					
25					
26					
27					
28					
29					

30 [1] Allocated based on customer counts.
31 [2] Operating Expenses and Depreciation computations are shown on Schedule G-4, Page 1.
32 [3] Property Taxes allocation based on Revenues.
33 [4] Income Tax from Schedule C-1, at present rates. Income Taxes allocated based on taxable income.
34 [5] Interest Synchronized Interest Expense. Allocation based on Rate Base
35 [6] Rate Base computations are shown on Schedule G-3, Page 1
36 [7] Operating Income Divided by Rate Base
37
38

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Returns at Proposed Rates by Class

Line No.		Totals	Residential	Commercial	Other
1	Water Revenues	$ 11,458,980	$ 9,235,787	$ 2,087,120	$ 136,072
2	Fire Service Revenues	23,076	22,140	932	4
3	Revenue Annualizations	10,598	7,214	(12,558)	-
4	Low Income Program Adjustment	30,110	30,110	-	-
5	Declining Usage	(135,582)	(109,303)	(24,485)	(1,605)
6	Misc. Revenues[1]	162,387	155,799	6,560	28
7	Revenue Difference Com to Res Trnsfers	-	-	-	-
8	Reconciliation H-1 to C-1[1]	(11)	(11)	(0)	(0)
9	Total Revenues	$ 11,549,558	$ 9,341,736	$ 2,057,569	$ 134,498
10					
11	Operating Expenses[2]	$ 6,900,912	$ 5,867,159	$ 837,571	$ 196,182
12	Depreciation and				
13	Amortization[2]	1,685,724	1,419,448	212,156	54,120
14	Property Tax[3]	453,476	366,789	80,787	5,281
15	Income Tax[4]	693,445	429,053	314,877	(56,230)
16	Total Operating Expenses	$ 9,733,557	$ 8,082,449	$ 1,445,392	$ 199,352
17	Operating Income	$ 1,816,001	$ 1,259,287	$ 612,177	$ (64,853)
18	Interest Expense[5]	682,667	558,064	97,556	27,046
19	Net Income	$ 1,133,334	$ 701,223	$ 514,621	$ (91,900)
20	Rate Base[6]	$ 26,666,677	$ 21,799,384	$ 3,810,790	$ 1,056,502
21	Return on Rate Base[7]	6.81%	5.78%	16.06%	-6.14%
22					
23	**Percent of Total Customers**		95.94%	4.04%	0.02%
24					
25	**Indicated Monthly Minimums and Single-Tier Commody Rates for 5/8x3/4 Inch Meter**				
26		Sched. G-8, pg 4A	Sched. G-8, pg 4B	Sched. G-8, pg 4C	Sched. G-8, pg 4D
27		All Classes	Residential	Commercial	Other
28	Monthly Minimums	**$ 10.78**	$ 11.39	$ 12.48	$ 118.45
29	Single-Tier Commodity Rate	**$ 1.634**	$ 1.600	$ 1.304	$ 1.684
30					
31					

32 [1] Allocated based on customer counts.
33 [2] Operating Expenses and Depreciation computations are shown on Schedule G-4, Page 2.
34 [3] Property Taxes allocation based on Revenues
35 [4] Income Tax from Schedule C-1, at proposed rates. Income Taxes allocated based on taxable income
36 [5] Interest Synchronized Interest Expense. Allocation based on Rate Base
37 [6] Rate Base computations are shown on Schedule G-3, Page 1
38 [7] Operating Income Divided by Rate Base
39

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Allocation of Assets to Customer Classes

Exhibit
Rebuttal Schedule G-3
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Commercial	Other
1					
2					
3					
4	Plant, Minus Accumulated Depreciation, Advances and Contributions in Aid, Meter Deposits, and Deferred Income Tax (from Schedule G-5, Page 1)				
5	Commodity	$ 5,197,970	$ 4,043,412	$ 976,119	$ 178,440
6	Demand	12,034,805	9,054,857	2,113,783	866,165
7	Customer	1,524,713	1,462,857	61,594	262
8	Service	2,860,618	2,461,055	390,833	8,730
9	Meter	5,048,571	4,777,204	268,462	2,906
10	Total	$ 26,666,677	$ 21,799,384	$ 3,810,790	$ 1,056,502
11					
12					
13					
14	**Summary**				
15	Net Rate Base	$ 26,666,677	$ 21,799,384	$ 3,810,790	$ 1,056,502
16	% of Net Rate Base	100.00%	81.75%	14.29%	3.96%
17					
18					
19					
20					

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Expenses to Customer Classes - Present Rates

Exhibit
Rebuttal Schedule G-4
Page 1
Witness: Bourassa

Line No.		Adjusted Per C-1	Residential	Commercial	Other	Totals
	Operation and Maintenance Expense (from Schedule G-6, Page 1)					
1	Commodity	$ 2,305,741	$ 1,793,597	$ 432,992	$ 79,153	$ 2,305,741
2	Demand	1,618,937	1,218,071	284,349	116,518	1,618,937
3	Customer	2,967,829	2,847,428	119,891	509	2,967,829
4	Service	-	-	-	-	-
5	Meter	-	-	-	-	-
6	Totals	$ 6,892,508	$ 5,859,096	$ 837,232	$ 196,180	$ 6,892,508
7						
8	Depreciaton Expense on Plant (from Schedule G-6, Page 2)					
9	Commodity	256,545	$ 199,562	$ 48,176	$ 8,807	$ 256,545
10	Demand	618,077	465,035	108,559	44,484	618,077
11	Customer	117,253	112,496	4,737	20	117,253
12	Service	165,237	142,157	22,575	504	165,237
13	Meter	528,612	500,199	28,109	304	528,612
14	Totals	$ 1,685,724	$ 1,419,448	$ 212,156	$ 54,120	$ 1,685,724
15						
16	Operation and Maintenance Expense and Depreciation Expense					
17	Commodity	$ 2,562,286	$ 1,993,158	$ 481,168	$ 87,960	$ 2,562,286
18	Demand	2,237,014	1,683,105	392,907	161,002	2,237,014
19	Customer	3,085,082	2,959,925	124,628	529	3,085,082
20	Service	165,237	142,157	22,575	504	165,237
21	Meter	528,612	500,199	28,109	304	528,612
22	Total	$ 8,578,231	$ 7,278,544	$ 1,049,388	$ 250,300	$ 8,578,231
23						
24	Total Expenses (excluding Income Tax and					
25	Property Taxes)	$ 8,578,231	$ 7,278,544	$ 1,049,388	$ 250,300	$ 8,578,231
26						
27	Property Taxes, Allocated on Schedules G-1 & G-2	$ 436,016				
28	Income Tax, Allocated on Schedules G-1 & G-2	232,696				
29	Total Expenses	**$ 9,246,944**				
30						

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Expenses to Customer Classes - Proposed Rates

Exhibit
Rebuttal Schedule G-4
Page 2
Witness: Bourassa

Line No.		At Proposed C-1	Residential	Commercial	Other	Totals
1						
2	Operation and Maintenance Expense (from Schedule G-6, Page 1)					
3	Commodity	$ 2,305,741	$ 1,793,597	$ 432,992	$ 79,153	$ 2,305,741
4	Demand	1,618,937	1,218,071	284,349	116,518	1,618,937
5	Customer	2,976,233	2,855,492	120,231	511	2,976,233
6	Service	-	-	-	-	-
7	Meter	-	-	-	-	-
8	Totals	$ 6,900,912	$ 5,867,159	$ 837,571	$ 196,182	$ 6,900,912
9						
10	Depreciaton Expense on Plant (from Schedule G-6, Page 3.2)					
11	Commodity	$ 256,545	$ 199,562	$ 48,176	$ 8,807	$ 256,545
12	Demand	618,077	465,035	108,559	44,484	618,077
13	Customer	117,253	112,496	4,737	20	117,253
14	Service	165,237	142,157	22,575	504	165,237
15	Meter	528,612	500,199	28,109	304	528,612
16	Totals	$ 1,685,724	$ 1,419,448	$ 212,156	$ 54,120	$ 1,685,724
17						
18	Operation and Maintenance Expense and Depreciation Expense					
19	Commodity	$ 2,562,286	$ 1,993,158	$ 481,168	$ 87,960	$ 2,562,286
20	Demand	2,237,014	1,683,105	392,907	161,002	2,237,014
21	Customer	3,093,487	2,967,988	124,968	531	3,093,487
22	Service	165,237	142,157	22,575	504	165,237
23	Meter	528,612	500,199	28,109	304	528,612
24	Total	$ 8,586,636	$ 7,286,607	$ 1,049,728	$ 250,301	$ 8,586,636
25						
26	Total Expenses (excluding Income Tax and					
27	Property Taxes)	$ 8,586,636	$ 7,286,607	$ 1,049,728	$ 250,301	$ 8,586,636
28						
29	Property Taxes, Allocated on Schedules G-1 & G-2	$ 453,476				
30	Income Tax, Allocated on Schedules G-1 & G-2	693,445				
31	Total Expenses	**$ 9,733,557**				
32						
33						
34						

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Rate Base by Function

Exhibit
Rebuttal Schedule G-5
Page 1
Witness: Bourassa

Line No.		Adjusted Per B-2	Demand	Commodity	Customer	Meter	Service
1							
2	**Rate Base**						
3	Plant minus (Accumulated Depreciation	$ 26,666,677	$ 12,034,805	$ 5,197,970	$ 1,524,713	$ 5,048,571	$ 2,860,618
4	Contributions in Aid of Construction						
5	Advances in Aid of Construction,						
6	Meter Deposits and Deferred Income Tax)						
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							

Sun City Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Intangible**										
2	301000	Organization	$ 471	$ -	$ 471	F-1	330	141	-	-	-
3	302000	Franchises	-	-	-	F-1	-	-	-	-	-
4	303100	Other Intangible Plant	-	-	-	F-1	-	-	-	-	-
5	**Subtotal Intangible**		471		471		330	141	-	-	-
6											
7	**Source of Supply & Pumping Plant**										
8	303200	Land and Land Rights - Supply	$ 268,738	$ (60)	$ 268,798	F-1	$ 188,158	$ 80,639	$ -	$ -	$ -
9	303300	Land and Land Rights - Pumping	8,456	3,646	4,810	F-1	3,367	1,443	-	-	-
10	304100	Structures and Improvements - Supply	(98,493)	330,200	(428,693)	F-1	(300,085)	(128,608)	-	-	-
11	304200	Structures and Improvements - Pumping	4,467,063	380,017	4,087,046	F-1	2,860,933	1,226,114	-	-	-
12	305000	Collecting and Impounding Res.	314	139	175	F-1	122	52	-	-	-
13	306000	Lakes, Rivers, Other Intakes	-	-	-	F-1	-	-	-	-	-
14	307000	Wells and Springs	3,812,341	1,684,935	2,127,406	F-1	1,489,184	638,222	-	-	-
15	308000	Infiltration Galleries and Tunnels	-	-	-	F-1	-	-	-	-	-
16	309000	Supply Mains	787,835	56,753	731,082	F-1	511,758	219,325	-	-	-
17	310000	Power Generation Equipment	1,430,917	214,496	1,216,421	F-1	851,495	364,926	-	-	-
18	311000	Pumping Equipment - Steam	-	-	-	F-1	-	-	-	-	-
19	311100	Pumping Equipment - Other	4,473	428	4,044	F-1	2,831	1,213	-	-	-
20	311200	Pumping Equipment - Electric	11,150,383	5,265,102	5,885,282	F-1	4,119,697	1,765,584	-	-	-
21	311300	Pumping Equipment - Diesel	213,446	68,059	145,387	F-1	101,771	43,616	-	-	-
22	311400	Pumping Equipment - Hydraulic	16,219	1,919	14,300	F-1	10,010	4,290	-	-	-
23	311500	Pumping Equipment - Other	210,006	106,288	103,717	F-1	72,602	31,115	-	-	-
24	311530	Pumping Equipment - Water Treatment	35,035	3,540	31,495	F-1	22,046	9,448	-	-	-
25	***Subtotal Source of Supply & Pumping Plant***		$ 22,306,733	$ 8,115,462	$ 14,191,271		$ 9,933,890	$ 4,257,381	$ -	$ -	$ -
26											
27	**Water Treatment**										
28	303400	Land and Land Rights - Treatment	$ -	$ -	$ -	F-1	$ -	$ -	$ -	$ -	$ -
29	304300	Structures and Improvements - Treatment	126,815	37,923	88,892	F-1	62,224	26,668	-	-	-
30	320000	Water Treatment Plant	-	-	-	F-1	-	-	-	-	-
31	320100	Water Treatment Equipment - Non-media	881,710	373,405	508,305	F-1	355,813	152,491	-	-	-
32	320200	Water Treatment Equipment - Media	120,791	15,099	105,692	F-1	73,984	31,708	-	-	-
33	**Subtotal Water Treatment**		$ 1,129,315	$ 426,427	$ 702,889		$ 492,022	$ 210,867	$ -	$ -	$ -
34											
35	**Transmission and Distribution Plant**										
36	303500	Land and Land Rights - T&D	$ 10,493	$ 210	$ 10,283	F-1	$ 7,198	$ 3,085	$ -	$ -	$ -
37	304400	Structures and Improvements - T&D	34,162	6,676	27,486	F-1	19,240	8,246	-	-	-
38	330000	Distribution Reservoirs & Standpipes	5,621,435	745,411	4,876,024	F-1	3,413,217	1,462,807	-	-	-
39	330100	Elevated Tank & Standpipes	-	-	-	F-1	-	-	-	-	-
40	330200	Ground Level Tanks	88,434	13,900	74,535	F-1	52,174	22,360	-	-	-
41	330300	Below Ground Tanks	-	-	-	F-1	-	-	-	-	-
42	331001	T&D Mains Not Classified	1,128,335	34,429	1,093,907	F-1	765,735	328,172	-	-	-
43	331100	T&D Mains 4in & less	13,290,123	5,408,278	7,881,845	F-1	5,517,291	2,364,553	-	-	-
44	331200	T&D Mains 6in to 8in	4,576,963	358,605	4,218,358	F-1	2,952,851	1,265,507	-	-	-
45	331300	T&D Mains 10in to 16in	5,251,696	291,225	4,960,472	F-1	3,472,330	1,488,141	-	-	-
46	331400	TD Mains 18in & Grtr	152,237	39,673	112,564	F-1	78,795	33,769	-	-	-
47	332000	Fire Mains	0	11	(11)	F-2	(11)	-	-	-	-

Sun City Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.2
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	333000	Services	$ 6,609,463	$ 3,746,393	$ 2,863,070	F-3	$ -	$ -	$ -	$ -	$ 2,863,070
2	334100	Meters	6,145,033	1,892,211	4,252,822	F-4	-	-	-	4,252,822	-
3	334200	Meter Installations	660,094	(137,217)	797,310	F-4	-	-	-	797,310	-
4	334300	Meter Vaults	952	62	890	F-4	-	-	-	890	-
5	335000	Hydrants	2,941,652	1,135,598	1,806,054	F-5	-	-	1,806,054	-	-
6	336000	Backflow Prevention Devices	7,036	2,112	4,924	F-1	3,447	1,477	-	-	-
7	339100	Other P/E-Intangible	-	-	-	F-1	-	-	-	-	-
8	339200	Other P/E-Supply	-	-	-	F-1	-	-	-	-	-
9	339500	Other P/E-TD	523	345	178	F-1	125	53	-	-	-
10	339600	Other P/E-CPS	179,653	(62,895)	242,548	F-1	169,784	72,765	-	-	-
11	**Subtotal Transmission and Distribution Plant**		$ 46,698,285	$ 13,475,026	$ 33,223,259		$ 16,452,175	$ 7,050,937	$ 1,806,054	$ 5,051,023	$ 2,863,070
12											
13	**General Plant**										
14	303600	Land and Land Rights	$ 2,125	$ 98	$ 2,027	F-1	$ 1,419	$ 608	$ -	$ -	$ -
15	304500	Structures and Improvements - General	374,292	68,930	305,362	F-1	213,753	91,609	-	-	-
16	304600	Structures and Improvements - Offices	47,528	36,673	10,854	F-1	7,598	3,256	-	-	-
17	304620	Structures and Improvements - Leasehold	-	-	-	F-1	-	-	-	-	-
18	304700	Structures and Improvements - Sore,Shop,(	-	-	-	F-1	-	-	-	-	-
19	304800	Structures and Improvements - General	1,383,151	520,460	862,691	F-1	603,884	258,807	-	-	-
20	340100	Office Furniture & Equipment	779,242	234,635	544,606	F-6	136,152	-	408,455	-	-
21	340200	Computers & Software	223,286	(833,278)	1,056,564	F-6	264,141	-	792,423	-	-
22	340300	Computer Software	43,402	54,103	(10,701)	F-6	(2,675)	-	(8,026)	-	-
23	340310	Computer Software Mainframe	9,105	5,285	3,819	F-6	955	-	2,865	-	-
24	340325	Computer Software Customized	16,914	8,284	8,630	F-6	2,157	-	6,472	-	-
25	340330	Computer Software Other	-	-	-	F-6	-	-	-	-	-
26	340500	Other Office Equipment	3,854	(3,387)	7,241	F-6	1,810	-	5,431	-	-
27	341100	Transportation Equip Light Duty Truks	976,241	3,021,077	(2,044,836)	F-6	(511,209)	-	(1,533,627)	-	-
28	341200	Transportation Equip Heavy Duty Truks	54,958	64,356	(9,398)	F-6	(2,350)	-	(7,049)	-	-
29	341300	Transportation Equipment Autos	-	-	-	F-6	-	-	-	-	-
30	341400	Transportation Equipment Other	85,411	22,612	62,799	F-6	15,700	-	47,099	-	-
31	342000	Stores Equipment	20,135	13,981	6,154	F-6	1,539	-	4,616	-	-
32	343000	Tools and Work Equipment	376,007	119,200	256,807	F-1	179,765	77,042	-	-	-
33	344000	Laboratory Equipment	107,428	(5,932)	113,360	F-1	79,352	34,008	-	-	-
34	345000	Power Operated Equipment	151,899	114,136	37,763	F-1	26,434	11,329	-	-	-
35	346100	Communication Equipment Non-Telephone	218,768	453,077	(234,308)	F-1	(164,016)	(70,292)	-	-	-
36	346190	Remote Control & Instrument	396,434	118,762	277,672	F-1	194,371	83,302	-	-	-
37	346200	Communication Equipment Telephone	1,126	724	403	F-1	282	121	-	-	-
38	346300	Communication Equipment Other	174,797	85,981	88,816	F-1	62,171	26,645	-	-	-
39	347000	Structures and Improvements - Offices	10,219	1,942	8,277	F-1	5,794	2,483	-	-	-
40	348000	Structures and Improvements - Leasehold	-	-	-	F-1	-	-	-	-	-
41	**Subtotal General Plant**		$ 5,456,321	$ 4,101,720	$ 1,354,602		$ 1,117,026	$ 518,917	$ (281,342)	$ -	$ -
42	**Total Direct Plant**		$ 75,591,125	$ 26,118,634	$ 49,472,491		$ 27,995,443	$ 12,038,243	$ 1,524,713	$ 5,051,023	$ 2,863,070
43											
44											
45											

Sun City Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.3
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Allocated General Plant**										
2	399000	Allocated Corporate General Plant	569,612	183,927	385,685	F-1	269,980	115,706	-	-	-
3	399000	Youngtown Plnt	(149,497)	(22,008)	(127,489)	F-1	(89,242)	(38,247)	-	-	-
4	399000	Reconcilation to PIS Balance	-	344	(344)	F-1	(241)	(103)	-	-	-
5	**Test Year Ended June 30, 2013**		$ 420,115	$ 162,263	$ 257,852		$ 180,497	$ 77,356	$ -	$ -	$ -
6	Total Plant		$ 76,011,241	$ 26,280,897	$ 49,730,343		$ 28,175,939	$ 12,115,599	$ 1,524,713	$ 5,051,023	$ 2,863,070
7											
8	Contributions in Aid of Construction		(17,500,751)	1,375,475	(16,125,275)	F-1	(11,287,693)	(4,837,583)	-	-	-
9	Advances in Aid of Construction		(6,374,283)		(6,374,283)	F-1	(4,461,998)	(1,912,285)	-	-	-
10	Meter Deposits		(4,903)		(4,903)	F-7	-	-	-	(2,452)	(2,452)
11	Deferred Income Tax		(1,014,247)		(1,014,247)	F-1	(709,973)	(304,274)	-	-	-
12	Working Capital		62,681		62,681	F-1	43,877	18,804	-	-	-
13	Deferred Reg Assets/Liabilities		392,362		392,362	F-1	274,653	117,709	-	-	-
14											
15	Rounding										
16	Totals		$ 51,572,099	$ 27,656,372	$ 26,666,677		$ 12,034,805	$ 5,197,970	$ 1,524,713	$ 5,048,571	$ 2,860,618
17	Rate Bases (Plant -(AIAC, CIAC, Meter Deposits & Accum. Depr.)				$ 26,666,677		$ 12,034,805	$ 5,197,970	$ 1,524,713	$ 5,048,571	$ 2,860,618
18											

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Allocation of Expenses to Functions
At Present Rates

Exhibit
Rebuttal Schedule G-6
Page 1
Witness: Bourassa

Line No.	Description	Adjusted per C-1	Demand	Commodity	Customer	Meters	Services	Totals
1	Labor	$ 1,702,156	$ 680,863	$ 340,431	$ 680,863	$ -	$ -	$ 1,702,156
2	Purchased Water	-	-	-	-	-	-	-
3	Fuel & Power	1,560,999	-	1,560,999	-	-	-	1,560,999
4	Chemicals	34,194	-	34,194	-	-	-	34,194
5	Waste Disposal	4,661	4,195	466	-	-	-	4,661
6	Intercompany Support Services	1,396	558	279	558	-	-	1,396
7	Corporate Allocation	473,416	189,366	94,683	189,366	-	-	473,416
8	Outside Services	280,698	224,558	56,140	-	-	-	280,698
9	Group Insurance	490,722	196,289	98,144	196,289	-	-	490,722
10	Pensions	6,298	2,519	1,260	2,519	-	-	6,298
11	Regulatory Expense	101,188	40,475	20,238	40,475	-	-	101,188
12	Insurance Other Than Group	288,791	115,517	57,758	115,517	-	-	288,791
13	Customer Accounting	814,520	-	-	814,520	-	-	814,520
14	Rents	45,805	-	-	45,805	-	-	45,805
15	General Office Expense	206,172	-	-	206,172	-	-	206,172
16	Miscellaneous	456,839	-	-	456,839	-	-	456,839
17	Maintenance Expense	205,746	164,597	41,149	-	-	-	205,746
18	Depreciation & Amortization[1]	1,685,724	618,077	256,545	117,253	528,612	165,237	1,685,724
19	General Taxes-Other	218,906	-	-	218,906	-	-	218,906
20								
21								
22	Property Taxes, Allocated on Schedules G-1 & G-2							
23	Income Tax, Allocated on Schedules G-1 & G-2							
24								
25	Total	$ 8,578,231	$ 2,237,014	$ 2,562,286	$ 3,085,082	$ 528,612	$ 165,237	**$ 8,578,231**
26								
27								
28								
29	[1] Depreciation allocation computed on Schedule G-6, Page 3.1 and 3.2							
30								
31								
32								
33								
34	See Schedule G-7, page 2.2 for allocation factors.							
35	See Schedule G-5, page 1 for allocations by class.							
36								
37								
38								

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Allocation of Expenses to Functions
At Proposed Rates

Exhibit
Rebuttal Schedule G-6
Page 2
Witness: Bourassa

Line No.	Description	At Proposed Per C-1	Demand	Commodity	Customer	Meters	Services	Totals
1	Labor	$ 1,702,156	$ 680,863	$ 340,431	$ 680,863	$ -	$ -	$ 1,702,156
2	Purchased Water	-	-	-	-	-	-	-
3	Fuel & Power	1,560,999	-	1,560,999	-	-	-	1,560,999
4	Chemicals	34,194	-	34,194	-	-	-	34,194
5	Waste Disposal	4,661	4,195	466	-	-	-	4,661
6	Intercompany Support Services	1,396	558	279	558	-	-	1,396
7	Corporate Allocation	473,416	189,366	94,683	189,366	-	-	473,416
8	Outside Services	280,698	224,558	56,140	-	-	-	280,698
9	Group Insurance	490,722	196,289	98,144	196,289	-	-	490,722
10	Pensions	6,298	2,519	1,260	2,519	-	-	6,298
11	Regulatory Expense	101,188	40,475	20,238	40,475	-	-	101,188
12	Insurance Other Than Group	288,791	115,517	57,758	115,517	-	-	288,791
13	Customer Accounting	822,925	-	-	822,925	-	-	822,925
14	Rents	45,805	-	-	45,805	-	-	45,805
15	General Office Expense	206,172	-	-	206,172	-	-	206,172
16	Miscellaneous	456,839	-	-	456,839	-	-	456,839
17	Maintenance Expense	205,746	164,597	41,149	-	-	-	205,746
18	Depreciation & Amortization[1]	1,685,724	618,077	256,545	117,253	528,612	165,237	1,685,724
19	General Taxes-Other	218,906	-	-	218,906	-	-	218,906
20								
21								
22	Property Taxes, Allocated on Schedules G-1 & G-2							
23	Income Tax, Allocated on Schedules G-1 & G-2							
24								
25	Total	$ 8,586,636	$ 2,237,014	$ 2,562,286	$ 3,093,487	$ 528,612	$ 165,237	**$ 8,586,636**
26								
27								
28								
29	[1] Depreciation allocation computed on Schedule G-6, Page 3.1 and 3.2							
30								
31								
32								
33								
34	See Schedule G-7, page 2.2 for allocation factors.							
35	See Schedule G-4, page 2 for allocations by class.							
36								
37								
38								

Sun City Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Intangible**										
2	301000	Organization	$ 471	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
3	302000	Franchises	-	0.000%	-	F-1	-	-	-	-	-
4	303100	Other Intangible Plant	-	0.000%	-	F-1	-	-	-	-	-
5	**Subtotal Intangible**		$ 471		$ -		$ -	$ -	$ -	$ -	$ -
6											
7		**Source of Supply & Pumping Plant**									
8	303200	Land and Land Rights - Supply	$ 268,738	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
9	303300	Land and Land Rights - Pumping	8,456	0.000%	-	F-1	-	-	-	-	-
10	304100	Structures and Improvements - Supply	(98,493)	2.500%	(2,462)	F-1	(1,724)	(739)	-	-	-
11	304200	Structures and Improvements - Pumping	4,467,063	2.000%	89,341	F-1	62,539	26,802	-	-	-
12	305000	Collecting and Impounding Res.	314	1.667%	5	F-1	4	2	-	-	-
13	306000	Lakes, Rivers, Other Intakes	-	0.000%	-	F-1	-	-	-	-	-
14	307000	Wells and Springs	3,812,341	2.500%	95,309	F-1	66,716	28,593	-	-	-
15	308000	Infiltration Galleries and Tunnels	-	0.000%	-	F-1	-	-	-	-	-
16	309000	Supply Mains	787,835	1.667%	13,131	F-1	9,191	3,939	-	-	-
17	310000	Power Generation Equipment	1,430,917	3.333%	47,697	F-1	33,388	14,309	-	-	-
18	311000	Pumping Equipment - Steam	-	4.000%	-	F-1	-	-	-	-	-
19	311100	Pumping Equipment - Other	4,473	4.000%	179	F-1	125	54	-	-	-
20	311200	Pumping Equipment - Electric	11,150,383	4.000%	446,015	F-1	312,211	133,805	-	-	-
21	311300	Pumping Equipment - Diesel	213,446	4.000%	8,538	F-1	5,976	2,561	-	-	-
22	311400	Pumping Equipment - Hydraulic	16,219	4.000%	649	F-1	454	195	-	-	-
23	311500	Pumping Equipment - Other	210,006	4.000%	8,400	F-1	5,880	2,520	-	-	-
24	311530	Pumping Equipment - Water Treatment	35,035	4.000%	1,401	F-1	981	420	-	-	-
25	**Subtotal Source of Supply & Pumping Plant**		$ 22,306,733		$ 708,203		$ 495,742	$ 212,461	$ -	$ -	$ -
26											
27	**Water Treatment**										
28	303400	Land and Land Rights - Treatment	$ -	0.000%	$ -	F-1	-	-	-	-	-
29	304300	Structures and Improvements - Treatment	126,815	2.000%	2,536	F-1	1,775	761	-	-	-
30	320000	Water Treatment Plant	-	0.000%	-	F-1	-	-	-	-	-
31	320100	Water Treatment Equipment - Non-media	881,710	5.000%	44,085	F-1	30,860	13,226	-	-	-
32	320200	Water Treatment Equipment - Media	120,791	10.000%	12,079	F-1	8,455	3,624	-	-	-
33	**Subtotal Water Treatment**		$ 1,129,315		$ 58,701		$ 41,091	$ 17,610	$ -	$ -	$ -
34											
35	**Transmission and Distribution Plant**										
36	303500	Land and Land Rights - T&D	$ 10,493	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
37	304400	Structures and Improvements - T&D	34,162	2.000%	683	F-1	478	205	-	-	-
38	330000	Distribution Reservoirs & Standpipes	5,621,435	1.538%	86,484	F-1	60,539	25,945	-	-	-
39	330100	Elevated Tank & Standpipes	-	0.000%	-	F-1	-	-	-	-	-
40	330200	Ground Level Tanks	88,434	1.538%	1,361	F-1	952	408	-	-	-
41	330300	Below Ground Tanks	-	0.000%	-	F-1	-	-	-	-	-
42	331001	T&D Mains Not Classified	1,128,335	2.000%	22,567	F-1	15,797	6,770	-	-	-
43	331100	T&D Mains 4in & less	13,290,123	1.429%	189,859	F-1	132,901	56,958	-	-	-
44	331200	T&D Mains 6in to 8in	4,576,963	1.429%	65,385	F-1	45,770	19,616	-	-	-
45	331300	T&D Mains 10in to 16in	5,251,696	1.429%	75,024	F-1	52,517	22,507	-	-	-
46	331400	TD Mains 18in & Grtr	152,237	1.429%	2,175	F-1	1,522	652	-	-	-
47	332000	Fire Mains	0	1.429%	0	F-2	0	-	-	-	-

Sun City Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.2
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	333000	Services	$ 6,609,463	2.500%	$ 165,237	F-3	$ -	$ -	$ -	$ -	$ 165,237
2	334100	Meters	6,145,033	8.333%	512,086	F-4	-	-	-	512,086	-
3	334200	Meter Installations	660,094	2.500%	16,502	F-4	-	-	-	16,502	-
4	334300	Meter Vaults	952	2.500%	24	F-4	-	-	-	24	-
5	335000	Hydrants	2,941,652	2.000%	58,833	F-5	-	-	58,833	-	-
6	336000	Backflow Prevention Devices	7,036	6.670%	469	F-1	329	141	-	-	-
7	339100	Other P/E-Intangible	-	0.000%	-	F-1	-	-	-	-	-
8	339200	Other P/E-Supply	-	0.000%	-	F-1	-	-	-	-	-
9	339500	Other P/E-TD	523	3.333%	17	F-1	12	5	-	-	-
10	339600	Other P/E-CPS	179,653	3.333%	5,988	F-1	4,192	1,797	-	-	-
11	**Subtotal Transmission and Distribution Plant**		$ 46,698,285		$ 1,202,694		$ 315,009	$ 135,004	$ 58,833	$ 528,612	$ 165,237
12											
13	**General Plant**										
14	303600	Land and Land Rights	$ 2,125	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
15	304500	Structures and Improvements - General	374,292	2.500%	9,357	F-1	6,550	2,807	-	-	-
16	304600	Structures and Improvements - Offices	47,528	2.500%	1,188	F-1	832	356	-	-	-
17	304620	Structures and Improvements - Leasehold	-	0.000%	-	F-1	-	-	-	-	-
18	304700	Structures and Improvements - Sore,Shop,Gge	-	0.000%	-	F-1	-	-	-	-	-
19	304800	Structures and Improvements - General	1,383,151	2.500%	34,579	F-1	24,205	10,374	-	-	-
20	340100	Office Furniture & Equipment	779,242	4.500%	35,066	F-6	8,766	-	26,299	-	-
21	340200	Computers & Software	223,286	10.000%	22,329	F-6	5,582	-	16,746	-	-
22	340300	Computer Software	43,402	20.000%	0	F-6	0	-	0	-	-
23	340310	Computer Software Mainframe	9,105	20.000%	1,821	F-6	455	-	1,366	-	-
24	340325	Computer Software Customized	16,914	20.000%	3,383	F-6	846	-	2,537	-	-
25	340330	Computer Software Other	-	0.000%	-	F-6	-	-	-	-	-
26	340500	Other Office Equipment	3,854	6.667%	257	F-6	64	-	193	-	-
27	341100	Transportation Equip Light Duty Truks	976,241	20.000%	(0)	F-6	(0)	-	(0)	-	-
28	341200	Transportation Equip Heavy Duty Truks	54,958	14.286%	(2)	F-6	(1)	-	(2)	-	-
29	341300	Transportation Equipment Autos	-	0.000%	-	F-6	-	-	-	-	-
30	341400	Transportation Equipment Other	85,411	16.667%	14,235	F-6	3,559	-	10,676	-	-
31	342000	Stores Equipment	20,135	4.000%	805	F-6	201	-	604	-	-
32	343000	Tools and Work Equipment	376,007	4.000%	15,040	F-1	10,528	4,512	-	-	-
33	344000	Laboratory Equipment	107,428	4.000%	4,297	F-1	3,008	1,289	-	-	-
34	345000	Power Operated Equipment	151,899	5.000%	7,595	F-1	5,316	2,278	-	-	-
35	346100	Communication Equipment Non-Telephone	218,768	10.000%	0	F-1	0	0	-	-	-
36	346190	Remote Control & Instrument	396,434	10.000%	39,643	F-1	27,750	11,893	-	-	-
37	346200	Communication Equipment Telephone	1,126	10.000%	113	F-1	79	34	-	-	-
38	346300	Communication Equipment Other	174,797	10.000%	17,480	F-1	12,236	5,244	-	-	-
39	347000	Other P/E-Supply	10,219	6.250%	639	F-1	447	192	-	-	-
40	348000	Other P/E-TD	-	0.000%	-	F-1	-	-	-	-	-
41	**Subtotal General Plant**		$ 5,456,321		$ 207,824		$ 110,425	$ 38,979	$ 58,420	$ -	$ -
42	**Total Direct Plant**		$ 75,591,125		$ 2,177,423		$ 962,266	$ 404,054	$ 117,253	$ 528,612	$ 165,237
43											
44											
45											

Sun City Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.3
Witness: Bourassa

Line No.	Account No.	Description	Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Allocated General Plant**										
2	399000	Allocated Corporate General Plant	569,612		46,268	F-1	32,387	13,880	-	-	-
3	399000	Youngtown Plnt	(149,497)			F-1	-	-	-	-	-
4	399000	Reconcilation to PIS Balance	-		-	F-1	-	-	-	-	-
5	**Test Year Ended June 30, 2013**		$ 420,115		$ 46,268		$ 32,387	$ 13,880	$ -	$ -	$ -
6	Total Plant		$ 76,011,241		$ 2,223,690		$ 994,654	$ 417,935	$ 117,253	$ 528,612	$ 165,237
7											
8											
9	Less:	Contributions in Aid of Construction	$ (17,500,751)	3.20%	$ (560,614)	F-1	(392,430)	(168,184)	-	-	-
10		Advances in Aid of Construction	(6,374,283)			F-1	-	-	-	-	-
11		Meter Deposits	(4,903)			F-7	-	-	-	-	-
12		Deferred Income Tax	(1,014,247)			F-1	-	-	-	-	-
13		Working Capital	62,681			F-1	-	-	-	-	-
14		Deferred Reg Assets/Liabilities	392,362		22,648	F-1	15,853	6,794	-	-	-
15	Totals		51,572,099		$ 1,685,724		$ 618,077	$ 256,545	$ 117,253	$ 528,612	$ 165,237
16											
17											
18											
19											
20											

Sun City Water District
Test Year Ended June 30, 2013
Summary of Commodity - Demand Method Functions Factors

Exhibit
Rebuttal Schedule G-7
Page 1
Witness: Bourassa

Line No.	Class	Demand	Commodity	Customer	Meters	Services
1						
2	Class	Demand	Commodity	Customer	Meters	Services
3	Residential	0.752	0.778	0.959	0.946	0.860
4		-	-	-	-	-
5	Commercial	0.176	0.188	0.040	0.053	0.137
6	Other	0.072	0.034	0.000	0.001	0.003
7						
8	Total	1.000	1.000	1.000	1.000	1.000
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33						
34	SUPPORTING SCHEDULES					
35	G-7, page 3					

Sun City Water District
Test Year Ended June 30, 2013
COMMODITY - DEMAND METHOD FUNCTION FACTORS
Plant-in-Service, Accumulated Depreciation, and Depreciation Expense Allocations Functions

Exhibit
Rebuttal Schedule G-7
Page 2.1
Witness: Bourassa

Line No.	Factor	Demand	Commodity	Customer	Meters	Services
1						
2	Factor	Demand	Commodity	Customer	Meters	Services
3	F-1	0.70	0.30			
4	F-2	1.00				
5	F-3					1.00
6	F-4				1.00	
7	F-5			1.00		
8	F-6	0.25		0.75		
9	F-7				0.50	0.50
10						
11						
12						
13						
14						
15						
16						
17	Development of F-1 Allocation Factor					
18		MGD		RATIO		DEMAND FACTOR
19		(a)		(b)		(c)
20	(1) Avg day	11,280.89	G-7, page 3	1.00		1.00 1/(b)
21	(2) Max day	16,096.35	G-7, page 3	1.43	Max day/Avg day	0.70 1/(b)
22						
23						
24						
25						

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Expense Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 2.2
Witness: Bourassa

Line No.	Expense Type	Demand	Commodity	Customer	Meters	Services
1						
2	Labor	0.40	0.20	0.40	-	-
3	Purchased Water	-	1.00	-	-	-
4	Fuel & Power	-	1.00	-	-	-
5	Chemicals	-	1.00	-	-	-
6	Waste Disposal	0.90	0.10	-	-	-
7	Intercompany Support Services	0.40	0.20	0.40	-	-
8	Corporate Allocation	0.40	0.20	0.40	-	-
9	Outside Services	0.80	0.20	-	-	-
10	Group Insurance	0.40	0.20	0.40	-	-
11	Pensions	0.40	0.20	0.40	-	-
12	Regulatory Expense	0.40	0.20	0.40	-	-
13	Insurance Other Than Group	0.40	0.20	0.40	-	-
14	Customer Accounting	-	-	1.00	-	-
15	Rents	-	-	1.00	-	-
16	General Office Expense	-	-	1.00	-	-
17	Miscellaneous	-	-	1.00	-	-
18	Maintenance Expense	0.80	0.20	-	-	-
19	Depreciation & Amortization		See Schedule G-7, page 2.1			
20	General Taxes-Other	-	-	1.00	-	-
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 3.1
Witness: Bourassa

COMMODITY ALLOCATION FACTOR

Meter Size	Class	(a) Total Gallons (in 1,000's) In Test Year	Percent of Total
5/8x3/4"	Residential	1,623,696	39.43%
5/8x3/4"	Commercial	14,264	0.35%
3/4"	Residential	86,781	2.11%
3/4"	Commercial	3,759	0.09%
1"	Residential	72,361	1.76%
1"	Commercial	48,641	1.18%
1-1/2"	Residential	985,151	23.93%
1-1/2"	Commercial	147,972	3.59%
2"	Residential	419,117	10.18%
2"	Commercial	234,939	5.71%
3"	Residential	7,055	0.17%
3"	Commercial	57,288	1.39%
4"	Residential	-	0.00%
4"	Commercial	63,762	1.55%
6"	Residential	8,791	0.21%
6"	Commercial	202,600	4.92%
8"	Residential	-	0.00%
8"	Commercial	-	0.00%
2"	Irrigation	3,209	0.08%
6"	Raw	138,140	3.35%
		-	0.00%
		-	0.00%
Totals		4,117,527	100.00%

DEMAND ALLOCATION FACTOR

Meter Size	Class	Average Daily Gallons	Demand Factor	Average Peak Demand (1,000's)	Percent of Total
5/8x3/4"	Residential	4,448.48	1.22	5,410.21	33.61%
5/8x3/4"	Commercial	39.08	1.28	49.85	0.31%
3/4"	Residential	237.76	1.19	282.60	1.76%
3/4"	Commercial	10.30	1.86	19.20	0.12%
1"	Residential	198.25	1.46	290.33	1.80%
1"	Commercial	133.26	1.43	190.68	1.18%
1-1/2"	Residential	2,699.04	1.68	4,537.23	28.19%
1-1/2"	Commercial	405.40	1.59	645.14	4.01%
2"	Residential	1,148.27	1.33	1,531.66	9.52%
2"	Commercial	643.67	1.35	870.20	5.41%
3"	Residential	19.33	1.45	27.98	0.17%
3"	Commercial	156.95	1.31	205.06	1.27%
4"	Residential	-	0.00	-	0.00%
4"	Commercial	174.69	1.44	250.95	1.56%
6"	Residential	24.08	1.27	30.70	0.19%
6"	Commercial	555.07	1.07	596.07	3.70%
8"	Residential	-	0.00	-	0.00%
8"	Commercial	-	0.00	-	0.00%
2"	Irrigation	8.79	1.65	14.46	0.09%
6"	Raw	378.47	3.02	1,144.02	7.11%
		-	0.00	-	0.00%
		-	0.00	-	0.00%
Totals		11,280.89		16,096.35	100.00%

Class	(a) Total Gallons (in 1,000's) In Test Year	Percent of Total
Residential	3,202,953	77.788%
Commercial	773,224	18.779%
Other	141,349	3.433%
Total	4,117,527	100.000%

Class	Peak Demand (1,000's)	Percent of Total
Residential	12,111	75.239%
Commercial	2,827	17.564%
Other	1,158	7.197%
Total	16,096	100.000%

(a) Includes customer and gallons sold annualization.

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 3.2
Witness: Bourassa

CUSTOMER ALLOCATION FACTOR

Meter Size	Class	Number of Meters	Percent of Total
5/8x3/4"	Residential	18,784	82.31%
5/8x3/4"	Commercial	221	0.97%
3/4"	Residential	969	4.25%
3/4"	Commercial	16	0.07%
1"	Residential	403	1.77%
1"	Commercial	154	0.67%
1-1/2"	Residential	1,304	5.71%
1-1/2"	Commercial	285	1.25%
2"	Residential	431	1.89%
2"	Commercial	209	0.92%
3"	Residential	2	0.01%
3"	Commercial	25	0.11%
4"	Residential	-	0.00%
4"	Commercial	5	0.02%
6"	Residential	2	0.01%
6"	Commercial	7	0.03%
8"	Residential	-	0.00%
8"	Commercial	-	0.00%
2"	Irrigation	2	0.01%
6"	Raw	2	0.01%
6"	Public Interruptible	0	0.00%
Totals		22,821	100.00%

Class	Number of Meters	Percent of Total
Residential	21,896	95.943%
Commercial	922	4.040%
Other	4	0.017%
Total	22,821	100.000%

SERVICES ALLOCATION FACTOR (b)

Meter Size	Class	Number of Services	Install-ation Cost	Dollar Weighted Number Services	Percent of Total
5/8x3/4"	Residential	18,784	445.00	8,359,028	78.53%
5/8x3/4"	Commercial	221	445.00	98,493	0.93%
3/4"	Residential	969	445.00	431,205	4.05%
3/4"	Commercial	16	445.00	7,120	0.07%
1"	Residential	403	495.00	199,568	1.87%
1"	Commercial	154	495.00	76,106	0.72%
1-1/2"	Residential	1,304	550.00	717,017	6.74%
1-1/2"	Commercial	285	550.00	156,613	1.47%
2"	Residential	431	830.00	358,076	3.36%
2"	Commercial	209	830.00	173,401	1.63%
3"	Residential	2	1,165.00	2,330	0.02%
3"	Commercial	25	1,165.00	29,028	0.27%
4"	Residential	0	1,670.00	-	0.00%
4"	Commercial	5	1,670.00	8,350	0.08%
6"	Residential	2	2,330.00	4,660	0.04%
6"	Commercial	7	2,330.00	16,893	0.16%
8"	Residential	0	3,262.00	-	0.00%
8"	Commercial	0	3,262.00	-	0.00%
2"	Irrigation	2	830.00	1,660	0.02%
6"	Raw	2	2,330.00	3,689	0.03%
6"	Public Interruptible	0	2,330.00	777	0.01%
Totals		22,821		$ 10,644,013	100.00%

Class	Dollar Weighted Number Services	Percent of Total
Residential	10,071,883	94.625%
Commercial	566,003	5.318%
Other	6,126	0.058%
Total	10,644,013	100.000%

(b) Meter and Service Line cost from Arizona Corporation Commission Memo of February 21, 2008 from Marlin Scott, Jr.. Meter costs based on compound meters. Cost of service line and meter is based on costs allowed for a compound meter installation.

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

METER ALLOCATION FACTOR (b)

Meter Size		Number of Meters	Meter Cost	Weighted Dollars of Meters	Percent of Total
5/8x3/4"	Residential	18,784	155.00	2,911,572	52.14%
5/8x3/4"	Commercial	221	155.00	34,307	0.61%
3/4"	Residential	969	255.00	247,095	4.42%
3/4"	Commercial	16	255.00	4,080	0.07%
1"	Residential	403	315.00	126,998	2.27%
1"	Commercial	154	315.00	48,431	0.87%
1-1/2"	Residential	1,304	525.00	684,425	12.26%
1-1/2"	Commercial	285	525.00	149,494	2.68%
2"	Residential	431	1,890.00	815,378	14.60%
2"	Commercial	209	1,890.00	394,853	7.07%
3"	Residential	2	2,545.00	5,090	0.09%
3"	Commercial	25	2,545.00	63,413	1.14%
4"	Residential	0	3,645.00	0	0.00%
4"	Commercial	5	3,645.00	18,225	0.33%
6"	Residential	2	6,920.00	13,840	0.25%
6"	Commercial	7	6,920.00	50,170	0.90%
8"	Residential	0	9,688.00	0	0.00%
8"	Commercial	0	9,688.00	0	0.00%
2"	Irrigation	2	1,890.00	3,780	0.07%
6"	Raw	2	6,920.00	10,957	0.20%
6"	Public Interruptible	0	6,920.00	2,307	0.04%
Totals		22,821		$ 5,584,412	100.00%

Class	Weighted Dollars of Meters	Percent of Total
Residential	4,804,397	86.032%
Commercial	762,972	13.663%
Other	17,043	0.305%
Total	5,584,412	100.000%

(b) Meter and Service Line cost from Arizona Corporation Commission Memo of February 21, 2008 from Marlin Scott, Jr.. Meter costs based on compound meters. Cost of service line and meter is based on costs allowed for a compound meter installation.

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
ALL CUSTOMER CLASSES

Exhibit
Rebuttal Schedule G-8
Page 1A
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				103,833	194,808	343,808
3	Misc. Revenues (From Sched G-2, page1)					(162,387)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					3,093,487	165,237	528,612
5	Property Taxes (From Sched. G-2, page 1)					453,476		
6	Income Taxes (From Sched. G-2, page 1)					693,445		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					4,181,854	360,045	872,420
8								
9	**Customer Charge**							
10	Number of Bills =	22,821	times 12 months			273,857		
11								
12	**Charge per Bill**					$ 15.27		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		36,031	times	12	months	432,368	432,368
17								
18	**Charge per Equivalent Meter**						$ 0.83	$ 2.02
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 15.27	
24	Charge per Equivalent Service Line						0.83	
25	Charge per Equivalent Meter						2.02	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 18.12	

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
ALL CUSTOMER CLASSES

Exhibit
Rebuttal Schedule G-8
Page 2A
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
2			
3	Return on Rate Base	6.81%	819,570
4	Demand Expenses (From Schedule G-4, Page 2)		2,237,014
5			
6	Totals		3,056,585
7	Total Revenue Requirement / Demand Component		
8	Equivalent Number of 5/8 Meters billings		432,368
9	Demand Charge for 5/8 Inch Meter		$ 7.07
10			
11			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
13	5/8 Inch Meter	$ 7.07	1.0	$ 7.07
14	3/4 Inch Meter	7.07	1.5	10.60
15	1 Inch Meter	7.07	2.5	17.67
16	1 1/2 Inch Meter	7.07	5.0	35.35
17	2 Inch Meter	7.07	8.0	56.56
18	3 Inch Meter	7.07	16.0	113.11
19	4 Inch Meter	7.07	25.0	176.74
20	6 Inch Meter	7.07	50.0	353.47
21	8 Inch Meter	7.07	80.0	565.55
22	10 Inch Meter	7.07	115.0	812.98
23	12 Inch Meter	7.07	215.0	1,519.92

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
ALL CUSTOMER CLASSES

Exhibit
Rebuttal Schedule G-8
Page 3A
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	353,982	103,833	194,808	343,808	819,570
4	Less: Miscellaneous Revenues			(162,387)			
5							
6	Expenses (From Sch. G-4. Page 2)		2,562,286	3,093,487	165,237	528,612	2,237,014
7	Property Taxes (From Sched. G-2, page 1)			453,476			
8	Income Taxes (From Sched. G-2, page 1)			693,445			
9	Total Revenue Requirement by function		2,916,268	4,181,854	360,045	872,420	3,056,585
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		4,117,527				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.7083**				
12	Annualized Number of Bills			273,857			
13	Equivalent Meters and Service Lines				432,368	432,368	432,368
14	Customer Charge (line 9 divided by line 12)			$ 15.27			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 0.83	$ 2.02	$ 7.07
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 25.19
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 25.19	1.0	$ 25.19
22	3/4 Inch Meter	25.19	1.5	37.79
23	1 Inch Meter	25.19	2.5	62.98
24	1 1/2 Inch Meter	25.19	5.0	125.95
25	2 Inch Meter	25.19	8.0	201.52
26	3 Inch Meter	25.19	16.0	403.04
27	4 Inch Meter	25.19	25.0	629.75
28	6 Inch Meter	25.19	50.0	1,259.51
29	8 Inch Meter	25.19	80.0	2,015.21
30	10 Inch Meter	25.19	115.0	2,896.86
31	12 Inch Meter	25.19	215.0	5,415.88
32				
33				

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
ALL CUSTOMER CLASSES

Exhibit
Rebuttal Schedule G-8
Page 4A
Witness: Bourassa

Line No.					
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**				
2					
3	Revenue Requirements Collected via Commodity Charge				
4				Commodity	
5		Total		Portion of	
6		Rev. Req.	%	Rev. Req.	
6	Customer, Service, and Meter Costs	$ 5,414,318	45%	$ 2,436,443	
7	Demand Costs	3,056,585	45%	1,375,463	
8	Commodity Costs	2,916,268	100%	2,916,268	
9	Total Costs to be Collected via Commodity			$ 6,728,174	
10	Gallons Sold			4,117,527	
11					
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 1.634**	
13					
14	Revenue Requirement Collected via Monthly Minimum				
15					
16	Monthly Minimum 5/8 Meter				
17	Total Revenue Requirement			$ 11,387,171	
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(6,728,174)	
19	Balance to be Recovered through Monthly Minimum			$ 4,658,997	40.91%
20					Percent revenue recovery
21					from monthly mins
22	Number of Equivalent 5/8 Inch Meter Billings			432,368	
23					
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 10.78**	
25					
26					
27					
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum	
29	5/8 Inch Meter	$ 10.78	1.0	$ 10.78	
30	3/4 Inch Meter	10.78	1.5	16.16	
31	1 Inch Meter	10.78	2.5	26.94	
32	1 1/2 Inch Meter	10.78	5.0	53.88	
33	2 Inch Meter	10.78	8.0	86.20	
34	3 Inch Meter	10.78	16.0	172.41	
35	4 Inch Meter	10.78	25.0	269.39	
36	6 Inch Meter	10.78	50.0	538.78	
37	8 Inch Meter	10.78	80.0	862.04	
38	10 Inch Meter	10.78	115.0	1,239.19	
39	12 Inch Meter	10.78	215.0	2,316.74	

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 1B
Witness: Bourassa

Line No.						Customer	Service	Meter
1	Return on Rate Base	6.81%				99,621	167,598	325,328
2	Misc. Revenues (From Sched G-2, page1)					(155,799)		
3	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					2,967,988	142,157	500,199
4	Property Taxes (From Sched. G-2, page 1)					366,789		
5	Income Taxes (From Sched. G-2, page 1)					429,053		
6	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					3,707,651	309,755	825,526
7								
8	**Customer Charge**							
9	Number of Bills =	21,896	times 12 months			262,747		
10								
11	**Charge per Bill**					$ 14.11		
12	(Customer Revenue Requirement divided by Annualized Number of Bills)							
13								
14	**Service Line and Meter Charge**							
15	Equivalent 5/8 Meters		31,347	times	12	months	376,169	376,169
16								
17	**Charge per Equivalent Meter**						$ 0.82	$ 2.19
18								
19								
20	**CUSTOMER CHARGE:**							
21	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
22	Charge per Bill						$ 14.11	
23	Charge per Equivalent Service Line						0.82	
24	Charge per Equivalent Meter						2.19	
25	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
26	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 17.13	

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 2B
Witness: Bourassa

Line No.	**DEMAND CHARGE:**			
1				
2	Return on Rate Base 6.81%			616,636
3	Demand Expenses (From Schedule G-4, Page 2)			1,683,105
4				
5	Totals			2,299,741
6	Total Revenue Requirement / Demand Component			
7	Equivalent Number of 5/8 Meters billings			376,169
8	Demand Charge for 5/8 Inch Meter			$ 6.11
9				
10		5/8" Demand Charge	Meter Ratio	Demand Charge
11	Demand Charge Per Equivalent			
12	5/8 Inch Meter	$ 6.11	1.0	$ 6.11
13	3/4 Inch Meter	6.11	1.5	9.17
14	1 Inch Meter	6.11	2.5	15.28
15	1 1/2 Inch Meter	6.11	5.0	30.57
16	2 Inch Meter	6.11	8.0	48.91
17	3 Inch Meter	6.11	16.0	97.82
18	4 Inch Meter	6.11	25.0	152.84
19	6 Inch Meter	6.11	50.0	305.68
20	8 Inch Meter	6.11	80.0	489.09
21	10 Inch Meter	6.11	115.0	703.06
22	12 Inch Meter	6.11	215.0	1,314.42

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 3B
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	275,356	99,621	167,598	325,328	616,636
4	Less: Miscellaneous Revenues			(155,799)			
6	Expenses (From Sch. G-4. Page 2)		1,993,158	2,967,988	142,157	500,199	1,683,105
7	Property Taxes (From Sched. G-2, page 1)			366,789			
8	Income Taxes (From Sched. G-2, page 1)			429,053			
9	Total Revenue Requirement by function		2,268,515	3,707,651	309,755	825,526	2,299,741
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		3,202,953				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.7083**				
12	Annualized Number of Bills			262,747			
13	Equivalent Meters and Service Lines				376,169	376,169	376,169
14	Customer Charge (line 9 divided by line 12)			$ 14.11			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 0.82	$ 2.19	$ 6.11
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 23.24

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 23.24	1.0	$ 23.24
22	3/4 Inch Meter	23.24	1.5	34.86
23	1 Inch Meter	23.24	2.5	58.11
24	1 1/2 Inch Meter	23.24	5.0	116.21
25	2 Inch Meter	23.24	8.0	185.94
26	3 Inch Meter	23.24	16.0	371.88
27	4 Inch Meter	23.24	25.0	581.07
28	6 Inch Meter	23.24	50.0	1,162.13
29	8 Inch Meter	23.24	80.0	1,859.42
30	10 Inch Meter	23.24	115.0	2,672.91
31	12 Inch Meter	23.24	215.0	4,997.18

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 4B
Witness: Bourassa

Line No.					
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**				
2					
3	Revenue Requirements Collected via Commodity Charge				
4		Total		Commodity	
5		Rev. Req.	%	Portion of Rev. Req.	
6	Customer, Service, and Meter Costs	$ 4,842,932	40%	$ 1,937,173	
7	Demand Costs	2,299,741	40%	919,896	
8	Commodity Costs	2,268,515	100%	2,268,515	
9	Total Costs to be Collected via Commodity			$ 5,125,584	
10	Gallons Sold			3,202,953	
11					
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 1.600**	
13					
14	Revenue Requirement Collected via Monthly Minimum				
15					
16	Monthly Minimum 5/8 Meter				
17	Total Revenue Requirement			$ 9,411,188	
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(5,125,584)	
19	Balance to be Recovered through Monthly Minimum			$ 4,285,604	45.54%
20					Percent revenue recovery
21					from monthly mins
22	Number of Equivalent 5/8 Inch Meter Billings			376,169	
23					
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 11.39**	
25					
26					
27		5/8"	Meter	Monthly	
28	Meter Size	Minimum	Ratio	Minimum	
29	5/8 Inch Meter	$ 11.39	1.0	$ 11.39	
30	3/4 Inch Meter	11.39	1.5	17.09	
31	1 Inch Meter	11.39	2.5	28.48	
32	1 1/2 Inch Meter	11.39	5.0	56.96	
33	2 Inch Meter	11.39	8.0	91.14	
34	3 Inch Meter	11.39	16.0	182.28	
35	4 Inch Meter	11.39	25.0	284.82	
36	6 Inch Meter	11.39	50.0	569.64	
37	8 Inch Meter	11.39	80.0	911.42	
38	10 Inch Meter	11.39	115.0	1,310.17	
39	12 Inch Meter	11.39	215.0	2,449.44	

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 1C
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				4,195	26,616	18,282
3	Misc. Revenues (From Sched G-2, page1)					(6,560)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					124,968	22,575	28,109
5	Property Taxes (From Sched. G-2, page 1)					80,787		
6	Income Taxes (From Sched. G-2, page 1)					314,877		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					518,267	49,191	46,392
8								
9	**Customer Charge**							
10	Number of Bills =	922	times 12 months			11,063		
11								
12	**Charge per Bill**					$ 46.85		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		4,611	times	12	months	55,332	55,332
17								
18	**Charge per Equivalent Meter**						$ 0.89	$ 0.84
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 46.85	
24	Charge per Equivalent Service Line						0.89	
25	Charge per Equivalent Meter						0.84	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 48.57	

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 2C
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
2			
3	Return on Rate Base	6.81%	143,949
4	Demand Expenses (From Schedule G-4, Page 2)		392,907
5			
6	Totals		536,856
7	Total Revenue Requirement / Demand Component		
8	Equivalent Number of 5/8 Meters billings		55,332
9	Demand Charge for 5/8 Inch Meter		$ 9.70
10			
11			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
12				
13	5/8 Inch Meter	$ 9.70	1.0	$ 9.70
14	3/4 Inch Meter	9.70	1.5	14.55
15	1 Inch Meter	9.70	2.5	24.26
16	1 1/2 Inch Meter	9.70	5.0	48.51
17	2 Inch Meter	9.70	8.0	77.62
18	3 Inch Meter	9.70	16.0	155.24
19	4 Inch Meter	9.70	25.0	242.56
20	6 Inch Meter	9.70	50.0	485.13
21	8 Inch Meter	9.70	80.0	776.20
22	10 Inch Meter	9.70	115.0	1,115.79
23	12 Inch Meter	9.70	215.0	2,086.05

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 3C
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	66,474	4,195	26,616	18,282	143,949
4	Less: Miscellaneous Revenues			(6,560)			
6	Expenses (From Sch. G-4. Page 2)		481,168	124,968	22,575	28,109	392,907
7				80,787			
8	Income Taxes (From Sched. G-2, page 1)			314,877			
9	Total Revenue Requirement by function		547,642	518,267	49,191	46,392	536,856
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		773,224				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.7083**				
12	Annualized Number of Bills			11,063			
13	Equivalent Meters and Service Lines				55,332	55,332	55,332
14	Customer Charge (line 9 divided by line 12)			$ 46.85			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 0.89	$ 0.84	$ 9.70
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 58.28

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 58.28	1.0	$ 58.28
22	3/4 Inch Meter	58.28	1.5	87.42
23	1 Inch Meter	58.28	2.5	145.69
24	1 1/2 Inch Meter	58.28	5.0	291.38
25	2 Inch Meter	58.28	8.0	466.21
26	3 Inch Meter	58.28	16.0	932.43
27	4 Inch Meter	58.28	25.0	1,456.92
28	6 Inch Meter	58.28	50.0	2,913.84
29	8 Inch Meter	58.28	80.0	4,662.15
30	10 Inch Meter	58.28	115.0	6,701.84
31	12 Inch Meter	58.28	215.0	12,529.53

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 4C
Witness: Bourassa

Line No.					
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**				
2					
3	Revenue Requirements Collected via Commodity Charge				
4		Total		Commodity	
5		Rev. Req.	%	Portion of Rev. Req.	
6	Customer, Service, and Meter Costs	$ 613,850	40%	$ 245,540	
7	Demand Costs	536,856	40%	214,742	
8	Commodity Costs	547,642	100%	547,642	
9	Total Costs to be Collected via Commodity			$ 1,007,924	
10	Gallons Sold			773,224	
11					
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 1.304**	
13					
14	Revenue Requirement Collected via Monthly Minimum				
15					
16	Monthly Minimum 5/8 Meter				
17	Total Revenue Requirement			$ 1,698,347	
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(1,007,924)	
19	Balance to be Recovered through Monthly Minimum			$ 690,423	40.65%
20					Percent revenue recovery
21					from monthly mins
22	Number of Equivalent 5/8 Inch Meter Billings			55,332	
23					
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 12.48**	
25					
26					
27		5/8"	Meter	Monthly	
28	Meter Size	Minimum	Ratio	Minimum	
29	5/8 Inch Meter	$ 12.48	1.0	$ 12.48	
30	3/4 Inch Meter	12.48	1.5	18.72	
31	1 Inch Meter	12.48	2.5	31.19	
32	1 1/2 Inch Meter	12.48	5.0	62.39	
33	2 Inch Meter	12.48	8.0	99.82	
34	3 Inch Meter	12.48	16.0	199.65	
35	4 Inch Meter	12.48	25.0	311.95	
36	6 Inch Meter	12.48	50.0	623.90	
37	8 Inch Meter	12.48	80.0	998.24	
38	10 Inch Meter	12.48	115.0	1,434.96	
39	12 Inch Meter	12.48	215.0	2,682.76	

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
HYDRANT CLASS

Exhibit
Rebuttal Schedule G-8
Page 1D
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				18	595	198
3	Misc. Revenues (From Sched G-2, page1)					(28)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					531	504	304
5	Property Taxes (From Sched. G-2, page 1)					5,281		
6	Income Taxes (From Sched. G-2, page 1)					(56,230)		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					(50,428)	1,099	502
8								
9	**Customer Charge**							
10	Number of Bills =	4	times 12 months			47		
11								
12	**Charge per Bill**					$ (1,072.94)		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		72	times	12	months	867	867
17								
18	**Charge per Equivalent Meter**						$ 1.27	$ 0.58
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ (1,072.94)	
24	Charge per Equivalent Service Line						1.27	
25	Charge per Equivalent Meter						0.58	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ (1,071.10)	

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
HYDRANT CLASS

Exhibit
Rebuttal Schedule G-8
Page 2D
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
1			
2	Return on Rate Base	6.81%	58,986
3	Demand Expenses (From Schedule G-4, Page 2)		161,002
4			
5	Totals		219,988
6	Total Revenue Requirement / Demand Component		
7	Equivalent Number of 5/8 Meters billings		867
8	Demand Charge for 5/8 Inch Meter		$ 253.73
9			
10			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
12	5/8 Inch Meter	$ 253.73	1.0	$ 253.73
13	3/4 Inch Meter	253.73	1.5	380.60
14	1 Inch Meter	253.73	2.5	634.34
15	1 1/2 Inch Meter	253.73	5.0	1,268.67
16	2 Inch Meter	253.73	8.0	2,029.87
17	3 Inch Meter	253.73	16.0	4,059.75
18	4 Inch Meter	253.73	25.0	6,343.36
19	6 Inch Meter	253.73	50.0	12,686.71
20	8 Inch Meter	253.73	80.0	20,298.74
21	10 Inch Meter	253.73	115.0	29,179.44
22	12 Inch Meter	253.73	215.0	54,552.86

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
HYDRANT CLASS

Exhibit
Rebuttal Schedule G-8
Page 3D
Witness: Bourassa

Line No.			Commodity	Customer	Service	Meter	Demand
1	**Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum**						
2							
3	Return on Rate Base	6.81%	12,152	18	595	198	58,986
4	Less: Miscellaneous Revenues			(28)			
5							
6	Expenses (From Sch. G-4. Page 2)		87,960	531	504	304	161,002
7	Property Taxes (From Sched. G-2, page 1)			5,281			
8	Income Taxes (From Sched. G-2, page 1)			(56,230)			
9	Total Revenue Requirement by function		100,112	(50,428)	1,099	502	219,988
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		141,349				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 0.7083**				
12	Annualized Number of Bills			47			
13	Equivalent Meters and Service Lines				867	867	867
14	Customer Charge (line 9 divided by line 12)			$ (1,072.94)			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 1.27	$ 0.58	$ 253.73
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ (817.36)
18							
19							

	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
20				
21	5/8 Inch Meter	$ (817.36)	1.0	$ (817.36)
22	3/4 Inch Meter	(817.36)	1.5	(1,226.05)
23	1 Inch Meter	(817.36)	2.5	(2,043.41)
24	1 1/2 Inch Meter	(817.36)	5.0	(4,086.82)
25	2 Inch Meter	(817.36)	8.0	(6,538.91)
26	3 Inch Meter	(817.36)	16.0	(13,077.83)
27	4 Inch Meter	(817.36)	25.0	(20,434.10)
28	6 Inch Meter	(817.36)	50.0	(40,868.20)
29	8 Inch Meter	(817.36)	80.0	(65,389.13)
30	10 Inch Meter	(817.36)	115.0	(93,996.87)
31	12 Inch Meter	(817.36)	215.0	(175,733.28)
32				
33				

Sun City Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
HYDRANT CLASS

Exhibit
Rebuttal Schedule G-8
Page 4D
Witness: Bourassa

Line No.					
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**				
2					
3	Revenue Requirements Collected via Commodity Charge				
4		Total		Commodity Portion of	
5		Rev. Req.	%	Rev. Req.	
6	Customer, Service, and Meter Costs	$ (48,827)	40%	$ (19,531)	
7	Demand Costs	219,988	40%	87,995	
8	Commodity Costs	100,112	100%	100,112	
9	Total Costs to be Collected via Commodity			$ 168,576	
10	Gallons Sold			100,112	
11					
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 1.684**	
13					
14	Revenue Requirement Collected via Monthly Minimum				
15					
16	Monthly Minimum 5/8 Meter				
17	Total Revenue Requirement			$ 271,272	
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(168,576)	
19	Balance to be Recovered through Monthly Minimum			$ 102,696	37.86%
20					Percent revenue recovery
21					from monthly mins
22	Number of Equivalent 5/8 Inch Meter Billings			867	
23					
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 118.45**	
25					
26					
27		5/8"	Meter	Monthly	
28	Meter Size	Minimum	Ratio	Minimum	
29	5/8 Inch Meter	$ 118.45	1.0	$ 118.45	
30	3/4 Inch Meter	118.45	1.5	177.67	
31	1 Inch Meter	118.45	2.5	296.12	
32	1 1/2 Inch Meter	118.45	5.0	592.25	
33	2 Inch Meter	118.45	8.0	947.60	
34	3 Inch Meter	118.45	16.0	1,895.20	
35	4 Inch Meter	118.45	25.0	2,961.25	
36	6 Inch Meter	118.45	50.0	5,922.49	
37	8 Inch Meter	118.45	80.0	9,475.99	
38	10 Inch Meter	118.45	115.0	13,621.74	
39	12 Inch Meter	118.45	215.0	25,466.73	

Sun City Water District
Test Year Ended June 30, 2013
Comparison of Proposed Rates to Computed Costs
For a 5/8x3/4-Inch Residential Meter (With Required Operating Margin)

Exhibit
Rebuttal Schedule G-9
Page 1
Witness: Bourassa

Column Number-->		(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Revenues									(Col. 2 - Col. 8) Total Revenues minus Total Charges & Costs
Line No.	Water Usage	Monthly Minimum	Commodity	Total	Demand Charges	Customer Charges	Service Line Charges	Meter Charges	Commodity Charges	Total Charges & Costs	
1	-	$ 8.76	$ -	$ 8.76	$ 7.07	$ 15.27	$ 0.83	$ 2.02	0	$ 25.19	$ (16.43)
2	1,000	8.76	0.73	9.49	7.07	15.27	0.83	2.02	0.708	25.90	(16.40)
3	2,000	8.76	2.09	10.85	7.07	15.27	0.83	2.02	1.417	26.61	(15.75)
4	3,000	8.76	3.45	12.21	7.07	15.27	0.83	2.02	2.125	27.31	(15.10)
5	4,000	8.76	5.08	13.84	7.07	15.27	0.83	2.02	2.833	28.02	(14.18)
6	5,000	8.76	6.71	15.47	7.07	15.27	0.83	2.02	3.541	28.73	(13.26)
7	6,000	8.76	8.34	17.10	7.07	15.27	0.83	2.02	4.250	29.44	(12.34)
8	7,000	8.76	9.97	18.73	7.07	15.27	0.83	2.02	4.958	30.15	(11.41)
9	8,000	8.76	11.60	20.36	7.07	15.27	0.83	2.02	5.666	30.86	(10.49)
10	9,000	8.76	13.24	22.00	7.07	15.27	0.83	2.02	6.374	31.56	(9.57)
11	10,000	8.76	15.04	23.80	7.07	15.27	0.83	2.02	7.083	32.27	(8.48)
12	12,000	8.76	18.64	27.40	7.07	15.27	0.83	2.02	8.499	33.69	(6.29)
13	14,000	8.76	22.66	31.42	7.07	15.27	0.83	2.02	9.916	35.11	(3.69)
14	16,000	8.76	26.68	35.44	7.07	15.27	0.83	2.02	11.332	36.52	(1.09)
15	18,000	8.76	30.70	39.46	7.07	15.27	0.83	2.02	12.749	37.94	1.52
16	20,000	8.76	34.72	43.48	7.07	15.27	0.83	2.02	14.165	39.36	4.12
17	25,000	8.76	44.77	53.53	7.07	15.27	0.83	2.02	17.706	42.90	10.63
18	30,000	8.76	54.82	63.58	7.07	15.27	0.83	2.02	21.248	46.44	17.14
19	35,000	8.76	64.87	73.63	7.07	15.27	0.83	2.02	24.789	49.98	23.65
20	40,000	8.76	74.92	83.68	7.07	15.27	0.83	2.02	28.330	53.52	30.16
21	45,000	8.76	84.97	93.73	7.07	15.27	0.83	2.02	31.872	57.06	36.67
22	50,000	8.76	95.02	103.78	7.07	15.27	0.83	2.02	35.413	60.60	43.18
23	60,000	8.76	115.13	123.89	7.07	15.27	0.83	2.02	42.495	67.69	56.20
24	70,000	8.76	135.23	143.99	7.07	15.27	0.83	2.02	49.578	74.77	69.22
25	80,000	8.76	155.33	164.09	7.07	15.27	0.83	2.02	56.661	81.85	82.24
26	90,000	8.76	175.43	184.19	7.07	15.27	0.83	2.02	63.743	88.93	95.26
27	100,000	8.76	195.53	204.29	7.07	15.27	0.83	2.02	70.826	96.02	108.28

Sun City Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	5/8x3/4 Inch	Residential	$ 4,085,232	$ 4,783,446	$ 698,214	17.09%	39.62%	41.42%
2	3/4 Inch	Residential	215,778	252,052	36,274	16.81%	2.09%	2.18%
3	1 Inch	Residential	223,219	251,523	28,304	12.68%	2.17%	2.18%
4	1.5 Inch	Residential	2,518,071	2,679,711	161,640	6.42%	24.42%	23.20%
5	2 Inch	Residential	1,156,154	1,223,116	66,963	5.79%	11.21%	10.59%
	3 Inch	Residential	17,210	17,525	315	1.83%	0.17%	0.15%
6	6 Inch	Residential	27,809	28,415	606	2.18%	0.27%	0.25%
7								
8		Subtotal	8,243,473	9,235,787	992,314	12.04%	79.96%	79.97%
9								
10	5/8x3/4 Inch	Commercial	$ 47,161	$ 54,858	$ 7,697	16.32%	0.46%	0.47%
11	3/4 Inch	Commercial	8,553	9,354	802	9.37%	0.08%	0.08%
12	1 Inch	Commercial	124,837	141,854	17,017	13.63%	1.21%	1.23%
13	1.5 Inch	Commercial	410,916	472,200	61,284	14.91%	3.99%	4.09%
14	2 Inch	Commercial	578,291	659,771	81,480	14.09%	5.61%	5.71%
15	3 Inch	Commercial	143,636	161,889	18,254	12.71%	1.39%	1.40%
16	4 Inch	Commercial	132,573	141,327	8,754	6.60%	1.29%	1.22%
17	6 Inch	Commercial	421,490	445,867	24,376	5.78%	4.09%	3.86%
18								
19		Subtotal	$ 1,867,458	$ 2,087,120	$ 219,662	11.76%	18.11%	18.07%
20								
21								
22		2 Inch Irrigation	$ 5,890	$ 6,265	$ 375	6.37%	0.06%	0.05%
23		Raw	129,086	129,768	682	0.53%	1.25%	1.12%
24		Peoria - Public Interruptible	33	39	6	19.00%	0.00%	0.00%
25								
26		Subtotal	$ 135,008	$ 136,072	$ 1,064	0.79%	1.31%	1.18%
27								
28								
29	3 Inch	Fire	$ 117	$ 128	$ 11	9.50%	0.00%	0.00%
30	4 Inch	Fire	6,762	7,405	642	9.50%	0.07%	0.06%
31	6 Inch	Fire	8,173	8,950	776	9.50%	0.08%	0.08%
32	8 Inch	Fire	1,681	1,841	160	9.50%	0.02%	0.02%
33		Private Hydrant - Peoria	4,340	4,752	412	9.50%	0.04%	0.04%
34		Subtotal	$ 21,074	$ 23,076	$ 2,002	9.50%	0.20%	0.20%
35								
36								
37	Total Revenues Before Annualization		10,267,013	11,482,055	1,215,042	11.83%	99.58%	99.42%
38								

Sun City Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 2
Witness: Bourassa

Line No.	Meter Size	Class	Revenue Annualization: Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Additional Bills	Additional Gallons to be Pumped (In 1,000's)	Schedule
5	5/8x3/4 Inch	Residential	$ 86	$ 103	17	19.68%	(0)	63	See Work Papers
6	3/4 Inch	Residential	443	525	82	18.56%	-	319	See Work Papers
7	1 Inch	Residential	1,585	1,623	38	2.37%	0	824	See Work Papers
8	1.5 Inch	Residential	4,833	4,840	8	0.16%	0	2,429	See Work Papers
9	2 Inch	Residential	122	121	(1)	-0.53%	0	61	See Work Papers
10	3 Inch	Residential	-	-	-	0.00%	0	61	See Work Papers
11	6 Inch	Residential	-	-	-	0.00%	-	-	See Work Papers
13		Subtotal	$ 7,070	$ 7,214	144	2.03%	(0)	3,759	
15	5/8x3/4 Inch	Commercial	$ 1	$ 1	0	32.16%	0	1	See Work Papers
16	3/4 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
17	1 Inch	Commercial	(169)	(174)	(6)	3.45%	-	(88)	See Work Papers
18	1.5 Inch	Commercial	(9,998)	(11,064)	(1,066)	10.66%	-	(5,741)	See Work Papers
19	2 Inch	Commercial	(143)	(145)	(1)	1.04%	(0)	(72)	See Work Papers
20	3 Inch	Commercial	(1,359)	(1,408)	(49)	3.61%	0	(709)	See Work Papers
21	4 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
22	6 Inch	Commercial	230	232	2	1.04%	-	116	See Work Papers
23					-				
24		Subtotal	$ (11,438)	$ (12,558)	(1,120)	9.79%	0	(6,494)	
28	6 Inc Commercial Meter Annualization Adjustment		14,255	15,942	1,687	11.83%	-	116	See Work Papers
41	Total Revenue Annualization		$ 9,887	$ 10,598	$ 711	7.19%	(0)	(2,619)	

Sun City Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 3
Witness: Bourassa

Line No.		Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues	
1								
2								
3	Subtotal Metered Revenues	$ 10,267,013	$ 11,482,055	$ 1,215,042	11.83%	99.58%	99.42%	
4				-	0.00%	0.00%	0.00%	
5	Low Income Program Adjustment	$ 30,110	$ 30,110	-	0.00%	0.29%	0.26%	
6	Declining Usage Adjustment	(121,239)	(135,582)	(14,343)	11.83%	-1.18%	-1.17%	Schedule H-1, page 4
7	Subtotal Revenue Annualization	9,887	10,598	711	7.19%	0.10%	0.09%	
8	Total Metered Revenues	$ 10,185,771	$ 11,387,182	$ 1,201,411	11.79%	98.80%	98.59%	
9	Misc. Revenues	162,387	162,387	-	0.00%	1.58%	1.41%	
10								
11	Revenue Difference Com to Res Trnsfers	(24,880)	-	24,880	-100.00%	-0.24%	0.00%	Work papers
12	Reconciling Amount to GL	(13,360)	(11)	13,349	-99.92%	-0.13%	0.00%	
13	Total Water Revenues	$ 10,309,918	$ 11,549,558	$ 1,239,640	12.02%	100.00%	100.00%	
14								
15								
16								

Sun City Water District
Estimate of Revenue Loss Assuming Customer Growth
Prior Test Year vs Current Test Year

Rebuttal Schedule H-1
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Witness: Bourassa

Line No.	Meter Size, Class		[1] Currrent TY Average No. Customers	[2] Prior Rate Case Average Bill	[3] Current rate case Average Bill	[4] Expected Revenues Revenues Based On Prior Rate Case Avg Bill.	[5] Test Year Revenues Based On TY Average Bill	[6] Revenue Loss Prior TY Vs Current Test Year
1	5/8x3/4 Inch	Residential	18,784	$ 19.37	$ 18.12	$ 4,366,787	$ 4,085,232	$ (281,555)
2	3/4 Inch	Residential	969	19.37	18.56	225,263	215,778	(9,485)
3	1 Inch	Residential	403	52.16	46.14	252,328	223,219	(29,109)
4	1.5 Inch	Residential	1,304	170.56	160.96	2,668,163	2,518,071	(150,092)
5	2 Inch	Residential	431	238.70	223.33	1,235,731	1,156,154	(79,578)
6	3 Inch	Residential	2	438.02	717.09	10,513	17,210	6,698
7	6 Inch	Residential	2	699.71	1,158.71	16,793	27,809	11,016
8								
9		Subtotal	21,896			8,775,579	8,243,473	(532,105)
10								
11	5/8x3/4 Inch	Commercial	221	$ 19.94	$ 17.76	$ 52,951	$ 47,161	$ (5,790)
12	3/4 Inch	Commercial	16	19.94	44.55	3,828	8,553	4,725
13	1 Inch	Commercial	154	60.39	67.66	111,427	124,837	13,410
14	1.5 Inch	Commercial	285	117.95	120.26	403,028	410,916	7,888
15	2 Inch	Commercial	209	263.67	230.67	661,021	578,291	(82,731)
16	3 Inch	Commercial	25	438.02	480.39	130,969	143,636	12,666
17	4 Inch	Commercial	5	2,319.51	2,209.56	139,171	132,573	(6,597)
18	6 Inch	Commercial	7	4,682.40	4,844.72	407,369	421,490	14,122
19		Subtotal	922			$ 1,909,765	$ 1,867,458	$ (42,307)
20								
21		2 Inch Irrigation	2	$ 182.44	$ 245.41	$ 4,379	$ 5,890	$ 1,511
22		Raw	2	$ 3,348.73	6,793.99	63,626	129,086	65,460
23		Peoria - Public Interruptible	0	8.16	8.16	33	33	(0)
24								
25		Subtotal	4			$ 68,037	$ 135,008	$ 66,971
26								
27								
28								
29		Total	22,821			$ 10,753,381	$ 10,245,940	$ (507,441)
30								
31		Revenue Loss as Percent						-4.72%
32								
33		Revenue Loss as Percent of Requested Rate Increase						-40.93%
34								
35		Current Metered Revenues (including annualization)					$ 10,276,900	
36		Proposed Metered Revenues (including annualization)						$ 11,492,653
37		Expected Revenue Loss, as percent (25% of actual percentage of revenue loss)					-1.18%	-1.18%
38		Expected Revenue Annual Decline					$ (121,239)	$ (135,582)
39								
40								
41								

Sun City Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 1
Witness: Bourassa

Line No.	Meter Size, Class		(a) Average Number of Customers at 6/30/2013	Average Consumption	Average Bill Present Rates	Average Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8x3/4 Inch	Residential	18,784	7,203	$ 17.35	$ 20.73	3.38	19.45%
2	3/4 Inch	Residential	969	7,436	17.67	21.11	3.44	19.45%
3	1 Inch	Residential	403	14,786	43.44	50.30	6.86	15.79%
4	1.5 Inch	Residential	1,304	62,818	160.89	170.00	9.11	5.66%
5	2 Inch	Residential	431	80,946	223.23	232.67	9.44	4.23%
6	3 Inch	Residential	2	293,958	717.09	730.20	13.11	1.83%
7	6 Inch	Residential	2	366,292	1,158.71	1,180.62	21.91	1.89%
8		Subtotal	21,896					
9								
10	5/8x3/4 Inch	Commercial	221	5,370	$ 16.07	$ 20.09	4.02	24.99%
11	3/4 Inch	Commercial	16	19,578	42.07	47.89	5.83	13.85%
12	1 Inch	Commercial	154	26,411	61.89	74.95	13.07	21.11%
13	1.5 Inch	Commercial	285	44,985	108.18	134.15	25.97	24.00%
14	2 Inch	Commercial	209	93,742	216.40	258.40	42.00	19.41%
15	3 Inch	Commercial	25	193,970	443.82	529.20	85.38	19.24%
16	4 Inch	Commercial	5	1,062,700	2,204.61	2,353.80	149.19	6.77%
17	6 Inch	Commercial	7	2,327,402	4,808.00	5,112.61	304.62	6.34%
18								
19		Subtotal	922					
20								
21		2 Inch Irrigation	2	133,708	$ 245.41	$ 261.04	15.63	6.37%
22		Raw	2	6,768,947	6,793.99	6,829.90	35.91	0.53%
23		Peoria - Public Interruptible	0	-	8.16	9.71	1.55	19.00%
24								
25		Subtotal	4					
26								
27	3 Inch	Fire	1	1,000	$ 9.73	$ 10.65	0.92	9.50%
28	4 Inch	Fire	58	1,001	9.73	10.65	0.92	9.50%
29	6 Inch	Fire	70	1,029	9.73	10.65	0.92	9.50%
30	8 Inch	Fire	10	1,000	14.01	15.34	1.33	9.50%
31		Private Hydrant - Peoria	44	-	8.22	9.00	0.78	9.50%
32								
33								
34		Total	23,004					
35								

36 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Sun City Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 2
Witness: Bourassa

Line No.		Meter Size, Class	(a) Average Number of Customers at 6/30/2013	Median Consumption	Median Bill Present Rates	Median Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8 x3/4Inch	Residential	18,784	6,000	$ 15.72	$ 18.77	3.05	19.42%
2	3/4 Inch	Residential	969	6,000	$ 15.72	$ 18.77	3.05	19.42%
3	1 Inch	Residential	403	7,000	30.21	36.04	5.83	19.29%
4	1.5 Inch	Residential	1,304	49,000	133.40	142.22	8.82	6.61%
5	2 Inch	Residential	431	54,000	169.62	180.61	10.99	6.48%
6	3 Inch	Residential	2	248,500	140.10	166.79	26.69	19.05%
7	6 Inch	Residential	2	362,500	1,151.17	1,173.79	22.62	1.97%
8		Subtotal	21,896					
9								
10	5/8 Inch	Commercial	221	1,000	$ 10.12	$ 12.22	2.10	20.77%
11	3/4 Inch	Commercial	16	4,000	14.21	17.63	3.42	24.05%
12	1 Inch	Commercial	154	10,000	35.51	44.06	8.55	24.08%
13	1.5 Inch	Commercial	285	20,000	71.02	88.13	17.10	24.08%
14	2 Inch	Commercial	209	50,000	138.16	173.41	35.25	25.51%
15	3 Inch	Commercial	25	73,000	239.53	298.21	58.67	24.49%
16	4 Inch	Commercial	5	922,500	1,925.67	2,071.97	146.30	7.60%
17	6 Inch	Commercial	7	1,169,000	2,503.24	2,783.99	280.75	11.22%
18								
19		Subtotal	922					
20								
21		2 Inch Irrigation	2	34,500	$ 120.89	$ 135.86	14.97	12.38%
22		Raw	2	4,130,000	4,145.28	4,167.19	21.91	0.53%
23		Peoria - Public Interruptible	0	-	8.16	9.71	1.55	19.00%
24								
25		Subtotal	4					
26								
27	3 Inch	Fire	1	1,000	$ 9.73	$ 10.65	0.92	9.50%
28	4 Inch	Fire	58	1,000	$ 9.73	$ 10.65	0.92	9.50%
29	6 Inch	Fire	70	1,000	$ 9.73	$ 10.65	0.92	9.50%
30	8 Inch	Fire	10	1,000	$ 14.01	$ 15.34	1.33	9.50%
31		Private Hydrant - Peoria	44	-	$ 8.22	$ 9.00	0.78	9.50%
32								
33								
34		Total	23,004					
35								

36 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

37

Sun City Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 1
Witness: Bourassa

Line No.	Monthly Service Charge for:	Present Rates	Proposed Rates	Dollar Change
1	Meter Size:			
2	5/8x3/4 Inch - Residenital Low Income	$ 4.38	$ 6.25	$ 1.87
3	5/8x3/4 Inch - Residenital, Commercial	8.76	10.42	$ 1.66
4	3/4 Inch - Residenital, Commercial	NT	10.42	
5	1 Inch - Residenital, Commercial	21.89	26.06	4.17
6	1 1/2 Inch - Residenital, Commercial	43.78	52.12	8.34
7	2 Inch - Residenital, Commercial	70.05	83.40	13.35
8	3 Inch - Residenital, Commercial	140.10	166.79	26.69
9	4 Inch - Residenital, Commercial	218.90	260.61	41.71
10	6 Inch - Residenital, Commercial	437.81	521.22	83.41
11	8 Inch - Residenital, Commercial	700.50	833.95	133.45
12				
13	2 Inch Irrigation	77.59	92.33	14.74
14	Public Interruptible - City of Peoria	8.16	9.71	1.55
15	Irrigation - Raw Water	-	-	-
16				
17	Monthly Service Charge for Fire Sprinkler			
18	3 Inch	9.73	10.65	0.92
19	4 Inch	9.73	10.65	0.92
20	6 Inch	9.73	10.65	0.92
21	8 Inch	14.01	15.34	1.33
22	10 Inch	20.14	22.05	1.91
23				
24	Private Hydrant Standby - Peoria	8.22	9.00	0.78
25				
26	Gallons In Minimum (All Meter Sizes and Classes)		-	-
27				
28				

Line No.	Commodity Rates (per 1,000 gallons)	Block				Present Rate	Proposed Rate	Dollar Change
29								
30								
31	5/8x3/4 Inch - Residential	1	gallons to	1,000	gallons	$ 0.7297	$ 0.7336	$ 0.0039
32		1,001	gallons to	3,000	gallons	$ 1.0702	$ 1.3602	$ 0.2900
33		3,001	gallons to	9,000	gallons	$ 1.3621	$ 1.6302	$ 0.2681
34		9,001	gallons to	12,000	gallons	$ 1.6539	$ 1.8002	$ 0.1463
35			over	12,000	gallons	$ 1.9896	$ 2.0102	$ 0.0206
36								
37	5/8x3/4 Inch - Commercial	1	gallons to	9,000	gallons	$ 1.3621	$ 1.8002	$ 0.4381
38			over	9,000	gallons	$ 1.9896	$ 2.0102	$ 0.0206
39								
40								

Sun City Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

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Rebuttal Schedule H-3
Page 2
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block				Present Rate	Proposed Rate	Dollar Change
1	3/4 Inch - Residential	1	gallons to	1,000	gallons	NT	$ 0.7336	
2		1,001	gallons to	3,000	gallons	NT	$ 1.3602	
3		3,001	gallons to	9,000	gallons	NT	$ 1.6302	
4		9,001	gallons to	12,000	gallons	NT	$ 1.8002	
5			over	12,000	gallons	NT	$ 2.0102	
6								
7	3/4 Inch - Commercial	1	gallons to	9,000	gallons	NT	$ 1.8002	
8			over	9,000	gallons	NT	$ 2.0102	
9								
10	1 Inch Meter - Residential	1	gallons to	1,000	gallons	$ 0.7297	$ 0.7336	$ 0.0039
11		1,001	gallons to	3,000	gallons	$ 1.0702	$ 1.3602	$ 0.2900
12		3,001	gallons to	9,000	gallons	$ 1.3621	$ 1.6302	$ 0.2681
13		9,001	gallons to	12,000	gallons	$ 1.6539	$ 1.8002	$ 0.1463
14			over	12,000	gallons	$ 1.9896	$ 2.0102	$ 0.0206
15								
16	1 Inch Meter - Commercial	1	gallons to	20,000	gallons	$ 1.3621	$ 1.8002	$ 0.4381
17			over	20,000	gallons	$ 1.9896	$ 2.0102	$ 0.0206
18								
19	1 1/2 Inch Meter - Residential	1	gallons to	1,000	gallons	$ 0.7297		
20		1,001	gallons to	3,000	gallons	$ 1.0702		
21		3,001	gallons to	9,000	gallons	$ 1.3621		
22		9,001	gallons to	12,000	gallons	$ 1.6539		
23			over	12,000	gallons	$ 1.9896		
24								
25	1 1/2 Inch Meter - Residential	1	gallons to	40,000	gallons		$ 1.8002	
26			over	40,000	gallons		$ 2.0102	
27								
28	1 1/2 Inch Meter - Commercial	1	gallons to	40,000	gallons	$ 1.3621	$ 1.8002	$ 0.4381
29			over	40,000	gallons	$ 1.9896	$ 2.0102	$ 0.0206
30								
31	2 Inch Meter - Residential	1	gallons to	1,000	gallons	$ 0.7297		
32		1,001	gallons to	3,000	gallons	$ 1.0702		
33		3,001	gallons to	9,000	gallons	$ 1.3621		
34		9,001	gallons to	12,000	gallons	$ 1.6539		
35			over	12,000	gallons	$ 1.9896		
36								
37	2 Inch Meter - Residential	1	gallons to	64,000	gallons		$ 1.8002	
38			over	64,000	gallons		$ 2.0102	
39								
40	2 Inch Meter - Commercial	1	gallons to	64,000	gallons	$ 1.3621	$ 1.8002	$ 0.4381
41			over	64,000	gallons	$ 1.9896	$ 2.0102	$ 0.0206

Sun City Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 3
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block					Present Rate		Proposed Rate		Dollar Change
1	3 Inch Meter - Residential	1	gallons to	1,000	gallons	$	0.7297				
2		1,001	gallons to	3,000	gallons	$	1.0702				
3		3,001	gallons to	9,000	gallons	$	1.3621				
4		9,001	gallons to	12,000	gallons	$	1.6539				
5			over	12,000	gallons	$	1.9896				
6											
7	3 Inch Meter - Residential	1	gallons to	131,000	gallons			$	1.8002		
8			over	131,000	gallons			$	2.0102		
9											
10	3 Inch Meter - Commercial	1	gallons to	131,000	gallons	$	1.3621	$	1.8002	$	0.4381
11			over	131,000	gallons	$	1.9896	$	2.0102	$	0.0206
12											
13	4 Inch Meter - Residential	1	gallons to	1,000	gallons	$	0.7297				
14		1,001	gallons to	3,000	gallons	$	1.0702				
15		3,001	gallons to	9,000	gallons	$	1.3621				
16		9,001	gallons to	12,000	gallons	$	1.6539				
17			over	12,000	gallons	$	1.9896				
18											
19	4 Inch Meter - Residential	1	gallons to	205,000	gallons			$	1.8002	$	1.8002
20			over	205,000	gallons			$	2.0102	$	2.0102
21											
22	4 Inch Meter - Commercial	1	gallons to	205,000	gallons	$	1.3621	$	1.8002	$	0.4381
23			over	205,000	gallons	$	1.9896	$	2.0102	$	0.0206
24											
25	6 Inch Meter - Residential	1	gallons to	1,000	gallons	$	0.7297				
26		1,001	gallons to	3,000	gallons	$	1.0702				
27		3,001	gallons to	9,000	gallons	$	1.3621				
28		9,001	gallons to	12,000	gallons	$	1.6539				
29			over	12,000	gallons	$	1.9896				
30											
31	6 Inch Meter - Residential	1	gallons to	415,000	gallons			$	1.8002		
32			over	415,000	gallons			$	2.0102		
33											
34	6 Inch Meter - Commercial	1	gallons to	415,000	gallons	$	1.3621	$	1.8002	$	0.4381
35			over	415,000	gallons	$	1.9896	$	2.0102	$	0.0206
36											
37											
38											
39											
40											

Sun City Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 4
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block				Present Rate	Proposed Rate	
1								
2	8 Inch Meter - Residential	1	gallons to	1,000	gallons	$ 0.7297		
3		1,001	gallons to	3,000	gallons	$ 1.0702		
4		3,001	gallons to	9,000	gallons	$ 1.3621		
5		9,001	gallons to	12,000	gallons	$ 1.6539		
6			over	12,000	gallons	$ 1.9896		
7								
8	8 Inch Meter - Residential	1	gallons to	670,000	gallons		$ 1.8002	
9			over	670,000	gallons		$ 2.0102	
10								
11	8 Inch Meter - Commercial	1	gallons to	670,000	gallons	$ 1.3621	$ 1.8002	$ 0.4381
12			over	670,000	gallons	$ 1.9896	$ 2.0102	$ 0.0206
13								
14	3 Inch - Public Interuptible		All gallons			$ 1.1632	$ 1.1693	$ 0.0061
15								
16	Public Interuptible - Peoria		All gallons			$ 1.1632	$ 1.1693	$ 0.0061
17								
18	2 Inch Irrigation		All gallons			$ 1.2551	$ 1.2617	$ 0.0066
19								
20	Irrigation - Raw Water		All gallons			$ 1.0037	$ 1.0090	$ 0.0053
21								
22	Private Hydrant - Peoria		All gallons			$ 1.1400	$ 1.1460	$ 0.0060
23								
24								
25	Central Arizona Project - Raw Water		All gallons			$ 0.8480	$ 0.8525	$ 0.0045
26								
27								
28						Present	Proposed	
29	Low Income Program Discount Revenue Recovery					Rate*	Rate**	
30	Program Participation Limit (No. of Customers)						750	
31	Estimated Annual Discounts						$ 37,528	
32	Under(Over) Collections from previous years						$ -	
33	Net Annual Discounts to be Recovered						$ 37,528	
34	Highest Cost Commodity Rate Gallons Sold to Residential, Commercial (in 1,000s)						1,726,247	
35	Low Income Surcharge on Highest Cost Commodity Rate (Residential, Commercial Customers Only)					$ 0.0260	$ 0.0220	
36								

37 * Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for
38 residential and commercial customers is comprised of the approved rate listed in table above plus and additional $0.0260 for the
39 Low Income Surcharge.
40 ** Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for
41 residential and commercial customers is comprised of the approved rate listed in table above plus and additional $0.0220 for the
42 Low Income Surcharge.

Sun City Water District
Changes in Representative Rate Schedules
Test Year Ended June 30, 2013

Exhibit
Rebuttal Schedule H-3
Page 5
Witness: Bourassa

Line No.	Service Charges	Present Rates	Proposed Rates
1			
2			
3			
4	Service Charges	Present Rates	Proposed Rates
5	Establishment or Re-establishment of Service		$ 35.00
6	Regular Hours	$ 30.00	Remove
7	After Hours	$ 40.00	Remove
8	Reconnection of Service (Delinquent)		$ 35.00
9	Regular Hours	$ 30.00	Remove
10	After Hours	$ 40.00	Remove
11	Meter Test (if correct)	$ 10.00	$ 35.00
12	Meter Reread (if correct)	$ 5.00	$ 25.00
13	NSF Check	$ 25.00	$ 25.00
14	Late Fee Charge, per month		1.50%
15	Deferred Payment, Per Month		1.50%
16	Deposit Requirements	(a)	(a)
17	Deposit Interest	(b)	(b)
18	After Hours Service Charge (c)		$ 30.00
19			
20			
21			
22			
23			
24			
25			
26			
27	(a) Per ACC Rules R14-2-403(B) Residential - two times the average bill.		
28	Non-residential - two and one-half times the estimated maximum bill.		
29	(b) Interest per A.C.C. R-14-2-403(B)		
30	(c) After hours service charge: After regular working hors, Saturdays, Sundays, and holidays if at the customer's		
31	request or for the customer's convenience.		
32			
33	IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM		
34	ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE		
35	TAX. PER COMMISSION RULE 14-2-409D(5).		
36			
37			

Sun City Water District
Test Year Ended June 30, 2013
Meter and Service Line Charges

Exhibit
Rebuttal Schedule H-3
Page 6
Witness: Bourassa

Refundable Meter and Service Line Charges

Line No.		Present Service Line Charge	Present Meter Install-ation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Install-ation Charge	Total Proposed Charge
9	5/8 x 3/4 Inch	$ 370.00	$ 130.00	$ 500.00	$ 370.00	$ 130.00	$ 500.00
10	3/4 Inch	370.00	205.00	575.00	370.00	205.00	575.00
11	1 Inch	420.00	240.00	660.00	420.00	240.00	660.00
12	1 1/2 Inch	450.00	450.00	900.00	450.00	450.00	900.00
13	2 Inch / Turbine	580.00	945.00	1,525.00	580.00	945.00	1,525.00
14	2 Inch / Compound	580.00	1,640.00	2,220.00	580.00	1,640.00	2,220.00
15	3 Inch / Turbine	745.00	1,420.00	2,165.00	745.00	1,420.00	2,165.00
16	3 Inch / Compound	765.00	2,195.00	2,960.00	765.00	2,195.00	2,960.00
17	4 Inch / Turbine	1,090.00	2,270.00	3,360.00	1,090.00	2,270.00	3,360.00
18	4 Inch / Compound	1,120.00	3,145.00	4,265.00	1,120.00	3,145.00	4,265.00
19	6 Inch / Turbine	1,610.00	4,425.00	6,035.00	1,610.00	4,425.00	6,035.00
20	6 Inch / Compound	1,630.00	6,120.00	7,750.00	1,630.00	6,120.00	7,750.00
21	8 Inch & Larger	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost

Tubac Water
Test Year Ended June 30, 2013
Computation of Increase in Gross Revenue Requirement

Exhibit
Schedule A-1 Rebuttal
Page 1
Witness: Hubbard

Line No.			
1	Original Cost Rate Base	$	1,543,048
2			
3	Adjusted Operating Income	$	(64,998)
4			
5	Current Rate of Return		-4.21%
6			
7	Required Operating Income	$	105,082
8			
9	Required Rate of Return		6.81%
10			
11	Operating Income Deficiency	$	170,080
12			
13	Gross Revenue Conversion Factor		1.6501
14			
15	Increase in Gross Revenue		
16	Requirement	$	280,652

17					
18	Customer	Present	Proposed	Dollar	Percent
19	Classification	Rates	Rates	Increase	Increase
20					
21	Residential	$ 408,280	$ 630,246	$ 221,966	54.4%
22	Commercial	192,163	262,548	70,386	36.6%
23	Declining Usage Adjustment	(26,239)	(37,938)	(11,699)	44.6%
24					
25					
26					
27	Total Water Revenues	$ 574,204	$ 854,856	$ 280,652	48.9%
28					
29	Other Revenues	$ 4,990	$ 4,990	$ -	0.0%
30					
31	Total Revenues	$ 579,194	$ 859,846	$ 280,652	48.5%

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46 Supporting Schedules:
47 B-1 Rebuttal
48 C-1 Rebuttal
49 H-1 Rebuttal
50 \2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls

Tubac Water
Test Year Ended June 30, 2013
Summary of Fair Value Rate Base

Exhibit
Schedule B-1 Rebuttal
Page 1
Witness: Hubbard

Line No.			Original Cost Rate Base
1			
2	Gross Utility Plant in Service	$	6,467,719
3			
4	Less:		
5			
6	Accumulated Depreciation		1,942,238
7			
8	Net Utility Plant in Service	$	4,525,481
9			
10	Less:		
11			
12	Advances in Aid of Construction	$	1,952,127
13			
14	Contribution in Aid of Construction -		
15	Net of Amortization		1,030,362
16			
17	Customer Meter Deposits		517
18	Deferred Income Taxes & Credits		26,304
19	Investment Tax Credits		-
20			
21			
22	Plus:		
23	Deferred Debits		23,381
24	Working Capital Allowance		3,496
25	Utility Plant Acquisition Adjustment		-
26			
27			
28	Total Rate Base	$	1,543,048
29			
30			
31			
32			
33			
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37			
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39			
40			
41	Supporting Schedules:		Recap Schedules:
42	B-2 Rebuttal		A-1 Rebuttal
43	B-5 Rebuttal		
44	B-3		
45	E-1		
46			
47			
48			
49			
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls		

Tubac Water
Test Year Ended June 30, 2013
Original Cost Rate Base Pro Forma Adjustments

Exhibit
Schedule B-2 Rebuttal
Page 1
Witness: Hubbard

Line No.		Company Rebuttal						
		[A] Adjusted End of Test Year	[B] ADJ SLH-1R Working Capital Adjustment	[C] ADJ SLH-2R *Not Used* Adjustment	[D] ADJ SLH-3R 24 Month Deferral AFUDC Adjustment	[E] ADJ SLH-4R Regulatory Liability Adjustment	[F] Total Rebuttal Pro Forma Adjustments	[G] Rebuttal Adjusted End of Test Year
1	Gross Utility							
2	Plant in Service	$ 6,467,719					$ -	$ 6,467,719
3								
4	**Less:**							
5								
6	Accumulated Depreciation	1,942,238					-	1,942,238
7								
8	Net Utility Plant							
9	in Service	$ 4,525,481	$ -	$ -	$ -	$ -	$ -	$ 4,525,481
10								
11	**Less:**							
12	Advances in Aid of							
13	Construction	1,952,127					-	1,952,127
14	Contributions in Aid of							
15	Construction - Net	1,030,362					-	1,030,362
16								
17								
18	Customer Meter Deposits	517					-	517
19	Deferred Income Taxes	26,304					-	26,304
20	Investment Tax Credits	-					-	-
21	Regulatory Liabilities	-					-	-
22								
23	**Plus:**							
24	Deferred Debits	83,390			(60,009)		(60,009)	23,381
25	Working Capital Allowance	8,215	(4,719)				(4,719)	3,496
26	Utility Plant Acquisition Adjustment	-					-	-
27								
28	Total	$ 1,607,775	$ (4,719)	$ -	$ (60,009)	$ -	$ (64,727)	$ 1,543,048
29								
30	Supporting Schedules:							
31	B-3, B-5 Revised							
32	E-1							
33								
34								
35	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls							

Line No.

1 **24-Month Deferral Request**
2 On October 14, 2012, Tubac Water filed Docket No. W-1303A-12-0427 seeking approval of an accounting order to defer Post-
3 in-Service AFUDC and Depreciation on investment between rate filings. This filing was withdrawn June 27, 2013, to enable
4 the Company to pursue those deferrals on an individual district basis.
5
6
7 Pro Forma 24-Month Deferral Balance $ 23,381
8 Test Year filed 24-Month Deferral Balance $ 27,978
9
10 Increase / (Decrease) in Deferred Debits $ (4,596)
11
12
13 Removal of Deferred Debits other than 24-Month AFUDC $ (55,412)
14
15
16 Increase / (Decrease) to Rate Base $ (60,009)
17
18
19
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43
44
45 Workpapers and Supporting Documents
46 \2-yr Deferral Request & Recovery
47 \Rate Impact for Public Notices.xls
48 \Test Year Adjustments 12-19.xlsx
49
50 \2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls

Tubac Water
Test Year Ended June 30, 2013
Computation of Working Capital Allowance

Exhibit
Schedule B-5 Rebuttal
Page 1
Witness: Hubbard

Line No.			
1			
2	Cash Working Capital Requirement	$	(1,357)
3	Required Bank Balances[1]		-
4	Material and Supplies Inventories[1]		-
5	Prepayments[1]		4,853
6			
7	Total Working Capital Allowance	$	3,496
8			
9	Less Company amount in Original Filing	$	8,215
10			
11	Increase / (Decrease) to Working Capital Allowance	$	(4,719)
12			
13			
14	Increase / (Decrease) to Rate Base	$	(4,719)
15			
16			
17			
18			
19	[1] Calculated using thirteen-month averages.		
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
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42			
43	Supporting Schedules:	Recap Schedules:	
44	E-1	B-1 Revised	
45			
46	Workpapers & Supporting Documents		
47	\ #9 B - Materials and Supplies Prepayments & Deferred Cost.xlsx		
48	\ Lead-Lag Workpapers		
49			
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls		

Tubac Water
Test Year Ended June 30, 2013
Lead/Lag Study - Working Cash Requirement

Exhibit
Schedule B-6 Rebuttal
Page 1
Witness: Hubbard

Line No.	Description	Test Year Adjusted Results	Revenue Lag Days	Expense Lag Days	Net Lag Days	Lead/ Lag Factor	Cash Working Capital Required
	[a]	[b]	[c]	[d]	[e] = [c] - [d]	[f] = [e] / 365	[g] = [b] x [f]
1	OPERATING EXPENSES						
2	Labor	$ 178,805	41.01	30.633	10.377	0.028	$ 5,083
3	Purchased Water	-	41.01	-	41.010	0.112	-
4	Fuel & Power	33,324	41.01	47.613	(6.603)	(0.018)	(603)
5	Chemicals	48,078	41.01	-	41.010	0.112	5,402
6	Waste Disposal	811	41.01	71.838	(30.828)	(0.084)	(68)
7	Intercompany Support Services	95	41.01	30.417	10.593	0.029	3
8	Corporate Allocation	32,313	41.01	30.420	10.590	0.029	938
9	Outside Services	26,870	41.01	33.772	7.238	0.020	533
10	Group Insurance	38,250	41.01	(10.716)	51.726	0.142	5,421
11	Regulatory Expense	7,261	41.01	(48.646)	89.656	0.246	1,784
12	Insurance Other Than Group	12,198	41.01	64.818	(23.808)	(0.065)	(796)
13	Customer Accounting	23,546	41.01	49.829	(8.819)	(0.024)	(569)
14	Rents	7,566	41.01	16.959	24.051	0.066	499
15	General Office Expense	25,761	41.01	33.084	7.926	0.022	559
16	Miscellaneous	6,593	41.01	25.186	15.824	0.043	286
17	Maintenance Expense	38,435	41.01	51.053	(10.043)	(0.028)	(1,058)
18							
19							
20	TAXES						
21	Property Taxes	$ 35,392	41.01	213.250	(172.240)	(0.472)	(16,701)
22	Taxes - Payroll	13,897	41.01	26.402	14.608	0.040	556
23	Taxes -Other	2,260	41.01	(135.814)	176.824	0.484	1,095
24	Income Tax	40,031	41.01	41.750	(0.740)	(0.002)	(81)
25							
26	Interest	$ 39,656	41.01	74.500	(33.490)	(0.092)	(3,639)
27							
28							
29							
30							
31	WORKING CASH REQUIREMENT	$ 611,143					$ (1,357)
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43	Supporting Schedules:		Recap Schedules:				
44	C-1 Rebuttal		B-5 Rebuttal				
45							
46	Workpapers & Supporting Documents						
47							
48							
49							
50	\2013 Paradise Valley Water Sch. A-F.xls						

Tubac Water
Test Year Ended June 30, 2013
Adjusted Test Year Income Statement

Exhibit
Schedule C-1 Rebuttal
Page 1
Witness: Murrey

Line No.		[A] Adjusted Test Year Results	[B] Total Rebuttal Pro Forma Adjustments	[C] Test Year Adjusted Results	[D] Proposed Rate Increase	[E] Adjusted with Rate Increase
1	**Revenues**					
2	Water Revenues	$ 574,204	$ -	$ 574,204	$ 280,652	$ 854,855
3	Other Revenues	4,990	-	4,990		4,990
4		$ 579,194	$ -	$ 579,194	$ 280,652	$ 859,846
5						
6	**Operating Expenses**					
7	Labor	$ 179,440	$ (635)	$ 178,805	-	$ 178,805
8	Purchased Water	0	-	-	-	-
9	Fuel & Power	33,324	-	33,324	-	33,324
10	Chemicals	98,934	(50,856)	48,078	-	48,078
11	Waste Disposal	811	-	811	-	811
12	Intercompany Support Services	95	-	95	-	95
13	Corporate Allocation	34,814	(2,502)	32,313	-	32,313
14	Outside Services	26,870	-	26,870	-	26,870
15	Group Insurance	37,821	-	37,821	-	37,821
16	Pensions	430	-	430	-	430
17	Regulatory Expense	7,261	-	7,261	-	7,261
18	Insurance Other Than Group	12,198	-	12,198	-	12,198
19	Customer Accounting	20,561	1,364	21,926	1,620	23,546
20	Rents	7,566	-	7,566	-	7,566
21	General Office Expense	28,204	(2,443)	25,761	-	25,761
22	Miscellaneous	6,577	16	6,593	-	6,593
23	Maintenance Expense	38,435	-	38,435	-	38,435
24	Depreciation & Amortization	238,395	(55,118)	183,277	-	183,277
25	General Taxes-Property	30,506	0	30,506	4,886	35,392
26	General Taxes-Other	16,157	-	16,157	-	16,157
27	Income Taxes	(107,414)	43,379	(64,034)	104,066	40,031
28						
29	**Total Operating Expenses**	$ 710,987	$ (66,795)	$ 644,192	$ 110,572	$ 754,764
30	**Utility Operating Income**	$ (131,793)	$ 66,795	$ (64,998)	$ 170,080	$ 105,082
31	**Other Income & Deductions**					
32	Other Income & Deductions	$ -	$ -	$ -		$ -
33	Interest Expense	41,320	(1,664)	39,656		39,656
34	Other Expense	-	-	-		-
35	Gain/Loss Sale of Fixed Assets	-	-	-		-
36	**Total Other Income & Deductions**	$ (41,320)	$ 1,664	$ (39,656)	$ -	$ (39,656)
37	**Net Profit (Loss)**	$ (173,113)	$ 68,458	$ (104,655)	$ 170,080	$ 65,425
38						
39						
40						
41						
42						
43						
44	Supporting Schedules:					Recap Schedules:
45	E-2 Revised					A-1 Rebuttal
46	C-2 Rebuttal					
47						
48						
49						
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls					

Tubac Water
Test Year Ended June 30, 2013
Income Statement Pro Forma Adjustments

Exhibit
Schedule C-2 Rebuttal
Page 1
Witness: Murrey

Line No.		[A]	*Not used* [B] ADJ SM-1R *Accept STF ADJ #1*	Page 3 [C] ADJ SLH-2R *Revised STF ADJ #2*	Page 4 [D] ADJ SM-3R *Revised STF ADJ #3*	Page 5 [E] ADJ SM-4R *Revised STF ADJ #4*	Page 6 [F] ADJ SM-5R *Revised STF ADJ #5*	Page 7 [G] ADJ SM-6R *Revised STF ADJ #6*	Page 8 [H] ADJ SM-7R *Revised Staff Adj #8*	Page 9 [I] ADJ SM-8R	*Not used* [J] ADJ SM-9R *Ruco Adj #8*
		Adjusted Test Year Results	Water Revenue (Sun City and Mohave Water only)	Depreciation Expense	Property Tax	Federal and State Income Tax	Arizona Corporate Allocations	Water Testing	Chemical Expense (Tubac only)	Interest Synchronization	Tank Maintenance
1	**Revenues**										
2	Water Revenues	$ 574,204									
3	Other Revenues	4,990									
4		$ 579,194	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5											
6	**Operating Expenses**										
7	Labor	$ 179,440									
8	Purchased Water	-									
9	Fuel & Power	33,324									
10	Chemicals	98,934									
11	Waste Disposal	811							(50,856)		
12	Intercompany Support Services	95									
13	Corporate Allocation	34,814									
14	Outside Services	26,870									
15	Group Insurance	37,821									
16	Pensions	430									
17	Regulatory Expense	7,261									
18	Insurance Other Than Group	12,198									
19	Customer Accounting	20,561									
20	Rents	7,566					(1,682)				
21	General Office Expense	28,204									
22	Miscellaneous	6,577									
23	Maintenance Expense	38,435						67			
24	Depreciation & Amortization	238,395		(54,614)							
25	General Taxes-Property	30,506					(196)				
26	General Taxes-Other	16,157			0						
27	Income Taxes	(107,414)				43,379					
28											
29	**Total Operating Expenses**	$ 710,987	$ -	$ (54,614)	$ 0	$ 43,379	$ (1,877)	$ 67	$ (50,856)	$ -	$ -
30	**Utility Operating Income**	$ (131,793)	$ -	$ 54,614	$ (0)	$ (43,379)	$ 1,877	$ (67)	$ 50,856	$ -	$ -
31	**Other Income & Deductions**										
32	Other Income & Deductions	$ -									
33	Interest Expense	41,320									
34	Other Expense	-								(1,664)	
35	Gain/Loss Sale of Fixed Assets	-									
36	**Total Other Income & Deductions**	$ (41,320)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,664	$ -
37	**Net Profit (Loss)**	$ (173,113)	$ -	$ 54,614	$ (0)	$ (43,379)	$ 1,877	$ (67)	$ 50,856	$ 1,664	$ -
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39											
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42											
43											
44	Supporting Schedules:										
45	E-6										
46	Workpapers & Supporting Documents:										
47	\2013 Tubac Water Sch. A-F Rebuttal (OC										
48											

Tubac Water
Test Year Ended June 30, 2013
Income Statement Pro Forma Adjustments

Exhibit
Schedule C-2 Rebuttal
Page 2
Witness: Murrey

Line No.		Page 10 [K] ADJ SM-10R *Revised RUCO Adj # 6 Staff Adj # 5g* General Office Expense	Page 11 [I] ADJ SLH-11R *Revised Ruco Adj # 6, Staff Adj # 5* Corporate Allocations	Page 12 [M] ADJ SLH-12R 24 Month Deferral AFUDC Ammortization	*Not used* [N] ADJ SM-13R *Revised RUCO Adj #1* 6" New Meter Annualization	Page 13 [O] ADJ SM-14R *Revised RUCO Adj #2* Customer Accounting	Page 14 [P] ADJ SLH-15R *Revised Ruco Adj # 6, Staff Adj # 5* Arizona Labor	[Q] Total Pro Forma Adjustments	[R] Test Year Adjusted Results	[S] Proposed Rate Increase	[T] Adjusted with Rate Increase
1	**Revenues**										
2	Water Revenues							$ -	$ 574,204	$ 280,652	$ 854,855
3	Other Revenues							$ -	4,990		4,990
4		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 579,194	$ 280,652	$ 859,846
5											
6	**Operating Expenses**										
7	Labor						(635)	$ (635)	$ 178,805		$ 178,805
8	Purchased Water							$ -	-		-
9	Fuel & Power							$ -	33,324		33,324
10	Chemicals							$ (50,856)	48,078		48,078
11	Waste Disposal							$ -	811		811
12	Intercompany Support Services							$ -	95		95
13	Corporate Allocation		(2,502)					$ (2,502)	32,313		32,313
14	Outside Services							$ -	26,870		26,870
15	Group Insurance							$ -	37,821		37,821
16	Pensions							$ -	430		430
17	Regulatory Expense							$ -	7,261		7,261
18	Insurance Other Than Group							$ -	12,198		12,198
19	Customer Accounting					3,046		$ 1,364	21,926	1,620	23,546
20	Rents							$ -	7,566		7,566
21	General Office Expense	(2,443)						$ (2,443)	25,761		25,761
22	Miscellaneous	(51)						$ 16	6,593		6,593
23	Maintenance Expense							$ -	38,435		38,435
24	Depreciation & Amortization			(308)				$ (55,118)	183,277		183,277
25	General Taxes-Property							$ 0	30,506	4,886	35,392
26	General Taxes-Other							$ -	16,157		16,157
27	Income Taxes							$ 43,379	(64,034)	104,066	40,031
28											
29	**Total Operating Expenses**	$ (2,494)	$ (2,502)	$ (308)	$ -	$ 3,046	$ (635)	$ (66,795)	$ 644,192	$ 110,572	$ 754,764
30	***Utility Operating Income***	$ 2,494	$ 2,502	$ 308	$ -	$ (3,046)	$ 635	$ 66,795	$ (64,998)	$ 170,080	$ 105,082
31	**Other Income & Deductions**										
32	Other Income & Deductions							$ -	$ -		$ -
33	Interest Expense							(1,664)	39,656		39,656
34	Other Expense							-	-		-
35	Gain/Loss Sale of Fixed Assets								-		-
36	**Total Other Income & Deductions**	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,664	$ (39,656)	$ -	$ (39,656)
37	**Net Profit (Loss)**	$ 2,494	$ 2,502	$ 308	$ -	$ (3,046)	$ 635	$ 68,458	$ (104,655)	$ 170,080	$ 65,425
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43											
44	Supporting Schedules:										
45	E-6										
46	Workpapers & Supporting Documents:										
47	\2013 Tubac Water Sch. A-F Rebuttal (OC										
48											

Recap Schedules:
C-1 Rebuttal

Tubac Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SLH-2R

Exhibit
Schedule C-2 Rebuttal
Page 3
Witness: Hubbard

Line No.		EPCOR	Staff Proposed	Difference STF ADJ #2
1	Depreciation Expense			
2		Tubac	Tubac	Tubac
3		Water	Water	Water
4		$ 238,395	$ 180,392	$ (58,003)
5				
6				
7	Depreciation Expense			
8				
9				
10				
11				
12	Staff Adjustment # 2 Depreciation Expense			$ (58,003)
13				
14				
15	Amounts Company Rejected			
16	24 Month Deferral Disallowance	$ (965)		
17	CIAC Depreciation Difference	$ (2,140)		
18	Regulatory Asset Ammortization	$ (284)		
19	Total Amount Rejected		$ (3,389)	
20				
21	Amounts Company Accepted			
22	Difference from Calculated Depreciation Exp	(192)		
23	Difference from Over Depreciated Assets	(3,567) 1]		
24	Removal of amortization of TUBAC's arsenic media generation totaling $50,856	(50,856)		
25				
26	Total Amount Accepted		$ (54,614)	
27				
28				
29	Increase / (Decrease) in Depreciation and Amortization Expense		$ (54,614)	
30				
31	Rebuttal Adjustment to Revenue and/or Expense		$ (54,614)	
32				
33				

34	1]	NARUC ASSET CC	Group Description	PPE Balance	Depr Rate	Depr Expense
35		340200	Computer & Peripheral Eqt	$ 1,336	10.00%	$ 134
36		341100	Transportation Equip Light	$ 17,166	20.00%	$ 3,433
37			Total			$ 3,567

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47 Workpapers & Schedules
48 Depreciation Expense Adjustments Staff Vs Company
49 \2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls
50 **\A-1 SummarizeChanges1.27/15.xlsx**

Tubac Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-3R

Exhibit
Schedule C-2 Rebuttal
Page 4
Witness: Murrey

Line No.		[A] Property Tax Expense	[B] Property Tax Expense For Conversion Factor
1			
2	Adjust Property Taxes to Reflect Proposed Revenues:		
3			
4	Adjusted Revenues in Year Ended June 2013	$ 579,194	$ 579,194
5	Adjusted Revenues in Year Ended June 2013	579,194	579,194
6	Proposed Revenues	579,194	859,846
7	Average of Three Year's of Revenue	$ 579,194	$ 672,744
8	Average of Three Year's of Revenue, times 2	$1,158,387	$1,345,489
9	Add:		
10	Construction Work in Progress at 10%	9,880	9,880
11	Deduct:		
12	Net Book Value of Transportation Equipment	$ -	$ -
13			
14	Full Cash Value	$ 1,168,268	$ 1,355,369
15	Assessment Ratio (For 2011 per HB 2784)	18.5%	18.5%
16	Assessed Value	$ 216,130	$ 250,743
17	Property Tax Rate	14.11%	14.11%
18			
19	Property Tax	30,506	35,392
20	Tax on Parcels	-	-
21			
22	Adjusted Test Year Property Taxes at Present Rates (Line 19+Line 20, Col [A])	$ 30,506	
23	Adjusted Test Year Property Taxes, Rebuttal	30,506	
24	Adjustment to Revenue and/or Expense (To Sch C-2, Col [BO])	$ 0	
25			
26	Adjusted Test Year Property Taxes at Proposed Rates (Line 19+Line 20, Col [B])		$ 35,392
27	Adjusted Test Year Property Taxes at Present Rates (Line 22, Col [A])		30,506
28	Additional Property Taxes on Proposed Revenues (To Sch C-2)		$ 4,886
29			
30			
31			
32	CALCULATION OF PROPERTY TAX FACTOR TO COMPUTE GROSS REVENUE CONVERSION FACTOR (SCH C-3):		
33			
34	Increase in Property Tax Due to Increase in Revenue Requirement (Line 28, Col [B])		$ 4,886
35			
36	Increase in Revenue Requirement (From Sch. A1)		$ 280,652
37			
38	Increase in Property Tax Per Dollar increase in Revenue (Line 34/Line 36)		1.74%
39			
40			
41			
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44	Workpapers & Supporting Documents:		
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50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls		

Tubac Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-4R

Line No.				Test Year Adjusted Results		Adjusted with Rate Increase
1						
2	Calculation of Income Taxes at Proposed Rates					
3						
4						
5	Operating Income Before Inc. Taxes		$	(129,033)	$	145,113
6	Interest Expense			39,656		39,656
7	Arizona Taxable Income		$	(168,689)	$	105,457
8						
9	Less Arizona Income Tax		$	(10,121)	$	6,327
10	Arizona Income Tax Rate =	6.000%				
11						
12	Federal Income Before Taxes		$	(168,689)	$	105,457
13	Less Arizona Income Taxes			(10,121)		6,327
14	Federal Taxable Income		$	(158,568)	$	99,129
15						
16	FEDERAL INCOME TAXES:					
17						
18						
19						
20						
21						
22						
23	Federal Income Taxes	34.000%	$	(53,913)	$	33,704
24						
25						
26	Total Income Tax		$	(64,034)	$	40,031
27						
28	Tax Rate			37.96%		37.96%
29						
30	Effective Income Tax Rates					
31	State			6.000%		6.000%
32	Federal			31.96%		31.96%
33						
34						
35	Adjusted Test Year Income Taxes		$	(107,414)		
36	Increase in Income Taxes, Rebuttal		$	43,379		
37						
38	Adjustment to Revenues and/or Expense		$	43,379		
39						
40	Test Year Income Taxes, Rebuttal				$	(64,034)
41	Increase in Income Taxes					104,066
42						
43	Adjustment to Revenue and/or Expense				$	104,066
44						
45						
46	Workpapers & Supporting Documents:					
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50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls					

Line No.							
1	**Depreciation Expense Pro Forma**			Tubac Water 4 Factor		0.792%	
2							
3							
4	The Company accepts Staff's proposal to remove Year 2000 software costs.						
5							
6	Depreciation Expense in cost pool				$	24,699	
7	Remove: Year 2000 Software costs				$	(24,699)	
8	Depreciation Expense to be allocated				$	-	
9		Tubac Water 4 Factor				0.792%	
10							
11		Total Pro Forma Regulatory Expense allocated					$ -
12							
13	Test Year Depreciation Expense in cost pool				$	24,699	
14		Tubac Water 4 Factor				0.792%	
15							
16		Test Year Regulatory Expense allocated					$ 196
17							
18	Increase / (Decrease) in Depreciation Expense						$ (196)
19							
20	Rebuttal Adjustment to Revenue and/or Expense						$ (196)
21							
22	**Customer Accounting Pro Forma**						
23	The Company recalculates bad debt expense on a district basis						
24						Tubac Water	
25	Actual bad debt by district/business unit		Jul-12		$	-	
26			Aug-12			215	
27			Sep-12			-	
28			Oct-12			342	
29			Nov-12			-	
30			Dec-12			-	
31			Jan-13			792	
32			Feb-13			-	
33			Mar-13			-	
34			Apr-13			-	
35			May-13			-	
36			Jun-13			14	$ 1,363
37							
38	Test Year Bad Debt Expense			4 Factor	Connection Count		
39	Jul to Dec 2012 Months Bad Debt Expense	$	266,016	0.8%		$ 2,107	
40	Jan to Jun 2013 Bad Debt Expense	$	256,213		0.37%	$ 937	$ 3,045
41							
42							
43							
44	Increase / (Decrease) in Customer Accounting						$ (1,682)
45							
46	Rebuttal Adjustment to Revenue and/or Expense						$ (1,682)
47							
48	\A-1SummarizeChanges1.27.15						
49	\CorporateAllocationandIncentiveComp (EUI).xlxs						
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls						

Line No.			
1	**Water Testing Expense**		
2	Company accepts Staff's proposed water testing expense of $32,262 as outlined in Table M of the Tubac Water Enginneering Report.		
3			
4			
5	Pro Forma Water Testing Expense per STF ADJ #6	$	2,108
6			
7			
8	Adjusted Test Year Water Testing Expense	$	2,041
9			
10			
11	Increase/(Decrease) in Water Testing Expense	$	67
12			
13	Rebuttal Adjustment to Revenue and/or Expense	$	67
14			
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46	Workpapers & Supporting Documents:		
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50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls		

Line No.

1 **Chemical Expense - Amortize Arsenic Media Replacement**
2 Company Adj SM-10 included an annual amortization of $50,856 of deferred arsenic media costs and annual ongoing costs of $46,000.
3 Staff proposes to reject both of these amounts.
4
5 The Company agrees to remove amortization of arsenic media costs and recover the deferred charges of $101,712 via a separate surcharge over a 3 year period.
6
7
8

9	Arsenic Media Replacement costs deferred pursuant to Decision No. 71410	$ -
10		
11	Amortization period (2 years)	2
12		
13	Annual amortization of Deferred Arsenic Media Replacement costs	$ -
14		
15	Annual On-going Arsenic Media Replacement Expense	$ 48,078
16		
17	Total annual expense	$ 48,078
18		
19	Amount for requested in October Filing	$ 98,934
20		
21	Increase/(Decrease) in Waste Disposal Expense	$ (50,856)
22		
23	Rebuttal Adjustment to Revenue and/or Expense	$ (50,856)

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46 Workpapers & Supporting Documents:
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50 \2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls

Line No.			
1	**Interest Synchronization**		
2			
3			
4	Interest Synchronization with Rate Base		
5			
6	Original Cost Rate Base (Sch. B-1 Rebuttal, Ln. 28)		$ 1,543,048
7	Weighted Cost of Debt from Schedule D-1 Rebuttal		2.57%
8	Synchronized Interest Expense		$ 39,656
9			
10	Test Year Interest Expense	$ 41,320	
11			
12	Adjusted Test Year Interest Expense		$ 41,320
13			
14	Increase/(Decrease) in Interest Expense		$ (1,664)
15			
16	Rebuttal Adjustment to Revenue and/or Expense		$ (1,664)
17			
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47	Workpapers & Supporting Documents:		
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50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls		

Tubac Water
Test Year Ended June 30, 2013
Income Statement Rebuttal Adjustment SM-10R

Exhibit
Schedule C-2 Rebuttal
Page 10
Witness: Murrey

Line No.					
1	**General Office Expense Pro Forma**	Tubac Water 4 Factor	0.792%		
2					
3					
4	Duplicate I/T expense related to license fees of $11,010				
5					
6	I/T Costs in Corporate Allocation and General Office Expense				
7			$ (11,010)		
8			$ (11,010)		
9		Tubac Water 4 Factor	0.8%		
10					
11		Pro Forma General Office Expense allocated		$	(87)
12					
13	Test Year total Promotions, Donations, and Advertising Expense per Income Statement		$ (3,660)		
14	Less Promotions, Donations, and Advertising alrady allocated out (proforma adjustment SM#10)		$ 1,305		
15					
16					
17					
18		Pro Forma General Office Expense Adjustment		$	(2,355)
19					
20					
21	Increase / (Decrease) in General Office Expense			$	(2,443)
22					
23	Rebuttal Adjustment to Revenue and/or Expense			$	(2,443)
24					
25					
26	**Miscellaneous Pro Forma**				
27	The Company accepts Staff's proposed adjusment .				
28					
29	Miscellaneous Expense in cost pool		$ 6,485		
30					
31	Remove: Items such as food, flowers, linen, etc		$ (6,485)		
32					
33	Miscellaneous Expense to be allocated		$ -		
34		Tubac Water 4 Factor	0.792%		
35					
36		Total Pro Forma Miscellaneous Expense allocated		$	-
37					
38	Test Year Miscellaneous Expense cost pool		$ 6,485		
39		Tubac Water 4 Factor	0.792%		
40					
41		Test Year Miscellaneous Expense allocated		$	51
42					
43					
44	Increase / (Decrease) in Miscellaneous Expense			$	(51)
45					
46	Rebuttal Adjustment to Revenue and/or Expense			$	(51)
47					
48	\RebuttalSummaryA-1,B-1,C-1.xlxs				
49	\Test Year Rebuttal Adjustments 02-09.xlsx				
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls				

Line No.					
1	**Corporate Allocation Pro Forma**				
2	The Company is voluntarily removing of the financial component of the incentive compensation metrics which represents 10% of the award.				
3					
4	Actual At-Risk Compensation		$ 597,657		
5					
6	Less: Financial & Other Component		$ 315,792		
7					
8	Incentive Compensation to be allocated		$ 281,865		
9		Tubac Water 4 Factor	0.792%		
10					
11		Total Pro Forma incentive compensation allocated		$	2,233
12					
13	Test Year Incentive Compensation in cost pool		$ 597,657		
14		Tubac Water 4 Factor	0.792%		
15					
16		Test Year incentive compensation allocated		$	4,735
17					
18					
19	Increase / (Decrease) in Corporate Allocation Expense			$	(2,502)
20					
21	Rebuttal Adjustment to Revenue and/or Expense			$	(2,502)
22					
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47	Workpapers & Supporting Documents:				
48					
49	\A-1SummarizeChanges 1.27.15.xlsx				
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls				

Line No.			
1	**24-Month Deferral Request**		
2			
3	On October 14, 2012, Paradise Valley Water filed Docket No. W-01303A-12-0427 seeking approval of an accounting		
4	order to defer Post-in-Service AFUDC and Depreciation on investment between rate filings. This filing was withdrawn		
5	June 27, 2013 to enable the Company to pursue those deferrals on an individual district basis.		
6			
7	Pro Forma 24-Month Deferral Balance	$	23,381
8			
9			
10	Increase / (Decrease) in Deferred Debits	$	23,381
11			
12			
13	Increase / (Decrease) to Rate Base	$	23,381
14			
15			
16			
17	In addition to the deferral request, in this application Paradise Valley Water Company requests authority to begin the		
18	amortization of the deferred balance associated with the 24-Month Deferral Request using the composite depreciation	Current	
19	rate (See Adj SM-13, page 2 of 3).		2.81%
20			
21			
22	Pro Forma adjustment for Amortization of Balance of 24-Month Deferral Request		
23	associated with Docket No. W-01303A-12-0427 at composite depreciation rate.	$	657
24			
25	Original AFUDC Ask	$	965
26			
27	Difference	$	(308)
28			
29			
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47	Workpapers & Supporting Documents:		
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49	\Test Year Rebuttal Adjustments 02-09.xlsx		
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls		

Test Year Ended June 30, 2013
Test Year Ended June 30, 2013
Income Statement Adjustment SM-14R

Line No.	**RESIDENTIAL**	**ORIGINAL CALC**	
	Increase / (Decrease) in Operating Expenses:	Postage	Other Customer Accounting
1			
2			
3	Test Year Adjusted Expense from Sch C-2	$ 2,830	$ 20,759
4	Avg Customers times 12 bills	7,146	7,146
5	Cost per Unit	$ 0.40	$ 2.90
6			
7	Customer Growth by Volume	(2)	(2)
8	Customer Growth by Count		
9			
10	Additional Expense	($1)	($6)
11			
12	**Total Original Calculation - Residential**		**$ (7)**
13			
14			

Line No.	**COMMERCIAL**	**ORIGINAL CALC**		**REVISED CALC**		
16	***Increase / (Decrease) in Operating Expenses:***		Other Customer		Other Customer	
17		Postage	Accounting	Postage	Accounting	
18						
19	Test Year Adjusted Expense from Sch C-2	$ 2,830	$ 20,759	$ 2,830	$ 20,759	
20	Year-End Number of Customers times 12 bills			7,152	7,152	
21	Avg Customers times 12 bills	7,146	7,146	7,146	7,146	
22	Cost per Unit	$ 0.40	$ 2.90	$ 0.40	$ 2.90	
23						
24	Customer Growth by Volume	(915)	(915)			
25	Customer Growth by Count			6	6	
26						
27	Additional Expense	($366)	($2,654)	$2	$17	$19
28						
29	**Total Original Calculation - Commercial**		**$ (3,020)**			
30						
31						
32	Total Original Revision		$ (3,027)			
33						
34	Reverse original Adjustment		$ 3,027			
35	Revised Customer Accounting Adjustment		$ 19			
36	Total Increase/(Decrease) to Customer Accounting		$ 3,046			
37						
38						
39						
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46						
47	Workpapers & Schedules					
48						
49	\2013 Tubac Water Sch. H.xls					
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls					

Line No.					
1	**Arizona Labor Expense Pro Forma**	Tubac Water 4 Factor		0.792%	
2					
3	The Company is voluntarily removing of the financial component of the incentive compensation metrics which represents 10% of the award.				
4					
5	Incentive Compensation in cost pool		$	801,710	
6					
7	Removal 10% attributable to the financial component		$	(80,171)	
8					
9	Incentive Compensation to be allocated		$	721,539	
10		Tubac Water 4 Factor		0.792%	
11					
12		Total Pro Forma incentive compensation allocated			$ 5,716
13					
14	Test Year Incentive Compensation in cost pool		$	801,710	
15		Tubac Water 4 Factor		0.792%	
16					
17		Test Year incentive compensation allocated			$ 6,351
18					
19					
20	Increase / (Decrease) in Labor Expense				$ (635)
21					
22	Rebuttal Adjustment to Revenue and/or Expense				$ (635)
23					
24					
25					
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27					
28					
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46	Rebuttal Adjustment to Revenue and/or Expense				
47					
48					
49	\CorporateAllocationandIncentiveComp (EUI).xlxs				
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls				

Tubac Water
Test Year Ended June 30, 2013
Computation of Gross Revenue Conversion Factor

Exhibit
Schedule C-3 Rebuttal
Page 1
Witness: Murrey

Line No.	Description					Percentage of Incremental Gross Revenues
1	Federal Income Taxes					31.96%
2						
3	State Income Taxes					6.00%
4				Combined	37.96%	
5	Property Taxes	Effective Rate =	1.74%	One Minus Combined	62.04%	1.08%
6						
7	Bad Debt Expense	Effective Rate =	0.58%	One Minus Combined	62.04%	0.36%
8						
9	Total Tax Percentage					39.40%
10						
11	Operating Income % = 100% - Tax Percentage					60.60%
12						
13						
14						
15	1	= Gross Revenue Conversion Factor				
16	Operating Income %					1.6501
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
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40						
41						
42						
43	Supporting Schedules:					Recap Schedules:
44						A-1 Rebuttal
45						
46						
47						
48						
49						
50	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls					

Tubac Water
Test Year Ended June 30, 2010
Summary of Cost of Capital
Total Company - EPCOR Water Arizona

Exhibit
Schedule D-1 Rebuttal
Page 1
Witness: Hubbard

Line No.	Item of Capital	End of Test Year Dollar Amount	End of Test Year Percent of Total	End of Test Year Cost Rate	End of Test Year Weighted Cost	End of Projected Year Dollar Amount	End of Projected Year Percent of Total	End of Projected Year Cost Rate	End of Projected Year Weighted Cost
1	Long-Term Debt	$ 231,761,134	58.55%	4.29%	2.51%	$ 231,761,134	59.84%	4.29%	2.57%
2									
3	Short-Term Debt	$ 8,560,000	2.16%	0.31%	0.01%	$ -	0.00%	0.31%	0.00%
4									
5	Stockholder's Equity	$ 155,533,624	39.29%	10.55%	4.15%	$ 155,533,624	40.16%	10.55%	4.24%
6									
7	Totals	$ 395,854,758	100.00%		6.67%	$ 387,294,758	100.00%		6.81%
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30	Supporting Schedules:		Recap Schedules:						
31	D-2		A-1						
32									
33									
34									
35	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls								

Tubac Water
Test Year Ended June 30, 2010
Summary of Cost of Capital
Total Company - EPCOR Water Arizona
District Level - Paradise Valley Water - Proposed

Exhibit
Schedule D-1 Rebuttal
Page 2
Witness: Hubbard

Line No.	Item of Capital	End of Test Year Dollar Amount	Percent of Total	Cost Rate	Weighted Cost	End of Projected Year Dollar Amount	Percent of Total	Cost Rate	Weighted Cost
1	Long-Term Debt	$ 903,409	58.55%	4.29%	2.51%	$ 923,376	59.84%	4.29%	2.57%
2									
3	Short-Term Debt	$ 33,367	2.16%	0.31%	0.01%	$ -	0.00%	0.31%	0.00%
4									
5	Stockholder's Equity	$ 606,272	39.29%	10.55%	4.15%	$ 619,672	40.16%	10.55%	4.24%
6									
7	Totals	$ 1,543,048	100.00%		6.67%	$ 1,543,048	100.00%		6.81%
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30	Supporting Schedules:		Recap Schedules:						
31	D-2		A-1 Revised						
32									
33									
34									
35	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls								

Tubac Water
Test Year Ended June 30, 2010
Cost of Long Term Debt
Test Year - Tubac Water - Proposed

Exhibit
Schedule D-2 Rebuttal
Page 1
Witness: Hubbard

At Parent Level

Line No.		End of Test Year Amount Outstanding	End of Test Year Annual Cost	End of Test Year Interest Rate	End of Projected Year Amount Outstanding	End of Projected Year Annual Cost	End of Projected Year Interest Rate
1	Long-Term Debt						
2	10-Year EPCOR Water USA Note	133,000,000	5,004,790	3.77%	133,000,000	5,004,790	3.77%
3	30-Year EPCOR Water USA Note	98,000,000	4,907,513	5.02%	98,000,000	4,907,513	5.02%
4	WIFA loan	761,134	29,973	3.94%	761,134	29,973	3.94%
5							
6	Totals	$ 231,761,134	$ 9,942,276	4.29%	$ 231,761,134	$ 9,942,276	4.29%
7							
8							
9	Common Equity						
10	Common Stock	$ 522,880			$ 522,880		
11	Paid in Capital	184,882,920			184,882,920		
12	Retained Earnings	(29,872,177)			(29,872,177)		
13		$ 155,533,624		10.55%	$ 155,533,624		10.55%
14							
15							
16							
17	Short-Term Debt						
18	S-T Debt from EPCOR Utilities, Inc	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
19							
20							
21	Totals	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
22							
23							
24							
25	Supporting Schedules:		Recap Schedules:				
26	E-1		D-1				
27							
28							
29	\EUSA TB By BU_131101_Sch E.xlsx						
30	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls						

Tubac Water
Test Year Ended June 30, 2013
Cost of Long Term Debt
Test Year - Tubac Water - Proposed

Exhibit
Schedule D-2
Page 2
Witness: Hubbard

Line No.		End of Test Year Amount Outstanding	End of Test Year Annual Cost	End of Test Year Interest Rate	End of Projected Year Amount Outstanding	End of Projected Year Annual Cost	End of Projected Year Interest Rate
1	Long-Term Debt						
2	10-Year EPCOR Water USA Note	$ 133,000,000	$ 5,004,790	3.77%	$ 133,000,000	$ 5,004,790	3.77%
3	30-Year EPCOR Water USA Note	98,000,000	4,907,513	5.02%	98,000,000	4,907,513	5.02%
4							
5							
6	Totals	$ 231,000,000	$ 9,912,303	4.29%	$ 231,000,000	$ 9,912,303	4.29%
7							
8							
9	Common Equity						
10	Common Stock	$ 522,880			$ 522,880		
11	Paid in Capital	184,882,920			184,882,920		
12	Retained Earnings	(29,872,177)			(29,872,177)		
13		$ 155,533,624		10.55%	$ 155,533,624		10.55%
14							
15							
16							
17	Short-Term Debt						
18	Intercompany Payable	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
19							
20							
21	Totals	$ 8,560,000	$ 26,536	0.31%	$ 8,560,000	$ 26,536	0.31%
22							
23							
24							
25	Supporting Schedules:		Recap Schedules:				
26	E-1		D-1				
27							
28							
29	\EUSA TB By BU_131101_Sch E.xlsx						
30	\2013 Tubac Water Sch. A-F Rebuttal (OCT2014 Direct).xls						

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Returns at Present Rates by Class

Exhibit
Rebuttal Schedule G-1
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Commercial
1	Water Revenues	$ 600,443	$ 408,280	$ 192,163
2	Fire Service Revenues	-	-	-
3	Revenue Annualizations	(4,914)	(3)	(4,911)
4	Declining Usage	(20,841)	(14,288)	(6,553)
5	Misc. Revenues[1]	4,990	4,268	722
6	Reconciliation H-1 to C-1[1]	(484)	(414)	(70)
7	Total Revenues	$ 579,194	$ 397,843	$ 181,351
8				
9	Operating Expenses[2]	$ 494,443	$ 395,376	$ 99,067
10	Depreciation and			
11	Amortization[2]	183,277	144,520	38,757
12	Property Tax[3]	30,506	20,954	9,552
13	Income Tax[4]	(64,034)	(73,196)	9,162
14	Total Operating Expenses	$ 644,192	$ 487,654	$ 156,538
15	Operating Income	$ (64,998)	$ (89,811)	$ 24,813
16	Interest Expense[5]	41,320	31,719	9,601
17	Net Income	$ (106,318)	$ (121,530)	$ 15,212
18	Rate Base[6]	$ 1,543,047	$ 1,184,509	$ 358,540
19	Return on Rate Base[7]	-4.21%	-7.58%	6.92%
20				
21	**Percent of Total Customers**		85.53%	14.47%
22				
23				
24				
25				
26				
27				

28 [1] Allocated based on customer counts.
29 [2] Operating Expenses and Depreciation computations are shown on Schedule G-4, Page 1.
30 [3] Property Taxes allocation based on Revenues.
31 [4] Income Tax from Schedule C-1, at present rates. Income Taxes allocated based on taxable income.
32 [5] Interest Synchronized Interest Expense. Allocation based on Rate Base
33 [6] Rate Base computations are shown on Schedule G-3, Page 1
34 [7] Operating Income Divided by Rate Base
35
36

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Returns at Proposed Rates by Class

Rebuttal Schedule G-2
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Commercial
1	Water Revenues	$ 892,794	$ 630,246	$ 262,548
2	Fire Service Revenues	-	-	-
3	Revenue Annualizations	(6,681)	(11)	(6,669)
4	Declining Usage	(31,010)	(26,523)	(4,487)
5	Misc. Revenues[1]	4,990	4,268	722
6	Reconciliation H-1 to C-1[1]	(248)	(212)	(36)
7	Total Revenues	$ 859,846	$ 607,768	$ 252,078
8				
9	Operating Expenses[2]	$ 496,064	$ 396,762	$ 99,302
10	Depreciation and			
11	Amortization[2]	183,277	144,520	38,757
12	Property Tax[3]	35,392	25,016	10,376
13	Income Tax[4]	40,031	3,760	36,271
14	Total Operating Expenses	$ 754,764	$ 570,059	$ 184,705
15	Operating Income	$ 105,082	$ 37,709	$ 67,373
16	Interest Expense[5]	41,320	31,719	9,601
17	Net Income	$ 63,762	$ 5,990	$ 57,772
18	Rate Base[6]	$ 1,543,047	$ 1,184,509	$ 358,540
19	Return on Rate Base[7]	6.81%	3.18%	18.79%
20				
21	**Percent of Total Customers**		85.53%	14.47%
22				
23	**Indicated Monthly Minimums and Single-Tier Commody Rates for 5/8x3/4 Inch Meter**			
24		Sched. G-8, pg 4A	Sched. G-8, pg 4B	Sched. G-8, pg 4C
25		All Classes	Residential	Commercial
26	Monthly Minimums	**$ 41.80**	$ 44.61	$ 34.66
27	Single-Tier Commodity Rate	**$ 6.059**	$ 6.278	$ 5.493
28				
29				

30 [1] Allocated based on customer counts.
31 [2] Operating Expenses and Depreciation computations are shown on Schedule G-4, Page 2.
32 [3] Property Taxes allocation based on Revenues
33 [4] Income Tax from Schedule C-1, at proposed rates. Income Taxes allocated based on taxable income
34 [5] Interest Synchronized Interest Expense. Allocation based on Rate Base
35 [6] Rate Base computations are shown on Schedule G-3, Page 1
36 [7] Operating Income Divided by Rate Base
37

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Allocation of Assets to Customer Classes

Exhibit
Rebuttal Schedule G-3
Page 1
Witness: Bourassa

Line No.		Totals	Residential	Commercial
1				
2				
3				
4	Plant, Minus Accumulated Depreciation, Advances and Contributions in Aid, Meter Deposits, and Deferred Income Tax (from Sche			
5	Commodity	$ 164,769	$ 118,904	$ 45,864
6	Demand	692,056	560,200	131,856
7	Customer	86,157	73,690	12,467
8	Service	447,176	303,965	143,211
9	Meter	152,892	127,750	25,142
10	Total	$ 1,543,049	$ 1,184,509	$ 358,540
11				
12				
13				
14	**Summary**			
15	Net Rate Base	$ 1,543,049	$ 1,184,509	$ 358,540
16	% of Net Rate Base	100.00%	76.76%	23.24%
17				
18				
19				
20				

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Expenses to Customer Classes - Present Rates

Exhibit
Rebuttal Schedule G-4
Page 1
Witness: Bourassa

Line No.		Adjusted Per C-1	Residential	Commercial	Totals
	Operation and Maintenance Expense (from Schedule G-6, Page 1)				
1	Commodity	$ 148,134	$ 106,900	$ 41,234	$ 148,134
2	Demand	168,521	136,413	32,108	168,521
3	Customer	177,788	152,063	25,725	177,788
4	Service	-	-	-	-
5	Meter	-	-	-	-
6	Totals	$ 494,443	$ 395,376	$ 99,067	$ 494,443
7					
8	Depreciaton Expense on Plant (from Schedule G-6, Page 2)				
9	Commodity	27,940	$ 20,163	$ 7,777	$ 27,940
10	Demand	119,174	96,468	22,706	119,174
11	Customer	3,984	3,408	577	3,984
12	Service	15,439	10,494	4,944	15,439
13	Meter	16,739	13,987	2,753	16,739
14	Totals	$ 183,277	$ 144,520	$ 38,757	$ 183,277
15					
16	Operation and Maintenance Expense and Depreciation Expense				
17	Commodity	$ 176,074	$ 127,063	$ 49,011	$ 176,074
18	Demand	287,696	232,882	54,814	287,696
19	Customer	181,772	155,471	26,302	181,772
20	Service	15,439	10,494	4,944	15,439
21	Meter	16,739	13,987	2,753	16,739
22	Total	$ 677,720	$ 539,896	$ 137,824	$ 677,720
23					
24	Total Expenses (excluding Income Tax and				
25	Property Taxes)	$ 677,720	$ 539,896	$ 137,824	$ 677,720
26					
27	Property Taxes, Allocated on Schedules G-1 & G-2	$ 30,506			
28	Income Tax, Allocated on Schedules G-1 & G-2	(64,034)			
29	Total Expenses	**$ 644,192**			
30					

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Expenses to Customer Classes - Proposed Rates

Exhibit
Rebuttal Schedule G-4
Page 2
Witness: Bourassa

Line No.		At Proposed C-1	Residential	Commercial	Totals
1					
2	Operation and Maintenance Expense (from Schedule G-6, Page 1)				
3	Commodity	$ 148,134	$ 106,900	$ 41,234	$ 148,134
4	Demand	168,521	136,413	32,108	168,521
5	Customer	179,408	153,449	25,960	179,408
6	Service	-	-	-	-
7	Meter	-	-	-	-
8	Totals	$ 496,064	$ 396,762	$ 99,302	$ 496,064
9					
10	Depreciaton Expense on Plant (from Schedule G-6, Page 3.2)				
11	Commodity	$ 27,940	$ 20,163	$ 7,777	$ 27,940
12	Demand	119,174	96,468	22,706	119,174
13	Customer	3,984	3,408	577	3,984
14	Service	15,439	10,494	4,944	15,439
15	Meter	16,739	13,987	2,753	16,739
16	Totals	$ 183,277	$ 144,520	$ 38,757	$ 183,277
17					
18	Operation and Maintenance Expense and Depreciation Expense				
19	Commodity	$ 176,074	$ 127,063	$ 49,011	$ 176,074
20	Demand	287,696	232,882	54,814	287,696
21	Customer	183,393	156,857	26,536	183,393
22	Service	15,439	10,494	4,944	15,439
23	Meter	16,739	13,987	2,753	16,739
24	Total	$ 679,341	$ 541,282	$ 138,059	$ 679,341
25					
26	Total Expenses (excluding Income Tax and				
27	Property Taxes)	$ 679,341	$ 541,282	$ 138,059	$ 679,341
28					
29	Property Taxes, Allocated on Schedules G-1 & G-2	$ 35,392			
30	Income Tax, Allocated on Schedules G-1 & G-2	40,031			
31	Total Expenses	**$ 754,764**			
32					
33					
34					

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity Demand Method
Allocation of Rate Base by Function

Exhibit
Rebuttal Schedule G-5
Page 1
Witness: Bourassa

Line No.		Adjusted Per B-2	Demand	Commodity	Customer	Meter	Service
1							
2	**Rate Base**						
3	Plant minus (Accumulated Depreciation	$ 1,543,049	$ 692,056	$ 164,769	$ 86,157	$ 152,892	$ 447,176
4	Contributions in Aid of Construction						
5	Advances in Aid of Construction,						
6	Meter Deposits and Deferred Income Tax)						
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							

Tubac Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Intangible**										
2	301000	Organization	$ 567	$ -	$ 567	F-1	459	108	-	-	-
3	302000	Franchises	2,030	-	2,030	F-1	1,644	386	-	-	-
4	303100	Other Intangible Plant	-	-	-	F-1	-	-	-	-	-
5	**Subtotal Intangible**		$ 2,597	$ -	$ 2,597		$ 2,104	$ 493	$ -	$ -	$ -
6											
7	**Source of Supply & Pumping Plant**										
8	303200	Land and Land Rights - Supply	$ 61,190	$ -	$ 61,190	F-1	$ 49,564	$ 11,626	$ -	$ -	$ -
9	303300	Land and Land Rights - Pumping	50	-	50	F-1	41	10	-	-	-
10	304100	Structures and Improvements - Supply	25,292	10,361	14,931	F-1	12,094	2,837	-	-	-
11	304200	Structures and Improvements - Pumping	14,608	11,543	3,065	F-1	2,483	582	-	-	-
12	305000	Collecting and Impounding Res.	-	-	-	F-1	-	-	-	-	-
13	306000	Lakes, Rivers, Other Intakes	-	-	-	F-1	-	-	-	-	-
14	307000	Wells and Springs	236,074	148,925	87,149	F-1	70,591	16,558	-	-	-
15	308000	Infiltration Galleries and Tunnels	-	-	-	F-1	-	-	-	-	-
16	309000	Supply Mains	-	-	-	F-1	-	-	-	-	-
17	310000	Power Generation Equipment	20,225	2,629	17,596	F-1	14,253	3,343	-	-	-
18	311000	Pumping Equipment - Steam	-	-	-	F-1	-	-	-	-	-
19	311200	Pumping Equipment - Electric	279,401	211,048	68,353	F-1	55,366	12,987	-	-	-
20	311300	Pumping Equipment - Diesel	879	569	310	F-1	251	59	-	-	-
21	311400	Pumping Equipment - Hydraulic	-	-	-	F-1	-	-	-	-	-
22	311500	Pumping Equipment - Other	403,824	135,138	268,686	F-1	217,635	51,050	-	-	-
23	311530	Pumping Equipment - Water Treatment	-	-	-	F-1	-	-	-	-	-
24	**Subtotal Source of Supply & Pumping Plant**		$ 1,041,543	$ 520,213	$ 521,330		$ 422,278	$ 99,053	$ -	$ -	$ -
25											
26	**Water Treatment**										
27	303400	Land and Land Rights - Treatment	$ 50	$ -	$ 50	F-1	$ 41	$ 10	$ -	$ -	$ -
28	304300	Structures and Improvements - Treatment	302	21	281	F-1	227	53	-	-	-
29	320000	Water Treatment Plant	-	-	-	F-1	-	-	-	-	-
30	320100	Water Treatment Equipment - Non-media	1,696,187	387,736	1,308,451	F-1	1,059,845	248,606	-	-	-
31	320200	Water Treatment Equipment - Media	249,315	70,762	178,553	F-1	144,628	33,925	-	-	-
32	**Subtotal Water Treatment**		$ 1,945,854	$ 458,520	$ 1,487,334		$ 1,204,741	$ 282,593	$ -	$ -	$ -
33											
34	**Transmission and Distribution Plant**										
35	303500	Land and Land Rights - T&D	$ 422	$ (117)	$ 539	F-1	$ 437	$ 102	$ -	$ -	$ -
36	304400	Structures and Improvements - T&D	156	109	47	F-1	38	9	-	-	-
37	330000	Distribution Reservoirs & Standpipes	210,840	58,259	152,581	F-1	123,591	28,990	-	-	-
38	330100	Elevated Tank & Standpipes	-	-	-	F-1	-	-	-	-	-
39	330200	Ground Level Tanks	-	-	-	F-1	-	-	-	-	-
40	330300	Below Ground Tanks	-	-	-	F-1	-	-	-	-	-
41	331001	T&D Mains Not Classified	364,469	62,042	302,427	F-1	244,966	57,461	-	-	-
42	331100	T&D Mains 4in & less	886,119	410,163	475,956	F-1	385,524	90,432	-	-	-
43	331200	T&D Mains 6in to 8in	896,807	95,922	800,885	F-1	648,717	152,168	-	-	-
44	331300	T&D Mains 10in to 16in	37,161	3,971	33,189	F-1	26,883	6,306	-	-	-
45	331400	TD Mains 18in & Grtr	-	-	-	F-1	-	-	-	-	-
46	332000	Fire Mains	-	-	-	F-2	-	-	-	-	-

Tubac Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.2
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	333000	Services	$ 617,549	$ 170,114	$ 447,435	F-3	$ -	$ -	$ -	$ -	$ 447,435
2	334100	Meters	194,259	59,958	134,301	F-4	-	-	-	134,301	-
3	334200	Meter Installations	22,040	3,190	18,850	F-4	-	-	-	18,850	-
4	334300	Meter Vaults	-	-	-	F-4	-	-	-	-	-
5	335000	Hydrants	136,093	18,802	117,292	F-5	-	-	117,292	-	-
6	336000	Backflow Prevention Devices	-	-	-	F-1	-	-	-	-	-
7	339100	Other P/E-Intangible	-	-	-	F-1	-	-	-	-	-
8	339200	Other P/E-Supply	-	-	-	F-1	-	-	-	-	-
9	339500	Other P/E-TD	-	-	-	F-1	-	-	-	-	-
10	339600	Other P/E-CPS	461	8	453	F-1	367	86	-	-	-
11	**Subtotal Transmission and Distribution Plant**		$ 3,366,376	$ 882,421	$ 2,483,955		$ 1,430,524	$ 335,555	$ 117,292	$ 153,150	$ 447,435
12											
13	**General Plant**										
14	303600	Land and Land Rights	$ 2,755	$ -	$ 2,755	F-1	$ 2,232	$ 523	$ -	$ -	$ -
15	304500	Structures and Improvements - General	-	-	-	F-1	-	-	-	-	-
16	304600	Structures and Improvements - Offices	498	211	287	F-1	232	54	-	-	-
17	304620	Structures and Improvements - Leasehold	-	-	-	F-1	-	-	-	-	-
18	304700	Structures and Improvements - Sore,Shop,	44,598	2,640	41,959	F-1	33,986	7,972	-	-	-
19	304800	Structures and Improvements - General	-	-	-	F-1	-	-	-	-	-
20	340100	Office Furniture & Equipment	5,453	2,546	2,907	F-6	727	-	2,180	-	-
21	340200	Computers & Software	1,336	5,104	(3,769)	F-6	(942)	-	(2,826)	-	-
22	340300	Computer Software	-	-	-	F-6	-	-	-	-	-
23	340310	Computer Software Mainframe	-	-	-	F-6	-	-	-	-	-
24	340325	Computer Software Customized	-	-	-	F-6	-	-	-	-	-
25	340330	Computer Software Other	-	-	-	F-6	-	-	-	-	-
26	340500	Other Office Equipment	-	-	-	F-6	-	-	-	-	-
27	341100	Transportation Equip Light Duty Truks	17,166	59,578	(42,412)	F-6	(10,603)	-	(31,809)	-	-
28	341200	Transportation Equip Heavy Duty Truks	-	-	-	F-6	-	-	-	-	-
29	341300	Transportation Equipment Autos	-	-	-	F-6	-	-	-	-	-
30	341400	Transportation Equipment Other	-	-	-	F-6	-	-	-	-	-
31	342000	Stores Equipment	0	(1,760)	1,761	F-6	440	-	1,320	-	-
32	343000	Tools and Work Equipment	22,179	5,510	16,669	F-1	13,502	3,167	-	-	-
33	344000	Laboratory Equipment	-	-	-	F-1	-	-	-	-	-
34	345000	Power Operated Equipment	-	-	-	F-1	-	-	-	-	-
35	346100	Communication Equipment Non-Telephone	1,932	1,570	362	F-1	293	69	-	-	-
36	346190	Remote Control & Instrument	-	-	-	F-1	-	-	-	-	-
37	346200	Communication Equipment Telephone	-	-	-	F-1	-	-	-	-	-
38	346300	Communication Equipment Other	659	508	151	F-1	122	29	-	-	-
39	347000	Tools and Work Equipment	-	-	-	F-1	-	-	-	-	-
40	348000	Laboratory Equipment	-	-	-	F-1	-	-	-	-	-
41	**Subtotal General Plant**		$ 96,576	$ 75,907	$ 20,669		$ 39,989	$ 11,815	$ (31,135)	$ -	$ -
42	**Total Direct Plant**		$ 6,452,947	$ 1,937,061	$ 4,515,886		$ 3,099,635	$ 729,509	$ 86,157	$ 153,150	$ 447,435
43											
44											
45											

Tubac Water District
Test Year Ended June 30, 2013
Allocation of Plant, Less Contributions and Advances in Aid of
Construction , Meter Deposits and Accumulated Depreciation to Functions

Exhibit
Rebuttal Schedule G-5
Page 2.3
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost Plant	Accumulated Depreciation	Total Net Plant Values	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1											
2											
3											
4											
5	**Allocated General Plant**										
6	399000	Allocated Corporate General Plant	14,772	4,770	10,002	F-1	8,102	1,900	-	-	-
7	399000	Reconcilation to PIS Balance	-	406	(406)	F-1	(329)	(77)	-	-	-
8	**Subtotal General Plant**		$ 14,772	$ 5,176	$ 9,596		$ 7,773	$ 1,823	$ -	$ -	$ -
9	Total Plant		$ 6,467,719	$ 1,942,237	$ 4,525,482		$ 3,107,408	$ 731,333	$ 86,157	$ 153,150	$ 447,435
10											
11	Contributions in Aid of Construction		(1,076,185)	45,823	(1,030,362)	F-1	(834,593)	(195,769)	-	-	-
12	Advances in Aid of Construction		(1,952,127)		(1,952,127)	F-1	(1,581,223)	(370,904)	-	-	-
13	Meter Deposits		(517)		(517)	F-7	-	-	-	(259)	(259)
14	Deferred Income Tax		(26,304)		(26,304)	F-1	(21,306)	(4,998)	-	-	-
15	Working Capital		3,496		3,496	F-1	2,832	664	-	-	-
16	Deferred Reg Assets		23,381		23,381	F-1	18,939	4,442	-	-	-
17					-						
18	Rounding		(2)		(2)						
19	Totals		$ 3,439,461	$ 1,988,060	$ 1,543,047		$ 692,056	$ 164,769	$ 86,157	$ 152,892	$ 447,176
20	Rate Bases (Plant -(AIAC, CIAC, Meter Deposits & Accum. Depr.)				$ 1,543,047		$ 692,056	$ 164,769	$ 86,157	$ 152,892	$ 447,176
21											
22											
23											
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Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Allocation of Expenses to Functions
At Present Rates

Exhibit
Rebuttal Schedule G-6
Page 1
Witness: Bourassa

Line No.	Description	Adjusted per C-1	Demand	Commodity	Customer	Meters	Services	Totals
1	Labor	$ 178,805	$ 71,522	$ 35,761	$ 71,522	$ -	$ -	$ 178,805
2	Purchased Water	-	-	-	-	-	-	-
3	Fuel & Power	33,324	-	33,324	-	-	-	33,324
4	Chemicals	48,078	-	48,078	-	-	-	48,078
5	Waste Disposal	811	729	81	-	-	-	811
6	Intercompany Support Services	95	38	19	38	-	-	95
7	Corporate Allocation	32,313	12,925	6,463	12,925	-	-	32,313
8	Outside Services	26,870	21,496	5,374	-	-	-	26,870
9	Group Insurance	37,821	15,128	7,564	15,128	-	-	37,821
10	Pensions	430	172	86	172	-	-	430
11	Regulatory Expense	7,261	5,881	1,380	-	-	-	7,261
12	Insurance Other Than Group	12,198	9,881	2,318	-	-	-	12,198
13	Customer Accounting	21,926	-	-	21,926	-	-	21,926
14	Rents	7,566	-	-	7,566	-	-	7,566
15	General Office Expense	25,761	-	-	25,761	-	-	25,761
16	Miscellaneous	6,593	-	-	6,593	-	-	6,593
17	Maintenance Expense	38,435	30,748	7,687	-	-	-	38,435
18	Depreciation & Amortization[1]	183,277	119,174	27,940	3,984	16,739	15,439	183,277
19	General Taxes-Other	16,157	-	-	16,157	-	-	16,157
20								
21								
22	Property Taxes, Allocated on Schedules G-1 & G-2							
23	Income Tax, Allocated on Schedules G-1 & G-2							
24								
25	Total	$ 677,720	$ 287,696	$ 176,074	$ 181,772	$ 16,739	$ 15,439	**$ 677,720**
26								
27								
28	[1] Depreciation allocation computed on Schedule G-6, Page 3.1 through 3.3							
29								
30								
31								
32								
33								
34	See Schedule G-7, page 2.2 for allocation factors.							
35	See Schedule G-5, page 1 for allocations by class.							
36								
37								
38								

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Allocation of Expenses to Functions
At Proposed Rates

Exhibit
Rebuttal Schedule G-6
Page 2
Witness: Bourassa

Line No.	Description	At Proposed Per C-1	Demand	Commodity	Customer	Meters	Services	Totals
1	Labor	$ 178,805	$ 71,522	$ 35,761	$ 71,522	$ -	$ -	$ 178,805
2	Purchased Water	-	-	-	-	-	-	-
3	Fuel & Power	33,324	-	33,324	-	-	-	33,324
4	Chemicals	48,078	-	48,078	-	-	-	48,078
5	Waste Disposal	811	729	81	-	-	-	811
6	Intercompany Support Services	95	38	19	38	-	-	95
7	Corporate Allocation	32,313	12,925	6,463	12,925	-	-	32,313
8	Outside Services	26,870	21,496	5,374	-	-	-	26,870
9	Group Insurance	37,821	15,128	7,564	15,128	-	-	37,821
10	Pensions	430	172	86	172	-	-	430
11	Regulatory Expense	7,261	5,881	1,380	-	-	-	7,261
12	Insurance Other Than Group	12,198	9,881	2,318	-	-	-	12,198
13	Customer Accounting	23,546	-	-	23,546	-	-	23,546
14	Rents	7,566	-	-	7,566	-	-	7,566
15	General Office Expense	25,761	-	-	25,761	-	-	25,761
16	Miscellaneous	6,593	-	-	6,593	-	-	6,593
17	Maintenance Expense	38,435	30,748	7,687	-	-	-	38,435
18	Depreciation & Amortization[1]	183,277	119,174	27,940	3,984	16,739	15,439	183,277
19	General Taxes-Other	16,157	-	-	16,157	-	-	16,157
20								
21								
22	Property Taxes, Allocated on Schedules G-1 & G-2							
23	Income Tax, Allocated on Schedules G-1 & G-2							
24								
25	Total	$ 679,341	$ 287,696	$ 176,074	$ 183,393	$ 16,739	$ 15,439	**$ 679,341**
26								
27								
28								
29	[1] Depreciation allocation computed on Schedule G-6, Page 3.1 through 3.3							
30								
31								
32								
33								
34	See Schedule G-7, page 2.2 for allocation factors.							
35	See Schedule G-4, page 2 for allocations by class.							
36								
37								
38								

Tubac Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.1
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Intangible**										
2	301000	Organization	$ 567		$ -	F-1	$ -	$ -	$ -	$ -	$ -
3	302000	Franchises	2,030		-	F-1	-	-	-	-	-
4	303100	Other Intangible Plant	-		-	F-1	-	-	-	-	-
5	**Subtotal Intangible**		$ 2,597		$ -		$ -	$ -	$ -	$ -	$ -
6											
7		**Source of Supply & Pumping Plant**									
8	303200	Land and Land Rights - Supply	$ 61,190	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
9	303300	Land and Land Rights - Pumping	50	0.000%	-	F-1	-	-	-	-	-
10	304100	Structures and Improvements - Supply	25,292	2.500%	632	F-1	512	120	-	-	-
11	304200	Structures and Improvements - Pumping	14,608	2.000%	292	F-1	237	56	-	-	-
12	305000	Collecting and Impounding Res.	-	0.000%	-	F-1	-	-	-	-	-
13	306000	Lakes, Rivers, Other Intakes	-	0.000%	-	F-1	-	-	-	-	-
14	307000	Wells and Springs	236,074	2.500%	5,902	F-1	4,781	1,121	-	-	-
15	308000	Infiltration Galleries and Tunnels	-	0.000%	-	F-1	-	-	-	-	-
16	309000	Supply Mains	-	0.000%	-	F-1	-	-	-	-	-
17	310000	Power Generation Equipment	20,225	3.333%	674	F-1	546	128	-	-	-
18	311000	Pumping Equipment - Steam	-	0.000%	-	F-1	-	-	-	-	-
19	311200	Pumping Equipment - Electric	279,401	4.000%	11,176	F-1	9,053	2,123	-	-	-
20	311300	Pumping Equipment - Diesel	879	4.000%	35	F-1	28	7	-	-	-
21	311400	Pumping Equipment - Hydraulic	-	0.000%	-	F-1	-	-	-	-	-
22	311500	Pumping Equipment - Other	403,824	4.000%	16,153	F-1	13,084	3,069	-	-	-
23	311530	Pumping Equipment - Water Treatment	-	0.000%	-	F-1	-	-	-	-	-
24	**Subtotal Source of Supply & Pumping Plant**		$ 1,041,543		$ 34,865		$ 28,240	$ 6,624	$ -	$ -	$ -
25											
26	**Water Treatment**										
27	303400	Land and Land Rights - Treatment	$ 50	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
28	304300	Structures and Improvements - Treatment	302	2.000%	6	F-1	5	1	-	-	-
29	320000	Water Treatment Equipment	-	0.000%	-	F-1	-	-	-	-	-
30	320100	Water Treatment Equipment - Non-media	1,696,187	5.000%	84,809	F-1	68,696	16,114	-	-	-
31	320200	Water Treatment Equipment - Media	249,315	10.000%	24,931	F-1	20,194	4,737	-	-	-
32	**Subtotal Water Treatment**		$ 1,945,854		$ 109,747		$ 88,895	$ 20,852	$ -	$ -	$ -
33											
34	**Transmission and Distribution Plant**										
35	303500	Land and Land Rights - T&D	$ 422	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
36	304400	Structures and Improvements - T&D	156	2.000%	3	F-1	3	1	-	-	-
37	330000	Distribution Reservoirs & Standpipes	210,840	1.538%	3,244	F-1	2,627	616	-	-	-
38	330100	Elevated Tank & Standpipes	-	0.000%	-	F-1	-	-	-	-	-
39	330200	Ground Level Tanks	-	0.000%	-	F-1	-	-	-	-	-
40	330300	Below Ground Tanks	-	0.000%	-	F-1	-	-	-	-	-
41	331001	T&D Mains Not Classified	364,469	2.000%	7,289	F-1	5,904	1,385	-	-	-
42	331100	T&D Mains 4in & less	886,119	1.429%	12,659	F-1	10,254	2,405	-	-	-
43	331200	T&D Mains 6in to 8in	896,807	1.429%	12,812	F-1	10,377	2,434	-	-	-
44	331300	T&D Mains 10in to 16in	37,161	1.429%	531	F-1	430	101	-	-	-
45	331400	TD Mains 18in & Grtr	-	0.000%	-	F-1	-	-	-	-	-
46	332000	Fire Mains	-	0.000%	-	F-2	-	-	-	-	-

Tubac Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.2
Witness: Bourassa

Line No.	Account No.	Description	Adjusted Original Cost	Depreciation Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	333000	Services	$ 617,549	2.500%	$ 15,439	F-3	$ -	$ -	$ -	$ -	$ 15,439
2	334100	Meters	194,259	8.333%	16,188	F-4	-	-	-	16,188	-
3	334200	Meter Installations	22,040	2.500%	551	F-4	-	-	-	551	-
4	334300	Meter Vaults	-	0.000%	-	F-4	-	-	-	-	-
5	335000	Hydrants	136,093	2.000%	2,722	F-5	-	-	2,722	-	-
6	336000	Backflow Prevention Devices	-	0.000%	-	F-1	-	-	-	-	-
7	339100	Other P/E-Intangible	-	0.000%	-	F-1	-	-	-	-	-
8	339200	Other P/E-Supply	-	0.000%	-	F-1	-	-	-	-	-
9	339500	Other P/E-TD	-	0.000%	-	F-1	-	-	-	-	-
10	339600	Other P/E-CPS	461	3.330%	15	F-1	12	3	-	-	-
11	**Subtotal Transmission and Distribution Plant**		$ 3,366,376		$ 71,453		$ 29,608	$ 6,945	$ 2,722	$ 16,739	$ 15,439
12											
13	**General Plant**										
14	303600	Land and Land Rights	$ 2,755	0.000%	$ -	F-1	$ -	$ -	$ -	$ -	$ -
15	304500	Structures and Improvements - General	-	0.000%	-	F-1	-	-	-	-	-
16	304600	Structures and Improvements - Offices	498	2.500%	12	F-1	10	2	-	-	-
17	304620	Structures and Improvements - Leasehold	-	0.000%	-	F-1	-	-	-	-	-
18	304700	Structures and Improvements - Sore,Shop,Gg	44,598	2.500%	1,115	F-1	903	212	-	-	-
19	304800	Structures and Improvements - General	-	0.000%	-	F-1	-	-	-	-	-
20	340100	Office Furniture & Equipment	5,453	4.500%	245	F-6	61	-	184	-	-
21	340200	Computers & Software	1,336	10.000%	(0)	F-6	(0)	-	(0)	-	-
22	340300	Computer Software	-	0.000%	-	F-6	-	-	-	-	-
23	340310	Computer Software Mainframe	-	0.000%	-	F-6	-	-	-	-	-
24	340325	Computer Software Customized	-	0.000%	-	F-6	-	-	-	-	-
25	340330	Computer Software Other	-	0.000%	-	F-6	-	-	-	-	-
26	340500	Other Office Equipment	-	0.000%	-	F-6	-	-	-	-	-
27	341100	Transportation Equip Light Duty Truks	17,166	20.000%	-	F-6	-	-	-	-	-
28	341200	Transportation Equip Heavy Duty Truks	-	0.000%	-	F-6	-	-	-	-	-
29	341300	Transportation Equipment Autos	-	0.000%	-	F-6	-	-	-	-	-
30	341400	Transportation Equipment Other	-	0.000%	-	F-6	-	-	-	-	-
31	342000	Stores Equipment	0	0.000%	-	F-6	-	-	-	-	-
32	343000	Tools and Work Equipment	22,179	4.000%	887	F-1	719	169	-	-	-
33	344000	Laboratory Equipment	-	0.000%	-	F-1	-	-	-	-	-
34	345000	Power Operated Equipment	-	0.000%	-	F-1	-	-	-	-	-
35	346100	Communication Equipment Non-Telephone	1,932	10.000%	193	F-1	156	37	-	-	-
36	346190	Remote Control & Instrument	-	0.000%	-	F-1	-	-	-	-	-
37	346200	Communication Equipment Telephone	-	0.000%	-	F-1	-	-	-	-	-
38	346300	Communication Equipment Other	659	10.000%	66	F-1	53	13	-	-	-
39	347000	Transportation Equipment Other	-	0.000%	-	F-1	-	-	-	-	-
40	348000	Stores Equipment	-	0.000%	-	F-1	-	-	-	-	-
41	**Subtotal General Plant**		$ 96,576		$ 2,519		$ 1,903	$ 432	$ 184	$ -	$ -
42	**Total Direct Plant**		$ 6,452,947		$ 218,583		$ 148,646	$ 34,853	$ 2,906	$ 16,739	$ 15,439
43											
44											
45											

Tubac Water District
Test Year Ended June 30, 2013
Allocation of Depreciation Expense to Functions

Exhibit
Rebuttal Schedule G-6
Page 3.3
Witness: Bourassa

Line No.	Account No.	Description	Original Cost	Depreciatior Rate	Depr./Amort. Expense	Allocation Factor Ref.	Demand	Commodity	Customer	Meters	Services
1	**Allocated General Plant**										
2	399000	Allocated Corporate General Plant	14,772		1,078	F-5	-	-	1,078	-	-
3	399000	Reconcilation to PIS Balance	-		(192)	F-1	(155)	(36)	-	-	-
4	**Subtotal General Plant**		$ 14,772		$ 887		$ (155)	$ (36)	$ 1,078	$ -	$ -
5	**Total Plant**		$ 6,467,719		$ 219,470		$ 148,491	$ 34,817	$ 3,984	$ 16,739	$ 15,439
6											
7											
8	Less:	Contributions in Aid of Construction	$ (1,076,185)	3.45%	$ (37,134)	F-1	(30,078)	(7,055)	-	-	-
9		Advances in Aid of Construction	(1,952,127)		-	F-1	-	-	-	-	-
10		Meter Deposits	(517)		-	F-7	-	-	-	-	-
11		Deferred Income Tax	(26,304)		-	F-1	-	-	-	-	-
12		Working Capital	3,496		-	F-1	-	-	-	-	-
13		Deferred Reg Assets&Deferrals	23,381		941	F-1	762	179	-	-	-
14	Total Depreciation Expense		3,439,463		$ 183,277		$ 119,174	$ 27,940	$ 3,984	$ 16,739	$ 15,439
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Tubac Water District
Test Year Ended June 30, 2013
Summary of Commodity - Demand Method Functions Factors

Exhibit
Rebuttal Schedule G-7
Page 1
Witness: Bourassa

Line No.	Class	Demand	Commodity	Customer	Meters	Services
1						
2	Class	Demand	Commodity	Customer	Meters	Services
3	Residential	0.809	0.722	0.855	0.836	0.680
4	Apartment	-	-	-	-	-
5	Commercial	0.191	0.278	0.145	0.164	0.320
6	Other Public Authority	-	-	-	-	-
7						
8	Total	1.000	1.000	1.000	1.000	1.000
9						
10						
11						
12						
13						
14						
15						
16						
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31						
32						
33						
34	SUPPORTING SCHEDULES					
35	G-7, page 3					

Tubac Water District
Test Year Ended June 30, 2013
COMMODITY - DEMAND METHOD FUNCTION FACTORS
Plant-in-Service, Accumulated Depreciation, and Depreciation Expense Allocations Functions

Exhibit
Rebuttal Schedule G-7
Page 2.1
Witness: Bourassa

Line No.	Factor	Demand	Commodity	Customer	Meters	Services
1						
2	Factor	Demand	Commodity	Customer	Meters	Services
3	F-1	0.81	0.19			
4	F-2	1.00				
5	F-3					1.00
6	F-4				1.00	
7	F-5			1.00		
8	F-6	0.25		0.75		
9	F-7				0.50	0.50
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	Development of F-1 Allocation Factor					
21		MGD		RATIO		DEMAND FACTOR
22		(a)		(b)		(c)
23	(1) Avg day	205.41	G-7, page 3	1.00		1.00 1/(b)
24	(2) Max day	254.21	G-7, page 3	1.24	Max day/Avg day	0.81 1/(b)
25						

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Expense Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 2.2
Witness: Bourassa

Line No.	Expense Type	Demand	Commodity	Customer	Meters	Services
1						
2	Labor	0.40	0.20	0.40	-	-
3	Purchased Water	-	1.00	-	-	-
4	Fuel & Power	-	1.00	-	-	-
5	Chemicals	-	1.00	-	-	-
6	Waste Disposal	0.90	0.10	-	-	-
7	Intercompany Support Services	0.40	0.20	0.40	-	-
8	Corporate Allocation	0.40	0.20	0.40	-	-
9	Outside Services	0.80	0.20	-	-	-
10	Group Insurance	0.40	0.20	0.40	-	-
11	Pensions	0.40	0.20	0.40	-	-
12	Regulatory Expense	0.81	0.19	-	-	-
13	Insurance Other Than Group	0.81	0.19			
14	Customer Accounting	-	-	1.00	-	-
15	Rents	-	-	1.00	-	-
16	General Office Expense	-	-	1.00	-	-
17	Miscellaneous	-	-	1.00	-	-
18	Maintenance Expense	0.80	0.20	-	-	-
19	Depreciation & Amortization		See Schedule G-7, page 2.1			
20	General Taxes-Other	-	-	1.00	-	-
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 3.1
Witness: Bourassa

COMMODITY ALLOCATION FACTOR

Meter Size	Class	(a) Total Gallons (in 1,000's) In Test Year	Percent of Total
5/8x3/4"	Residential	48,228	64.32%
5/8x3/4"	Commercial	4,422	5.90%
3/4"	Residential	-	0.00%
3/4"	Commercial	-	0.00%
1"	Residential	3,964	5.29%
1"	Commercial	5,462	7.28%
1-1/2"	Residential	-	0.00%
1-1/2"	Commercial	497	0.66%
2"	Residential	1,916	2.56%
2"	Commercial	9,197	12.27%
3"	Residential	-	0.00%
3"	Commercial	1,293	1.72%
4"	Residential	-	0.00%
4"	Commercial	-	0.00%
6"	Residential	-	0.00%
6"	Commercial	-	0.00%
8"	Residential	-	0.00%
8"	Commercial	-	0.00%
Totals		74,978	100.00%

Class	(a) Total Gallons (in 1,000's) In Test Year	Percent of Total
Residential	54,108	72.164%
Commercial	20,871	27.836%
Total	74,978	100.000%

DEMAND ALLOCATION FACTOR

Meter Size	Class	Daily Gallons (1,000's)	Demand Factor	Peak Demand (1,000's)	Percent of Total
5/8x3/4"	Residential	132.13	1.38	182.97	71.97%
5/8x3/4"	Commercial	12.11	1.62	19.62	7.72%
3/4"	Residential	-	0.00	-	0.00%
3/4"	Commercial	-	0.00	-	0.00%
1"	Residential	10.86	1.37	14.85	5.84%
1"	Commercial	14.96	1.37	20.48	8.05%
1-1/2"	Residential	-	0.00	-	0.00%
1-1/2"	Commercial	1.36	2.32	3.15	1.24%
2"	Residential	5.25	1.52	7.96	3.13%
2"	Commercial	25.20	0.00	-	0.00%
3"	Residential	-	0.00	-	0.00%
3"	Commercial	3.54	1.46	5.18	2.04%
4"	Residential	-	0.00	-	0.00%
4"	Commercial	-	0.00	-	0.00%
6"	Residential	-	0.00	-	0.00%
6"	Commercial	-	0.00	-	0.00%
8"	Residential	-	0.00	-	0.00%
8"	Commercial	-	0.00	-	0.00%
Totals		205.41		254.21	100.00%

Class	Peak Demand (1,000's)	Percent of Total
Residential	205.78	80.947%
Commercial	48.43	19.053%
Total	254.21	100.000%

(a) Includes customer and gallons sold annualization.

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 3.2
Witness: Bourassa

CUSTOMER ALLOCATION FACTOR

Meter Size	Class	Number of Meters	Percent of Total
5/8x3/4"	Residential	482	80.86%
5/8x3/4"	Commercial	52	8.69%
3/4"	Residential	-	0.00%
3/4"	Commercial	-	0.00%
1"	Residential	24	4.00%
1"	Commercial	18	3.02%
1-1/2"	Residential	-	0.00%
1-1/2"	Commercial	2	0.34%
2"	Residential	4	0.67%
2"	Commercial	14	2.35%
3"	Residential	-	0.00%
4"	Residential	-	0.00%
4"	Commercial	-	0.00%
6"	Residential	-	0.00%
6"	Commercial	-	0.00%
8"	Residential	-	0.00%
8"	Commercial	-	0.00%
Totals		596	100.00%

Class	Number of Meters	Percent of Total
Residential	509	85.530%
Commercial	86	14.470%
Total	596	100.000%

SERVICES ALLOCATION FACTOR (b)

Meter Size	Class	Number of Services	Install-ation Cost	Dollar Weighted Number Services	Percent of Total
5/8x3/4"	Residential	482	445.00	214,268	78.05%
5/8x3/4"	Commercial	52	445.00	23,029	8.39%
3/4"	Residential	0	445.00	-	0.00%
3/4"	Commercial	0	445.00	-	0.00%
1"	Residential	24	495.00	11,798	4.30%
1"	Commercial	18	495.00	8,910	3.25%
1-1/2"	Residential	0	550.00	-	0.00%
1-1/2"	Commercial	2	550.00	1,100	0.40%
2"	Residential	4	830.00	3,320	1.21%
2"	Commercial	14	830.00	11,620	4.23%
3"	Residential	0	1,165.00	-	0.00%
4"	Residential	0	1,670.00	-	0.00%
4"	Commercial	0	1,670.00	-	0.00%
6"	Residential	0	2,330.00	-	0.00%
6"	Commercial	0	2,330.00	-	0.00%
8"	Residential	0	3,262.00	-	0.00%
8"	Commercial	0	3,262.00	-	0.00%
Totals		596		$ 274,529	100.00%

Class	Dollar Weighted Number Services	Percent of Total
Residential	229,385	83.556%
Commercial	45,144	16.444%
Total	274,529	100.000%

(b) Meter and Service Line cost from Arizona Corporation Commission Memo of February 21, 2008 from Marlin Scott, Jr.. Meter costs based on compound meters. Cost of service line and meter is based on costs allowed for a compound meter installation.

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study, Using Commodity-Demand Method
Development of Class Allocation Factors

Exhibit
Rebuttal Schedule G-7
Page 3.3
Witness: Bourassa

METER ALLOCATION FACTOR (b)

Meter Size		Number of Meters	Meter Cost	Weighted Dollars of Meters	Percent of Total
5/8x3/4"	Residential	482	155.00	74,633	56.56%
5/8x3/4"	Commercial	52	155.00	8,021	6.08%
3/4"	Residential	0	255.00	0	0.00%
3/4"	Commercial	0	255.00	0	0.00%
1"	Residential	24	315.00	7,508	5.69%
1"	Commercial	18	315.00	5,670	4.30%
1-1/2"	Residential	0	525.00	0	0.00%
1-1/2"	Commercial	2	525.00	1,050	0.80%
2"	Residential	4	1,890.00	7,560	5.73%
2"	Commercial	14	1,890.00	26,460	20.05%
3"	Residential	0	2,545.00	0	0.00%
3"	Commercial	0	2,545.00	1,060	0.80%
4"	Residential	0	3,645.00	0	0.00%
4"	Commercial	0	3,645.00	0	0.00%
6"	Residential	0	6,920.00	0	0.00%
6"	Commercial	0	6,920.00	0	0.00%
8"	Residential	0	9,688.00	0	0.00%
8"	Commercial	0	9,688.00	0	0.00%
Totals		596		$ 131,962	100.00%

Class	Weighted Dollars of Meters	Percent of Total
Residential	89,700	67.974%
Commercial	42,262	32.026%
Total	131,962	100.000%

(b) Meter and Service Line cost from Arizona Corporation Commission Memo of February 21, 2008 from Marlin Scott, Jr.. Meter costs based on compound meters. Cost of service line and meter is based on costs allowed for a compound meter installation.

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
ALL CUSTOMER CLASSES

Exhibit
Rebuttal Schedule G-8
Page 1A
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				5,867	30,453	10,412
3	Misc. Revenues (From Sched G-2, page1)					(4,990)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					183,393	15,439	16,739
5	Property Taxes (From Sched. G-2, page 1)					35,392		
6	Income Taxes (From Sched. G-2, page 1)					40,031		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					259,693	45,892	27,151
8								
9	**Customer Charge**							
10	Number of Bills =	596	times 12 months			7,146		
11								
12	**Charge per Bill**					$ 36.34		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		799	times	12	months	9,582	9,582
17								
18	**Charge per Equivalent Meter**						$ 4.79	$ 2.83
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 36.34	
24	Charge per Equivalent Service Line						4.79	
25	Charge per Equivalent Meter						2.83	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 43.96	

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
ALL CUSTOMER CLASSES

Exhibit
Rebuttal Schedule G-8
Page 2A
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
2			
3	Return on Rate Base	6.81%	47,129
4	Demand Expenses (From Schedule G-4, Page 2)		287,696
5			
6	Totals		334,825
7	Total Revenue Requirement / Demand Component		
8	Equivalent Number of 5/8 Meters billings		9,582
9	Demand Charge for 5/8 Inch Meter		$ 34.94
10			
11			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
12				
13	5/8 Inch Meter	$ 34.94	1.0	$ 34.94
14	3/4 Inch Meter	34.94	1.5	52.41
15	1 Inch Meter	34.94	2.5	87.36
16	1 1/2 Inch Meter	34.94	5.0	174.72
17	2 Inch Meter	34.94	8.0	279.55
18	3 Inch Meter	34.94	16.0	559.09
19	4 Inch Meter	34.94	25.0	873.58
20	6 Inch Meter	34.94	50.0	1,747.16
21	8 Inch Meter	34.94	80.0	2,795.45
22	10 Inch Meter	34.94	115.0	4,018.46
23	12 Inch Meter	34.94	215.0	7,512.77

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
ALL CUSTOMER CLASSES

Exhibit
Rebuttal Schedule G-8
Page 3A
Witness: Bourassa

Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum

Line No.			Commodity	Customer	Service	Meter	Demand
3	Return on Rate Base	6.81%	11,221	5,867	30,453	10,412	47,129
4	Less: Miscellaneous Revenues			(4,990)			
6	Expenses (From Sch. G-4. Page 2)		176,074	183,393	15,439	16,739	287,696
7	Property Taxes (From Sched. G-2, page 1)			35,392			
8	Income Taxes (From Sched. G-2, page 1)			40,031			
9	Total Revenue Requirement by function		187,295	259,693	45,892	27,151	334,825
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		74,978				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 2.4980**				
12	Annualized Number of Bills			7,146			
13	Equivalent Meters and Service Lines				9,582	9,582	9,582
14	Customer Charge (line 9 divided by line 12)			$ 36.34			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 4.79	$ 2.83	$ 34.94
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 78.91

Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
5/8 Inch Meter	$ 78.91	1.0	$ 78.91
3/4 Inch Meter	78.91	1.5	118.36
1 Inch Meter	78.91	2.5	197.27
1 1/2 Inch Meter	78.91	5.0	394.54
2 Inch Meter	78.91	8.0	631.26
3 Inch Meter	78.91	16.0	1,262.51
4 Inch Meter	78.91	25.0	1,972.68
6 Inch Meter	78.91	50.0	3,945.35
8 Inch Meter	78.91	80.0	6,312.57
10 Inch Meter	78.91	115.0	9,074.32
12 Inch Meter	78.91	215.0	16,965.03

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
ALL CUSTOMER CLASSES

Exhibit
Rebuttal Schedule G-8
Page 4A
Witness: Bourassa

Line No.					
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**				
2					
3	Revenue Requirements Collected via Commodity Charge				
4		Total		Commodity	
5		Rev. Req.	%	Portion of Rev. Req.	
6	Customer, Service, and Meter Costs	$ 332,736	40%	$ 133,094	
7	Demand Costs	334,825	40%	133,930	
8	Commodity Costs	187,295	100%	187,295	
9	Total Costs to be Collected via Commodity			$ 454,319	
10	Gallons Sold			74,978	
11					
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 6.059**	
13					
14	Revenue Requirement Collected via Monthly Minimum				
15					
16	Monthly Minimum 5/8 Meter				
17	Total Revenue Requirement			$ 854,856	
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(454,319)	
19	Balance to be Recovered through Monthly Minimum			$ 400,537	46.85%
20					Percent revenue recovery
21					from monthly mins
22	Number of Equivalent 5/8 Inch Meter Billings			9,582	
23					
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 41.80**	
25					
26					
27					
28	Meter Size	5/8" Minimum	Meter Ratio	Monthly Minimum	
29	5/8 Inch Meter	$ 41.80	1.0	$ 41.80	
30	3/4 Inch Meter	41.80	1.5	62.70	
31	1 Inch Meter	41.80	2.5	104.50	
32	1 1/2 Inch Meter	41.80	5.0	209.00	
33	2 Inch Meter	41.80	8.0	334.41	
34	3 Inch Meter	41.80	16.0	668.82	
35	4 Inch Meter	41.80	25.0	1,045.02	
36	6 Inch Meter	41.80	50.0	2,090.05	
37	8 Inch Meter	41.80	80.0	3,344.08	
38	10 Inch Meter	41.80	115.0	4,807.11	
39	12 Inch Meter	41.80	215.0	8,987.20	

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 1B
Witness: Bourassa

Line No.						Customer	Service	Meter
1	Return on Rate Base	6.81%				5,018	20,700	8,700
2	Misc. Revenues (From Sched G-2, page1)					(4,268)		
3	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					156,857	10,494	13,987
4	Property Taxes (From Sched. G-2, page 1)					25,016		
5	Income Taxes (From Sched. G-2, page 1)					3,760		
6	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					186,383	31,194	22,686
7								
8	**Customer Charge**							
9	Number of Bills =	509	times 12 months			6,112		
10								
11	**Charge per Bill**					$ 30.49		
12	(Customer Revenue Requirement divided by Annualized Number of Bills)							
13								
14	**Service Line and Meter Charge**							
15	Equivalent 5/8 Meters		573	times	12	months	6,877	6,877
16								
17	**Charge per Equivalent Meter**						$ 4.54	$ 3.30
18								
19								
20	**CUSTOMER CHARGE:**							
21	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
22	Charge per Bill						$ 30.49	
23	Charge per Equivalent Service Line						4.54	
24	Charge per Equivalent Meter						3.30	
25	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
26	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 38.33	

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 2B
Witness: Bourassa

Line No.	DEMAND CHARGE:		
1			
2	Return on Rate Base	6.81%	38,150
3	Demand Expenses (From Schedule G-4, Page 2)		232,882
4			
5	Totals		271,032
6	Total Revenue Requirement / Demand Component		
7	Equivalent Number of 5/8 Meters billings		6,877
8	Demand Charge for 5/8 Inch Meter		$ 39.41
9			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
10				
11				
12	5/8 Inch Meter	$ 39.41	1.0	$ 39.41
13	3/4 Inch Meter	39.41	1.5	59.12
14	1 Inch Meter	39.41	2.5	98.53
15	1 1/2 Inch Meter	39.41	5.0	197.06
16	2 Inch Meter	39.41	8.0	315.29
17	3 Inch Meter	39.41	16.0	630.58
18	4 Inch Meter	39.41	25.0	985.28
19	6 Inch Meter	39.41	50.0	1,970.57
20	8 Inch Meter	39.41	80.0	3,152.91
21	10 Inch Meter	39.41	115.0	4,532.30
22	12 Inch Meter	39.41	215.0	8,473.43

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 3B
Witness: Bourassa

Line No.			Commodity	Customer	Service	Meter	Demand
1	**Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum**						
2							
3	Return on Rate Base	6.81%	8,097	5,018	20,700	8,700	38,150
4	Less: Miscellaneous Revenues			(4,268)			
5							
6	Expenses (From Sch. G-4. Page 2)		127,063	156,857	10,494	13,987	232,882
7	Property Taxes (From Sched. G-2, page 1)			25,016			
8	Income Taxes (From Sched. G-2, page 1)			3,760			
9	Total Revenue Requirement by function		135,160	186,383	31,194	22,686	271,032
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		54,108				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 2.4980**				
12	Annualized Number of Bills			6,112			
13	Equivalent Meters and Service Lines				6,877	6,877	6,877
14	Customer Charge (line 9 divided by line 12)			$ 30.49			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 4.54	$ 3.30	$ 39.41
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	*(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)*						$ 77.74
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 77.74	1.0	$ 77.74
22	3/4 Inch Meter	77.74	1.5	116.61
23	1 Inch Meter	77.74	2.5	194.35
24	1 1/2 Inch Meter	77.74	5.0	388.70
25	2 Inch Meter	77.74	8.0	621.93
26	3 Inch Meter	77.74	16.0	1,243.85
27	4 Inch Meter	77.74	25.0	1,943.52
28	6 Inch Meter	77.74	50.0	3,887.05
29	8 Inch Meter	77.74	80.0	6,219.27
30	10 Inch Meter	77.74	115.0	8,940.21
31	12 Inch Meter	77.74	215.0	16,714.30
32				
33				

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
RESIDENTIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 4B
Witness: Bourassa

Line No.					
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**				
2					
3	Revenue Requirements Collected via Commodity Charge				
4				Commodity	
5		Total Rev. Req.	%	Portion of Rev. Req.	
6	Customer, Service, and Meter Costs	$ 240,264	40%	$ 96,106	
7	Demand Costs	271,032	40%	108,413	
8	Commodity Costs	135,160	100%	135,160	
9	Total Costs to be Collected via Commodity			$ 339,679	
10	Gallons Sold			54,108	
11					
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 6.278**	
13					
14	Revenue Requirement Collected via Monthly Minimum				
15					
16	Monthly Minimum 5/8 Meter				
17	Total Revenue Requirement			$ 646,456	
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(339,679)	
19	Balance to be Recovered through Monthly Minimum			$ 306,778	47.46%
20					Percent revenue recovery
21					from monthly mins
22	Number of Equivalent 5/8 Inch Meter Billings			6,877	
23					
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 44.61**	
25					
26					
27		5/8"	Meter	Monthly	
28	Meter Size	Minimum	Ratio	Minimum	
29	5/8 Inch Meter	$ 44.61	1.0	$ 44.61	
30	3/4 Inch Meter	44.61	1.5	66.91	
31	1 Inch Meter	44.61	2.5	111.52	
32	1 1/2 Inch Meter	44.61	5.0	223.05	
33	2 Inch Meter	44.61	8.0	356.87	
34	3 Inch Meter	44.61	16.0	713.75	
35	4 Inch Meter	44.61	25.0	1,115.23	
36	6 Inch Meter	44.61	50.0	2,230.46	
37	8 Inch Meter	44.61	80.0	3,568.74	
38	10 Inch Meter	44.61	115.0	5,130.06	
39	12 Inch Meter	44.61	215.0	9,590.98	

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Customer, Service, Meter
Using Function Costs and Expenses
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 1C
Witness: Bourassa

Line No.						Customer	Service	Meter
1	**CUSTOMER CHARGE:**							
2	Return on Rate Base	6.81%				849	9,753	1,712
3	Misc. Revenues (From Sched G-2, page1)					(722)		
4	Customer, Services and Meter Expenses (From Sch. G-4. Page 2)					26,536	4,944	2,753
5	Property Taxes (From Sched. G-2, page 1)					10,376		
6	Income Taxes (From Sched. G-2, page 1)					36,271		
7	Total Revenue Requirement / Customer, Meter & Service (Line 13+15+16+17)					73,310	14,697	4,465
8								
9	**Customer Charge**							
10	Number of Bills =	86	times 12 months			1,034		
11								
12	**Charge per Bill**					$ 70.90		
13	(Customer Revenue Requirement divided by Annualized Number of Bills)							
14								
15	**Service Line and Meter Charge**							
16	Equivalent 5/8 Meters		225	times	12	months	2,705	2,705
17								
18	**Charge per Equivalent Meter**						$ 5.43	$ 1.65
19								
20								
21	**CUSTOMER CHARGE:**							
22	Monthly Minimum for 5/8 Inch Meter (with no water included in Minimum or Demand Charge)							
23	Charge per Bill						$ 70.90	
24	Charge per Equivalent Service Line						5.43	
25	Charge per Equivalent Meter						1.65	
26	(Service and Meter Revenue Requirement divided by Annual Equivalent Meters)							
27	Monthly Minimum for 5/8 Inch Meter, **WITHOUT** Demand Charge Included						$ 77.98	

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation of Monthly Minimums for Demand Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 2C
Witness: Bourassa

Line No.			
1	**DEMAND CHARGE:**		
2			
3	Return on Rate Base	6.81%	8,979
4	Demand Expenses (From Schedule G-4, Page 2)		54,814
5			
6	Totals		63,793
7	Total Revenue Requirement / Demand Component		
8	Equivalent Number of 5/8 Meters billings		2,705
9	Demand Charge for 5/8 Inch Meter		$ 23.58
10			

Line No.	Demand Charge Per Equivalent	5/8" Demand Charge	Meter Ratio	Demand Charge
11				
12	Demand Charge Per Equivalent			
13	5/8 Inch Meter	$ 23.58	1.0	$ 23.58
14	3/4 Inch Meter	23.58	1.5	35.38
15	1 Inch Meter	23.58	2.5	58.96
16	1 1/2 Inch Meter	23.58	5.0	117.92
17	2 Inch Meter	23.58	8.0	188.67
18	3 Inch Meter	23.58	16.0	377.34
19	4 Inch Meter	23.58	25.0	589.59
20	6 Inch Meter	23.58	50.0	1,179.18
21	8 Inch Meter	23.58	80.0	1,886.68
22	10 Inch Meter	23.58	115.0	2,712.11
23	12 Inch Meter	23.58	215.0	5,070.46

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 3C
Witness: Bourassa

Line No.			Commodity	Customer	Service	Meter	Demand
1	**Single Tier Rate Design with All Customer and Demand Costs Recovered in the Monthly Minimum**						
2							
3	Return on Rate Base	6.81%	3,123	849	9,753	1,712	8,979
4	Less: Miscellaneous Revenues			(722)			
5							
6	Expenses (From Sch. G-4. Page 2)		49,011	26,536	4,944	2,753	54,814
7				10,376			
8	Income Taxes (From Sched. G-2, page 1)			36,271			
9	Total Revenue Requirement by function		52,135	73,310	14,697	4,465	63,793
10	Gallons Sold (in 1,000's)(Zero Gallons in Minimum) (G-7, page 3)		20,871				
11	Computed Commodity Rate (line 9 divided by line10)		**$ 2.4980**				
12	Annualized Number of Bills			1,034			
13	Equivalent Meters and Service Lines				2,705	2,705	2,705
14	Customer Charge (line 9 divided by line 12)			$ 70.90			
15	Meter, Service Line & Demand Charge (line 9 divided by line 13)				$ 5.43	$ 1.65	$ 23.58
16	Total Monthly Minimum Charge for a 5/8 Inch Meter						
17	(Sum of Customer, Service, Meter and Demand Charge on lines 14 & 15)						$ 101.57
18							
19							

Line No.	Monthly Minimum	5/8" Monthly Minimum	Meter Ratio	Demand Charge
21	5/8 Inch Meter	$ 101.57	1.0	$ 101.57
22	3/4 Inch Meter	101.57	1.5	152.35
23	1 Inch Meter	101.57	2.5	253.92
24	1 1/2 Inch Meter	101.57	5.0	507.83
25	2 Inch Meter	101.57	8.0	812.53
26	3 Inch Meter	101.57	16.0	1,625.07
27	4 Inch Meter	101.57	25.0	2,539.16
28	6 Inch Meter	101.57	50.0	5,078.33
29	8 Inch Meter	101.57	80.0	8,125.33
30	10 Inch Meter	101.57	115.0	11,680.16
31	12 Inch Meter	101.57	215.0	21,836.81
32				
33				

Tubac Water District
Test Year Ended June 30, 2013
Cost of Service Study Using Commodity / Demand Method
Computation Monthly Minimums and Commodity Charge
COMMERCIAL CLASS

Exhibit
Rebuttal Schedule G-8
Page 4C
Witness: Bourassa

Line No.					
1	**Single Tier Rate Design with Some Customer and Demand Costs Recovered via the Commodity Rate**				
2					
3	Revenue Requirements Collected via Commodity Charge				
4		Total		Commodity Portion of	
5		Rev. Req.	%	Rev. Req.	
6	Customer, Service, and Meter Costs	$ 92,472	40%	$ 36,989	
7	Demand Costs	63,793	40%	25,517	
8	Commodity Costs	52,135	100%	52,135	
9	Total Costs to be Collected via Commodity			$ 114,641	
10	Gallons Sold			20,871	
11					
12	Commodity Charge (per 1,000 gallons)(line 9 divided by line10)			**$ 5.493**	
13					
14	Revenue Requirement Collected via Monthly Minimum				
15					
16	Monthly Minimum 5/8 Meter				
17	Total Revenue Requirement			$ 208,400	
18	Less: Portion of Revenue Requirement Collected via Commodity Charge (line 9)			(114,641)	
19	Balance to be Recovered through Monthly Minimum			$ 93,759	44.99%
20					Percent revenue recovery
21					from monthly mins
22	Number of Equivalent 5/8 Inch Meter Billings			2,705	
23					
24	Computed Monthly Minimum 5/8 Inch Meter (line 19 divided by line 22)			**$ 34.66**	
25					
26					
27		5/8"	Meter	Monthly	
28	Meter Size	Minimum	Ratio	Minimum	
29	5/8 Inch Meter	$ 34.66	1.0	$ 34.66	
30	3/4 Inch Meter	34.66	1.5	51.99	
31	1 Inch Meter	34.66	2.5	86.65	
32	1 1/2 Inch Meter	34.66	5.0	173.31	
33	2 Inch Meter	34.66	8.0	277.29	
34	3 Inch Meter	34.66	16.0	554.58	
35	4 Inch Meter	34.66	25.0	866.53	
36	6 Inch Meter	34.66	50.0	1,733.07	
37	8 Inch Meter	34.66	80.0	2,772.91	
38	10 Inch Meter	34.66	115.0	3,986.06	
39	12 Inch Meter	34.66	215.0	7,452.20	

Tubac Water District
Test Year Ended June 30, 2013
Comparison of Proposed Rates to Computed Costs
For a 5/8x3/4-Inch Residential Meter (With Required Operating Margin)

Exhibit
Rebuttal Schedule G-9
Page 1
Witness: Bourassa

Column Number-->		(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Revenues									(Col. 2 - Col. 8) Total Revenues minus Total Charges & Costs
Line No.	Water Usage	Monthly Minimum	Commodity	Total	Demand Charges	Customer Charges	Service Line Charges	Meter Charges	Commodity Charges	Total Charges & Costs	
1	-	$ 48.24	$ -	$ 48.24	$ 34.94	$ 36.34	$ 4.79	$ 2.83	0	$ 78.91	$ (30.67)
2	1,000	48.24	5.45	53.69	34.94	36.34	4.79	2.83	2.498	81.41	(27.72)
3	2,000	48.24	10.90	59.14	34.94	36.34	4.79	2.83	4.996	83.90	(24.76)
4	3,000	48.24	16.35	64.59	34.94	36.34	4.79	2.83	7.494	86.40	(21.81)
5	4,000	48.24	23.30	71.54	34.94	36.34	4.79	2.83	9.992	88.90	(17.36)
6	5,000	48.24	30.25	78.49	34.94	36.34	4.79	2.83	12.490	91.40	(12.91)
7	6,000	48.24	37.20	85.44	34.94	36.34	4.79	2.83	14.988	93.89	(8.46)
8	7,000	48.24	44.15	92.39	34.94	36.34	4.79	2.83	17.486	96.39	(4.00)
9	8,000	48.24	51.10	99.34	34.94	36.34	4.79	2.83	19.984	98.89	0.45
10	9,000	48.24	58.05	106.29	34.94	36.34	4.79	2.83	22.482	101.39	4.90
11	10,000	48.24	65.00	113.24	34.94	36.34	4.79	2.83	24.980	103.89	9.35
12	12,000	48.24	81.60	129.84	34.94	36.34	4.79	2.83	29.976	108.88	20.96
13	14,000	48.24	98.20	146.44	34.94	36.34	4.79	2.83	34.972	113.88	32.56
14	16,000	48.24	114.80	163.04	34.94	36.34	4.79	2.83	39.968	118.87	44.16
15	18,000	48.24	131.40	179.64	34.94	36.34	4.79	2.83	44.964	123.87	55.77
16	20,000	48.24	148.00	196.24	34.94	36.34	4.79	2.83	49.960	128.87	67.37
17	25,000	48.24	195.50	243.74	34.94	36.34	4.79	2.83	62.450	141.36	102.38
18	30,000	48.24	243.00	291.24	34.94	36.34	4.79	2.83	74.939	153.85	137.39
19	35,000	48.24	290.50	338.74	34.94	36.34	4.79	2.83	87.429	166.34	172.40
20	40,000	48.24	338.00	386.24	34.94	36.34	4.79	2.83	99.919	178.83	207.41
21	45,000	48.24	385.50	433.74	34.94	36.34	4.79	2.83	112.409	191.32	242.42
22	50,000	48.24	433.00	481.24	34.94	36.34	4.79	2.83	124.899	203.81	277.43
23	60,000	48.24	528.00	576.24	34.94	36.34	4.79	2.83	149.879	228.79	347.45
24	70,000	48.24	623.00	671.24	34.94	36.34	4.79	2.83	174.859	253.77	417.47
25	80,000	48.24	718.00	766.24	34.94	36.34	4.79	2.83	199.839	278.75	487.49
26	90,000	48.24	813.00	861.24	34.94	36.34	4.79	2.83	224.818	303.73	557.51
27	100,000	48.24	908.00	956.24	34.94	36.34	4.79	2.83	249.798	328.71	627.53

Tubac Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	5/8x3/4 Inch	Residential	$ 344,208	$ 543,612	$ 199,403	57.93%	59.43%	63.22%
2	3/4 Inch	Residential	-	-	-	0.00%	0.00%	0.00%
3	1 Inch	Residential	42,770	57,431	14,661	34.28%	7.38%	6.68%
4	1.5 Inch	Residential	-	-	-	0.00%	0.00%	0.00%
5	2 Inch	Residential	21,301	29,202	7,901	37.09%	3.68%	3.40%
6	6 Inch	Residential	-	-	-	0.00%	0.00%	0.00%
7								
8		Subtotal	408,280	630,246	221,966	54.37%	70.49%	73.30%
9								
10	5/8x3/4 Inch	Commercial	$ 39,142	$ 57,205	$ 18,062	46.15%	6.76%	6.65%
11	3/4 Inch	Commercial	-	-	-	0.00%	0.00%	0.00%
12	1 Inch	Commercial	48,758	63,385	14,627	30.00%	8.42%	7.37%
13	1.5 Inch	Commercial	6,165	8,413	2,248	36.47%	1.06%	0.98%
14	2 Inch	Commercial	88,678	120,832	32,155	36.26%	15.31%	14.05%
15	3 Inch	Commercial	9,420	12,713	3,293	34.96%	1.63%	1.48%
16	4 Inch	Commercial	-	-	-	0.00%	0.00%	0.00%
17	6 Inch	Commercial	-	-	-	0.00%	0.00%	0.00%
18								
19								
20		Subtotal	$ 192,163	$ 262,548	$ 70,386	36.63%	33.18%	30.53%
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38	Total Revenues Before Annualization		600,443	892,794	$ 292,351	48.69%	103.67%	103.83%
39								

Tubac Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 2
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Additional Bills	Additional Gallons to be Pumped (In 1,000's)	Schedule
1				Revenue Annualization					
5	5/8x3/4 Inch	Residential	$ (31)	$ (53)	(23)	74.11%	-	(8)	See Work Papers
6	3/4 Inch	Residential	-	-	-	0.00%	-	-	See Work Papers
7	1 Inch	Residential	28	42	14	51.33%	(0)	6	See Work Papers
8	1.5 Inch	Residential	-	-	-	0.00%	-	-	See Work Papers
9	2 Inch	Residential	-	-	-	0.00%	-	-	See Work Papers
10	6 Inch	Residential	-	-	-	0.00%	-	-	See Work Papers
12		Subtotal	$ (3)	$ (11)	(8)	285.89%	(0)	(2)	
14	5/8x3/4 Inch	Commercial	$ (15)	$ (22)	(8)	51.33%	-	(3)	See Work Papers
15	3/4 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
16	1 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
17	1.5 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
18	2 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
19	3 Inch	Commercial	(4,897)	(6,647)	(1,750)	35.75%	-	(912)	See Work Papers
20	4 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
21	6 Inch	Commercial	-	-	-	0.00%	-	-	See Work Papers
23					-				
24		Subtotal	$ (4,911)	$ (6,669)	(1,758)	35.79%	-	(915)	
41	Total Revenue Annualization		$ (4,914)	$ (6,681)	$ (1,766)	35.95%	(0)	(917)	

Tubac Water District
Test Year Ended June 30, 2013
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rebuttal Schedule H-1
Page 3
Witness: Bourassa

Line No.		Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues	Schedule
1								
2								
3	Subtotal Metered Revenues	$ 600,443	$ 892,794	$ 292,351	48.69%	103.67%	103.83%	
4								
5								
6	Declining Usage Adjustment	(20,841)	(31,010)	(10,169)	48.79%	-3.60%	-3.61%	Schedule H-1, page 4
7	Subtotal Revenue Annualization	(4,914)	(6,681)	(1,766)	35.95%	-0.85%	-0.78%	
8	Total Metered Revenues	$ 574,688	$ 855,104	$ 280,416	48.79%	99.22%	99.45%	
9	Misc. Revenues	$ 4,990	$ 4,990	-	0.00%	0.86%	0.58%	
10								
11	Reconciling Amount to GL	(484)	(248)	237	-48.88%	-0.08%	-0.03%	
12	Total Water Revenues	$ 579,194	$ 859,846	$ 280,652	48.46%	100.00%	100.00%	
13								
14								

Tubac Water District
Estimate of Revenue Loss Assuming Customer Growth
Prior Test Year vs Current Test Year

Exhibit
Rebuttal Schedule H-1
Page 4
Witness: Bourassa

Meter Size, Class		[1] Currrent TY Average No. Customers	[2] Prior Rate Case Average Bill	[3] Current rate case Average Bill	[4] Expected Revenues Revenues Based On Prior Rate Case Avg Bill.	[5] Test Year Revenues Based On TY Average Bill	[6] Revenue Loss Prior TY Vs Current Test Year
5/8x3/4 Inch	Residential	482	$ 74.77	$ 59.57	$ 432,020	$ 344,208	$ (87,812)
3/4 Inch	Residential	-			-	-	-
1 Inch	Residential	24	154.44	149.55	44,171	42,770	(1,401)
1.5 Inch	Residential	-			-	-	-
2 Inch	Residential	4	411.48	443.77	19,751	21,301	1,550
6 Inch	Residential	-			-	-	-
Subtotal		509			495,942	408,280	(87,662)
5/8x3/4 Inch	Commercial	52	$ 69.13	$ 63.03	$ 42,930	$ 39,142	$ (3,788)
3/4 Inch	Commercial	-			-	-	-
1 Inch	Commercial	18	226.61	225.73	48,948	48,758	(190)
1.5 Inch	Commercial	2	224.90	256.87	5,398	6,165	767
2 Inch	Commercial	14	609.21	527.84	102,348	88,678	(13,670)
3 Inch	Commercial	0	521.45	1,883.94	2,607	9,420	6,812
4 Inch	Commercial	-			-	-	-
6 Inch	Commercial	-			-	-	-
Subtotal		86			$ 202,231	$ 192,163	$ (10,068)
Total		596			$ 698,173	$ 600,443	$ (97,730)
Revenue Loss as Percent							-14.00%
Revenue Loss as Percent of Requested Rate Increase							-34.82%

Tubac Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 1
Witness: Bourassa

Line No.	Meter Size, Class		(a) Average Number of Customers at 6/30/2013	Average Consumption	Average Bill Present Rates	Average Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8x3/4 Inch	Residential	482	8,348	$ 53.57	$ 89.23	35.66	66.57%
2	3/4 Inch	Residential	-	-	$ 28.26	$ 42.36	14.10	49.90%
3	1 Inch	Residential	24	13,839	146.05	198.62	52.57	36.00%
4	1.5 Inch	Residential	-	-	165.19	211.80	46.61	28.22%
5	2 Inch	Residential	4	39,917	440.48	606.33	165.84	37.65%
6	6 Inch	Residential	-	-	1,647.55	2,118.03	470.48	28.56%
7		Subtotal	509					
8								
9	5/8x3/4 Inch	Commercial	52	7,126	$ 59.81	$ 90.10	30.29	50.65%
10	3/4 Inch	Commercial	-	-	28.26	42.36	14.10	49.90%
11	1 Inch	Commercial	18	25,287	196.73	275.32	78.59	39.95%
12	1.5 Inch	Commercial	2	20,708	256.87	350.55	93.68	36.47%
13	2 Inch	Commercial	14	54,744	506.13	705.67	199.54	39.42%
14	3 Inch	Commercial	0	258,600	1,839.54	2,514.89	675.35	36.71%
15	4 Inch	Commercial	-	-	826.06	1,059.01	232.95	28.20%
16	6 Inch	Commercial	-	-	1,647.55	2,118.03	470.48	28.56%
17								
18		Subtotal	86					
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33		Total	596					
34								

35 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Tubac Water District
Test Year Ended June 30, 2013
Customer Summary

Exhibit
Rebuttal Schedule H-2
Page 2
Witness: Bourassa

Line No.		Meter Size, Class	(a) Average Number of Customers at 6/30/2013	Median Consumption	Median Bill Present Rates	Median Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8 x3/4Inch	Residential	482	5,000	$ 42.10	$ 68.81	26.71	63.46%
2	3/4 Inch	Residential	-	-	$ 28.26	$ 42.36	14.10	49.90%
3	1 Inch	Residential	24	10,000	129.05	172.90	43.85	33.98%
4	1.5 Inch	Residential	-	-	165.19	211.80	46.61	28.22%
5	2 Inch	Residential	4	19,500	350.09	469.53	119.44	34.12%
6	6 Inch	Residential	-	-	1,647.55	2,118.03	470.48	28.56%
7		Subtotal	509					
8								
9	5/8 Inch	Commercial	52	2,000	$ 37.11	$ 55.76	18.65	50.24%
10	3/4 Inch	Commercial	-	-	28.26	42.36	14.10	49.90%
11	1 Inch	Commercial	18	8,000	120.20	159.50	39.30	32.70%
12	1.5 Inch	Commercial	2	18,500	247.10	335.75	88.66	35.88%
13	2 Inch	Commercial	14	27,500	385.51	523.13	137.62	35.70%
14	3 Inch	Commercial	0	252,000	1,797.12	2,462.42	665.30	37.02%
15	4 Inch	Commercial	-	-	826.06	1,059.01	232.95	28.20%
16	6 Inch	Commercial	-	-	1,647.55	2,118.03	470.48	28.56%
17								
18		Subtotal	86					
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33		Total	596					
34								

35 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.
36

Tubac Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 1
Witness: Bourassa

Line No.	Monthly Usage Charge for:	Present Rates	Proposed Rates	Dollar Change
1	Meter Size (All Classes):			
2	5/8x3/4 Inch Residential Low Income	NT	$ 25.42	
3	5/8x3/4 Inch	$ 24.70	42.36	17.66
4	3/4 Inch	24.70	42.36	17.66
5	1 Inch	74.10	105.90	31.80
6	1 1/2 Inch	144.38	211.80	67.42
6	2 Inch	230.53	338.88	108.35
7	3 Inch	461.00	677.77	216.77
8	4 Inch	722.00	1,059.01	337.01
9	6 Inch	1,440.00	2,118.03	678.03
10	8 Inch	2,305.00	3,388.84	1,083.84
11	10 Inch	3,220.00	4,871.46	1,651.46
12	12 Inch	6,208.00	9,107.51	2,899.51
13				
14				
15				
16	Gallons In Minimum (All Meter Sizes and Classes)	-	-	

Line No.	Commodity Rates (per 1,000 gallons)	Block					Present Rate	Proposed Rate	Dollar Change
17									
18									
19									
20									
21	5/8x3/4 Inch and 3/4 Inch Meter - Residential	1	gallons to	3,000	gallons		$ 1.90	$ 4.75	$ 2.85
22		3,001	gallons to	10,000	gallons		$ 3.00	$ 6.10	$ 3.10
23		10,001	gallons to	20,000	gallons		$ 4.00	$ 7.15	$ 3.15
24			over	20,000	gallons		$ 6.00	$ 7.95	$ 1.95
25									
26	5/8x3/4 Inch and 3/4 Inch Meter - Commercial	1	gallons to	20,000	gallons		$ 4.00	$ 6.70	$ 2.70
27			over	20,000	gallons		$ 6.00	$ 7.95	$ 1.95
28									
29	1 Inch Meter - Residential, Commercial	1	gallons to	35,000	gallons		$ 4.00	$ 6.70	$ 2.70
30			over	35,000	gallons		$ 6.00	$ 7.95	$ 1.95
31									
32	1 1/2 Inch Meter - Residential, Commercial	1	gallons to	85,000	gallons		$ 4.00	$ 6.70	$ 2.70
33			over	85,000	gallons		$ 6.00	$ 7.95	$ 1.95
34									
35	2 Inch Meter - Residential, Commercial	1	gallons to	150,000	gallons		$ 4.00	$ 6.70	$ 2.70
36			over	150,000	gallons		$ 6.00	$ 7.95	$ 1.95
37									
38	3 Inch Meter - Residential, Commercial	1	gallons to	175,000	gallons		$ 4.00	$ 6.70	$ 2.70
39			over	175,000	gallons		$ 6.00	$ 7.95	$ 1.95
40									
41									
42									
43									

Tubac Water District
Test Year Ended June 30, 2013
Present and Proposed Rates

Exhibit
Rebuttal Schedule H-3
Page 2
Witness: Bourassa

Line No.	Commodity Rates (per 1,000 gallons)	Block				Present Rate	Proposed Rate	Dollar Change
1	2 Inch Meter - Residential, Commercial	1	gallons to	150,000	gallons	$ 4.00	$ 6.70	$ 2.70
2			over	150,000	gallons	$ 6.00	$ 7.95	$ 1.95
3								
4	3 Inch Meter - Residential, Commercial	1	gallons to	175,000	gallons	$ 4.00	$ 6.70	$ 2.70
5			over	175,000	gallons	$ 6.00	$ 7.95	$ 1.95
6								
7	4 Inch Meter - Residential, Commercial	1	gallons to	250,000	gallons	$ 4.00	$ 6.70	$ 2.70
8			over	250,000	gallons	$ 6.00	$ 7.95	$ 1.95
9								
10	6 Inch Meter - Residential, Commercial	1	gallons to	350,000	gallons	$ 4.00	$ 6.70	$ 2.70
11			over	350,000	gallons	$ 6.00	$ 7.95	$ 1.95
12								
13	8 Inch Meter - Residential, Commercial	1	gallons to	900,000	gallons	$ 4.00	$ 6.70	$ 2.70
14			over	900,000	gallons	$ 6.00	$ 7.95	$ 1.95
15								
16	10 Inch Meter - Residential, Commercial	1	gallons to	1,500,000	gallons	$ 4.00	$ 6.70	$ 2.70
17			over	1,500,000	gallons	$ 6.00	$ 7.95	$ 1.95
18								
19	12 Inch Meter - Residential, Commercial	1	gallons to	2,250,000	gallons	$ 4.00	$ 6.70	$ 2.70
20			over	2,250,000	gallons	$ 6.00	$ 7.95	$ 1.95
21								
22						Present Rate	Proposed Rate*	
23	Low Income Program Discount Revenue Recovery							
24	Program Participation Limit (No. of Customers)						40	
25	Estimated Annual Discounts						$ 8,133	
26	Under(Over) Collections from previous years						$ -	
27	Net Discounts to be recovered						$ 8,133	
28	Highest Cost Commodity Rate Gallons Sold to Residential, Commercial (in 1,000s)						13,608	
29	Low Income Surcharge on Highest Cost Commodity Rate (Residential, Commercial Customers Only)						$ 0.5980	
30								
31								
32	* Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for							
33	residential and commercial customers is comprised of the approved rate listed in table above plus and additional $0.6810 for the							
34	Low Income Surcharge.							
35								
36								
37								
38								
39								
40								
41								
42								

Tubac Water District
Changes in Representative Rate Schedules
Test Year Ended June 30, 2013

Exhibit
Rebuttal Schedule H-3
Page 3
Witness: Bourassa

Line No.	Service Charges	Present Rates	Proposed Rates
1			
2			
3	Service Charges	Present Rates	Proposed Rates
4	Establishment or Re-establishment of Water Service		$ 35.00
5	Regular Hours	$ 30.00	Remove
6	After Hours	$ 45.00	Remove
7	Reconnection of Water Service (Delinquent)		$ 35.00
8	Regular Hours	$ 30.00	Remove
9	After Hours	$ 45.00	Remove
10	Meter Test (if correct)	$ 10.00	$ 35.00
11	Meter Reread (if correct)	$ 5.00	$ 25.00
12	NSF Check	$ 25.00	$ 25.00
13	Late Fee Charge, per month	1.50%	1.50%
14	Deferred Payment	1.50%	1.50%
15	Deposit Requirements	(a)	(a)
16	Deposit Interest	(b)	(b)
17	After Hours Service Charge(c)	NT	$ 30.00
18			
19			
20			
21			
22			
23			

24 (a) Per ACC Rules R14-2-403(B) Residential - two times the average bill.
25 Non-residential - two and one-half times the estimated maximum bill.
26 (b) Interest per A.C.C. Rule 14-2-403(B)
27 (c) After hours service charge: After regular working hours, Saturdays, Sundays, and holidays if at the customer's
28 request or for the customer's convenience.
29
30
31 IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM
32 ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE
33 TAX. PER COMMISSION RULE 14-2-409D(5).
34
35
36
37

Tubac Water District
Test Year Ended June 30, 2013
Meter and Service Line Charges

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Rebuttal Schedule H-3
Page 4
Witness: Bourassa

Refundable Meter and Service Line Charges

Line No.	Meter Size	Present Service Line Charge	Present Meter Install-ation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Install-ation Charge	Total Proposed Charge
9	5/8 x 3/4 Inch	$ 445.00	$ 155.00	$ 600.00	$ 445.00	$ 155.00	$ 600.00
10	3/4 Inch	445.00	255.00	700.00	445.00	255.00	700.00
11	1 Inch	495.00	315.00	810.00	495.00	315.00	810.00
12	1 1/2 Inch	550.00	525.00	1,075.00	550.00	525.00	1,075.00
13	2 Inch / Turbine	830.00	1,045.00	1,875.00	830.00	1,045.00	1,875.00
14	2 Inch / Compound	830.00	1,890.00	2,720.00	830.00	1,890.00	2,720.00
15	3 Inch / Turbine	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
16	3 Inch / Compound	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
17	4 Inch / Turbine	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
18	4 Inch / Compound	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
19	6 Inch / Turbine	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
20	6 Inch / Compound	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
21	8 Inch & Larger	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost

N/T = No Tariff

Tubac Water District
Test Year Ended June 30, 2013

Exhibit
Rebuttal Schedule H-3
Page 5
Witness: Bourassa

Arsenic Cost Recovery Charges

Residential	Present			Proposed		
Meter Size (All Classes)	Basic Service Charge	Commodity Rate per 1,000 gals	First Tier (gallons)	Basic Service Charge	Commodity Rate per 1,000 gals	First Tier (gallons)
5/8x3/4 Inch	$ 3.56	$ 0.4273	All gallons	$ -	$ -	All gallons
3/4 Inch	3.56	0.4273	All gallons	-	-	All gallons
1 Inch	10.68	0.4273	All gallons	-	-	All gallons
1 1/2 Inch	20.81	0.4273	All gallons	-	-	All gallons
2 Inch	33.23	0.4273	All gallons	-	-	All gallons
3 Inch	66.44	0.4273	All gallons	-	-	All gallons
4 Inch	104.06	0.4273	All gallons	-	-	All gallons
6 Inch	207.55	0.4273	All gallons	-	-	All gallons
8 Inch	332.22	0.4273	All gallons	-	-	All gallons
10 Inch	478.51	0.4273	All gallons	-	-	All gallons
12 Inch	894.76	0.4273	All gallons	-	-	All gallons

Commercial	Present			Proposed		
Meter Size (All Classes)	Basic Service Charge	Commodity Rate per 1,000 gals	First Tier (gallons)	Basic Service Charge	Commodity Rate per 1,000 gals	First Tier (gallons)
5/8x3/4 Inch	$ 3.56	$ 0.4273	All gallons	$ -	$ -	All gallons
3/4 Inch	3.56	0.4273	All gallons	-	-	All gallons
1 Inch	10.68	0.4273	All gallons	-	-	All gallons
1 1/2 Inch	20.81	0.4273	All gallons	-	-	All gallons
2 Inch	33.23	0.4273	All gallons	-	-	All gallons
3 Inch	66.44	0.4273	All gallons	-	-	All gallons
4 Inch	104.06	0.4273	All gallons	-	-	All gallons
6 Inch	207.55	0.4273	All gallons	-	-	All gallons
8 Inch	332.22	0.4273	All gallons	-	-	All gallons
10 Inch	478.51	0.4273	All gallons	-	-	All gallons
12 Inch	894.76	0.4273	All gallons	-	-	All gallons