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BEFORE THE ARIZONA CORPORATION COMMISSION

SUSAN BITTER SMITH  
CHAIRMAN  
BOB STUMP  
COMMISSIONER  
BOB BURNS  
COMMISSIONER  
DOUG LITTLE  
COMMISSIONER  
TOM FORESE  
COMMISSIONER

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DOCKET COMMISSION

IN THE MATTER OF THE APPLICATION OF  
EPCOR WATER ARIZONA INC., AN  
ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS  
RATES AND CHARGES FOR UTILITY  
SERVICE BY ITS MOHAVE WATER  
DISTRICT, PARADISE VALLEY WATER  
DISTRICT, SUN CITY WATER DISTRICT,  
TUBAC WATER DISTRICT, AND MOHAVE  
WASTEWATER DISTRICT.

Docket No. WS-01303A-14-0010

Arizona Corporation Commission

DOCKETED

SEP 24 2015

DOCKETED BY

APPLICATION FOR REHEARING OF DECISION NO. 75268

Pursuant to A.R.S. § 40-253, the Residential Utility Consumer Office ("RUCO") hereby applies for rehearing of Decision No.75268 docketed on September 8, 2015 (the "Decision" or "Order").

Whenever the Commission contemplates an amendment whose purpose is to increase the Company's revenue requirement at an Open Meeting beyond what the ROO recommends, it is the ratepayer who is at peril. There is no way that the Commission over the course of a few minutes can grasp the full impact of such amendments on the ratepayer. Usually, as was the case here, it goes bad for the ratepayers and on hindsight should be reconsidered. Chairman

1 Bitter Smith, proposed an amendment in Open Meeting to raise significantly the recommended  
2 Return On Equity from 8.90 percent to 9.50 percent for what was essentially the quid pro quo for  
3 approval of Commissioner Little's attempt to ameliorate the rate increase impact on Tubac and  
4 Mohave Water and Wastewater systems in equal steps over a three year phase in period.<sup>1</sup> It is  
5 noteworthy that Chairman Bitter Smith also sought and was successful in her attempts to  
6 increase significantly EPCOR's Return on Equity from the Judge's recommendation in the recent  
7 Chaparral City Water case. (ROO -8.65% increase to 9.60% -See attached Exhibit A -Bitter  
8 Smith Amendment and Decision Excerpt from Chaparral case). A couple back-of-the envelope  
9 calculations were made, the deal was done, and the fate of the majority of the Company's  
10 ratepayers was sealed - they will pay even more than they would have under the already over-  
11 the top utility friendly ROO. Now, instead of the recommended 80 percent revenue increase, the  
12 Company will get a 90 percent revenue increase on an Application that was so poorly put  
13 together and presented that it should have been dismissed.

14 At the Open Meeting the Company hurriedly calculated the cost of the phase in to the  
15 Company at approximately \$700,000. That is the total cost. The number appeared high but  
16 given the timing there was no opportunity to verify it. In fact, the total cost is actually \$632,851  
17 when calculated correctly. (See Exhibit B - this is a one-time cost -not an annual cost). The  
18 Staff made the calculation for the additional cost of raising the ROE from 8.90 percent to 9.50  
19 percent at approximately \$400,000 per year. The true cost is \$369,664 (See Exhibit B). Since  
20 the SIB is stayed the Company is not under any order to come in for its next rate case. Given  
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23 \_\_\_\_\_  
24 <sup>1</sup> Commissioner Little's Amendment No. 3 allowed for a phase in of rates, in equal steps over a three year period,  
for Tubac Water and Mohave Wastewater systems only. Mohave Water, while included in the original Amendment,  
was not included in the final approval of Little's Amendment No. 3.

1 that the average time between rate cases is 5 years<sup>2</sup> the cost to all of the ratepayers under the  
2 Open Meeting scenario over a 5 year period will be \$1,848,319 (\$369,664 x 5) resulting from the  
3 increase in the ROE from 8.90 percent to 9.50 percent. In sum, over the next five years, all the  
4 ratepayers will pay \$1,848,319 so that the Mohave and Tubac customers can save \$632,851 or  
5 a net cost of \$1,215,468. For every year thereafter until the Company's next rate case, it will  
6 cost all of the ratepayers \$369,664 a year.

7 RUCO also believes that Decision No. 75268 calculates the phase in for the Tubac Water  
8 system incorrectly. Commissioner Little's amendment states that the phase in of rates in the  
9 Tubac and Mohave Wastewater systems are to be phased in in equal steps over a three year  
10 period. However, while Decision No. 75268 does phase in the Mohave Wastewater Systems  
11 rates correctly, the phase in of Tubac's rates in the Decision shows a 52 percent increase in year  
12 1, and approximately 24 percent increase in each of years 2 and 3<sup>3</sup>. The result by calculating the  
13 phase in of revenues incorrectly in the Tubac system has inflated the Company's revenues by  
14 approximately \$68,128 at the expense of the Tubac ratepayers. (See Exhibit C).

15 Ratepayers would have been better off had the Commission not raised the ROE, ordered  
16 the Phase-in, allowed the carrying costs and required all of ratepayers to pay the carrying costs.  
17 The overall inequity of what transpired is highlighted by the fact that the ratepayers are already  
18 being burdened with an 80 percent increase and now are being required to shoulder an additional  
19 financial burden for what started out as an attempt by Commissioner Little to provide some relief  
20 to a portion of the ratepayers.

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23 <sup>2</sup> The Company's last rate case was decided 12/2009 – Decision No. 71410)

24 <sup>3</sup> Decision No. 75268, Findings of Fact. Number 55, Page 77. "Under the rate adopted herein, in Phase I an average usage (8,348 gallons per month) Tubac Water residential customer on a 5/8 x 3/4-inch meter would experience an increase of \$17.53, approximately 37.74 percent, from \$46.44 to \$63.97. In phase 2 and 3, the same customer would experience additional increases of \$8.03 and \$8.15, respectively.

1           The Company was asked, but would not agree to a “compromise” of a 9.20 percent return  
2 on equity. Honestly, the Company was doing what Company’s do – ask for as much as possible.  
3 The sad part is that there was no attempt or interest beyond that by the Commission to help the  
4 ratepayers. It seemed that all the Commission is concerned with is the Company’s earnings and  
5 not its ratepayers – how else can one explain a 90 percent revenue increase under the facts of  
6 this case. RUCO hopes the Commission will reconsider.

7           RUCO raised several other issues at the Open Meeting that the Commission dismissed  
8 without consideration. RUCO would refer to its exceptions for details but they include reconciling  
9 the ROO with its schedules, moving forward with the removal of depreciation expense on fully  
10 depreciated accounts which all parties have agreed to, removing the \$477,338 Paradise Valley  
11 debit account from the ROO’s regulatory asset and eliminating reoccurring plant from post-test  
12 year plant. It is astonishing that all of these important topics were overlooked in favor of a  
13 discussion on raising the Company’s ROE in a case where the Company was already getting 80  
14 percent of what it was asking for.

15           In addition, in light of the recent Court of Appeals decision RUCO believes the Power Cost  
16 Adjustor Mechanism is illegal and asks that the Commission reconsider its approval.

17           Finally, at a minimum the Commission should reconsider passing Commissioner Little’s  
18 proposed Amendment No. 4 (Attached as Exhibit D). This amendment would reduce corporate  
19 allocations in Tubac by \$100,000. The amendment acknowledges that the corporate allocations  
20 for Tubac are inappropriate.

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1 RESPECTFULLY SUBMITTED this 24<sup>th</sup> day of September, 2015.

2  
3 

4 Daniel W. Pozefsky  
5 Chief Counsel

6  
7  
8 AN ORIGINAL AND THIRTEEN COPIES  
9 of the foregoing filed this 24<sup>th</sup> day  
10 of September, 2015 with:

11 Docket Control  
12 Arizona Corporation Commission  
13 1200 West Washington  
14 Phoenix, Arizona 85007

15 COPIES of the foregoing hand delivered/  
16 mailed this 24<sup>th</sup> day of September, 2015 to:

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9 Sun City West, AZ 85375
- 10 Jim Stark  
Sun City Home Owners Association  
11 10401 W. Coggins Drive  
Sun City, AZ 85351
- 12
- 13 Marshall Magruder  
P.O. Box 1267  
Tubac, Arizona 85646

14

15 By Cheryl Froulov

16

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- 23
- 24

# EXHIBIT A

**REVISED BITTER SMITH PROPOSED AMENDMENT NO 1**

TIME/DATE PREPARED: June 10, 2014



COMPANY: Chaparral City Water Company

AC

DOCKET NO. W-02113A-13-0118

OPEN MEETING DATE: June 10, 2014

Pg. 35, line 17 delete "In fairness to CCWC's"

Pg. 36, DELETE lines 1-2.

Pg. 36, line 6 through 10, DELETE three sentences, beginning with "We agree with Staff and RUCO..."

Pg. 40, line 20, DELETE sentence beginning with "However, for the reasons..."

Pg. 40, line 24, DELETE "8.65" and REPLACE with "9.6".

Pg. 59, line 6, DELETE "8.06" and REPLACE with "8.95".

**ORIGINAL**

Arizona Corporation Commission

**DOCKETED**

JUN 10 2014

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ARIZONA CORPORATION COMMISSION  
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**\*\* Make all conforming changes**

<b>THIS AMENDMENT:</b>		
_____ Passed _____	Passed as amended by _____	
_____ Failed _____	_____ Not Offered _____	_____ Withdrawn _____



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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

JUN 20 2014

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

DOCKETED BY nr

IN THE MATTER OF THE APPLICATION OF  
CHAPARRAL CITY WATER COMPANY FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASE IN ITS RATES  
AND CHARGES BASED THEREON.

DOCKET NO. W-02113A-13-0118

DECISION NO. 74568

**OPINION AND ORDER**

DATES OF HEARING:

February 18, 19, 20, 21, and 28, 2014

PLACE OF HEARING:

Phoenix, Arizona

ADMINISTRATIVE LAW JUDGE:

Teena Jibilian

APPEARANCES:

Mr. Michael Hallam, LEWIS ROCA ROTHGERBER,  
LLP, on behalf of Applicant;

Mr. Greg Patterson, on behalf of the Water Utility  
Association of Arizona;

Mr. Daniel Pozefsky, Chief Counsel, on behalf of the  
Residential Utility Consumer Office; and

Ms. Bridget Humphrey and Mr. Matthew Laudone, Staff  
Attorneys, Legal Division, on behalf of the Utilities  
Division of the Arizona Corporation Commission.

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1                   **2. Parties' Arguments**

2                   The Company is critical of the cost of equity analysis performed by Staff's witness, because it  
3 did not include a CAPM analysis, and because it did not include the credit risk adjustment and the  
4 business risk adjustment that CCWC's witness Ms. Ahern applied to her cost of equity estimate.<sup>223</sup>  
5 CCWC argues that with the addition of a CAPM analysis and recalculation adjustments to Mr.  
6 Cassidy's DCF analysis advocated by Ms. Ahern, and with the addition of her credit risk adjustment  
7 of 0.32 percent and business risk adjustment of 0.40 percent, Staff's common equity cost rate  
8 recommendation of 9.6 percent would increase to 10.42 percent, which is only slightly lower than  
9 Ms. Ahern's proposed 10.50 percent cost of equity.<sup>224</sup>

10                  CCWC criticizes RUCO's witness's decision not to update his cost of equity recommendation  
11 in his Surrebuttal Testimony.<sup>225</sup> CCWC argues that Mr. Parcell's CAPM analysis is flawed because  
12 it relies on a historical risk-free rate, and fails to employ a prospective or forward-looking equity risk  
13 premium.<sup>226</sup> CCWC also criticizes Mr. Parcell's calculation of his market equity risk premium  
14 because it relies on achieved rates of return on book common equity for the S&P 500, a geometric  
15 mean historical market equity risk premium, and the historical total return on U.S. Treasury  
16 securities.<sup>227</sup> CCWC also faults Mr. Parcell for failing to use upward credit risk or business risk  
17 adjustments.<sup>228</sup> CCWC contends that with the recalculation adjustments to Mr. Parcell's CAPM  
18 analysis advocated by Ms. Ahern, and with the addition of her credit risk adjustment of 0.32 percent  
19 and business risk adjustment of 0.40 percent, RUCO's common equity cost rate recommendation of  
20 9.35 percent would increase to 10.59 percent, higher than CCWC's proposed 10.50 percent.<sup>229</sup>

21                  RUCO defends the equity risk premium Mr. Parcell used in his CAPM analysis, arguing that  
22 it is appropriate to consider both geometric and arithmetic mean returns in the CAPM, because  
23 mutual fund investors regularly receive reports on their own funds as well as prospective funds,  
24

25 \_\_\_\_\_  
26 <sup>223</sup> CCWC Br. at 10-11.

<sup>224</sup> CCWC Br. at 11, citing to Rebuttal Testimony of CCWC witness Pauline M. Ahern, Exh. A-11 at 14-35.

<sup>225</sup> CCWC Br. at 10-11.

<sup>226</sup> CCWC Br. at 12, citing to Rebuttal Testimony of CCWC witness Pauline M. Ahern, Exh. A-11 at 39-40 and 46.

<sup>227</sup> CCWC Br. at 12, citing to Rebuttal Testimony of CCWC witness Pauline M. Ahern, Exh. A-11 at 40-46.

<sup>228</sup> CCWC Br. at 8-9, citing to Rebuttal Testimony of CCWC witness Pauline M. Ahern, Exh. A-11 at 60-61.

<sup>229</sup> CCWC Br. at 12, citing to Rebuttal Testimony of CCWC witness Pauline M. Ahern, Exh. A-11 at 50, 60-62.

1 Staff argues that the Commission has consistently rejected risk adjustments for small firm size, and  
 2 recommends that it be rejected in this case.<sup>240</sup> Staff states that any risk associated with the size of a  
 3 company is a unique, firm-specific risk, with which investors are not concerned because such risk can  
 4 be eliminated by portfolio diversification.<sup>241</sup> Staff also explains that any risk that would be reflected  
 5 in CCWC's beta as a result of its size is dissipated by CCWC's status as an EPCOR subsidiary,  
 6 which allows it wider access to resources and capital markets than would be afforded to an  
 7 unaffiliated smaller company.<sup>242</sup>

### 8 3. Conclusion

9 As noted in the discussion of CCWC's capital structure above, our determination of an  
 10 appropriate cost of equity in this proceeding will be based on CCWC's capital structure at the end of  
 11 the test year, as it was in our last ratesetting decision for CCWC. After considering all the testimony  
 12 and evidence presented by the parties, we find that a cost of equity of 9.6 percent should be approved.

#### 13 D. Cost of Capital Summary

14 Capital Item	Percent	Cost	Weighted Cost
15 Debt	14.45%	5.152%	0.74%
16 Equity	85.55%	9.60%	<u>8.21%</u>
17 Total Cost of Capital			8.95%

## 18 VI. REVENUE REQUIREMENT

19 The revenue requirement approved herein is \$11,069,078, which is an increase of \$2,054,093,  
 20 or 22.79 percent, over adjusted test year revenues of \$9,014,985.<sup>243</sup>

21 The rates adopted herein result in an approximate \$6.74 increase for the average usage (7,870  
 22 gallons per month) 3/4 inch water meter residential customer, from \$37.85 per month to \$44.59 per  
 23 month, or approximately 17.81 percent.

24 ...  
 25 ...  
 26 \_\_\_\_\_  
 27 <sup>240</sup> *Id.* at 27.

<sup>241</sup> *Id.*, citing to Direct Testimony of Staff witness John A. Cassidy, Exh. S-2 at 41.

<sup>242</sup> Staff Br. at 26.

28 <sup>243</sup> To reach the appropriate revenue requirement, a Gross Revenue Conversion Factor ("GRCF") of 1.649197 was used.

# **EXHIBIT B**

## EPCOR WATER / WASTEWATER

Revised Revenue Requirements  
Subsequent to Final Decision

### EXHIBIT "B" CALCULATED CORRECTLY

Revenue Requirement	Original Filed ROO	Increase ROE to 9.50%	Annual Rev. Inc. with ROE Changes
Mohave Water System	\$ 1,598,040	\$ 1,688,513	\$ 90,473
Paradise Valley Water System	\$ 168,255	\$ 319,746	\$ 151,491
Sun City Water System	\$ 1,040,530	\$ 1,143,099	\$ 102,569
Mohave WWater Rev Inc.	\$ 368,544	\$ 388,011	\$ 19,467
TUBAC Revenue Increase	\$ 239,177	\$ 244,840	\$ 5,663
<b>Original ROO</b>	<b>\$ 3,414,546</b>		
<b>See Column (E) Below</b>		<b>\$ 3,784,210</b>	
			<b>\$ 369,664</b> Annual Revenue Increase with increase ROE

Details - Decision No. 75268	(A) Mohave Water	(B) Paradise Valley	(C) Sun City	(D) Mohave Wwater	(E) TUBAC
Original Cost Rate Base	\$ 22,413,566	\$ 38,489,709	\$ 25,756,018	\$ 4,921,308	\$ 1,329,355
Adjusted Operating Income	\$ 407,280	\$ 2,260,022	\$ 946,477	\$ 78,739	\$ (65,414)
Current Rate of Return	1.82%	5.87%	3.67%	1.60%	-4.92%
Required Operating Income	\$ 1,429,986	\$ 2,455,643	\$ 1,643,234	\$ 313,979	\$ 83,483
Required Rate of Return	6.38%	6.38%	6.38%	6.38%	6.28%
Operating Income Deficiency	\$ 1,022,705	\$ 195,621	\$ 696,757	\$ 235,241	\$ 148,898
Gross Rev. Conversion Factor	1.651	1.6345	1.6406	1.6494	1.6443
Increase In Gross Revenues Req	\$ 1,688,513	\$ 319,746	\$ 1,143,099	\$ 388,011	\$ 244,840
<b>Adjusted revenue resulting from increase in ROE from 8.90 percent to 9.50 percent.</b>					<b>\$ 3,784,210</b>

PHASE IN OF RATES	Revenue Increase	YR 1	YR 2	YR 3
Mohave WWater Rev Inc.	\$ 388,011	\$ 129,337	\$ 258,674	\$ 388,011
TUBAC Revenue Increase	\$ 244,840	\$ 81,613	\$ 163,227	\$ 244,840
<b>TOTAL</b>	<b>\$ 632,851</b>	<b>\$ 210,950</b>	<b>\$ 421,901</b>	<b>\$ 632,851</b>
Mohave Water System	\$ 1,688,513	\$ 1,688,513	\$ 1,688,513	\$ 1,688,513
Paradise Valley Water System	\$ 319,746	\$ 319,746	\$ 319,746	\$ 319,746
Sun City Water System	\$ 1,143,099	\$ 1,143,099	\$ 1,143,099	\$ 1,143,099
	<b>\$ 3,784,210</b>	<b>\$ 3,362,309</b>	<b>\$ 3,573,260</b>	<b>\$ 3,784,210</b>
Ratepayer Savings/Company Costs	\$ -	\$ 421,901	\$ 210,950	\$ -
				<b>\$ 632,851</b>

Increase per year due to increased ROE (see above)	<b>\$ 369,664</b>
Increase over five year period (\$369,664 X 5 years)	\$ 1,848,319
Ratepayer savings due to phase in of Tubac Water and Mohave Wastewater	<b>\$ 632,851</b>
Net Cost to Ratepayers Correctly calculated	\$ 1,215,468
See EXHIBIT "B" Incorrectly Calculated	\$ 1,283,596
Additional Cost	<b>\$ 68,128</b>

Using the correct methodology as approved by Little Amendment No. 3, the phase in of the rates in both Tubac Water and Mohave Wastewater Systems are phased in equal steps during each of the first three years.

# EXHIBIT C

**EXHIBIT "C"**  
**CALCULATED INCORRECTLY**

**EPCOR WATER / WASTEWATER**

Revised Revenue Requirements  
Subsequent to Final Decision

Revenue Requirement	Original Filed ROO	Increase ROE to 9.50%	Revenue Inc. with ROE Changes
Mohave Water System	\$ 1,598,040	\$ 1,688,513	\$ 90,473
Paradise Valley Water System	\$ 168,255	\$ 319,746	\$ 151,491
Sun City Water System	\$ 1,040,530	\$ 1,143,099	\$ 102,569
Mohave WWater Rev Inc.	\$ 368,544	\$ 388,011	\$ 19,467
TUBAC Revenue Increase	\$ 239,177	\$ 244,840	\$ 5,663
Original ROO	<u>\$ 3,414,546</u>		
See Column (E) Below		<u>\$ 3,784,210</u>	
			<u>\$ 369,664</u> Annual Revenue Increase with increase ROE

Details - Decision No. 75268	(A)	(B)	(C)	(D)	(E)
	Mohave Water	Paradise Valley	Sun City	Mohave Wwater	TUBAC
Original Cost Rate Base	\$ 22,413,566	\$ 38,489,709	\$ 25,756,018	\$ 4,921,308	\$ 1,329,355
Adjusted Operating Income	\$ 407,280	\$ 2,260,022	\$ 946,477	\$ 78,739	\$ (65,414)
Current Rate of Return	1.82%	5.87%	3.67%	1.60%	-4.92%
Required Operating Income	\$ 1,429,986	\$ 2,455,643	\$ 1,643,234	\$ 313,979	\$ <b>83,483</b>
Required Rate of Return	6.38%	6.38%	6.38%	6.38%	6.28%
Operating Income Deficiency	\$ 1,022,705	\$ 195,621	\$ 696,757	\$ 235,241	\$ 148,898
Gross Rev. Conversion Factor	1.651	1.6345	1.6406	1.6494	1.6443
Increase In Gross Revenues Req	\$ 1,688,513	\$ 319,746	\$ 1,143,099	\$ 388,011	\$ 244,840
<b>Adjusted revenue resulting from increase in ROE from 8.90 percent to 9.50 percent.</b>					<b>\$ 3,784,210</b>

PHASE IN OF RATES	Revenue	YR 1		YR 2		YR 3	
	Increase						
Mohave WWater Rev Inc.	\$ 388,011	\$ 129,337	\$ 258,674	\$ 388,011			
TUBAC Revenue Increase	\$ 244,840	\$ 127,323	\$ 185,645	\$ 244,840			
<b>TOTAL</b>	<b>\$ 632,851</b>	<b>\$ 256,660</b>	<b>\$ 444,320</b>	<b>\$ 632,851</b>			
Mohave Water System	\$ 1,688,513	\$ 1,688,513	\$ 1,688,513	\$ 1,688,513			
Paradise Valley Water System	\$ 319,746	\$ 319,746	\$ 319,746	\$ 319,746			
Sun City Water System	\$ 1,143,099	\$ 1,143,099	\$ 1,143,099	\$ 1,143,099			
	\$ 3,784,210	\$ 3,408,018	\$ 3,595,678	\$ 3,784,210			
Ratepayer Savings/Company Costs	\$ -	\$ 376,191	\$ 188,532	\$ -	\$ 564,723		

Increase per year due to increased ROE	<u>\$ 369,664</u>
Increase over five year period (\$369,664 X 5 years)	\$ 1,848,319
Ratepayer savings due to phase in of Tubac and Mohave Wastewater	\$ 564,723
Net Cost to Ratepayers	<u>\$ 1,283,596</u>

**Decision No. 75268 does not calculate the phase in of the Tubac System in equal steps as approved in Commissioner's Little Amendment No. 3. The Decision has approximately 52 percent of the rate increase for Tubac average residential ratepayer during the first year of the increase and approximately 24 percent during years two and three. This is clearly not the intent of Little Amendment No. 3.**

# EXHIBIT D



0000165949

**MR DOUG LITTLE'S PROPOSED AMENDMENT NO. 4**

DATE PREPARED: August 27, 2015

COMPANY: EPCOR Water Company

RECEIVED

DOCKET NO(S): WS-01303A-14-0010

2015 AUG 27 P 1:54

OPEN MEETING DATE: August 27, 2015

AGENDA ITEM NO. 17 ARIZONA CORPORATION COMMISSION DOCKET CONTROL

**Page 36 line 14 – 20**

**DELETE** entire paragraph.

**INSERT:**

“We agree with SCVCC that the corporate allocations for Tubac are inappropriate. The corporate allocations included in Tubac’s expenses shall be reduced by \$100,000. This results in total operating expenses in the Tubac district of \$544,485.”

**Make all conforming and numbering changes.**

Arizona Corporation Commission  
**DOCKETED**  
AUG 27 2015  
DOCKETED BY

**ORIGINAL**

<b>THIS AMENDMENT:</b>		
_____ Passed _____	Passed as amended by _____	
_____ Failed _____	_____ Not Offered _____	_____ Withdrawn _____