

NEW APPLICATION



0000165681

ORIGINAL

RECEIVED

1 FENNEMORE CRAIG, P.C.  
2 Patrick J. Black (No. 17141)  
2394 E. Camelback Road, Suite 600  
3 Phoenix, Arizona 85016  
Telephone (602) 916-5000

2015 AUG -6 P 4: 27

AZ CORP COMMISSION  
DOCKET CONTROL

4 Attorneys for BN Leasing Corporation

6 BEFORE THE ARIZONA CORPORATION COMMISSION

8 IN THE MATTER OF THE APPLICATION  
OF BN LEASING CORPORATION., A  
9 DELAWARE CORPORATION, d.b.a.  
AUBREY WATER COMPANY, FOR A  
10 DETERMINATION OF THE FAIR VALUE  
OF ITS UTILITY PLANT AND PROPERTY  
11 AND FOR INCREASES IN ITS WATER  
RATES AND CHARGES FOR UTILITY  
12 SERVICE BASED THEREON.

DOCKET NO: W-03476A-15-0286

APPLICATION

Arizona Corporation Commission  
DOCKETED

AUG 06 2015

DOCKETED BY

15 BN Leasing Corporation, d.b.a. Aubrey Water Company, an Arizona public service  
16 corporation ("Aubrey" or the "Company"), hereby applies for an order establishing the  
17 fair value of its plant and property used for the provision of public water utility service  
18 and, based on such finding, approving permanent rates and charges for utility service  
19 designed to produce a fair return thereon. In support thereof, Aubrey states as follows:

20 1. Aubrey is an Arizona public service corporation engaged in providing water  
21 utility services in portions of Yavapai County, Arizona, pursuant to a certificate of  
22 convenience and necessity granted by the Arizona Corporation Commission (the  
23 "Commission") in Decision No. 58172 (February 4, 1993). During the Test Year, Aubrey  
24 served approximately 223 residential and 56 commercial water customers. In addition,  
25 the Company's system also supplies a significant amount of water to homes outside of  
26 Seligman, Arizona through bulk water sales.

1           2.     Aubrey local business office (Southwestern Utility Management) is located  
2 at 2015 N. Forbes Blvd, Suite 107, Tucson, Arizona 85745, and its telephone number is  
3 (520) 624-1460. The Company's primary contact is Ms. Bonnie O'Connor.

4           3.     The person responsible for overseeing and directing the conduct of this rate  
5 application is Ray L. Jones, with ARICOR Water Solutions, LC. Mr. Jones' business  
6 mailing address is 18835 North Thompson Peak Parkway, Suite 215, Scottsdale, AZ  
7 85255, and his telephone number is (623) 341-4771; and his e-mail address is  
8 ray.jones@aricor.com. **All discovery, data requests, and other requests for**  
9 **information concerning this Application should be directed to Mr. Jones by e-mail,**  
10 **with a copy to undersigned counsel for the Company, including by e-mail to**  
11 **pblack@fclaw.com.**

12           4.     Aubrey's present rates and charges for utility service were approved by the  
13 Commission in Decision No. 69739 (March 22, 2007), and went into effect on October 1,  
14 2009 pursuant to Decision No. 71284, using a test year ending December 31, 2005.  
15 Following the issuance the March 22, 2007 decision, the Company made significant  
16 changes to its management and operations, implemented a water loss control program and  
17 invested over \$1.5 million in plant facilities necessary to address water loss, old and  
18 deteriorating wells, storage tanks, pumping equipment, pipelines and meters. The bulk of  
19 the major work and expenditures were completed in 2010.

20           5.     Aubrey's revenues from its utility operations are presently inadequate to  
21 provide it a fair rate of return on the fair value of its utility plant and property devoted to  
22 public service. Furthermore, additional water system investments are needed to address  
23 continued water losses, particularly aging pipelines believed to be leaking underground.  
24 Aubrey has insufficient cash flow to make these investments while operating at a loss.  
25 Therefore, the Company requests that certain adjustments to its rates and charges for  
26

1 utility service be approved by the Commission so that the Company may recover its  
2 operating expenses and generate revenue to make these further improvements.

3 6. Filed concurrently herewith are the schedules required pursuant to A.A.C.  
4 R14-2-103 for rate application of Class "D" utilities. The test year utilized by the  
5 Company in connection with the preparation of such schedules is the 12-month period that  
6 ended December, 31, 2014. Aubrey requests that the Commission utilize such test year in  
7 connection with this Application, with appropriate adjustments to obtain a normal or more  
8 realistic relationship between revenues, rate base and expenses during the period in which  
9 the rates established in this proceeding are in effect.

10 7. During the test year, Aubrey's adjusted gross revenues were \$165,472 from  
11 water utility service. The adjusted operating expense was \$223,436, leading to an  
12 operating income deficiency of \$57,964. The adjusted fair value rate base was  
13 \$1,263,115. Thus, the rate of return on Aubrey's water operations during the test year  
14 was negative 4.59 percent.

15 8. Aubrey submits that this rate of return is inadequate to allow the Company  
16 to continue the investment in utility plant necessary to adequately serve customers.  
17 However, in recognition of the magnitude of the requested increase and as a mitigation  
18 measure, the Company is only requesting an 8.50% return on rate base, which should  
19 generate an operating cash flow sufficient to meet its capital expenditure requirements,  
20 including the needed main replacement program.

21 9. Aubrey is requesting an increase in water utility revenues equal to \$236,946,  
22 an increase in revenues of 143.19 percent. The adjustments to Aubrey's rates and charges  
23 that are proposed herein, when fully implemented, will produce a rate of return on the fair  
24 value rate base equal to 8.50 percent from water operations.

25 10. Attached hereto as **Exhibit A** are water plant descriptions and a completed  
26 water use data sheet for the 2014 calendar year.

1           10. Filed in support of this Application is the Direct Testimony of Ray L. Jones,  
2 attached hereto as **Exhibit B**, in which he provides an overview of Aubrey and discussing  
3 the recent significant system improvements and other changes. Mr. Jones also provides  
4 an overview of the Company's rate filing, discussion of the revenue requirement and cost  
5 of capital, including the "A" through "F" schedules, development of the rate base and  
6 income statement adjustments, cost of equity capital and related issues, proposed rates,  
7 including the "H" schedules, and discussion of the effects of the proposed rates on  
8 customers' bills.

9           WHEREFORE, Aubrey requests the following relief:

10           A. That the Commission, upon proper notice and at the earliest possible time,  
11 conduct a hearing in accordance with A.R.S. § 40-251 and determine the fair value of  
12 Aubrey's utility water plants and property devoted to providing water utility service;

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

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

21  
22  
23  
24  
25  
26

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

RESPECTFULLY SUBMITTED this 6<sup>th</sup> day of August, 2015.

FENNEMORE CRAIG, P.C.

By   
Patrick J. Black  
2394 E. Camelback Road  
Suite 600  
Phoenix, Arizona 85016  
Attorneys for Aubrey Water Co.

ORIGINAL and fifteen (15) copies of the foregoing, together with the direct testimony and schedules supporting this application, were delivered this 6<sup>th</sup> day of August, 2015, to:

Docket Control  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

By:  \_\_\_\_\_

**EXHIBIT A**

<b>COMPANY NAME</b> Aubrey Water Company	
<b>Name of System:</b>	ADEQ Public Water System Number: 13-010

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-627225 <sup>1</sup>	30	160	488	16 & 12	3	1947
55-627226 <sup>2</sup>	30	160	509	16 & 12	3	1947

<sup>1</sup> North Well (No. 1) – 10” steel liner installed to approx. 375 feet, well filled below.

<sup>2</sup> South Well (No. 2) – 10” PVC liner installed to approx. 375 feet, well filled below.

--	--	--	--	--	--	--

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25	2	22	
2	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
281,480	1		

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

COMPANY NAME Aubrey Water Company

Name of System:

ADEQ Public Water System Number: 13-010

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	3560
3		
4	PVC	9600
5		
6	PVC	4800
8		
10		
12		
2	GALV	14580
6	CIP	15600
4	PVC	220

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	280
3/4	1
1	9
1 1/2	7
2	15
Comp. 3	
Turbo 3	3
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

CHLORINATOR

-

STRUCTURES:

20 FOOT STORAGE CONTAINER AND ONE 8 X 12 ONE PUMP HOUSE

-

OTHER:

-TRANSMISSION MAIN; CANYON MOUTH TO TOWN OF SELIGMAN (1,508' 6" HDPE & 34,100' 8" CIP)

-

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

COMPANY NAME: Aubrey Water Company

Name of System:

ADEQ Public Water System Number: 13-010

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	284	1,843	2,526	
FEBRUARY	285	2,121	2,889	
MARCH	282	1,911	2,533	
APRIL	284	2,482	3,143	
MAY	281	3,367	4,053	
JUNE	283	4,561	5,317	
JULY	286	4,849	5,578	
AUGUST	282	4,205	4,973	
SEPTEMBER	277	2,991	3,734	
OCTOBER	279	3,564	4,176	
NOVEMBER	280	3,013	3,677	
DECEMBER	279	2,053	2,646	
TOTALS →		36,959	45,245	

What is the level of arsenic for each well on your system? 0.004 mg/l  
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for \_\_\_ hrs

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

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

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

If yes, provide the GPCPD amount: \_\_\_\_\_

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

# **EXHIBIT B**

1 FENNEMORE CRAIG  
A Professional Corporation  
2 Patrick J. Black (No. 017141)  
2394 East Camelback Road, Suite 600  
3 Phoenix, Arizona 85016  
Telephone (602) 916-5000  
4 Attorneys for BN Leasing Corporation  
5

6  
7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

8  
9 IN THE MATTER OF THE APPLICATION  
OF BN LEASING CORPORATION, A  
10 DELAWARE CORPORATION, d.b.a.  
AUBREY WATER COMPANY, FOR A  
11 DETERMINATION OF THE FAIR VALUE  
OF ITS UTILITY PLANT AND  
12 PROPERTY AND FOR INCREASES IN  
ITS WATER RATES AND CHARGES FOR  
13 UTILITY SERVICE BASED THEREON.

DOCKET NO: W-03476A-15-\_\_\_\_\_

14  
15  
16 **DIRECT TESTIMONY OF**

17 **RAY JONES**

18 **August 6, 2015**  
19  
20  
21  
22  
23  
24  
25  
26

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

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Ray L. Jones. My business address is 18835 North Thompson Peak  
4 Parkway, Suite 215, Scottsdale, AZ 85255.

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

6 A. On behalf of the Applicant BN Leasing Corporation, d.b.a. Aubrey Water  
7 Company ("Aubrey" or "Company").

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

9 A. I am the owner and principal of ARICOR Water Solutions LC ("ARICOR"), a  
10 consulting firm providing services to the water and wastewater utility industry.

11 **Q. WHAT WAS YOUR EDUCATIONAL AND EMPLOYMENT  
12 BACKGROUND BEFORE GOING TO WORK FOR ARICOR?**

13 A. I began my working career with Citizens Utilities Company ("Citizens") in 1985 as  
14 a Staff Engineer for the Maricopa County water and wastewater division. I was  
15 employed at Citizens for 17 years, ascending to Vice President and General  
16 Manager for the Arizona water and wastewater operations. In 2002, American  
17 Water ("American") purchased the water and wastewater assets of Citizens, and I  
18 joined American as the President of Arizona-American Company. I left American  
19 in 2004 to start ARICOR.

20 I received a Bachelor of Science in Civil Engineering in 1985 from the  
21 University of Kansas, and a Master of Business Administration in 1991 from  
22 Arizona State University. I am a Registered Professional Engineer in Arizona and  
23 California and a Grade 3 Certified Operator in Arizona for all four water and  
24 wastewater classifications. I specialize in water resource issues, regulatory  
25 strategies, rate case filings and water and wastewater utility management and  
26 operations.

1           In addition to my consulting practice, I am the Executive Director of the  
2 Water Utilities Association of Arizona (“WUAA”). Founded in 1961, WUAA is a  
3 non-profit association representing Arizona’s private, regulated water and  
4 wastewater utilities. .

5 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?**

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

14 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

15 A. To support Aubrey’s application for rate relief. I am sponsoring Schedules “A”  
16 through “H” (as required for a Class D utility), which are also being filed  
17 concurrently herewith in support of the Company’s application. I was responsible  
18 for and/or supervised the preparation of these schedules based on my investigation  
19 and review of the Company’s relevant books and records. Additionally, I provide  
20 an overview of Aubrey’s water system and operations, including support for plant  
21 additions, as well as discuss a review of Aubrey’s Plant in Service and the impact  
22 of that review on B-2 Schedules.

23  
24 **II. OVERVIEW OF THE COMPANY’S APPLICATION AND REGULATORY**  
25 **HISTORY**

26 **Q. PLEASE SUMMARIZE THE COMPANY’S APPLICATION.**

1 A. The test year is the 12-month period ending on December 31, 2014. Aubrey  
2 requests a revenue increase of \$236,946, or 143.19%, to allow the Company to  
3 earn an 8.50% rate of return on its original cost rate base. Aubrey also proposes  
4 certain pro forma adjustments to account for known and measurable changes to rate  
5 base, expenses and revenues, and to present a normalized and more realistic  
6 relationship between revenues, expenses and rate base.

7 **Q. DECISION NO. 69739 NOTED SEVERAL AREAS OF CONCERN,**  
8 **INCLUDING FAILURE TO MAINTAIN BOOKS AND RECORDS IN**  
9 **ACCORDANCE WITH THE NATIONAL ASSOCIATION OF**  
10 **REGULATORY COMMISSIONERS ("NARUC") UNIFORM SYSTEM OF**  
11 **ACCOUNTS ("USOA"), MAJOR DEFICIENCIES IN MONITORING**  
12 **UNDER THE SAFE DRINKING WATER ACT, AND WATER LOSS RATE**  
13 **OF 43.1 PERCENT. WHAT HAS THE COMPANY DONE TO ADDRESS**  
14 **THESE AREAS OF CONCERN?**

15 A. In response to Decision No. 69739, the Company made significant changes to its  
16 business. The changes included terminating the services of Richard Williamson,  
17 assigning new management for the company, and hiring new contractors to provide  
18 customer services, back office support and on-site management. The Company  
19 prepared and implemented a water loss control plan and undertook projects to  
20 replace aging and failing infrastructure. As a result of these changes, the  
21 Company's operations are substantially improved and is now in full compliance  
22 with regulatory requirements. Water loss has been substantially reduced, dropping  
23 below 10 percent in 2012 before increasing again in 2013 and 2014.

24 **Q. WHY IS THE COMPANY FILING FOR RATE INCREASES AT THIS**  
25 **TIME?**

26 A. The Company's last rate increase, based on a test year ending December 31, 2005,

1 was approved on March 22, 2007 in Decision No. 69739. Rates went into effect on  
2 October 1, 2009 pursuant to Decision No. 71284. Following the issuance the  
3 March 22, 2007 decision, the Company made significant changes to its  
4 management and operations, implemented a water loss control program and  
5 invested over \$1.5 million in plant facilities necessary to address water loss, old  
6 and deteriorating wells, storage tanks, pumping equipment, pipelines and meters.  
7 The bulk of the major work and expenditures were completed in 2010.

8 In consideration of the impact to the community that a large rate increase  
9 would have, since 2010 Aubrey has operated at a loss rather than increase water  
10 rates to cover the cost of the investments made in 2010. However, additional water  
11 system investments are needed to address water losses, particularly aging pipelines  
12 within Seligman that are believed to be leaking below ground, and to insure  
13 continued compliance with regulatory requirements. Aubrey has insufficient cash  
14 flow to make these investments while operating at a loss.

15 Continuing to subsidize the water system is not a long-term sustainable  
16 solution to providing water service in Seligman. Sustainable water service requires  
17 the water system users to begin paying the true cost of water service. Rate  
18 increases are necessary to ensure that the Company has the ability to cover its  
19 operating expenses and fund additional expected capital expenditures necessary to  
20 continue addressing water losses and aging infrastructure in a systematic manner.

21 **Q. MR. JONES, THIS IS A LARGE PERCENTAGE INCREASE IN RATES. IS**  
22 **AUBREY TAKING ANY ACTION TO MITIGATE THE IMPACT OF THE**  
23 **RATE INCREASE?**

24 **A.** Aubrey is aware of the impact this increase will have on its customers and has  
25 acted to mitigate the impact through several actions. For example, during the  
26 process of constructing the over \$1.5 million in plant facilities, management,

1 accounting, engineering and other related construction services, were provided at  
2 no cost to Aubrey. These costs typically increase the cost of system improvements  
3 by a substantial amount and, if paid by Aubrey, would have increased the amount  
4 of rate relief needed.

5 Very significantly, Aubrey has delayed filing for the rate increase for four  
6 years after making system improvements in 2010. The savings to customers during  
7 this delay is substantial and is projected to be in excess of \$1,000,000. As  
8 discussed later in my testimony, Aubrey has reduced its requested cost of equity by  
9 200 basis points and is requesting a return on rate base of only 8.50% and has  
10 requested a lower than normal depreciation expense for its pumping equipment. In  
11 addition, Aubrey has worked hard to keep its costs for operations and maintenance  
12 low. All of these actions were taken in consideration of the magnitude of the  
13 expected rate increase with the goal of mitigating the impact to Aubrey's  
14 customers.

15 Lastly, Aubrey is committed to working with its customers and Commission  
16 Staff to identify reasonable additional mitigating measures that are mutually  
17 acceptable and can be implemented during the rate increase process.

18 **Q. PLEASE IDENTIFY THE RATE CASE SCHEDULES PROVIDED WITH**  
19 **YOUR TESTIMONY.**

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

- 22 ● Schedules A-1, A-2 and A-4 – Summary Information.
- 23 ● Schedules B-1, B-2 and B-5 – Rate Base Information and Adjustments.
- 24 ● Schedules C-1 through C-3 – Income Statements and Adjustments.
- 25 ● Schedules D-1 – Cost of Capital Information.

26

- 1                   • Schedules E-1, E-2, E-5, E-7 and E-9 – Financial Statements and  
2                   Statistical Data.  
3                   • Schedules F-1, F-3 and F-4 – Projections and Forecasts.  
4                   • Schedules H-1 through H-5 – Effect of Proposed Rate Schedules.

5           I prepared these schedules based on my investigation and review of the relevant  
6           books and records of Aubrey.

7  
8   **III. AUBREY'S MANAGEMENT AND OPERATIONS**

9   **Q. WHAT IS YOUR RELATIONSHIP TO AUBREY?**

10   A. I was retained in February of 2009 to provide consulting services to Aubrey.  
11       Specifically, I assist and advise Aubrey on a variety of matters related to its  
12       ownership and operation of the water system located in Seligman, Arizona. In my  
13       capacity as a consultant to Aubrey, I have become familiar with its management,  
14       operations and facilities.

15   **Q. WOULD YOU DESCRIBE AUBREY'S CORPORATE STRUCTURE?**

16   A. Aubrey is an operating division of BN Leasing Corporation. Accordingly, Aubrey  
17       Water Company is not a legal entity but rather a trade name used by BN Leasing  
18       Corporation to identify its regulated water business operated in Seligman, Arizona.  
19       BN Leasing Corporation is owned by BNSF Railway Company (formerly known  
20       as The Burlington Northern and Santa Fe Railway Company) which is a subsidiary  
21       of Berkshire Hathaway Inc.

22   **Q. HOW IS AUBREY OPERATED AND MANAGED?**

23   A. Aubrey relies on contractors and affiliate provided services for its management and  
24       operation. Aubrey does not have any employees.

25   **Q. WHO ARE THE KEY SERVICE PROVIDERS TO AUBREY?**

26   A. Three entities provide the most of services for Aubrey. BNSF Railway Company,

1 through and in cooperation with BN Leasing Corporation, (collectively "BNSF")  
2 provides corporate management and provides key corporate services for Aubrey.  
3 Southwestern Utility Management ("SUM") provides operational management,  
4 customer services and back office support. John Kennedy is the contract on-site  
5 manager and certified operator.

6 **Q. WHAT SPECIFIC SERVICES DOES BNSF PROVIDE FOR AUBREY?**

7 A. BNSF employees Blain Bilderback, Director of Corporate Facilities, who serves as  
8 the General Manager of Aubrey. In addition to the management provided by Mr.  
9 Bilderback, BNSF also provides engineering services, tax services, accounting and  
10 cash management services for Aubrey.

11 **Q. WHAT ARE THE COSTS FOR BNSF SERVICES PROVIDED FOR**  
12 **AUBREY?**

13 A. Based on a time study performed by BNSF, the monthly charge to Aubrey for the  
14 services provided is \$2,200.00. The cost is based on the average pay rate for  
15 positions providing the services plus payroll loading and a five percent charge for  
16 general costs.

17 **Q. DO THE COSTS FOR BNSF SERVICES INCLUDE PROFIT?**

18 A. No. BNSF charges Aubrey for the actual services provided at a rate intended to  
19 recover its cost of providing the services. Furthermore, there are miscellaneous  
20 costs, such as travel expenses for Mr. Bilderback, incurred by BNSF on behalf of  
21 Aubrey that are not billed to Aubrey or otherwise recovered from Aubrey. On  
22 balance, BNSF believes the costs charged to Aubrey are below BNSF's cost of  
23 providing the services rendered and are below a fair market value for the services  
24 provided.

25 **Q. WHAT SPECIFIC SERVICES DOES SUM PROVIDE FOR AUBREY?**

26 A. SUM serves as Aubrey's Arizona based business office, providing operational

1 management and various customer, accounting, regulatory compliance and  
2 reporting services for Aubrey. Customer services include all customer contact,  
3 including new service connections, meter installations, routine and emergency  
4 maintenance and repair, account billing and collection inquiries, meter turn-on and  
5 turn-offs and other general inquiries. SUM provides a remote customer service  
6 office staffed with customer service representatives from 7:30 to 4:30 Monday  
7 through Friday and a 24/7 emergency contact number for water customers. SUM  
8 also provides customer billing and collection, regulatory compliance tracking and  
9 reporting, ACC reporting, banking services, and routine and special accounting  
10 services for Aubrey. SUM coordinates activities with BNSF personnel and is the  
11 primary interface with John Kennedy.

12 **Q. WHAT SPECIFIC SERVICES DOES JOHN KENNEDY PROVIDE FOR**  
13 **AUBREY?**

14 A. John Kennedy is the on-site manager and certified operator for Aubrey. His role is  
15 to provide all services required within the service area. Mr. Kennedy is responsible  
16 for system operations and maintenance. Mr. Kennedy checks and maintains all  
17 Aubrey wells, boosters, tanks, pipelines and other equipment. He is responsible for  
18 repairing leaks and replacing failed equipment. He coordinates with SUM to  
19 provide all field customer service, read meters, install meters, change meters,  
20 perform turn-on and turn-offs and ensure regulatory compliance. Mr. Kennedy  
21 coordinates and directs outside contractors retained for major repairs, replacements  
22 and new construction.

23 **Q. HOW ARE AUBREY'S ACCOUNTING BOOKS AND RECORDS**  
24 **MAINTAINED?**

25 A. Under the supervision and direction of BNSF, SUM maintains a general ledger for  
26 Aubrey in accordance with the NARUC USOA. The Aubrey general ledger

1 segregates the accounting records of Aubrey from the accounting records of the  
2 remainder of the BN Leasing Corporation.

3  
4 **IV. AUBREY'S WATER SYSTEM**

5 **Q. WOULD YOU DESCRIBE AUBREY'S WATER SYSTEM?**

6 A. Aubrey's water system provides water service to the community of Seligman,  
7 Arizona and surrounding areas. During the test year, Aubrey served 223 residential  
8 customers and 56 commercial customers. In addition to the residential and  
9 commercial customers connected to the Company's system, the Company's system  
10 also supplies water to a significant population with homes outside of Seligman  
11 through bulk water sales. The Company sells bulk water through an automated  
12 standpipe (quarter machine) and a dedicated commercial water hauling station.  
13 During the test year, the Company's water sales and revenue breakdown was as  
14 follows:

<u>Customer Class</u>	<u>Water Sales</u>	<u>Revenue</u>
<b>Residential</b>	36.24%	38.99%
<b>Commercial</b>	42.26%	36.85%
<b>Bulk Water</b>	21.50%	24.16%

15  
16  
17  
18  
19 Providing sustainable water service to Seligman is a complex undertaking.  
20 Seligman is located in the upper portion of the Big Chino Sub-Basin of the Verde  
21 River Basin. Due to the lack of groundwater in and around Seligman, Seligman's  
22 source of water is two wells located approximately six miles southwest of  
23 Seligman on the Big Chino Wash near the Canyon Mouth Reservoir. The wells are  
24 located 850 feet downstream of the Canyon Mouth Dam.<sup>1</sup> Considering the location

25  
26 <sup>1</sup> The Canyon Mouth Dam was constructed in 1916 by BNSF to provide a source of water for railroad steam engines.

1 of the wells, the water withdrawn by Aubrey is likely to be adjudicated, at least in  
2 part, surface water of the Big Chino Wash.<sup>2</sup> The reservoir and wells have provided  
3 a reliable supply of water to Seligman for over 100 years.

4 From the wells, water is pumped to Seligman through a 6.5 mile long  
5 transmission pipeline. In Seligman, a storage tank maintains a 24-hour supply of  
6 water, plus a fire fighting reserve to ensure reliable water service. From the storage  
7 tank, booster pumps deliver the water to the homes and businesses throughout  
8 Seligman. The booster station is designed to provide a 500 gpm fire flow.

9 **Q. WHAT IS AGE AND CONDITION OF AUBREY'S WATER FACILITIES?**

10 A. The basic water supply and 6.5 mile long cast iron transmission pipeline was  
11 placed into service no later than 1916<sup>3</sup> upon the completion of the Canyon Mouth  
12 Dam on the Big Chino Wash. Most of the other original facilities providing water  
13 service to Seligman were constructed by BNSF between 1930 and 1960. As of  
14 2009, water service was being provided by a storage tank constructed in the '30s,  
15 two wells constructed in the '40s and two pump stations constructed in 1960.  
16 These facilities were of top quality when constructed and served the community's  
17 needs for many years. However, after decades of reliable service, the facilities had  
18 reached the end of their useful lives and needed to be replaced.

19 In 2009, Aubrey began the process of replacing these facilities, with work  
20 being completed in 2010. Both wells were rehabilitated and equipped with new

---

21 The dam and reservoir continues to be maintained by BNSF for the benefit of Aubrey although there are no  
22 remaining railway uses or benefit.

23 <sup>2</sup> BNSF holds pre-1919 prior appropriation rights to the flows of the Big Chino Wash and has asserted its rights  
24 through filings in accordance with the Water Rights Registration Act of 1974 and requirements of the General  
25 Adjudication of the Gila River System. To the extent that any water withdrawn from the Aubrey wells is surface  
26 water, BNSF asserts that the withdrawal constitutes a change in the point of diversion from the Canyon Mouth  
Reservoir.

<sup>3</sup> The actual date of construction of the transmission pipeline is unknown and may have been as early as 1897 based  
on the manufacture date cast into piping replaced in 2010.

1 pumps, the 1916 pipeline was tested and upgraded, and a new water storage tank  
2 and booster station were constructed. These improvements allowed the 1930s  
3 vintage storage tank and both 1960 era pump stations to be removed from service.  
4 These water system improvements significantly reduced water losses and will be  
5 the backbone of a sustainable water supply for Seligman for many years into the  
6 future.

7 The underground piping network within Seligman is believed to have been  
8 constructed primarily between 1930 and 1970. The older sections of piping are  
9 deteriorating and have been repaired on numerous occasions. It is believed that  
10 much of the older piping has reached the end of its useful life and will need  
11 replacement in the near future.

12  
13 **V. WATER LOSS REDUCTION EFFORTS**

14 **Q. PLEASE SUMMARIZE THE COMPANY'S EFFORTS TO REDUCE LOST**  
15 **WATER SINCE THE LAST RATE CASE?**

16 **A.** Aubrey filed its initial Water Loss Analysis Program on December 28, 2007  
17 outlining a five-step plan to reduce water loss. The five steps are summarized as  
18 follows:

- 19 ● Replace production meter on South Well.
- 20 ● Install meter on coin operated standpipe.
- 21 ● Implement water meter replacement program to replace inaccurate  
22 customer water meters.
- 23 ● Inspect transmission and distribution system infrastructure for leaks and  
24 repair as indicated.
- 25 ● Replace production meter on North Well, if needed.

26

1           On January 31, 2008, July 31, 2008 and January 30, 2009, Aubrey filed  
2 combined Progress and Monitoring Reports with ACC Staff. The reports  
3 document the following progress in implementing the Water Loss Analysis  
4 Program.

- 5           • South Well production meter replaced on 11/27/07.
- 6           • Meter installed on coin operated standpipe on 5/5/08.
- 7           • Master meter installed on 8" water transmission main on 5/21/08.
- 8           • North Well production meter replaced on 8/11/08.
- 9           • 28 customer meters replaced.
- 10          • 2 meters installed on unmetered connections.
- 11          • 33 main line valves replaced.
- 12          • 13 main line leaks repaired.
- 13          • 1 hydrant replaced.
- 14          • 4 hydrant locks installed.

15           On May 13, 2009 Aubrey filed a Revised Water Analysis Program  
16 containing the following components.

- 17          • Replace transfer pump station.
- 18          • Evaluate and track water loss in 6½ mile transmission line upon  
19 replacement of transfer pump station.
- 20          • Continue water meter replacement program.
- 21          • Replace 1,300 lineal feet of 4" distribution main, as financial resources  
22 permit.
- 23          • Evaluate standpipe metering.
- 24          • Removal of unused meters and relocation of certain meters.
- 25          • Use line tracing to better monitor for leaks.
- 26          • Continue inspection of distribution system for leaks.

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

- ARICOR Water Solutions to complete detailed water loss analysis and provide recommendations to ACC.
- Continue to file Progress Reports and Monitoring Reports each January and July until two consecutive Monitoring Reports show a water loss of less than 10 percent.

On August 11, 2009 the Company filed the Aubrey Water Company Water Loss Assessment dated July 16, 2009 prepared by ARICOR Water Solutions (“Assessment”). The Assessment made multiple recommendations to improve Data Integrity, Apparent Losses, Real Losses, and Reporting. The recommendations made in the Assessment included the following:

- a) Install meter at Transfer Pump Station.
- b) Verify leakage in transmission line.
- c) Evaluate and modify the 8” master meter installation (transmission line).
- d) Evaluate billing procedure and equipment.
- e) Evaluate reporting procedures.
- f) Verify meter data.
- g) Continue water meter replacement program.
- h) Perform engineering evaluation and modification of the commercial standpipe meters.
- i) Continue removal of out-of-service meters.
- j) Implement meter relocation (to the property line) program.
- k) Replace Transfer Station pumps.
- l) Continue inspection of water distribution system.
- m) Replace failing water main (approximately 1,300 feet of 4-inch steel water main).

1           In Decision No. 712184 dated October 7, 2009, the Commission ordered  
2 Aubrey to implement the recommendations from the Assessment and continue  
3 making Progress and Monitoring Reports to the Commission every January and  
4 July, until the annual water loss is less than 10 percent, or until further order of the  
5 Commission, whichever comes first.

6           In accordance with Decision No. 712184, the Company made Progress and  
7 Monitoring Reports to the Commission in January 2010, July 2010, January 2011,  
8 July 2011, January 2012, July 2012 and January 2013. In its January 2013 report  
9 the Company reported that the Company had completed implementation of all of  
10 the recommendations contained in the Assessment.

11           A summary of all water loss reduction efforts completed by the Company  
12 through December 2012 is as follows:

- 13           • South Well production meter replaced.
- 14           • North Well production meter replaced.
- 15           • Meter installed on coin operated standpipe.
- 16           • Master meter installed on 8" water transmission main.
- 17           • Transfer Pump Station Removed from service.
- 18           • Leak testing well transmission main.
- 19           • New meters installed on well transmission main.
- 20           • Billing procedures and equipment evaluated.
- 21           • Reporting procedures evaluated.
- 22           • Meter data verified.
- 23           • 82 customer meters replaced.
- 24           • 2 meters installed on unmetered connections.
- 25           • New commercial bulk water facility installed.
- 26           • 38 unused meters removed.

- 1                   • 8 meters relocated to property line.
- 2                   • 2 unmetered connections found and metered.
- 3                   • 57 main line valves repaired or replaced.
- 4                   • 44 main line leaks repaired.
- 5                   • 2 hydrants replaced.
- 6                   • 4 hydrant locks installed.
- 7                   • 500 L.F. water main replaced.

8       **Q.   WERE THE WATER LOSS REDUCTION EFFORTS EFFECTIVE?**

9       A.   Yes, Aubrey's reported water loss was reduced to 7.4% for calendar year 2012. In  
10       accordance with Decision No. 71284, Aubrey discontinued filing Progress and  
11       Monitoring Reports with the Commission after completion of implementation of all  
12       water loss control recommendations and reporting water loss below 10%. A  
13       summary of Aubrey's reported lost water since the last rate case through December  
14       2012 is as follows:

- 15                   • Last Case – 43.1%
- 16                   • 2009 – 19.2%
- 17                   • 2010 - 17.3%
- 18                   • 2011 – 19.8%
- 19                   • 2012 – 7.4%

20       **Q.   HAS THE COMPANY CONTINUED ITS WATER LOSS CONTROL**  
21       **PROGRAM?**

22       A.   Yes. There are several ongoing components to the program that are continuing.  
23       Those components are:

- 24                   a) Water meter replacement program.
- 25                   b) Removal of out-of-service meters.
- 26                   c) Meter relocation (to the property line) program.

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

d) Ongoing inspection of water distribution system to identify leaking water system components in need of repair or replacement.

In 2013 and 2014 the Company completed the following water loss related improvements:

- 49 customer meters replaced.
- 4 unused meters removed.
- 5 meters relocated to property line.
- 37 leaks repaired.

**Q. HAS THE COMPANY'S WATER LOSS CONTROL CONTINUED TO BE EFFECTIVE?**

A. Yes the program continues to be effective. However, in 2013 and 2014 lost water has increased to 14.6% and 18.0%, respectively. This is believed to be the result of underground leaks in older sections of deteriorating distribution mains that have reached the end of their useful lives. The Company's full Water Loss Report for 2014 is attached as **EXHIBIT RLJ-DT3**.

**Q. DOES THE COMPANY HAVE A PLAN TO ADDRESS WATER LOSSES ON A GOING FORWARD BASIS?**

A. Yes. The Company intends to continue its existing program focused primarily on meter replacement and timely leak repair. In addition, the Company plans to retain an outside contractor to conduct a distribution system leak survey using digital leak noise correlation technology. Work will include production of written report documenting the leak survey, including field sketches and digitized maps of identified leak locations. In addition to identifying leaks to be repaired, the leak survey will be used to prioritize main replacement efforts.

1           Based on the results of the leak survey and prioritization effort, the  
2 Company will undertake a systematic main replacement program that will begin  
3 the process of replacing the system's aging distribution mains.

4 **Q. HOW DOES THE COMPANY INTEND TO FUND THE MAIN**  
5 **REPLACEMENT PROGRAM?**

6 A. The Company intends to fund the program from the cash flow generated from the  
7 increased rates authorized pursuant to this rate case. The Company estimates that  
8 an additional \$150,000 in cash flow will be available if the rates requested in this  
9 case are authorized.

10

11 **VI. PLANT ADDITIONS SINCE LAST RATE CASE**

12 **Q. WHAT IS AUBREY'S MOST RECENT TEST YEAR USED FOR**  
13 **RATEMAKING?**

14 A. The Company's last rate case was filed based on a test year ending December 31,  
15 2005.

16 **Q. PLEASE DESCRIBE THE WATER PLANT ADDITIONS ADDED SINCE**  
17 **THE LAST WATER TEST YEAR.**

18 A. At the time of the last rate case the Company's rate base was \$125,405. Since the  
19 last case, the Company has completed several major projects. Both of the  
20 Company's production wells were rehabilitated and fitted with new pumps, the  
21 transmission main was tested and upgraded, and a new water storage tank and  
22 booster station was constructed. In addition, the Company has replaced nearly half  
23 of its customer water meters, many distribution system valves and its commercial  
24 bulk water standpipe. These improvements cost over \$1.5 million.

25 **Q. WHICH PROJECTS WERE MOST SIGNIFICANT?**

26 A. The two most significant projects were the project to abandon the transfer pump

1 station formerly located at the Canyon Mouth Reservoir ("Transfer Pump Station  
2 Project") and the construction of a new storage tank and booster station ("Town  
3 Tank and Booster Station Project"). The Transfer Pump Station Project was  
4 completed at a cost of \$443,321, and the Town Tank and Booster Station Project  
5 was completed at a cost of \$1,108,196.

6 **Q. PLEASE DESCRIBE THE TRANSFER PUMP STATION PROJECT?**

7 A. This project was first identified as a part of the Company's water loss reduction  
8 effort. The old transfer pump station was constructed in approximately 1960 and  
9 was in poor condition and leaking badly. The initial proposal was to replace the  
10 transfer pump station with a new transfer pump station. However, ultimately the  
11 Company concluded that the best course of action was to simply eliminate the  
12 transfer pump station all together. This was accomplished by constructing  
13 modifications to Aubrey's water supply facilities located at the Canyon Mouth  
14 Reservoir. The project consisted of abandonment of the existing transfer tank,  
15 transfer pump station and well pipeline, equipping the wells with new pumps  
16 capable of pumping directly to the well transmission main, and installing a new  
17 well pipeline from the wells to the existing transmission main. A more complete  
18 description and justification of the project is attached as **EXHIBIT RLJ-DT4**.

19 **Q. PLEASE DESCRIBE THE TOWN TANK AND BOOSTER PROJECT.**

20 A. This project consisted of modifications to the Aubrey's water storage and pumping  
21 facilities located in Seligman. The project abandoned the existing 250,000 gallon  
22 water storage tank constructed in approximately 1930 and the booster station  
23 constructed in 1960. Both facilities were located south of the BNSF tracks in the  
24 former BNSF rail yard. They were in poor condition and had reached the end of  
25 their useful lives. The facilities were replaced with a new 280,000 water storage  
26 tank and booster station located north of the BNSF tracks within Seligman. A more

1 complete description and justification of the project is attached as **EXHIBIT RLJ-**  
2 **DT5.**

3  
4 **VII. RATE BASE AND RATE BASE ADJUSTMENTS**

5 **A. Plant In Service Review**

6 **Q. DID YOU REVIEW AUBREY'S PLANT IN SERVICE FOR THIS FILING?**

7 **A.** Yes, in cooperation with SUM, a comprehensive review of Aubrey's fixed asset  
8 records was conducted.

9 **Q. WHY WAS THIS REVIEW NEEDED?**

10 **A.** There were two reasons for the review. Prior to SUM being hired subsequent to  
11 the last rate case, the Company's records were not maintained in accordance with  
12 the USOA, and detailed backup was generally unavailable to SUM. Second, since  
13 the major projects completed in 2010 were well beyond Aubrey's ability to manage  
14 and fund, the projects were handled directly by BNSF. This meant that project  
15 invoices were remitted to BNSF offices in Fort Worth, Texas and paid from that  
16 office. Accordingly, much of the cost for these projects were recorded on  
17 Aubrey's books through consolidated journal entries rather than on a detailed basis.  
18 A detailed review was made to insure that all costs were properly recorded and that  
19 all supporting documentation would be available for the rate case.

20 **Q. PLEASE DESCRIBE THE SCOPE OF YOUR REVIEW OF AUBREY'S**  
21 **FIXED ASSET RECORDS.**

22 **A.** I prepared a comprehensive listing of all fixed asset ledger entries from the general  
23 ledger provided by SUM. Working with SUM, the individual ledger entries were  
24 reviewed to determine the following:

- 25                   • Is the asset entry an appropriate plant entry per the USOC?  
26                   • Is the asset entry charged to the correct NARUC plant account?

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

- Is the asset recorded in an appropriate level of detail?

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

A. I found Aubrey's plant records to be generally in good order and in compliance with the USOC. The asset entries were generally complete with detailed descriptions and suitable backup documentation. I also found a few items that needed attention, including the following:

- The 12/31/2005 beginning balances were recorded in aggregate based on the balances authorized in the Company's last rate case without detail.
- The major construction projects constructed in 2009 and 2010 were recorded in two large journal entries without detail.
- Plant retirements were not made prior to 2014.

**Q. HOW DID YOU HANDLE THE LACK OF DETAIL?**

A. I recreated the detail for the 12/31/2005 plant balances using information from the previous rate case and documented the results in a workpaper. For the Transfer Pump Station Project and the Town Tank and Booster Station Project completed in 2010, I obtained all relevant documentation supporting the two journal entries totaling \$1,539,166.87. All of the documentation was reviewed and summarized in a workpaper to ensure that all costs could be charged to the correct NARUC plant account. Lastly, I reconciled the cost supported by detail to the journal entries. I was able to support the entire recorded plant balance plus an additional \$12,351 of documented costs. The documented total cost of \$1,551,517 was then reduced by \$28,596 to remove cost of removal improperly included in the project cost. The final reconciled cost of the two projects is \$1,522,922, a net reduction of

1 \$16,245.35 from the recorded plant balance. Based on the workpapers,  
2 adjustments were made to reduce the plant in service balance by \$16,245.35,  
3 reduce accumulated depreciation by \$28,596 to properly record the cost of removal  
4 and to charge all costs to the correct NARUC plant accounts.

5 **Q. HOW DID YOU HANDLE THE LACK OF PLANT RETIREMENTS?**

6 A. I reviewed the plant assets and identified those plant items that had been retired.  
7 For each item of retired plant, I noted in the workpapers both the date of retirement  
8 and the original cost of the retired plant. This data was used to prepare appropriate  
9 adjustments to the plant balances.

10 **B. Rate Base**

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

13 A. The original cost rate base was calculated by establishing the balance of utility  
14 plant in service at the end of the test year. Deductions were made for accumulated  
15 depreciation, advances in aid of construction, and net contributions in aid of  
16 construction, customer security deposits and deferred income taxes. Working  
17 capital was assumed to be zero. The Company made various pro forma  
18 adjustments [OC-1, OC-2 & OC-3] to the actual test-year-end plant in service,  
19 accumulated depreciation and deferred income taxes to arrive at the adjusted test-  
20 year-end original cost rate base of \$1,263,115.

21 **Q. PLEASE EXPLAIN RATE BASE ADJUSTMENT OC-1.**

22 A. Rate base adjustment OC-1, detailed on page 2 of Schedule B-2, decreases  
23 the plant in service balance by a net of \$131,681 after considering several separate  
24 plant in service adjustments labeled [OC-1.1] through [OC-1.6].

25 Adjustment [OC-1.1] properly classifies the cost of well pumps, motors,  
26 cables and electrical equipment from NARUC Account 307 to NARUC Account

1 311. Adjustment [OC-1.1] is detailed on Page 3 of Schedule B-2.

2 Adjustment [OC-1.2] removes \$21,368 of ARICOR Water Solutions, LC  
3 invoices from plant in service. These invoices are related to regulatory compliance  
4 and are more properly expensed. Adjustment [OC-1.2] is detailed on Page 4 of  
5 Schedule B-2.

6 Adjustment [OC-1.3] adds \$51,360 of Schweitzer Development Corp.  
7 invoices to plant in service. The costs are for various plant replacements and new  
8 items of plant that were improperly expensed. Adjustment [OC-1.3] is detailed on  
9 Page 5 of Schedule B-2.

10 Adjustment [OC-1.4] decreases plant in service by \$16,245 to reflect the  
11 reconciliation of final construction costs for the Transfer Pump Station Project and  
12 the Town Tank and Booster Station Project. Adjustment [OC-1.4] is detailed on  
13 Page 6 of Schedule B-2.

14 Adjustment [OC-1.5] reclassifies the cost of the Transfer Station Project and  
15 the Town Tank and Booster Station Project to the correct NARUC plant accounts.  
16 This adjustment also reclassifies the cost of a storage container to the correct  
17 NARUC plant account. Adjustment [OC-1.5] is detailed on Page 7 of Schedule B-  
18 2.

19 Adjustment [OC-1.6] reduces plant in service by \$145,428 to record the  
20 retirement of several items of plant. Adjustment [OC-1.6] is detailed on Page 8 of  
21 Schedule B-2.

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

23 A. Rate base adjustment OC-2 decreases the accumulated depreciation balance by a  
24 net of \$708,053 after considering separate accumulated depreciation adjustments  
25 labeled [OC-2.1] through [OC-2.4].

26 Adjustment [OC-2.1] reclassifies the accumulated depreciation associated

1 with the cost of well pumps, motors, cables and electrical equipment. This  
2 adjustment is a corresponding adjustment to Adjustment [OC-1.1]. Adjustment  
3 [OC-2.1] is detailed on Page 10 of Schedule B-2.

4 Adjustment [OC-2.2] reduces accumulated depreciation by \$146,686 to  
5 record the retirement of several items of plant and to properly record an  
6 underbooked retirement. This adjustment is a corresponding adjustment to  
7 Adjustment [OC-1.6]. Adjustment [OC-2.2] is detailed on Page 11 of Schedule B-  
8 2.

9 Adjustment [OC-2.3] reduces accumulated depreciation by \$28,596 to  
10 properly record the cost of removal of the steel water storage tank replaced as part  
11 of the Town Tank and Booster Station Project. Adjustment [OC-2.3] is detailed on  
12 Page 12 of Schedule B-2.

13 Adjustment [OC-2.4] adjusts accumulated depreciation to the amounts  
14 calculated on Schedule B-2.1. As detailed on Schedule B-2.1, accumulated  
15 depreciation was calculated from the balances approved in Decision 69379, as  
16 adjusted by Adjustments [OC-1.1] and [OC-2.1], considering recorded plant  
17 additions and retirements, plant in service reclassifications and adjustments and  
18 adjustments related to retirements. Adjustment [OC-2.4] reduces accumulated  
19 depreciation by \$532,771.

20 **Q. PLEASE EXPLAIN RATE BASE ADJUSTMENT OC-3.**

21 A. Rate base adjustment [OC-3] adjusts accumulated deferred income taxes (“ADIT”)  
22 based on the Company’s proposed adjusted plant in service and accumulated  
23 depreciation balances. This adjustment recognizes the differences in the adjusted  
24 basis if the Aubrey assets and the tax basis of the Aubrey assets using the effective  
25 tax rates computed on Schedule C-2, Page 7. Adjustment [OC-3] is detailed on  
26 Page 13 of Schedule B-2. Adjustment [OC-3] reduces rate base by \$139,246.

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

**VIII. INCOME STATEMENT AND INCOME STATEMENT ADJUSTMENTS**

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

A. Income Statement Adjustment IS-1 is an adjustment to normalize repair and maintenance expense. The adjustment calculates a 3-year average repair and maintenance expense after consideration of adjustments to capitalize certain costs that were improperly expensed. Income Statement Adjustment IS-1 increases repair and maintenance expense by \$3,772.

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

A. Income Statement Adjustment IS-2 is an adjustment to normalize bad debt expense. Aubrey did not record bad debt expense in 2012 or 2013. The adjustment calculates a 3-year average bad debt expense based on the bad debt written off in 2014. Income Statement Adjustment IS-2 reduces bad debt expense by \$3,802.

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

A. Income Statement Adjustment IS-3 is an adjustment to remove an invoice for rate case expense inadvertently charged to contractual services expense. Income Statement Adjustment IS-3 reduces contractual services expense by \$945.

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

A. Income Statement Adjustment IS-4 increases the test year rate case expense to \$15,000. This is based on Aubrey's estimated rate case expense at \$75,000, which it proposes to collect over a five-year amortization period.

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

A. Income statement adjustment IS-5 annualizes depreciation expense using adjusted test-year-end plant balances and proposed depreciation rates. The Company has used Staff's standard recommended depreciation rates for all accounts except

1 NARUC Plant Account 311 for Pumping Equipment. Aubrey proposes a  
2 depreciation rate of 8.00 percent for Account 311. Income statement adjustment  
3 IS-5 decreases depreciation expense by \$139,810.

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

5 A. Income statement adjustment IS-6 restates property taxes consistent with the  
6 method supported by Commission Staff and approved in numerous recent  
7 Commission decisions. Specifically, following the Arizona Department of  
8 Revenue - Centrally Valued Properties method, full cash value was determined by  
9 using twice the average of three years of revenue, plus an addition for CWIP and a  
10 deduction for the book value of transportation equipment. Consistent with  
11 Commission practice, three times the adjusted revenues for 2014 was used to  
12 determine the average revenue. The assessed value (18% of full cash value) was  
13 then multiplied by the tax year 2014 property tax rate to determine adjusted  
14 property tax expense. Income statement adjustment IS-6 decreases property tax  
15 expense by \$450 for the test year, and after considering the effect of the proposed  
16 rate increase, property tax expense is increased by \$3,647 from the test year  
17 adjusted amount.

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

19 A. Income statement adjustment IS-7 calculates the test year income tax expense for  
20 Aubrey, considering all other adjustments. The income tax expense is calculated  
21 using statutory income tax rates as if Aubrey was a stand-alone company filing a  
22 separate tax return. Income statement adjustment IS-7 decreases the test year  
23 income tax expense by \$14,582, and after considering the effect of the proposed  
24 rate increase, income tax expense is increased by \$50,666 from the test year  
25 adjusted amount.

26

1 **IX. COST OF CAPITAL**

2 **Q. WHAT IS THE RECOMMENDED CAPITAL STRUCTURE FOR**  
3 **AUBREY?**

4 A. Aubrey proposes to use the adjusted test-year-end capital structure of 100% equity,  
5 as shown on Schedule D-1.

6 **Q. WHAT DOES THE BALANCE IN NARUC ACCOUNT 234, PAYABLE TO**  
7 **ASSOCIATED COMPANIES REPRESENT?**

8 A. Account 234 is used to track the flow of funds to and from Aubrey and BNSF.  
9 When Aubrey needs cash to meet operating expenses or capital requirements,  
10 BNSF will either provide cash or pay the cost on behalf of Aubrey. The amount  
11 provided to Aubrey or on Aubrey's behalf is credited to NARUC Account 234.  
12 When Aubrey has cash in excess of its immediate needs, the cash is transferred to  
13 BNSF for cash management purposes. The amount transferred to BNSF is debited  
14 to NARUC Account 234.

15 **Q. DOES THE CREDIT BALANCE IN THIS ACCOUNT CONSTITUTE**  
16 **DEBT?**

17 A. No. BN Leasing Corporation and Aubrey are the same legal entity with the BN  
18 Leasing Corporation financial statements ultimately being consolidated with BNSF  
19 Railway Company for reporting. During the consolidation process, intercompany  
20 accounts are eliminated and have no bearing on the financial statements of BNSF  
21 Railway Company. The account is simply a mechanism used to track flows of  
22 funds between the Aubrey general ledger and BN Leasing Corporation as a whole.

23 **Q. HOW WAS THE BALANCE IN NARUC ACCOUNT 234 INCORPORATED**  
24 **INTO THE COMPANY'S RECOMMENDED CAPITAL STRUCTURE?**

25 A. As shown on Schedule D-1, the balance of NARUC Account 234 was considered  
26 equity in the Company's recommended capital structure.

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

2 A. Aubrey believes that the appropriate cost of equity is 10.50% based on an informal  
3 review of recent rate orders for similar sized companies. However, in recognition  
4 of the magnitude of the requested increase and as a mitigating measure, the  
5 Company has reduced the cost of equity by 200 basis points and is requesting a  
6 return on rate base of 8.50%. The requested 8.50% return on rate base was selected  
7 because it results in an operating cash flow of approximately \$175,000 per year,  
8 the minimum amount that the Company feels is needed to meet its capital  
9 expenditure requirements, including the needed main replacement program.

10

11 **X. RATE DESIGN AND REVENUE PROOF**

12 **Q. PLEASE DESCRIBE THE H SCHEDULES.**

13 A. Schedule H-1 summarizes the revenue by source as billed under present rates and  
14 the amount that would be generated by the proposed increase in water rates.  
15 Schedule H-2 analyzes revenue at present and proposed rates by source, and meter  
16 size in dollar amount and percentage. The average number of customers derived  
17 from the bill count is also shown by meter size and in total. Lastly, Schedule H-2  
18 contains supplemental schedules that provide a breakdown of revenue at the  
19 existing and proposed rates by the components of the proposed rate design.  
20 Schedule H-3 compares present and proposed rates and shows the changes in each  
21 rate. Schedule H-4 compares present and proposed rates and the percentage  
22 increase at various consumption levels for each meter size. Schedule H-5 is the bill  
23 count of the bills issued during the test year.

24 **Q. HAS AUBREY PROPOSED ANY CHANGES TO ITS RATE DESIGN?**

25 A. Aubrey proposes to keep the current three-tier rate design with minor modification.  
26 Aubrey's proposed rates increase its base charges and rates for each tier by a

1 percentage roughly consistent with the overall increase percentage increase.  
2 Proposed modifications to the current rate design include eliminating the Tier 1  
3 rate for 1" and larger meters and increasing the Tier 2 to Tier 3 break over points to  
4 better reflect expected usage from the different meter sizes.

5 In constructing the rate design, Aubrey's goals were to maintain the current  
6 conservation-oriented rate design and provide a measure of revenue stability  
7 considering the magnitude of the requested increase. Aubrey expects water sales to  
8 drop, perhaps significantly, due to the magnitude of the overall increase. The  
9 Company's current rate design, which collects 34.4% of customer revenue  
10 (revenue excluding bulk water sales) from Tier 3, would serve to exacerbate the  
11 expected revenue erosion. As shown on Page 4 of Schedule H-2, the Company's  
12 proposed rates shifts revenue from Tier 3 to Tier 2 in an effort to provide a measure  
13 of revenue stability. As indicated, customer revenue billed in Tier 3 declines from  
14 34.4% of customer revenue to 18.4% of customer revenue. This revenue is shifted  
15 primarily to Tier 2, with Tier 2 customer revenue increasing from 8.7% of  
16 customer revenue to 19.6% of customer revenue.

17 **Q. WHAT IS THE IMPACT OF AUBREY'S PROPOSED RATES ON**  
18 **TYPICAL RESIDENTIAL CUSTOMERS?**

19 A. The vast majority of Aubrey's residential customers are served by 5/8" x 3/4"  
20 meters. For residential customers with average usage of 4,656 gallons per month  
21 the increase is \$30.68 per month or 142.83%. At median usage of 2,470 gallons  
22 per month, the impact decreases to \$23.98 per month or 142.57%.

23 **Q. ARE THERE ANY OTHER CHANGES TO THE PROPOSED RATE**  
24 **DESIGN YOU WOULD LIKE TO DISCUSS?**

25 A. The rate design for bulk water customers has been revised slightly to clarify how  
26 bulk water is provided, and to address a minor issue with commercial bulk water

1 customers. As shown on Page 1 of Schedule H-3, the Company proposes to split  
2 the current Bulk Water Rate into two separate rate schedules. One rate would  
3 apply to the automated (coin operated) standpipe and the other rate would apply to  
4 metered service utilized by commercial water haulers and for construction  
5 purposes. The only difference in the rates is that the metered service would be  
6 subject to a \$20.00 per month Base Charge. The modest Base Charge is proposed  
7 to discourage any particular commercial water hauler from monopolizing one of a  
8 limited number of dedicated water hauling meters located at the Company's  
9 dedicated commercial water hauling station. The Company also proposes a tariff  
10 condition to allow the Company to discontinue service to a commercial water  
11 hauler after three consecutive months of zero usage.

12 **Q. WHY IS THE PROPOSED BASE CHARGE ONLY \$20.00 FOR WATER**  
13 **HAULING METERS?**

14 A. The base charge is intended only to provide a modest charge to discourage an  
15 inactive commercial water hauler from monopolizing a meter that would otherwise  
16 be available for a potentially active water hauler. This problem has rarely occurred  
17 and the Company feels this modest charge will ensure that commercial water  
18 hauling meters are available to all active water haulers. The Company does not  
19 feel the charge needs to recover a substantial portion of the cost of service because  
20 standpipe service is billed a rate that is approximately double the highest rate paid  
21 by regular metered customers. Imposing a larger meter charge would place too  
22 high of a burden on standpipe customers and possibly upset a system that largely  
23 works well for both the Company and the commercial water haulers.

24 **Q. IS AUBREY PROPOSING ANY CHANGES TO MISCELLANEOUS**  
25 **SERVICE CHARGES?**

26 A. Yes. As detailed in Schedule H-3, Aubrey is proposing minor adjustments to its

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

miscellaneous charges to better reflect the costs of providing the services and to be consistent with those recommend by Staff in recent cases.

**Q DID AUBREY VERIFY AND PROVE THE TEST YEAR REVENUES?**

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

As shown on Schedule H-1, line 13, total calculated revenues at present rates for the test year were \$165,626 compared to total per-book adjusted revenues of \$165,472 shown on Schedule H-1, line 17. The unreconciled difference of \$154 amounts to 0.09% of per-book adjusted revenues.

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

A. Yes.

10705968.1

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

TABLE OF CONTENTS

I. INTRODUCTION, PURPOSE AND SUMMARY OF TESTIMONY ..... 1

II. OVERVIEW OF THE COMPANY’S APPLICATION AND REGULATORY HISTORY..... 2

III. AUBREY’S MANAGEMENT AND OPERATIONS ..... 6

IV. AUBREY’S WATER SYSTEM..... 9

V. WATER LOSS REDUCTION EFFORTS ..... 11

VI. PLANT ADDITIONS SINCE LAST RATE CASE..... 17

VII. RATE BASE AND RATE BASE ADJUSTMENTS ..... 19

A. Plant In Service Review..... 19

B. Rate Base..... 21

VIII. INCOME STATEMENT AND INCOME STATEMENT ADJUSTMENTS ..... 24

IX. COST OF CAPITAL..... 26

X. RATE DESIGN AND REVENUE PROOF ..... 27

Aubrey Water Company

Direct Testimony of Ray L. Jones

**Exhibit RLJ-DT1**

# **ARICOR**

## **Water Solutions**

**Ray L. Jones P.E.**  
Principal

18835 North Thompson Peak Parkway, Suite 215  
Scottsdale, Arizona 85255

### **EXPERTISE**

Mr. Jones founded ARICOR Water Solutions in 2004. Through ARICOR Water Solutions, Mr. Jones offers a wide range of engineering and financial analysis services to the private and public sectors. Projects include development of regulatory strategies and preparing rate cases, including preparation of rate studies, cost of service studies, financial schedules and testimony for filings before the Arizona Corporation Commission. Services also include consultation on water and wastewater utility formation, management and operations, and valuation, including due diligence analysis, water resources strategy development and water rights valuation. ARICOR Water Solutions provides water, wastewater and water resource master planning, water and wastewater facilities design, and owner representation; including value engineering, program management and construction oversight. Lastly, ARICOR Water Solutions supports water solutions with contract operations and expert witness testimony and litigation support.

### **EMPLOYMENT HISTORY**

- 2002 to 2004      **Arizona-American Water Company**  
**President**  
Responsible for leadership of the Arizona business activities of Arizona-American Water Company. Key responsibilities include developing and evaluation new business opportunities, developing strategic plans, establishing effective government and community relations, insuring compliance with all regulatory requirements, and providing management and guidance to key operations and support personnel.
- 1998 to 2002      **Citizens Water Resources, Arizona Operations**  
**Vice President and General Manager**  
Responsible for leadership of the Arizona regulated and unregulated business activities of Citizens Water Resources. Key responsibilities included developing and evaluation new business opportunities, developing strategic plans, establishing effective government and community relations, insuring compliance with all regulatory requirements, and providing management and guidance to key operations and support personnel.
- 1990 to 1998      **Citizens Water Resources, Arizona Operations**  
**Engineering and Development Services Manager**  
Responsible for management of a diverse group of business growth related activities. Responsibilities include: marketing of operation and maintenance services (unregulated business growth), management of new development activity (regulated business growth), management of engineering functions (infrastructure planning and construction), management of water resources planning and compliance, management of growth-related regulatory functions (CC&N's and Franchises), and management of capital budgeting functions and capital accounting functions.
- 1985 to 1990      **Citizens Water Resources, Arizona Operations**  
**Civil Engineer**  
Responsible for the planning, coordination and supervision of capital expansion and major maintenance and rehabilitation projects as assigned. Responsible for development of capital program for Maricopa County Operations.

### **EDUCATION**

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

**PROFESSIONAL CERTIFICATION**

Registered Professional Engineer – Civil Engineering – Arizona  
 Professional Engineer – Civil Engineering – California  
 Certified Operator – Wastewater Treatment, Wastewater Collection, Water Treatment, Water Distribution – Arizona

**PROFESSIONAL AFFILIATIONS**

- Executive Director – Water Utilities Association of Arizona
- Member - American Society of Professional Engineers
- Member – American Society of Civil Engineers
- Member - American Water Works Association
- Member - Arizona Water Association
- Member - Water Environment Federation

**CIVIC AND COMMUNITY INVOLVEMENT**

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

**REGULATORY EXPERIENCE**

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

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

Filing Year	Utility(ies)	Filing Type(s)	Docket(s)
2000	Citizens Water Resources Company of Arizona Citizens Water Services Company of Arizona	CC&N Extension and Accounting Order (Anthen Jacka Property and Phoenix Treatment Agreement)	SW-3455-00-1022 SW-3454-00-1022
2000	Citizens Communications Company Citizens Water Services Company of Arizona	CC&N Extension and Approval of Hook-Up Fee (Verrado)	W-0132B-00-1043 SW-0354A-00-1043
2002	Arizona-American Water Company	Ratemaking	WS-01303A-02-0867 WS-01303A-02-0868 WS-01303A-02-0869 WS-01303A-02-0870 WS-01303A-02-0908
2004	Arizona-American Water Company Rancho Cabrillo Water Company Rancho Cabrillo Sewer Company	CC&N Transfer	WS-01303A-04-0089 W-01303A-04-0089 SW-03898A-04-0089
2004	Johnson Utilities Company, LLC (Representing Pulte Home Corporation)	CC&N Extension	WS-02987A-04-0288
2005	Perkins Mountain Utility Company Perkins Mountain Water Company	New CC&N & Initial Rates	WS-20379A-05-0489 W-20380A-05-0490
2005	West End Water Company	CC&N Extension	W-01157A-05-706
2005	Arizona-American Water Company	Approvals Associated with Construction of Surface Water Treatment Facility	W-01303A-05-0718
2006	Arizona-American Water Company	Ratemaking	WS-01303A-06-0403
2008	Sunrise Water Company	Ratemaking	W-02069A-08-0406
2009	Baca Float Water Company	Ratemaking	WS-01678A-09-0376
2009	Aubrey Water Company	Lost Water Evaluation (Rate Case Compliance)	W-03476A-06-0425
2009	White Horse Ranch Owner's Assn.	Ratemaking	W-04161A-09-0471
2010	Litchfield Park Service Company	Ratemaking	W-01427A-09-0104
2010	Chino Meadows II Water Company	Ratemaking	W-02370A-10-0519
2011	Pima Utility Company	Ratemaking	W-021999A-11-0329 WS-02199A-11-0330
2011	Tusayan Water Development Association, Inc. (Representing the Town of Tusayan)	Ratemaking	W-02350A-10-0163
2012	Valley Utilities Water Company, Inc.	Ratemaking	W-01412A-12-0195

<b>Filing Year</b>	<b>Utility(ies)</b>	<b>Filing Type(s)</b>	<b>Docket(s)</b>
2012	Far West Water & Sewer, Inc.	Ratemaking	WS-03478A-12-0307
2012	Sahuarita Water Company, LLC	Amend Off-Site Facilities Hook-Up Fee	W-03718A-09-0359
2012	New River Utility Company	Ratemaking	W-01737A-12-0478
2013	Far West Water & Sewer, Inc.	New Off-Site Facilities Hook-Up Fees	WS-03478A-13-0200
2012	Adman Mutual Water Company	Ratemaking	W-01997A-12-0501
2013	Far West Water & Sewer, Inc.	CC&N Extension	WS-03478A-13-0250
2013	Lago Del Oro Water Company	Ratemaking	W-01944A-13-0215
2013	Lago Del Oro Water Company	Financing	W-01944A-13-0242
2012	Sunrise Water Company	Financing	W-02069A-12-0261
2010	Far West Water & Sewer, Inc.	CC&N Extension	WS-03478A-10-0523
2014	Granite Mountain Water Co., Inc.	Ratemaking	W-02467A-14-0230
2014	Chino Meadows II Water Co., Inc.	Ratemaking	W-02370A-14-0231
2014	Quail Creek Water Company	Ratemaking	W-02514A-14-0343
2015	Cordes Lakes Water Company	Ratemaking	W-02060A-15-0245

July, 2015

Aubrey Water Company

Direct Testimony of Ray L. Jones

**Exhibit RLJ-DT2**

<u>Schedule Number</u>	<u>Title</u>
Schedule A-1	Computation of Increase in Gross Revenue Requirement
Schedule A-2	Summary of Results of Operations
Schedule A-4	Construction Expenditures and Gross Utility Plant in Service
Schedule B-1	Summary of Original Cost Rate Base Elements
Schedule B-2	Original Cost Rate Base Pro forma Adjustments
Schedule B-2.1	Reconciliation of Plant Additions, Retirements and Accumulated Depreciation
Schedule B-5	Computation of Working Capital
Schedule C-1	Adjusted Test Year Income Statement
Schedule C-2	Income Statement Pro forma Adjustments
Schedule C-3	Computation of Gross Revenue Conversion Factor
Schedule D-1	Summary of Cost of Capital
Schedule E-1	Comparative Balance Sheet
Schedule E-2	Comparative Income Statements
Schedule E-5	Detail of Utility Plant
Schedule E-7	Operating Statistics
Schedule E-9	Notes To Financial Statements
Schedule F-1	Projected Income Statements - Present and Proposed Rates
Schedule F-3	Projected Construction Requirements
Schedule F-4	Assumptions Used in Developing Projection
Schedule H-1	Summary of Revenues by Customer Classification - Present and Proposed Rates
Schedule H-2	Analysis of Revenues by Detailed Class
Schedule H-3	Changes In Representative Rate Schedules
Schedule H-4	Typical Bill Analysis
Schedule H-5	Bill Count

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Computation of Increase in Gross Revenue Requirements

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

Line No.		<u>OCRB</u>	
1	Adjusted Rate Base	\$ 1,263,115	
2			
3	Adjusted Operating Income	(57,964)	
4			
5	Current Rate of Return	-4.59%	
6			
7	Required Rate of Return	8.50%	
8			
9	Required Operating Income	\$ 107,365	
10			
11	Operating Income Deficiency	\$ 165,329	
12			
13	Gross Revenue Conversion Factor	1.4332	
14			
15	Increase in Gross Revenue	\$ 236,946	
16			
17	Adjusted Test Year Revenue	\$ 165,472	
18			
19	Proposed Annual Revenue	\$ 402,418	
20			
21	Percent Increase in Gross Revenue	143.19%	
22			
23			
24			
25		Projected	
26		Revenue	%
27		Increase Due	Dollar
28	<u>Customer Classification</u>	<u>To Rates</u>	<u>Increase</u>
29			
30	Residential	\$ 91,586	142.90%
31	Commercial	87,863	145.03%
32	Bulk Water	56,915	143.27%
33	Miscellaneous Service Revenue	-	0.00%
34	Other Water Revenues	-	0.00%
35			
36	Total Revenue Increase	<u>\$ 236,364</u>	<u>142.71%</u>
37			
38	<u>Supporting Schedules:</u>		
39	B-1 C-1		
40	C-3 H-1		
41			

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Summary Results of Operations

Exhibit: RL-DT2  
 Schedule A-2  
 Page 1  
 Witness: Jones

Line No.	Description	Prior Years Ended		Test Year		Projected Year	
		12/31/2012	12/31/2013	Actual 12/31/2014	Adjusted 12/31/2014	Present Rates 12/31/2015	Proposed Rates 12/31/2015
1	Gross Revenues	\$ 167,463	\$ 162,603	\$ 165,472	\$ 165,472	\$ 164,322	\$ 401,268
2	Revenue Deductions and						
3	Operating Expenses	366,296	401,339	366,234	223,436	225,132	296,749
4	Operating Income	(198,833)	(238,735)	(200,762)	(57,964)	(60,810)	104,519
5							
6	Other Income and						
7	Deductions	-	-	-	-	-	-
8	Interest Expense	-	-	-	-	-	-
9	Net Income	\$ (198,833)	\$ (238,735)	\$ (200,762)	\$ (57,964)	\$ (60,810)	\$ 104,519
10							
11	Earned Per Average						
12	Common Share	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13							
14	Dividends Per						
15	Common Share	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
16							
17	Payout Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
18							
19	Return on Average						
20	Invested Capital	-14.8%	-20.4%	-20.1%	-3.7%	-4.1%	7.1%
21							
22	Return on Year End						
23	Capital	-16.0%	-21.6%	-22.5%	-4.0%	-4.1%	7.0%
24							
25	Return on Average						
26	Common Equity	40.7%	33.8%	21.7%	-3.7%	-3.9%	6.9%
27							
28	Return on Year End						
29	Common Equity	33.9%	28.9%	19.6%	-4.0%	-4.2%	7.5%
30							
31	Times Bond Interest Earned						
32	Before Income Taxes	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
33							
34	Times Total Interest and						
35	Preferred Dividends Earned						
36	After Income Taxes	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
37							
38							
39	<u>Supporting Schedules:</u>						
40	E-2 F-1						
41	C-1						
42							

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Construction Expenditures and Gross Utility Plant In Service

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

Line No.	Year		Construction Expenditures	Net Plant Placed In Service	Gross Utility Plant In Service
1					
2	Prior Year Ended	12/31/2012	\$ 13,095	\$ 13,095	\$ 1,802,216
3					
4	Prior Year Ended	12/31/2013	34,531	34,531	1,836,747
5					
6	Test Year Ended	12/31/2014	19,254	19,254	1,856,001
7					
8	Projected Year Ending	12/31/2015	30,000	30,000	1,886,001
9					
10	Projected Year Ending	12/31/2016	125,000	125,000	2,011,001
11					
12	Projected Year Ending	12/31/2017	175,000	175,000	2,186,001
13					
14	<u>Supporting Schedules:</u>				
15	F-3				
16	E-5				
17					

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Summary of Original Cost Rate Base Elements

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

Line No.	Original Cost Rate Base*
1	
2	\$ 1,724,320
3	
4	(311,583)
5	
6	1,412,737
7	
8	Less:
9	Advances in Aid of Construction 439
10	
11	Contributions in Aid of Construction 6,046
12	Accumulated Amortization of CIAC (1,066)
13	Contributions in Aid of Construction - Net 4,980
14	
15	Customer Security Deposits 4,956
16	Deferred Income Taxes 139,246
17	
18	Plus:
19	Working Capital -
20	Net Regulatory Asset / (Liability) -
21	
22	\$ 1,263,115
23	
24	* including pro forma adjustments
25	
26	
27	<u>Supporting Schedules:</u>
28	B-2 B-5
29	E-1
30	

Recap Schedules:  
 A-1

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Original Cost Rate Base Pro Forma Adjustments

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

Line No.	Actual End of Test Year	ADJ OC-1	ADJ OC-2	ADJ OC-3	ADJ OC-4	ADJ OC-5	ADJ OC-6	ADJ OC-7	ADJ OC-8	Total Pro Forma Adjustments	Adjusted End of Test Year
2	\$ 1,856,001	\$ (131,681)								\$ (131,681)	\$ 1,724,320
3	(1,019,636)		708,053							708,053	(311,583)
4											
5											
6	836,365	(131,681)	708,053							576,372	1,412,737
7											
8											
9	439										439
10											
11	6,046										6,046
12	(1,066)										(1,066)
13	4,980										4,980
14											
15	4,956										4,956
16				139,246						139,246	139,246
17											
18											
19											
20											
21											
22	\$ 825,990	\$ (131,681)	\$ 708,053	\$ (139,246)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 437,126	\$ 1,263,115
23											
24											
25											
26											
27											
28											
29											
30											

Recap Schedules:  
 B-1

Supporting Schedules:  
 E-1

Witness:

Line No.	Acct No.	Description	Book Adjustments - (Included on Schedule B.2.1)										Adjusted Book End of Test Year	Adjusted End of Test Year		
			[OC-1.1] Properly Classify '05 Plant	[OC-1.2] Remove Regulatory Expenses	[OC-1.3] Capital Charged to Expenses	[OC-1.4] Reconcile Cost of Construction	[OC-1.5] Properly Classify New Plant	[OC-1.6] Unbooked Retirements	NOT USED							
4	301	Organization Cost	-	-	-	-	-	-	-	-	-	-	-	-	\$	-
5	302	Franchise Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	303	Land and Land Rights	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	304	Structures & Improvements	23,793	-	-	-	-	101,784	-	-	-	-	-	-	125,577	125,577
8	305	Collecting & Impounding Reservoirs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	306	Lake, River, Canal Intakes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	307	Wells & Springs	104,563	(69,143)	-	-	-	-	(4,120)	-	-	-	-	31,300	31,300	
11	308	Infiltration Galleries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	309	Raw Water Supply Mains	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	310	Power Generation Equipment	-	-	-	-	-	116,664	-	-	-	-	-	116,664	116,664	
14	311	Pumping Equipment	1,632,260	69,143	(21,368)	16,048	(1,157,639)	-	-	-	-	-	-	417,905	417,905	
15	320	Water Treatment Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	320.1	Water Treatment Plants	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	320.2	Solution Chemical Feeders	1,055	-	-	-	-	4,872	(1,055)	-	-	-	-	4,872	4,872	
18	330	Distribution Reservoirs & Standpipes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	330.1	Storage Tanks	23,981	-	-	-	-	316,207	(19,595)	-	-	-	-	304,347	304,347	
20	330.2	Pressure Tanks	-	-	-	-	-	(16,245)	-	-	-	-	-	-	-	-
21	331	Transmission & Distribution Mains	9,934	-	-	-	-	614,737	-	-	-	-	-	655,284	655,284	
22	333	Services	8,802	-	-	-	-	4,700	-	-	-	-	-	13,502	13,502	
23	334	Meters	46,837	-	-	-	-	-	(119)	-	-	-	-	46,718	46,718	
24	335	Hydrants	1,872	-	-	-	-	-	-	-	-	-	-	1,872	1,872	
25	336	Backflow Prevention Devices	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	339	Other Plant & Misc Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	340	Office Furniture & Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	340.1	Computers & Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	341	Transportation Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	342	Stores Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	343	Tools, Shop & Garage Equipment	2,906	-	-	-	-	-	-	-	-	-	-	2,906	2,906	
32	344	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	345	Power Operated Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	346	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	347	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	348	Other Tangible Plant	-	-	-	-	-	3,375	-	-	-	-	-	3,375	3,375	
37		TOTALS	\$ 1,856,001	\$ (0)	\$ (21,368)	\$ 51,360	\$ (16,245)	\$ (0)	\$ (145,428)	\$ 1,724,320	\$ (0)	\$ (145,428)	\$ (0)	\$ 1,724,320	\$ (131,681)	
38		Equity Adjustments (Schedule D-1)														
39																
40		Plant in Service per Books														\$ 1,856,001
41																\$ (131,681)
42		Increase / (Decrease) in Plant in Service														
43		<sup>1</sup> Adjusted plant in service balance including all book adjustments. Agrees with 2013 plant in service balance on Schedule B2.1.														
44		Supporting Schedules:														
45																
46		B-2.1														
47																

Workpapers:  
 AUB Rate Case Data.xlsx; Tabs: PIS, PIS Detail 2010 JEs & PIS Detail PRB

**Aubrey Water Company**  
Test Year Ended December 31, 2014  
Rate Base Adjustment OC-1.1

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

Properly Classify Plant Balance at 12/31/2005 Between Plant Account 307 and 311

Decision No. 69379 adopted a plant balance for NARUC Plant Account 307, Wells and Springs that included the cost of well pumps, motots, cables and electrical equipment. These types of plant are properly included in NARUC Plant Account 311. This adjustment reclassifies the cost of well pumps, motors, cables and electrical equipment to NARUC account 311, Pumping Equipment.

Line	Plant	Adjustment
No.	Acct Description	Amount
1		
2		
3	307 Wells and Springs	\$ (69,143.46)
4	311 Pumping Equipment	<u>\$ 69,143.46</u>
5		\$ -
6		
7	Total Increase/(Decrease) in Plant In Service	<u>\$ -</u>
8		
9	<u>Workpapers:</u>	
10	AUB Rate Case Data.xlsx; Tab: PIS Detail PRB	
11		

**Aubrey Water Company**  
Test Year Ended December 31, 2014  
Rate Base Adjustment OC-1.2

Exhibit: RLI-DT2  
Schedule B-2  
Page 4  
Witness: Jones

Remove Regulatory Compliance Expense from Capital

Several ARICOR Water Solutions, LC invoices for regulatory compliance related activities were mistakenly capitalized as part of the booster station project. This adjustment removes from capital the cost of activities that should have been expensed.

Line No.	Plant Acct	Description	Adjustment Amount
1			
2			
3	311	4/30/2010 Invoice	\$ (1,858.00)
4	311	6/30/2010 Invoice	\$ (1,271.00)
5	311	6/30/2010 Invoice	\$ (4,879.00)
6	311	7/31/2010 Invoice	\$ (2,714.30)
7	311	9/30/2010 Invoice	\$ (2,942.20)
8	311	11/30/2010 Invoice	\$ (287.00)
9	311	11/30/2010 Invoice	\$ (766.80)
10	311	12/21/2010 Invoice	\$ (6,650.00)
11			\$ (21,368.30)
12			
13		Total Increase/(Decrease) in Plant In Service	<u>\$ (21,368.30)</u>
14			
15		<u>Workpapers:</u>	
16		AUB Rate Case Data.xlsx; Tab: PIS	
17			

Capitalize Improperly Expensed Plant Costs

Several invoices related to installation and replacement of utility plant were improperly expensed. This adjustment properly charges the costs to capital.

Line No.	Plant Acct Description	Adjustment Amount	
1	<u>Acct Description</u>	<u>Amount</u>	
2	Reverse JE 1953 - 9/30/12		
3	311 Schweitzer Invoice 2370	\$ 11,576.00	Replace Submersible Well Motor
4	311 Schweitzer Invoice 2371	2,730.00	Install bypass switches and replace motor starter
5		<u>\$ 14,306.00</u>	
6	<u>Improperly Expensed Invoices</u>		
7	331 Schweitzer Invoice 1542 - 7-6-2011	\$ 6,522.00	New C-900 PVC Waterline
8	331 Schweitzer Invoice 1543 - 7-6-2011	4,204.75	New 2" Valve
9	331 Schweitzer Invoice 2144 - 9-28-2011	10,020.00	200' 4" C-900 PVC Waterline
10	331 Schweitzer Invoice 2414 - 9-24-2012	9,866.00	400' 4" C-900 PVC Waterline
11	333 Schweitzer Invoice 2558 - 1-2-2013	4,700.00	New Water Hauling Station
12	311 Schweitzer Invoice 3900 - 8-7-2014	1,741.65	Replace Soft Starter Well #2
13		<u>\$ 37,054.40</u>	
14			
15	Total Expensed Costs Properly Charged to Capital	<u>\$ 51,360.40</u>	
16			
17	<u>Summary by NARUC Plant Account</u>		
18	311	\$ 16,047.65	
19	331	\$ 30,612.75	
20	333	\$ 4,700.00	
21			
22	Total Increase/(Decrease) in Plant In Service	<u>\$ 51,360.40</u>	
23			
24	<u>Workpapers:</u>		
25	AUB Rate Case Data.xlsx; Tab: PIS		
26			

Aubrey Water Company  
Test Year Ended December 31, 2014  
Rate Base Adjustment OC-1.4

Exhibit: RLJ-DT2  
Schedule B-2  
Page 6  
Witness: Jones

Reconcile Cost of Major Construction Projects

During 2010 Aubrey placed two major construction projects into service. As part of preparing this case the cost of the Transfer Pumpstation Replacement and the Town Tank & Booster Station Projects were reconciled to booked costs. This adjustment records the reconciled cost of the projects.

Line	Plant	Adjustment
<u>No.</u>	<u>Acct</u> <u>Description</u>	<u>Amount</u>
1		
2		
3	10/31/09 JE 185	\$ 131,837.50
4	12/31/10 JE 1250	<u>1,407,329.37</u>
5	Total Booked Cost	1,539,166.87
6		
7	Total Cost Reconciled Paid Invoices	<u>1,522,921.52</u>
8		
9	330.1 Plant Adjustment	\$ (16,245.35)
10		
11	Total Increase/(Decrease) in Plant In Service	<u>\$ (16,245.35)</u>
12		
13	<u>Workpapers:</u>	
14	AUB Rate Case Data.xlsx; Tab: PIS Detail 2010 JEs	
15		

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Rate Base Adjustment OC-1.5

Exhibit: RLI-DT2  
 Schedule B-2  
 Page 7  
 Witness: Jones

Reclassify Major Project Costs to Correct NARUC Plant Accounts

Costs for the Transfer Pump Station Project and the Town Tank and Booster Station Project were charged entirely to NARUC plant account 311, pumping equipment. This adjustment reclassifies \$1,539,166.87 in costs related to those projects to the proper NARUC plant accounts. In addition, the cost of a storage container totalling \$3,375.00 was charged to NAURC plant account 330.1, Storage Tanks. This adjustment reclassifies the cost to NARUC plant account 347, Miscellaneous Equipment.

Line No.	Plant	Plant Additions		
		Per Books	Reclassified	Adjustment
1	<u>Acct Description</u>			
2	304 Structures & Improvements		\$ 101,784.34	\$ 101,784.34
3	307 Wells & Springs			-
4	310 Power Generation Equipment		116,663.93	116,663.93
5	311 Pumping Equipment	1,539,166.87	381,528.35	(1,157,638.52)
6	320.2 Solution Chemical Feeders		4,871.57	4,871.57
7	330.1 Storage Tanks	3,375.00	319,581.82	316,206.82
8	331 Transmission & Distribution Mains		614,736.86	614,736.86
9	333 Services			-
10	334 Meters			-
11	335 Hydrants			-
12	343 Tools, Shop & Garage Equipment			-
13	347 Miscellaneous Equipment		<u>3,375.00</u>	<u>3,375.00</u>
14		1,542,541.87	1,542,541.87	(0.00)
15				
16	Total Increase/(Decrease) in Plant In Service			<u>\$ (0.00)</u>
17				
18	<u>Workpapers:</u>			
19	AUB Rate Case Data.xlsx; Tab: PIS			
20				

Aubrey Water Company  
Test Year Ended December 31, 2014  
Rate Base Adjustment OC-1.6

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

Retirement Adjustments

Prior to calendar year 2014, the Company was not recording plant retirements.

This adjustment makes appropriate plant retirements.

Line No.	Plant Acct Description	Retirement Amount
1		
2	304 Structures & Improvements	\$ -
3	307 Wells & Springs	(4,119.50)
4	310 Power Generation Equipment	-
5	311 Pumping Equipment	(120,539.10)
6	320.2 Solution Chemical Feeders	(1,055.00)
7	330.1 Storage Tanks	(19,595.00)
8	331 Transmission & Distribution Mains	-
9	333 Services	-
10	334 Meters	(119.00)
11	335 Hydrants	-
12	343 Tools, Shop & Garage Equipment	-
13	347 Miscellaneous Equipment	-
14		<u>(145,427.60)</u>
15		
16	Total Increase/(Decrease) in Plant In Service	<u>\$ (145,427.60)</u>
17		
18	<u>Workpapers:</u>	
19	AUB Rate Case Data.xlsx; Tab: PIS & Tab: PIS Detail PRB	
20		

**Aubrey Water Company**

Test Year Ended December 31, 2014

Rate Base Adjustment OC-2

Exhibit: RLJ-DT2

Schedule B-2

Page 9

Jones

Witness:

Line No.	Acct No.	Description	Book Adjustments - (Included on Schedule B.2.1)				Rate Making Adjustments				Adjusted Book End of Test Year <sup>1</sup>	Adjusted End of Test Year	
			[OC-2.1] Properly Classify '05 Plant	[OC-2.2] Under and Unbooked Retirement	[OC-2.3] Unbooked Cost of Removal	[OC-2.4] Difference From Calc'd on B-2.1	[OC-2.5] NOT USED	[OC-2.6] NOT USED	[OC-2.7] NOT USED				
4	301	Organization Cost				\$ -						\$ -	
5	302	Franchise Cost											
6	303	Land and Land Rights											
7	304	Structures & Improvements				17,880						31,039	
8	305	Collecting & Impounding Reservoirs											
9	306	Lake, River, Canal Intakes											
10	307	Wells & Springs				(18,933)						16,398	
11	308	Infiltration Galleries	(17,088)	(4,120)									
12	309	Raw Water Supply Mains											
13	310	Power Generation Equipment											
14	311	Pumping Equipment				26,249						26,249	
15	320	Water Treatment Equipment	17,088	(121,797)		(656,540)						162,157	
16	320.1	Water Treatment Plants											
17	320.2	Solution Chemical Feeders											
18	330	Distribution Reservoirs & Standpipes											
19	330.1	Storage Tanks				4,961						4,490	
20	330.2	Pressure Tanks			(28,596)							(5,807)	
21	331	Transmission & Distribution Mains											
22	333	Services											
23	334	Meters				57,586						59,318	
24	335	Hydrants				1,191						3,521	
25	336	Backflow Prevention Devices				(1,051)						12,070	
26	339	Other Plant & Misc Equipment				(8)						168	
27	340	Office Furniture & Equipment											
28	340.1	Computers & Software											
29	341	Transportation Equipment											
30	342	Stores Equipment											
31	343	Tools, Shop & Garage Equipment											
32	344	Laboratory Equipment				(30)						799	
33	345	Power Operated Equipment											
34	346	Communication Equipment											
35	347	Miscellaneous Equipment											
36	348	Other Tangible Plant				1,181						1,181	
37		TOTALS											
38			\$ 1,019,636	\$ -	\$ (146,686)	\$ (28,596)	\$ (532,771)	\$ 311,583	\$ -	\$ -	\$ -	\$ 311,583	Total Equity, Adj. \$ 708,053
39						\$ 146,686	\$ 28,596	\$ 532,771					
40		Accumulated Depreciation per Books											\$ 1,019,636
41		Increase / (Decrease) in Accumulated Depreciation											\$ (708,053)
42													
43													
44													
45													
46													
47													

<sup>1</sup> Adjusted accumulated depreciation balance including all book adjustments. Agrees with 2013 accumulated depreciation balance on Schedule B2.1.

Workpapers:

AUB Rate Case Data.xlsx; Tabs:PIS, PIS Detail 2010 JEs & PIS Detail PRB



Retirement Adjustments

Prior to calendar year 2014, the Company was not recording plant retirements. This adjustment makes appropriate plant retirement entries. In 2014, one retirement was missed and one was recorded at actual recorded accumulated depreciation to date, rather than at full book value as required by NARUC. This adjustment records the missed retirement and increases the underbooked retirement entry to full book value.

Line	Plant	Retirement
<u>No.</u>	<u>Acct Description</u>	<u>Amount</u>
1		
2	<u>Unbooked Retirements through 2014</u>	
3	304 Structures & Improvements	\$ -
4	307 Wells & Springs	(4,119.50)
5	310 Power Generation Equipment	-
6	311 Pumping Equipment	(120,539.10)
7	320.2 Solution Chemical Feeders	(1,055.00)
8	330.1 Storage Tanks	(19,595.00)
9	331 Transmission & Distribution Mains	-
10	333 Services	-
11	334 Meters	(119.00)
12	335 Hydrants	-
13	343 Tools, Shop & Garage Equipment	-
14	347 Miscellaneous Equipment	-
15		<u>(145,427.60)</u>
16	<u>Underbooked Retirement 2014</u>	
17	Retirement of Pump Recorded	(1,455.91)
18	Book Cost of Retired Pump	<u>(2,714.30)</u>
19	311 Additional Retirement Amount	<u>(1,258.39)</u>
20		
21		
22	Increase / (Decrease) in Accumulated Depreciation	<u>\$ (146,685.99)</u>
23		
24	<u>Workpapers:</u>	
25	AUB Rate Case Data.xlsx; Tab: PIS & Tab: PIS Detail PRB	
26		

Aubrey Water Company  
Test Year Ended December 31, 2014  
Rate Base Adjustment OC-2.3

Exhibit: RLJ-DT2  
Schedule B-2  
Page 12  
Witness: Jones

Cost of Removal

The cost of removal for the retired steel water storage tank was charged to plant in service instead of to accumulated depreciation as required by NARUC. This adjustment properly charges the amount to accumulated depreciation as required by NARUC. Note: the amount was removed from plant in service as part of adjustment OC-1.4.

Line		
<u>No.</u>	<u>Description</u>	<u>Amount</u>
1		
2	Cost to demolish steel water tank per	
3	Schweitzer Invoice 1261	\$ 23,157.00
4	Allocated General Construction Costs	<u>5,438.94</u>
5		<u>28,595.94</u>
6		
7		
8	Increase / (Decrease) in Accumulated Depreciation	<u>\$ (28,595.94)</u>
9		
10	<u>Workpapers:</u>	
11	AUB Rate Case Data.xlsx; Tab: PIS Detail 2010 JEs	
12		

Aubrey Water Company  
Test Year Ended December 31, 2014  
Rate Base Adjustment OC-3

Exhibit: RLJ-DT2  
Schedule B-2  
Page 13  
Witness: Jones

Accumulated Deferred Income Tax

BN Leasing Corporation books deferred income tax on a consolidated basis and does not calculate or book ADIT separately for Aubrey. This adjustment recognizes the differences in the adjusted basis of the Aubrey assets and the tax basis of the Aubrey assets using the effective tax rates computed on Schedule C-2, Page 7.

Line No.	Description	Amount
1		
2	ADIT Balance per Workpapers	\$ 139,246.45
3	Book ADIT Balance	-
4		<u>\$ 139,246.45</u>
5		
6		
7	Increase / (Decrease) in ADIT	<u>\$ 139,246.45</u>
8		
9	<u>Workpapers:</u>	
10	AUB Rate Case Data.xlsx; Tab: ADIT	
11		



**Aubrey Water Company**

Test Year Ended December 31, 2014

Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Exhibit: RU-DT2  
Schedule B-2.1  
Page 2  
Witness: Jones

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2006										Net Plant		
				Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Retirement Adjustments	Adjusted Plant Retirements	Salvage (Cst of Rem) A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.			
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	792	23,793	9,448	14,345
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	-	-	10,511	84,087	31,763	52,325
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
19	333	Services	8.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
20	334	Meters	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant		-	-	-	-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-	-	-	-
35		TOTAL		-	-	-	-	-	-	-	-	-	13,593	171,220	67,436	103,784
36				-	-	-	-	-	-	-	-	-	-	-	-	-
37		Depreciable Plant		-	-	-	-	-	-	-	-	-	-	-	-	-
38		Composite Depreciation Rate		-	-	-	-	-	-	-	-	-	-	-	-	-
39				-	-	-	-	-	-	-	-	-	-	-	-	-
40		Worksheet:		-	-	-	-	-	-	-	-	-	-	-	-	-
41		AUB Rate Case Data.xlsx; Tabs:PIS, PIS Detail 2010 JEs & PIS Detail PRB		-	-	-	-	-	-	-	-	-	-	-	-	-
42				-	-	-	-	-	-	-	-	-	-	-	-	-

171,220  
7.9389%

**Aubrey Water Company**

Test Year Ended December 31, 2014

Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Exhibit: RL-DT2

Schedule B-2.1

Page 3

Witness: Jones

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2007					Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
				Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Unbooked Retirements				
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	
4	304	Structures & Improvements	3.33%	-	-	-	-	-	23,793	10,240	13,553	
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	
7	307	Wells & Springs	3.33%	4,120	-	4,120	-	-	35,419	12,879	22,540	
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	
11	311	Pumping Equipment	12.50%	1,993	-	1,993	-	-	86,080	42,398	43,682	
12	320	Water Treatment Equipment	-	-	-	-	-	-	-	-	-	
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	158	1,055	1,055	-	
15	330	Distribution Reservoirs & Standpipes	-	-	-	-	-	-	-	-	-	
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	-	-	
17	330.2	Pressure Tanks	5.00%	-	-	-	-	435	19,595	10,870	8,725	
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	-	-	-	
19	333	Services	3.33%	-	-	-	-	74	3,680	975	2,705	
20	334	Meters	8.33%	2,102	-	2,102	-	76	2,286	1,638	648	
21	335	Hydrants	2.00%	-	-	-	-	539	7,526	1,201	6,325	
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	-	
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	
33	348	Other Tangible Plant	-	-	-	-	-	-	-	-	-	
34												
35		TOTAL		8,215	-	8,215	-	13,821	179,435	81,257	98,178	
36												
37		Depreciable Plant							179,435			
38		Composite Depreciation Rate							7.7025%			
39												

40 **Worksheet:**

41 AUB Rate Case Data.xlsx; Tabs:PIS, PIS Detail 2010 JEs &

42 PIS Detail PRB

**Aubrey Water Company**

Test Year Ended December 31, 2014

Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Exhibit: RLJ-DT2

Schedule B-2.1

Page 4

Witness: Jones

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2008										Net Plant			
				Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage (Cst of Rem) A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.				
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	792	23,793	11,033	12,760	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	1,179	35,419	14,058	21,361	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	10,766	-	10,766	-	-	-	41,407	-	-	-	55,439	9,836	45,603	-
12	320	Water Treatment Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	20.00%	-	-	-	-	-	-	-	-	-	-	1,055	1,055	-	-
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	333	Services	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	334	Meters	8.33%	1,847	-	1,847	-	-	-	-	-	-	-	2,286	1,714	572	-
21	335	Hydrants	2.00%	-	-	-	-	-	-	-	-	-	-	9,374	1,905	7,469	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-	-	-	-	-
35		TOTAL		12,614	-	12,614	-	-	41,407	41,407	-	-	12,105	150,641	51,955	98,686	-
36																	
37		Depreciable Plant														150,641	
38		Composite Depreciation Rate														8.0359%	
39																	

40 Worksheet:

41 AUB Rate Case Data.xlsx; Tabs:PIS, PIS Detail 2010 JEs &

42 PIS Detail PRB

**Aubrey Water Company**

Test Year Ended December 31, 2014

Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Exhibit: RL-DT2

Schedule B-2.1

Page 5

Witness: Jones

Line No.	MARUC Account No.	Description	Allowed Deprec. Rate	2009				Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
				Plant Additions	Plant Adjustments	Adjusted Plant Additions	Unbooked Retirements				
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	-	
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	792	11,825	11,968	
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	-	
8	308	Infiltration Galleries	6.67%	-	-	-	-	1,179	15,238	20,182	
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	
11	311	Pumping Equipment	12.50%	10,723	-	10,723	-	7,600	17,436	48,726	
12	320	Water Treatment Equipment	-	-	-	-	-	-	-	-	
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	
15	330	Distribution Reservoirs & Standpipes	-	-	-	-	-	-	-	-	
16	330.1	Storage Tanks	2.22%	1,011	-	1,011	-	-	-	-	
17	330.2	Pressure Tanks	5.00%	-	-	-	-	446	11,751	8,855	
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	-	-	
19	333	Services	3.33%	6,046	-	6,046	-	74	1,122	2,558	
20	334	Meters	8.33%	645	-	645	-	177	1,891	6,440	
21	335	Hydrants	2.00%	-	-	-	-	808	2,713	7,306	
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	
28	343	Tools, Shop & Garage Equipment	5.00%	2,906	-	2,906	-	73	73	2,833	
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	
33	348	Other Tangible Plant	-	-	-	-	-	-	-	-	
34											
35		TOTAL		21,330	-	21,330	-	11,149	63,103	108,868	
36											
37		Depreciable Plant								171,971	
38		Composite Depreciation Rate								6.4830%	
39											

40 **Worksheet:**

41 AUB Rate Case Data.xlsx; Tabs:PIS, PIS Detail 2010.JEs &

42 PIS Detail PRB

**Aubrey Water Company**

Test Year Ended December 31, 2014

**Reconciliation of Plant Additions, Retirements and Accumulated Depreciation**

Exhibit: RJ-DT2

Schedule B-2.1

Page 6

Witness: Jones

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2010		Adjusted Plant Retirements	Retirement Adjustments	Adjusted Plant Retirements	Salvage (Cst of Rem) A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
				Plant Additions	Plant Adjustments								
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	-	-
4	304	Structures & Improvements	3.33%	101,784	-	101,784	-	-	-	-	-	-	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	2,487	2,487	125,577	14,312	111,265
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	4,120	4,120	1,111	1,111	31,300	12,229	19,071
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	116,664	-	116,664	-	-	-	2,917	116,664	2,917	113,747
11	311	Pumping Equipment	12.50%	402,897	(21,368)	381,528	66,163	66,163	27,981	27,981	381,528	(20,746)	402,274
12	320	Water Treatment Equipment	-	-	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	4,872	-	4,872	1,055	1,055	593	593	4,872	593	4,279
15	330	Distribution Reservoirs & Standpipes	-	-	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks	2.22%	319,582	(16,245)	303,336	19,595	19,595	(28,596)	3,607	304,347	(32,833)	337,180
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	620,905	-	620,905	-	-	-	6,283	624,585	7,405	617,180
19	333	Services	3.33%	-	-	-	-	-	-	277	8,332	2,169	6,163
20	334	Meters	8.33%	917	-	917	-	-	-	873	10,936	3,586	7,351
21	335	Hydrants	2.00%	1,872	-	1,872	-	-	19	19	1,872	19	1,853
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	145	2,906	218	2,688
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	-	-	-	-	-	-	-	-	-	-	-
34													
35		TOTAL		1,569,493	(37,614)	1,531,879	90,932	90,932	(28,596)	46,292	1,612,918	(10,133)	1,623,051
36													
37		Depreciable Plant											1,612,918
38		Composite Depreciation Rate											2.8701%
39													

**Workpaper:**

41 AUB Rate Case Data.xlsx: Tabs:PIS, PIS Detail 2010 JEs &

42 PIS Detail PRB

**Aubrey Water Company**

Test Year Ended December 31, 2014

Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Exhibit: RLJ-DT2

Schedule B-2.1

Page 7

Witness: Jones

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2011										Net Plant		
				Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Retirement Adjustments	Adjusted Plant Retirements	Salvage (Cst of Rem) A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.			
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
19	333	Services	8.33%	-	-	-	-	-	-	-	-	-	-	-	-	-
20	334	Meters	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant		3,375	-	3,375	-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-	-	-	-
35		TOTAL		6,251	20,747	26,998	119	119	119	80,833	1,639,797	70,581	1,569,215			
36																
37		Depreciable Plant														
38		Composite Depreciation Rate														
39																
40		Worksheet:														
41		AUB Rate Case Data.xlsx; Tabs:PIS, PIS Detail 2010.JEs &														
42		PIS Detail PRB														

1,639,797  
4.9294%

**Aubrey Water Company**

Test Year Ended December 31, 2014

Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Exhibit: RLJ-DT2

Schedule B-2.1

Page 8

Witness: Jones

Line No.	MARUC Account No.	Description	Allowed Deprec. Rate	2012					Net Plant					
				Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Adjusted Plant Retirements		Salvage (Cst of Rem) A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	-	-	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	-	-	-	-	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	4,182	22,675	102,902	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	-	-	-	-	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	1,042	14,313	16,986	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	-	14,306	14,306	-	-	-	-	-	-	-	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	20.00%	-	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	2.22%	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	5.00%	-	-	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks	2.00%	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	3.33%	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	8.33%	-	9,866	9,866	-	-	-	-	-	-	-	-
19	333	Services	2.00%	-	-	-	-	-	-	-	-	-	-	-
20	334	Meters	6.67%	13,095	-	13,095	-	-	-	-	-	-	-	-
21	335	Hydrants	6.67%	-	-	-	-	-	-	-	-	-	-	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	4.00%	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant		-	-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-	-
35		TOTAL		13,095	24,172	37,267	-	-	82,862	1,677,063	1,523,620	153,443	1,677,063	4,9409%
36		Depreciable Plant												
37		Composite Depreciation Rate												

40 Workpaper:

41 AUB Rate Case Data.xlsx; Tabs:PIS, PIS Detail 2010 JEs & PIS Detail PRB

42

**Aubrey Water Company**

Test Year Ended December 31, 2014

Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Exhibit: RLJ-DT2

Schedule B-2.1

Page 9

Witness: Jones

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2013													
				Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Adjusted Plant Retirements	Salvage (Cst of Rem) A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant				
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	2.22%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	8.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	333	Services	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	334	Meters	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	4.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant		-	-	-	-	-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-	-	-	-	-
35		TOTAL		34,531	4,700	39,231	-	11,576	11,576	-	85,764	1,704,718	227,631	1,477,087			
36		Depreciable Plant										1,704,718					
37		Composite Depreciation Rate															5.0310%

40 Workpaper:

41 AUB Rate Case Data.xlsx; Tabs:PIS, PIS Detail 2010 ES &

42 PIS Detail PRB

**Aubrey Water Company**

Test Year Ended December 31, 2014

**Reconciliation of Plant Additions, Retirements and Accumulated Depreciator**

Exhibit: RLI-DT2  
Schedule B-2.1  
Page 10  
Jones  
Witness:

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2014													
				Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Retirement Adjustments	Adjusted Plant Retirements	Salvage (Cst of Rem) A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant			
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	8,662	1,742	10,404	2,714	1,393	4,108	-	-	-	-	-	-	-	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	2.22%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	3.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	8.33%	86	-	86	-	-	-	-	-	-	-	-	-	-	-
19	333	Services	2.00%	471	-	471	-	-	-	-	-	-	-	-	-	-	-
20	334	Meters	2.00%	12,749	-	12,749	-	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant		-	-	-	-	-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-	-	-	-	-
35		TOTAL		21,968	1,742	23,710	2,714	1,393	4,108	-	-	-	-	-	-	-	-
36																	
37		Depreciable Plant															
38		Composite Depreciation Rate															
39																	
40		Workpaper:															
41		AUB Rate Case Data.xlsx: Tabs:PIS, PIS Detail 2010 JEs &															
42		PIS Detail PRB															

1,724,320  
5.1069%

Aubrey Water Company  
Test Year Ended December 31, 2014  
Computation of Working Capital

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

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

Recap Schedules:  
B-1

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Adjusted Test Year Income Statement

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

Line No.		Actual for Test Year Ended 12/31/2014	Total Pro forma Adjustments	Test Year Results After Pro forma Adjustments	Proposed Rate Increase	Adjusted With Rate Increase
1	<b>Revenues</b>					
2	460 Unmetered Water Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
3	461 Metered Water Revenues	164,247	-	164,247	236,946	401,192
4	471 Miscellaneous Service Revenue	1,150	-	1,150	-	1,150
5	474 Other Water Revenues	75	-	75	-	75
6	<b>Total Revenues</b>	\$ 165,472	\$ -	\$ 165,472	\$ 236,946	\$ 402,418
7	<b>Operating Expenses</b>					
8	601 Salaries and Wages	\$ -	\$ -	\$ -	\$ -	\$ -
9	603 Salaries and Wages - Officers and Directors	-	-	-	-	-
10	604 Employee Pension and Benefits	-	-	-	-	-
11	610 Purchased Water	-	-	-	-	-
12	615 Purchased Power	30,469	-	30,469	-	30,469
13	618 Chemicals	-	-	-	-	-
14	620 Repairs and Maintenance	13,943	3,772	17,715	-	17,715
15	621 Office Supplies Expense	2,642	-	2,642	-	2,642
16	631 Contractual Services - Engineering	-	-	-	-	-
17	632 Contractual Services - Accounting	1,980	-	1,980	-	1,980
18	633 Contractual Services - Legal	-	-	-	-	-
19	634 Contractual Services - Management Fees	10,263	-	10,263	-	10,263
20	635 Contractual Services - Testing	3,098	-	3,098	-	3,098
21	636 Contractual Services - Other	70,081	(945)	69,136	-	69,136
22	641 Rent - Buildings	-	-	-	-	-
23	642 Rent - Equipment	-	-	-	-	-
24	650 Transportation Expense	5,253	-	5,253	-	5,253
25	656 Insurance - Vehicle	-	-	-	-	-
26	657 Insurance - General Liability	2,825	-	2,825	-	2,825
27	658 Insurance - Workman's Compensation	-	-	-	-	-
28	659 Insurance - Other	-	-	-	-	-
29	660 Advertising Expense	-	-	-	-	-
30	666 Regulatory Commission Expense - Rate Case	1,980	13,020	15,000	-	15,000
31	667 Regulatory Expense - Other	-	-	-	-	-
32	668 Water Resource Conservation Expense	-	-	-	-	-
33	670 Bad Debt Expense	5,703	(3,802)	1,901	2,722	4,623
34	675 Miscellaneous Expense	153	-	153	-	153
35	403 Depreciation Expense	209,752	(139,810)	69,941	-	69,941
36	408 Taxes Other Than Income	-	-	-	-	-
37	408.11 Property Taxes	8,090	(450)	7,640	3,647	11,287
38	409 Income Tax	-	(14,582)	(14,582)	65,248	50,666
39	<b>Total Operating Expenses</b>	\$ 366,234	\$ (142,798)	\$ 223,436	\$ 71,617	\$ 295,053
40	<b>Operating Income</b>	\$ (200,762)	\$ 142,798	\$ (57,964)	\$ 165,329	\$ 107,365
41	<b>Other Income (Expense)</b>					
42	419 Interest and Dividend Income	\$ -	\$ -	\$ -	\$ -	\$ -
43	421 Non-Utility Income	-	-	-	-	-
44	426 Miscellaneous Non-Utility Expenses	-	-	-	-	-
45	427 Interest Expense	-	-	-	-	-
46	<b>Total Other Income (Expense)</b>	\$ -	\$ -	\$ -	\$ -	\$ -
47	<b>Net Income (Loss)</b>	\$ (200,762)	\$ 142,798	\$ (57,964)	\$ 165,329	\$ 107,365

49 Supporting Schedules:  
 50 E-2  
 51 C-2  
 52

Recap Schedules:  
 A-1

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Income Statement Pro forma Adjustments

Exhibit: RJ-DT2  
 Schedule C-2  
 Page 1  
 Jones

Line No.	Actual for Test Year Ended 12/31/2014	ADJ IS-1	ADJ IS-2	ADJ IS-3	ADJ IS-4	ADJ IS-5	ADJ IS-6	ADJ IS-7	Total Adjustments	Test Year Adjusted Results
<b>Revenues</b>										
1 460 Unmetered Water Revenue	164,247									164,247
2 461 Metered Water Revenues	1,150									1,150
3 471 Miscellaneous Service Revenue	75									75
4 474 Other Water Revenues										
5 <b>Total Revenues</b>	<b>165,472</b>									<b>165,472</b>
<b>Operating Expenses</b>										
6 601 Salaries and Wages										
7 603 Salaries and Wages - Officers and Directors										
8 604 Employee Pension and Benefits										
9 610 Purchased Water										
10 615 Purchased Power	30,469									30,469
11 618 Chemicals										
12 620 Repairs and Maintenance	13,943									13,943
13 621 Office Supplies Expense	2,642									2,642
14 631 Contractual Services - Engineering		3,772							3,772	3,772
15 632 Contractual Services - Accounting										
16 633 Contractual Services - Legal										
17 634 Contractual Services - Management Fees										
18 635 Contractual Services - Testing	10,263									10,263
19 636 Contractual Services - Other	3,098									3,098
20 641 Rent - Buildings	70,081			(945)					(945)	69,136
21 642 Rent - Equipment										
22 650 Transportation Expense	5,253									5,253
23 656 Insurance - Vehicle										
24 657 Insurance - General Liability	2,825									2,825
25 658 Insurance - Workman's Compensation										
26 659 Insurance - Other										
27 660 Advertising Expense										
28 666 Regulatory Commission Expense - Rate Case	1,980				13,020				13,020	15,000
29 667 Regulatory Expense - Other										
30 668 Water Resource Conservation Expense										
31 670 Bad Debt Expense	5,703									5,703
32 675 Miscellaneous Expense	153		(3,802)						(3,802)	1,901
33 403 Depreciation Expense	209,752									209,752
34 408 Taxes Other Than Income										
35 408 Property Taxes	8,090							(139,810)	(139,810)	69,941
36 409 Income Tax										
37 <b>Total Operating Expenses</b>	<b>366,234</b>	<b>3,772</b>	<b>(3,802)</b>	<b>(945)</b>	<b>13,020</b>	<b>(139,810)</b>	<b>(450)</b>	<b>(14,582)</b>	<b>(14,582)</b>	<b>164,247</b>
38 <b>Operating Income</b>	<b>(200,762)</b>	<b>(3,772)</b>	<b>3,802</b>	<b>945</b>	<b>(13,020)</b>	<b>139,810</b>	<b>450</b>	<b>14,582</b>	<b>142,798</b>	<b>1,150</b>
39 <b>Other Income (Expense)</b>										
40 419 Interest and Dividend Income										
41 421 Non-Utility Income										
42 426 Miscellaneous Non-Utility Expenses										
43 427 Interest Expense										
44 <b>Total Other Income (Expense)</b>										
45 <b>Net Income (Loss)</b>	<b>(200,762)</b>	<b>(3,772)</b>	<b>3,802</b>	<b>945</b>	<b>(13,020)</b>	<b>139,810</b>	<b>450</b>	<b>14,582</b>	<b>142,798</b>	<b>(57,964)</b>

Recap Schedules:  
 C-1

Line  
No.

1 Adjustment to Normalize Repairs and Maintenance

2  
 3 This adjustment calculates and average adjusted Repairs and Maintenance  
 4 over a three year period to normalize Repairs and Maintenance expense.

5  
 6 Acct 620 Repairs and Maintenance

7	2012 Unadjusted R & M Expense	\$ 29,097	
8	Schweitzer Invoice 2370	(11,576)	Capital Expense See Adj. OC-1.3
9	Schweitzer Invoice 2371	(2,730)	Capital Expense See Adj. OC-1.3
10	Schweitzer Invoice 2414 - 9-24-2012	<u>(9,866)</u>	Capital Expense See Adj. OC-1.3
11	2012 Adjusted R & M Expense	\$ 4,925	
12			
13	2013 Unadjusted R & M Expense	\$ 41,978	
14	Schweitzer Invoice 2558 - 1-2-2013	<u>(4,700)</u>	Capital Expense See Adj. OC-1.3
15	2013 Adjusted R & M Expense	\$ 37,278	
16			
17	2014 Unadjusted R & M Expense	\$ 13,943	
18	Retire Failed Pump	(1,258)	Retirement Entry; should be to Accum. Depr.
19	Schweitzer Invoice 3900 - 8-7-2014	<u>(1,742)</u>	Capital Expense See Adj. OC-1.3
20	2014 Adjusted R & M Expense	\$ 10,943	
21			
22	Total 3-Year Adjusted R & M Expense	<u>\$ 53,146</u>	
23			
24	Normalized R & M Expense (3-Year Average)	\$ 17,715	
25	2014 R & M Expense	13,943	
26			
27	Increase/(Decrease) in R & M Expense	<u>\$ 3,772</u>	
28			

Line				
<u>No.</u>				
1	<u>Adjustment to Normalize Bad Debt Expense</u>			
2				
3	This adjustment calculates and average bad debt expense			
4	over a three year period to normalize bad debt expense.			
5				
6	<u>Acct 670 Bad Debt Expense</u>			
7	2012 Bad Debt	\$	-	
8	2013 Bad Debt		-	
9	2014 Bad Debt		5,703	
10	Total 3-Year Bad Debt Expense		<u>\$ 5,703</u>	
11				
12	Normalized Bad Debt Expense (3-Year Average)		\$ 1,901	
13	2014 Bad Debt Expense		5,703	
14				
15	Increase/(Decrease) in Bad Debt Expense		<u>\$ (3,802)</u>	
16				



Aubrey Water Company  
Test Year Ended December 31, 2014  
Income Statement Adjustment IS-4

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

Rate Case Expense

Line			
<u>No.</u>			
1	Estimated Rate Case Expense	\$	75,000
2			
3	Amortization Period (Years)		5
4			
5	Annualized Rate Case Expense	\$	15,000
6			
7	Test Year Rate Case Expense		1,980
8			
9	Increase / (Decrease) in Rate Case Expense		13,020
10			

Normalize Depreciation Expense

Line No.	Acct Description	Adjusted Test Year Balance 12/31/2014	Depreciable Plant	Proposed Depreciation Rate	Depreciation Expense
1					
2	301 Organization Cost	\$ -	\$ -	0.00%	\$ -
3	302 Franchise Cost	-	-	0.00%	-
4	303 Land and Land Rights	-	-	0.00%	-
5	304 Structures & Improvements	125,577	125,577	3.33%	4,182
6	305 Collecting & Impounding Reservoirs	-	-	2.50%	-
7	306 Lake, River, Canal Intakes	-	-	2.50%	-
8	307 Wells & Springs	31,300	31,300	3.33%	1,042
9	308 Infiltration Galleries	-	-	6.67%	-
10	309 Raw Water Supply Mains	-	-	2.00%	-
11	310 Power Generation Equipment	116,664	116,664	5.00%	5,833
12	311 Pumping Equipment	417,905	417,905	8.00%	33,432
13	320 Water Treatment Equipment	-	-	-	-
14	320.1 Water Treatment Plants	-	-	3.33%	-
15	320.2 Solution Chemical Feeders	4,872	4,872	20.00%	974
16	330 Distribution Reservoirs & Standpipes	-	-	-	-
17	330.1 Storage Tanks	304,347	304,347	2.22%	6,757
18	330.2 Pressure Tanks	-	-	5.00%	-
19	331 Transmission & Distribution Mains	655,284	655,284	2.00%	13,106
20	333 Services	13,502	13,502	3.33%	450
21	334 Meters	46,718	46,718	8.33%	3,892
22	335 Hydrants	1,872	1,872	2.00%	37
23	336 Backflow Prevention Devices	-	-	6.67%	-
24	339 Other Plant & Misc Equipment	-	-	6.67%	-
25	340 Office Furniture & Equipment	-	-	6.67%	-
26	340.1 Computers & Software	-	-	20.00%	-
27	341 Transportation Equipment	-	-	20.00%	-
28	342 Stores Equipment	-	-	4.00%	-
29	343 Tools, Shop & Garage Equipment	2,906	2,906	5.00%	145
30	344 Laboratory Equipment	-	-	10.00%	-
31	345 Power Operated Equipment	-	-	5.00%	-
32	346 Communication Equipment	-	-	10.00%	-
33	347 Miscellaneous Equipment	3,375	3,375	10.00%	338
34	348 Other Tangible Plant	-	-	-	-
35	TOTALS	\$ 1,724,320	\$ 1,724,320		\$ 70,187
36					
37	Less: Amortization of CIAC	\$ 6,046		4.0704%	\$ 246
38					
39	Adjusted Test Year Depreciation Expense				\$ 69,941
40					
41	Test Year Depreciation Expense				\$ 209,752
42					
43	Increase / (Decrease) in Depreciation Expense				\$ (139,810)

Property Tax Expense

Line No.	Description	Company As Adjusted	Company Proposed
1	Adjusted Test Year Revenue	\$ 165,472	\$ 165,472
2	Adjusted Test Year Revenue	165,472	165,472
3	Adjusted Test Year Revenue	165,472	
4	Proposed Revenues after Increase		402,418
5	Average of three year's of revenue	165,472	244,454
6	Average of three year's of revenue, times 2	330,944	488,908
7	Add:		
8	Construction Work In Progress at 10%	-	-
9	Deduct:		
10	Net Book Value of Transportation Equipment	-	-
11			
12	Full Cash Value	330,944	488,908
13	Assessment Ratio	18.0%	18.0%
14	Assessed Value	59,570	88,003
15	Property Tax Rate (2014 Tax Year)	12.8255%	12.8255%
16			
17	Adjusted Test Year Property Tax	\$ 7,640	
18	Recorded Test Year Property Tax	8,090	
19	Test Year Adjustment	\$ (450)	
20			
21	Property Tax at Proposed Rates		\$ 11,287
22	Adjusted Test Year Property Tax		7,640
23	Increase in Property Tax due to Rate Increase		\$ 3,647
24			
25	<u>Calculation of Property Tax Factor</u>		
26	Increase to Property Tax Expense		\$ 3,647
27	Increase in Revenue Requirement		\$ 236,946
28	Property Tax Factor (L25 / L26)		1.5391%
29			

Income Tax Expense

Line <u>No.</u>	<u>Description</u>	<u>Adjusted Test Year</u>	<u>Proposed with Increase</u>
1			
2	<u>Calculation of Income Tax:</u>		
3	Revenue	\$ 165,472	\$ 402,418
4	Less: Operating Expenses (Excluding Income Taxes)	238,018	244,387
5	Less: Synchronized Interest	-	-
6	Arizona Taxable Income	<u>\$ (72,546)</u>	<u>\$ 158,031</u>
7			
8	All Income at 6.0000%	\$ (4,353)	\$ 9,482
9			
10			
11			
12			
13			
14	Arizona Income Tax	<u>\$ (4,353)</u>	<u>\$ 9,482</u>
15			
16	Federal Taxable Income	\$ (68,193)	\$ 148,549
17			
18	Federal Tax on First Income Bracket (\$1 - \$50,000) @ 15%	\$ (10,229)	\$ 7,500
19	Federal Tax on Second Income Bracket (\$50,001 - 75,000) @ 25%	\$ -	6,250.00
20	Federal Tax on Third Income Bracket (\$75,001 - 100,000) @ 34%	\$ -	8,500.00
21	Federal Tax on Fourth Income Bracket (\$100,001 - 335,000) @ 39%	\$ -	18,934.05
22	Federal Tax on Fifth Income Bracket (\$335,001 - 10,000,000) @ 34%	\$ -	-
23	Federal Tax on Sixth Income Bracket (\$10,000,001 - 15,000,000) @ 35%	\$ -	-
24	Federal Tax on Seventh Income Bracket (\$15,000,001 - 18,333,333) @ 38%	\$ -	-
25	Federal Tax on Eighth Income Bracket (\$18,333,334 - ..... ) @ 35%	\$ -	-
26			
27	Total Federal Income Tax	<u>\$ (10,229)</u>	<u>\$ 41,184</u>
28			
29	Combined Federal and State Income Tax	<u>\$ (14,582)</u>	<u>\$ 50,666</u>
30			
31	Effective State Tax Rate	6.0000%	6.0000%
32	Effective Federal Tax Rate	15.0000%	26.0608%
33	Effective Combined Tax Rate	20.1000%	32.0608%
34			
35	Applicable Arizona State Income Tax Rate (Rate Applicable to Revenue Increase)		6.0000%
36	Applicable Federal Income Tax Rate (Rate Applicable to Revenue Increase)		23.7208%
37			
38	<u>Calculation of Interest Synchronization</u>		
39	Rate Base	\$ 1,263,115	
40	Weighted Average Cost of Debt	0.000%	
41	Synchronized Interest	<u>\$ -</u>	
42			
43	<u>Income Tax Adjustments</u>		
44	Test Year Income Taxes - Booked	\$ -	
45	Increase / (decrease) in Income Taxes (L21 - L32)	<u>(14,582)</u>	
46			
47	Test Year Income Taxes - Adjusted		\$ (14,582)
48	Increase / (decrease) in Federal Income Taxes (L21 - L35)		<u>65,248</u>
49			
50			

Line

No. Calculation of Gross Revenue Conversion Factor

1	Revenue	100.0000%
2	Uncollectable Factor (Line 11)	0.8238%
3	Revenue (L1 - L2)	99.1762%
4	Combined Income Tax and Property Tax Rate (Line 23)	29.4011%
5	Operating Income Percentage (L3 -L4)	69.7751%
6	Gross Revenue Conversion Factor (L1 / L5)	1.433177

Calculation of Uncollectable Factor

7	Unity	100.0000%
8	Combined Federal and State Tax Rate (Line 17)	28.2976%
9	One Minus Combined Federal and State Tax Rate (L7 - L8)	71.7024%
10	Uncollectable Rate (Line 26)	1.1489%
11	Uncollectable Factor (L9 * L10)	0.8238%

Calculation of Effective Tax Rate

12	Operating Income Before Taxes	100.0000%
13	Applicable Arizona State Tax Rate (from Schedule C-2)	6.0000%
14	Federal Taxable Income (L12 - L13)	94.0000%
15	Applicable Federal Tax Rate (from Schedule C-2)	23.7208%
16	Effective Federal Tax Rate (L14 * L15)	22.2976%
17	Combined Federal and State Tax Rate (L13 + L16)	28.2976%

Calculation of Effective Property Tax Rate

18	Unity	100.0000%
19	Combined Federal and State Tax Rate (Line 17)	28.2976%
20	One Minus Combined Income Tax Rate (L18 - L19)	71.7024%
21	Property Tax Factor (from Schedule C-2)	1.5391%
22	Effective Property Tax Factor (L20 * L21)	1.1035%

23	Combined Federal and State Income Tax Rate and Property Tax Rate (L17 + L22)	29.4011%
----	--	----------

Calculation of Uncollectable Rate

24	Bad Debt Expense (from Schedule C-1)	\$ 1,901
25	Total Revenues (from Schedule C-1)	165,472
26	Uncollectable Rate (L24 / L25)	1.1489%

27	Revenue Increase (from Schedule C-1)	\$ 236,946
28	Uncollectable Rate (Line 26)	1.1489%
29	Bad Debt Expense due to Increase	\$ 2,722

30 Supporting Schedules:

Recap Schedules:

31

A-1

Line No.	Invested Capital	End of Test Year (Adjusted)			End of Projected Year (Current Rates)			End of Projected Year (Proposed Rates)		
		Amount	Percent of Total	Weighted Cost Rate	Amount	Percent of Total	Weighted Cost Rate	Amount	Percent of Total	Weighted Cost Rate
1										
2	Long-Term Debt	\$ -	0.00%	0.000%	\$ -	0.00%	0.000%	\$ -	0.00%	0.000%
3										
4	Short-Term Debt	\$ -	0.00%	0.000%	\$ -	0.00%	0.000%	\$ -	0.00%	0.000%
5										
6	Adjusted Common Equity	\$ 1,455,391	100.00%	10.500%	\$ 1,394,581	100.00%	10.500%	\$ 1,559,910	100.00%	10.500%
7										
8	Totals	\$ 1,455,391	100.00%	10.500%	\$ 1,394,581	100.00%	10.500%	\$ 1,559,910	100.00%	10.500%
9										

Rate Increase Mitigation -2.000%

Requested Return on Rate Base 8.500%

Line No.	Equity Adjustments	Amount	Weighted Cost Rate
14	Equity Adjustments		
15	Common Equity per Sch. E-1	\$ (1,026,856)	
16			
17	PIS Equity Adjustments	\$ (131,681)	
18	A/D Equity Adjustments	708,053	
19	Interco Account as Equity	1,905,834 (Account 234)	
20			
21	Adjusted Common Equity	\$ 1,455,391	
22			

Supporting Schedules:

E-1

Recap Schedules:

A-3

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Comparative Balance Sheet

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

Line No.		Test Year Ended 12/31/2014	Prior Year Ended 12/31/2013	Prior Year Ended 12/31/2012
1	<b>ASSETS</b>			
2	<b>PROPERTY PLANT AND EQUIPMENT</b>			
3	101 Utility Plant In Service	\$ 1,856,001	\$ 1,836,747	\$ 1,802,216
4	103 Property Held for Future Use	-	-	-
5	105 Construction Work in Progress	-	-	-
6	108 Less: Accumulated Depreciation	(1,019,636)	(811,139)	(603,624)
7	<b>Net Plant</b>	<u>\$ 836,365</u>	<u>\$ 1,025,608</u>	<u>\$ 1,198,592</u>
8				
9	<b>CURRENT ASSETS</b>			
10	131 Cash and Equivalents	\$ 44,558	\$ 64,381	\$ 25,213
11	132 Special Deposits	-	-	-
12	141 Customer Accounts Receivable	7,781	14,471	13,818
13	146 Notes/Receivables from Associated Companies	-	-	-
14	151 Plant Materials and Supplies	-	-	-
15	162 Prepayments	2,259	2,029	1,763
16	174 Miscellaneous Current and Accrued Assets	-	-	-
17	<b>Total Current Assets</b>	<u>\$ 54,597</u>	<u>\$ 80,881</u>	<u>\$ 40,794</u>
18				
19	<b>DEFERRED DEBITS</b>			
20	186 Deferred Debits	\$ -	\$ -	\$ -
21				
22	<b>TOTAL ASSETS</b>	<u>\$ 890,962</u>	<u>\$ 1,106,490</u>	<u>\$ 1,239,386</u>
23				
24	<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
25	<b>CAPITAL ACCOUNTS</b>			
26	201 Common Stock Issued	\$ -	\$ -	\$ -
27	211 Paid in Capital	-	-	-
28	215 Retained Earnings	(1,026,856)	(826,094)	(587,359)
29	<b>Total Capital</b>	<u>\$ (1,026,856)</u>	<u>\$ (826,094)</u>	<u>\$ (587,359)</u>
30				
31	<b>LONG-TERM DEBT</b>			
32	221 Bonds	-	-	-
33	224 Other Long-Term Debt	-	-	-
34	<b>Total long-Term Debt</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
35				
36	<b>CURRENT LIABILITIES</b>			
37	231 Accounts Payable	\$ 1,017	\$ 1,236	\$ 1,029
38	232 Notes Payable	-	-	-
40	234 Payable to Associated Companies	1,905,834	1,921,474	1,815,641
41	235 Customer Deposits	4,956	4,001	3,432
42	236 Accrued Taxes	592	254	763
43	237 Accrued Interest	-	-	-
44	241 Miscellaneous Current Liabilities	-	-	-
45	<b>Total Current Liabilities</b>	<u>\$ 1,912,399</u>	<u>\$ 1,926,963</u>	<u>\$ 1,820,864</u>
46				
47	<b>DEFERRED CREDITS</b>			
48	252 Advances in Aid of Construction	\$ 439	\$ 439	\$ 498
49	271 Contributions in Aid of Construction	6,046	6,046	6,046
50	272 Accumulated Amortization CIAC	(1,066)	(864)	(663)
51	281 Accumulated Deferred Income Tax	-	-	-
52	<b>Total Deferred Credits</b>	<u>\$ 5,419</u>	<u>\$ 5,620</u>	<u>\$ 5,880</u>
53				
54	<b>Total Liabilities &amp; Common Equity</b>	<u>\$ 890,962</u>	<u>\$ 1,106,490</u>	<u>\$ 1,239,386</u>

56 Supporting Schedules:  
 57 E-5

Workpapers:  
 AUB Rate Case Data.xlsx, Tab: Trial Balance

Recap Schedules:  
 A-3

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Comparative Income Statements

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

Line No.		Test Year Ended 12/31/2014	Prior Year Ended 12/31/2013	Prior Year Ended 12/31/2012
1	<b>Revenues</b>			
2	460 Unmetered Water Revenue	\$ -	\$ -	\$ -
3	461 Metered Water Revenues	164,247	161,397	166,413
4	471 Miscellaneous Service Revenue	1,150	1,125	1,050
5	474 Other Water Revenues	75	81	-
6	<b>Total Revenues</b>	<b>\$ 165,472</b>	<b>\$ 162,603</b>	<b>\$ 167,463</b>
7	<b>Operating Expenses</b>			
8	601 Salaries and Wages	\$ -	\$ -	\$ -
9	603 Salaries and Wages - Officers and Directors	-	-	-
10	604 Employee Pension and Benefits	-	-	-
11	610 Purchased Water	-	-	-
12	615 Purchased Power	30,469	30,595	30,271
13	618 Chemicals	-	950	451
14	620 Repairs and Maintenance	13,943	41,978	29,097
15	621 Office Supplies Expense	2,642	3,648	5,577
16	631 Contractual Services - Engineering	-	-	-
17	632 Contractual Services - Accounting	1,980	2,523	1,980
18	633 Contractual Services - Legal	-	-	-
19	634 Contractual Services - Management Fees	10,263	11,270	10,311
20	635 Contractual Services - Testing	3,098	2,780	1,543
21	636 Contractual Services - Other	70,081	77,535	68,787
22	641 Rent - Buildings	-	-	-
23	642 Rent - Equipment	-	-	-
24	650 Transportation Expense	5,253	5,986	5,228
25	656 Insurance - Vehicle	-	-	-
26	657 Insurance - General Liability	2,825	2,753	1,178
27	658 Insurance - Workman's Compensation	-	-	-
28	659 Insurance - Other	-	-	-
29	660 Advertising Expense	-	-	-
30	666 Regulatory Commission Expense - Rate Case	1,980	-	-
31	667 Regulatory Expense - Other	-	-	-
32	668 Water Resource Conservation Expense	-	-	-
33	670 Bad Debt Expense	5,703	-	-
34	675 Miscellaneous Expense	153	409	72
35	403 Depreciation Expense	209,752	207,313	204,460
36	408 Taxes Other Than Income	-	-	-
37	408.11 Property Taxes	8,090	13,600	7,342
38	409 Income Tax	-	-	-
39	<b>Total Operating Expenses</b>	<b>\$ 366,234</b>	<b>\$ 401,339</b>	<b>\$ 366,296</b>
40	<b>Operating Income</b>	<b>\$ (200,762)</b>	<b>\$ (238,735)</b>	<b>\$ (198,833)</b>
41	<b>Other Income (Expense)</b>			
42	419 Interest and Dividend Income	\$ -	\$ -	\$ -
43	421 Non-Utility Income	-	-	-
44	426 Miscellaneous Non-Utility Expenses	-	-	-
45	427 Interest Expense	-	-	-
46	<b>Total Other Income (Expense)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
47	<b>Net Income (Loss)</b>	<b>\$ (200,762)</b>	<b>\$ (238,735)</b>	<b>\$ (198,833)</b>

50 Workpapers:  
 51 AUB Rate Case Data.xlsx, Tab: Trial Balance  
 52

Recap Schedules:  
 A-2

Line No.	Acct. No.	Plant Description	Plant Balance at 12/31/2013	Plant Additions, Reclassifications or Retirements	Plant Balance at 12/31/2014
1					
2	301	Organization Cost	\$ -	\$ -	\$ -
3	302	Franchise Cost	-	-	-
4	303	Land and Land Rights	-	-	-
5	304	Structures & Improvements	23,793	-	23,793
6	305	Collecting & Impounding Reservoirs	-	-	-
7	306	Lake, River, Canal Intakes	-	-	-
8	307	Wells & Springs	104,563	-	104,563
9	308	Infiltration Galleries	-	-	-
10	309	Raw Water Supply Mains	-	-	-
11	310	Power Generation Equipment	-	-	-
12	311	Pumping Equipment	1,626,311	5,948	1,632,260
13	320	Water Treatment Equipment	-	-	-
14	320.1	Water Treatment Plants	-	-	-
15	320.2	Solution Chemical Feeders	1,055	-	1,055
16	330	Distribution Reservoirs & Standpipes	-	-	-
17	330.1	Storage Tanks	23,981	-	23,981
18	330.2	Pressure Tanks	-	-	-
19	331	Transmission & Distribution Mains	9,848	86	9,934
20	333	Services	8,332	471	8,802
21	334	Meters	34,087	12,749	46,837
22	335	Hydrants	1,872	-	1,872
23	336	Backflow Prevention Devices	-	-	-
24	339	Other Plant & Misc Equipment	-	-	-
25	340	Office Furniture & Equipment	-	-	-
26	340.1	Computers & Software	-	-	-
27	341	Transportation Equipment	-	-	-
28	342	Stores Equipment	-	-	-
29	343	Tools, Shop & Garage Equipment	2,906	-	2,906
30	344	Laboratory Equipment	-	-	-
31	345	Power Operated Equipment	-	-	-
32	346	Communication Equipment	-	-	-
33	347	Miscellaneous Equipment	-	-	-
34	348	Other Tangible Plant	-	-	-
35					
36		TOTAL WATER PLANT	\$ 1,836,747	\$ 19,254	\$ 1,856,001

Workpapers:

Recap Schedules:

E-1

A-4

41

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Operating Statistics

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

Line No.	Test Year Ended	Prior Year Ended	Prior Year Ended
	<u>12/31/2014</u>	<u>12/31/2013</u>	<u>12/31/2012</u>
1			
2	Gallons Sold - By Class of Service (Thousands)		
3	13,395		
4	15,620		
5	7,945		
7			
8	<u>36,959</u>	<u>37,250</u>	<u>39,351</u>
9			
10	Average Number of Customers		
12	223	222	222
13	56	56	56
14	6	4	4
16	<u>285</u>	<u>282</u>	<u>282</u>
17			
18	60,066	-	-
19			
20	\$ 287	\$ 291	\$ 296
21			
22	\$ 0.8244	\$ 0.8213	\$ 0.7693
23			

Line

No.

- 1
- 2 The Company is an operating division of BN Leasing Corporation
- 3 The Company does not conduct independent audits.
- 4 The Company uses the NARUC System of Accounts.
- 5 The Company does not record ADIT on a divisional basis
- 6 The Company does not record income taxes on a divisional basis

7

8

9 Supporting Schedules:

Recap Schedules:

10

11

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Projected Income Statements - Present and Proposed Rates

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

Line No.		Actual Test Year Ended 12/31/2014	At Present Rates Year Ended 12/31/2015	At Proposed Rates Year Ended 12/31/2015
<b>1</b>	<b>Revenues</b>			
2	460 Unmetered Water Revenue	\$ -	\$ -	\$ -
3	461 Metered Water Revenues	164,247	164,247	401,192
4	474 Other Water Revenues	75	75	75
<b>5</b>	<b>Total Revenues</b>	<b>\$ 164,322</b>	<b>\$ 164,322</b>	<b>\$ 401,268</b>
<b>6</b>	<b>Operating Expenses</b>			
7	601 Salaries and Wages	\$ -	\$ -	\$ -
8	604 Employee Pension and Benefits	-	-	-
9	610 Purchased Water	-	-	-
10	615 Purchased Power	30,469	30,469	30,469
11	618 Chemicals	-	-	-
12	620 Repairs and Maintenance	13,943	17,981	17,981
13	621 Office Supplies Expense	2,642	2,681	2,681
14	631 Contractual Services - Engineering	-	-	-
15	632 Contractual Services - Accounting	1,980	2,010	2,010
16	633 Contractual Services - Legal	-	-	-
17	634 Contractual Services - Management Fees	10,263	10,417	10,417
18	635 Contractual Services - Testing	3,098	3,145	3,145
19	636 Contractual Services - Other	70,081	70,173	70,173
20	641 Rent - Buildings	-	-	-
21	642 Rent - Equipment	-	-	-
22	650 Transportation Expense	5,253	5,332	5,332
23	656 Insurance - Vehicle	-	-	-
24	657 Insurance - General Liability	2,825	2,868	2,868
25	658 Insurance - Workman's Compensation	-	-	-
26	659 Insurance - Other	-	-	-
27	660 Advertising Expense	-	-	-
28	666 Regulatory Commission Expense - Rate Case	1,980	15,000	15,000
29	667 Regulatory Expense - Other	-	-	-
30	668 Water Resource Conservation Expense	-	-	-
31	670 Bad Debt Expense	5,703	1,901	4,623
32	675 Miscellaneous Expense	153	155	155
33	403 Depreciation Expense	209,752	69,941	69,941
34	408 Taxes Other Than Income	-	-	-
35	408.11 Property Taxes	8,090	7,640	11,287
36	409 Income Tax	-	(14,582)	50,666
<b>37</b>	<b>Total Operating Expenses</b>	<b>\$ 366,234</b>	<b>\$ 225,132</b>	<b>\$ 296,749</b>
<b>38</b>	<b>Operating Income</b>	<b>\$ (201,912)</b>	<b>\$ (60,810)</b>	<b>\$ 104,519</b>
<b>39</b>	<b>Other Income (Expense)</b>			
40	419 Interest and Dividend Income	\$ -	\$ -	\$ -
41	421 Non-Utility Income	-	-	-
42	426 Miscellaneous Non-Utility Expenses	-	-	-
43	427 Interest Expense	-	-	-
<b>44</b>	<b>Total Other Income (Expense)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>45</b>	<b>Net Income (Loss)</b>	<b>\$ (201,912)</b>	<b>\$ (60,810)</b>	<b>\$ 104,519</b>
46				
47	<u>Supporting Schedules:</u>		<u>Recap Schedules:</u>	
48	E-2		A-2	
49				

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Projected Construction Requirements

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

Line No.		Actual	Projected		
		Test Year	Thru	Thru	Thru
	<u>Property Classification</u>	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>
5	Intangible Plant	\$ -			
7	Source of Supply and Pumping Plant	5,948	5,000	5,000	5,000
9	Water Treatment Plant	-			
11	Transmission and Distribution Plant	13,306	20,000	115,000	165,000
13	General Plant	-	5,000	5,000	5,000
15	Total Plant	\$ 19,254	\$ 30,000	\$ 125,000	\$ 175,000

18 Workpapers:

Recap Schedules:  
 F-2 A-4

**Aubrey Water Company**  
Test Year Ended December 31, 2014  
Assumptions Used in Developing Projection

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

Line

No.

- 1
- 2 No Customer Growth
- 3
- 4 No Change in Per Customer Consumption
- 5
- 6 Per Test Year Adjustments
- 7
- 8 Salaries and Pensions increase by 3.0%
- 9
- 10 All other expenses increased by 1.5%
- 11
- 12 Supporting Schedules:
- 13
- 14

Recap Schedules:

**Aubrey Water Company**

Test Year Ended December 31, 2014

Summary of Revenues by Customer Classification - Present and Proposed Rates

Exhibit: RLJ-DT2

Schedule H-1

Page 1

Witness: Jones

Line No.	Customer Classification	Revenues in the Test Year		Proposed Increase	
		Present Rates	Proposed Rates	Amount	%
1					
2	<u>Metered Water Revenue</u>				
3	Residential	64,093	155,679	91,586	142.90%
4	Commercial	60,583	148,446	87,863	145.03%
5	Bulk Water	39,725	96,640	56,915	143.27%
6					
7	Miscellaneous Service Revenue	1,150	1,150	-	
8	Other Water Revenues	75	75	-	0.00%
9					
10	Total Water Revenues	<u>\$ 165,626</u>	<u>\$ 401,990</u>	<u>\$ 236,364</u>	142.71%
11					
12	<u>Reconciliation</u>				
13	Bill Count Revenue	\$ 165,626			
14					
15	Water Revenues per G.L.	165,472			
16	Revenue Adjustments				
17	Adjusted G.L. Revenue	<u>\$ 165,472</u>			
18					
19	Unreconciled Difference	\$ 154			
20	Percentage Difference	0.09%			
21					
22					
23	<u>Supporting Schedules:</u>			<u>Recap Schedules:</u>	
24	H-2			A-1	
25					

Line No.	Description	Average Number Customers	Average Consumption	Revenues		Proposed	
				Present Rates	Proposed Rates	Increase Amount	Increase %
1							
2	<u>Metered Water Revenue</u>						
3	Residential						
4	5/8" x 3/4" Meter	216	4,656	58,047	140,318	82,271	141.73%
5	3/4" Meter	1	35,549	\$ 1,272	\$ 3,023	1,751	137.70%
6	1" Meter	4	15,711	3,249	7,854	4,605	141.74%
7	1 1/2" Meter	2	6,425	1,525	4,484	2,959	194.04%
8							
9	Commercial						
10	5/8" x 3/4" Meter	36	5,234	10,591	25,519	14,928	140.95%
11	1" Meter	4	3,907	1,849	4,667	2,818	152.37%
12	1 1/2" Meter	5	21,956	6,281	16,404	10,123	161.18%
13	2" Meter	11	89,799	41,862	101,856	59,994	143.32%
14							
15	Bulk Water						
16	Metered	5	50,881	16,536	40,987	12,941	152.37%
17	Automated Standpipe	1	386,475	23,189	55,652	56,915	147.86%
18							
19	<b>Totals:</b>						
20	<u>Metered Water Revenue</u>						
21	Residential	223	60,066	64,093	155,679	91,586	142.90%
22	Commercial	56	278,921	60,583	148,446	87,863	145.03%
23	Bulk Water	6	1,324,163	39,725	96,640	56,915	143.27%
24	Subtotal Metered	285		\$ 164,400	\$ 400,764	\$ 236,364	143.77%
25							
26	Miscellaneous Service Revenue			\$ 1,150	\$ 1,150	\$ -	0.00%
27	Other Water Revenues			\$ 75	\$ 75	\$ -	0.00%
28							
29	Total	285		\$ 165,626	\$ 401,990	\$ 236,364	142.71%
30							
31	<u>Supporting Schedules:</u>					<u>Recap Schedules:</u>	
32						H-1	
33							

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

Line No.	Description	Revenue at Current Rates					Total Revenue
		Base Charge	1st Tier	2nd Tier	3rd Tier	Bulk	
1	Residential						
2	5/8" x 3/4" Meter	\$ 32,375	\$ 9,178	\$ 9,534	\$ 6,959		\$ 58,047
3	3/4" Meter	192	63	189	828		1,272
4	1" Meter	1,440	235	500	1,075		3,249
5	1 1/2" Meter	1,200	109	161	55		1,525
6							
7	Commercial						
8	5/8" x 3/4" Meter	5,400	1,192	1,337	2,662		10,591
9	1" Meter	1,440	111	183	115		1,849
10	1 1/2" Meter	3,000	256	686	2,339		6,281
11							
12	Bulk Water						
13	Metered	-	-	-	-	16,536	\$ 16,536
14	Automated Standpipe	-	-	-	-	23,189	23,189
15							
16	Total Revenue	\$ 55,607	\$ 11,779	\$ 14,379	\$ 42,910	\$ 39,725	\$ 164,400
17							
18	Percentage of Customer Rev.	44.6%	9.4%	11.5%	34.4%		100.0%
19							
20	Percentage of Total	33.8%	7.2%	8.7%	26.1%	24.2%	100.0%
21							

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

Line No.	Description	Revenue at Proposed Rates					Total Revenue
		Base Charge	1st Tier	2nd Tier	3rd Tier	Bulk	
1							
2	Residential						
3	5/8" x 3/4" Meter	\$ 78,477	\$ 22,290	\$ 24,845	\$ 14,705		\$ 140,318
4	3/4" Meter	545	153	1,071	1,254		3,023
5	1" Meter	3,636	-	3,719	499		7,854
6	1 1/2" Meter	3,636	-	848	-		4,484
7							
8	Commercial						
9	5/8" x 3/4" Meter	13,090	2,895	3,532	6,002		25,519
10	1" Meter	3,636	-	1,031	-		4,667
11	1 1/2" Meter	9,090	-	6,828	485		16,404
12	2" Meter	31,997	-	36,685	33,174		101,856
13							
14	Bulk Water						
15	Metered	1,300	-	-	-	39,687	40,987
16	Automated Standpipe	-	-	-	-	55,652	55,652
17							
18	Total Revenue	\$ 145,407	\$ 25,338	\$ 78,560	\$ 56,119	\$ 95,340	\$ 400,764
19							
20	Percentage of Customer Rev.	47.6%	8.3%	25.7%	18.4%		100.0%
21							
22	Percentage of Total Revenue	36.3%	6.3%	19.6%	14.0%	23.8%	76.2%
23							
24	Percentage Increase by Tier	161.5%	115.1%	446.4%	30.8%	140.0%	143.8%
25							

Supplemental Schedule  
 Metered Water Revenue at Proposed Rates  
 Analysis of Increases by Rate Tier

Line No.		Base Charge	1st Tier	2nd Tier	3rd Tier	Bulk	Total Revenue
1	Current Rate	\$ 55,607	\$ 11,779	\$ 14,379	\$ 42,910	\$ 39,725	\$ 164,400
2	Company's Proposed Rates	<u>145,407</u>	<u>25,338</u>	<u>78,560</u>	<u>56,119</u>	<u>95,340</u>	<u>400,764</u>
3	Increase in Rates	\$ 89,800	\$ 13,559	\$ 64,182	\$ 13,209	\$ 55,615	\$ 236,364
4							
5	Percentage Increase by Tier	161.5%	115.1%	446.4%	30.8%	140.0%	143.8%
6	Percentage of Increase within Tier	38.0%	5.7%	27.2%	5.6%	23.5%	100.0%
7							
8							
9							
10							
11		Base Charge	1st Tier	2nd Tier	3rd Tier	Bulk	Total Revenue
12	Revenue at Current Rates	\$ 55,607	\$ 11,779	\$ 14,379	\$ 42,910	\$ 39,725	\$ 164,400
13	Revenue at Company's Proposed Rates	\$ 145,407	\$ 25,338	\$ 78,560	\$ 56,119	\$ 95,340	\$ 400,764
14							
15	<u>Percentage of Customer Revenue</u>						
16	Current Rates	44.6%	9.4%	11.5%	34.4%		100.0%
17	Company's Proposed Rates	<u>47.6%</u>	<u>8.3%</u>	<u>25.7%</u>	<u>18.4%</u>		100.0%
18	Change	3.0%	-1.2%	14.2%	-16.0%		0.0%
19							
20	<u>Percentage of Total Revenue</u>						
21	Current Rates	33.8%	7.2%	8.7%	26.1%	24.2%	100.0%
22	Company's Proposed Rates	<u>36.3%</u>	<u>6.3%</u>	<u>19.6%</u>	<u>14.0%</u>	<u>23.8%</u>	<u>100.0%</u>
23	Change	2.5%	-0.8%	10.9%	-12.1%	-0.4%	0.0%
24							
25							

Line No.	General Water Service Rates	Present Rate Tiers (gallons)	Proposed Rate Tiers (gallons)	Base Charge			Volume Charge		
				Present Rate	Proposed Rate	Change	Present Rate	Proposed Rate	Change
5	R1 - 5/8" x 3/4" Meter	Tier 1 3,000	3,000	\$ 12.50	\$ 30.30	\$ 17.80	\$ 1.75	\$ 4.25	\$ 2.50
6		Tier 2 10,000	11,000				\$ 2.25	\$ 5.50	\$ 3.25
7		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
8	R2 - 3/4" Meter	Tier 1 3,000	3,000	\$ 16.00	\$ 45.45	\$ 29.45	\$ 1.75	\$ 4.25	\$ 2.50
9		Tier 2 10,000	20,000				\$ 2.25	\$ 5.50	\$ 3.25
10		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
11	R3 - 1" Meter	Tier 1 3,000	-	\$ 30.00	\$ 75.75	\$ 45.75	\$ 1.75		
12		Tier 2 10,000	28,000				\$ 2.25	\$ 5.50	\$ 3.25
13		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
14	R4 - 1.5" Meter	Tier 1 3,000	-	\$ 50.00	\$ 151.50	\$ 101.50	\$ 1.75		
15		Tier 2 10,000	48,000				\$ 2.25	\$ 5.50	\$ 3.25
16		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
17	R5 - 2" Meter	Tier 1 3,000	-	\$ 80.00	\$ 242.40	\$ 162.40	\$ 1.75		
18		Tier 2 10,000	112,000				\$ 2.25	\$ 5.50	\$ 3.25
19		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
20	R6 - 3" Meter	Tier 1 3,000	-	\$ 160.00	\$ 484.80	\$ 324.80	\$ 1.75		
21		Tier 2 10,000	160,000				\$ 2.25	\$ 5.50	\$ 3.25
22		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
23	R7 - 4" Meter	Tier 1 3,000	-	\$ 300.00	\$ 757.50	\$ 457.50	\$ 1.75		
24		Tier 2 10,000	250,000				\$ 2.25	\$ 5.50	\$ 3.25
25		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
26	R8 - 6" Meter	Tier 1 3,000	-	\$ 500.00	\$ 1,515.00	\$ 1,015.00	\$ 1.75		
27		Tier 2 10,000	500,000				\$ 2.25	\$ 5.50	\$ 3.25
28		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
29	R9 - 8" Meter	Tier 1 3,000	-			\$ -	\$ 1.75		
30		Tier 2 10,000	1,000,000				\$ 2.25	\$ 5.50	\$ 3.25
31		Tier 3 999,999,000	999,999,000				\$ 2.70	\$ 6.40	\$ 3.70
32	Bulk Water - Metered <sup>1</sup>	Tier 3 999,999,000	999,999,000	None	\$ 20.00	\$ 20.00		\$ 12.00	\$ 7.00
33	Bulk Water - Standpipe <sup>2</sup>	Tier 3 999,999,000	999,999,000	None	None		\$ 5.00	\$ 12.00	\$ 7.00

<sup>1</sup> Includes Bulk Water delivered for resale from the Company's bulk water fill station and Bulk Water delivered for construction and other uses from a fire hydrant meter or similar connection where the customer is billed monthly in arrears for water used. Company may, at its option, close account of a Bulk Water - Metered customer after three consecutive months of zero usage.

<sup>2</sup> Includes Bulk Water delivered from the Company's automated standpipe where the customer pays for water in advance of delivery.

**Monthly Service Charge for Fire Sprinkler**

	Present Rates	Proposed Rates	
All Meter Sizes	n/t	*	\$ -

\* Greater of \$10.00 or 2 percent of the general service rate for a similar size meter

Line

No.

	Present	Proposed
	<u>Rates</u>	<u>Rates</u>
1 <b>Other Service Charges</b>		
2		
3 Establishment	\$ 25.00	\$ 25.00
4 Establishment (After Hours)	\$ 35.00	n/t
5 Reconnection (Delinquent)	\$ 25.00	\$ 25.00
6 After Hours Charge	n/t	\$ 25.00
7 Meter Test (If correct)	\$ 25.00	\$ 25.00
8 Deposit Requirement	*	*
10 Deposit Interest	*	*
11 Re-Establishment (Within 12 Months)	**	**
12 NSF Check	\$ 25.00	\$ 25.00
13 Deferred Payment, Per Month	1.5%	1.5%
14 Meter Re-Read (If correct)	\$ 10.00	\$ 20.00
15 Moving Customer Meter at Customer Request	n/t	Cost
16 Late Charge per month	n/t	1.50%

17

18 \* Per Rule R14-2-403.B

19 \*\* Number of months off the system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D).

20

21 In addition to the collection of regular rates, the utility will collect from its

22 customers a proportionate share of any privilege, sales, use, and franchise tax,

23 per Commission rule A.A.C. 14-2-409(D)(5).

24

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

26

27 n/t - no tariff

28

29 **Service Line and Meter Installation Charges**

	Present Rates			Proposed Rates		
	<u>Srv. Line</u>	<u>Meter</u>	<u>Total</u>	<u>Srv. Line</u>	<u>Meter</u>	<u>Total</u>
30						
31 5/8" x 3/4" Meter			\$ 440	\$ 500	\$ 155	\$ 655
32 3/4" Meter			\$ 520	\$ 500	\$ 255	\$ 755
33 1" Meter			\$ 610	\$ 550	\$ 315	\$ 865
34 1 1/2" Meter			\$ 855	\$ 610	\$ 525	\$ 1,135
35 2" Meter			\$ 1,515	\$ 925	\$ 1,045	\$ 1,970
36 2" Compound Meter			n/t	\$ 925	\$ 1,890	\$ 2,815
37 3" Meter			\$ 2,195	\$ 1,175	\$ 1,670	\$ 2,845
38 3" Compound Meter			n/t	\$ 1,310	\$ 2,545	\$ 3,855
39 4" Meter			\$ 3,360	\$ 1,660	\$ 2,670	\$ 4,330
40 4" Compound Meter			n/t	\$ 1,865	\$ 3,645	\$ 5,510
41 6" Meter			\$ 6,115	\$ 2,475	\$ 5,025	\$ 7,500
42 6" Compound Meter			n/t	\$ 2,615	\$ 6,920	\$ 9,535
43 8" or Larger Meter			n/t	Cost	Cost	Cost
44 Road Cuts			Cost	Cost	-	Cost

45

46 All advances and/or contributions are to include labor, materials and parts, overheads and all applicable taxes,

47 including gross-up taxes for Federal and State taxes, if applicable.

48

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

50

51 n/t - no tariff

52

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

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

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>	-	\$ 12.50	\$ 30.30	\$ 17.80	142.40%
2	Base Charge:	\$ 12.50	1,000 \$ 14.25	34.55	20.30	142.46%
3			2,000 \$ 16.00	38.80	22.80	142.50%
4			3,000 \$ 17.75	43.05	25.30	142.54%
5	Tier One Rate:	\$ 1.75	4,000 \$ 20.00	48.55	28.55	142.75%
6	Tier Two Rate:	\$ 2.25	5,000 \$ 22.25	54.05	31.80	142.92%
7	Tier Three Rate:	\$ 2.70	6,000 \$ 24.50	59.55	35.05	143.06%
8			7,000 \$ 26.75	65.05	38.30	143.18%
9	Tier One Breakover (M gal):	3	8,000 \$ 29.00	70.55	41.55	143.28%
10	Tier Two Breakover (M gal):	10	9,000 \$ 31.25	76.05	44.80	143.36%
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 33.50	81.55	48.05	143.43%
12			12,000 \$ 38.90	93.45	54.55	140.23%
13			14,000 \$ 44.30	106.25	61.95	139.84%
14	<b>Proposed Rates:</b>		16,000 \$ 49.70	119.05	69.35	139.54%
15	Base Charge:	\$ 30.30	18,000 \$ 55.10	131.85	76.75	139.29%
16			20,000 \$ 60.50	144.65	84.15	139.09%
17			25,000 \$ 74.00	176.65	102.65	138.72%
18	Tier One Rate:	\$ 4.25	30,000 \$ 87.50	208.65	121.15	138.46%
19	Tier Two Rate:	\$ 5.50	35,000 \$ 101.00	240.65	139.65	138.27%
20	Tier Three Rate:	\$ 6.40	40,000 \$ 114.50	272.65	158.15	138.12%
21			45,000 \$ 128.00	304.65	176.65	138.01%
22	Tier One Breakover (M gal):	3	50,000 \$ 141.50	336.65	195.15	137.92%
23	Tier Two Breakover (M gal):	11	60,000 \$ 168.50	400.65	232.15	137.77%
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 195.50	464.65	269.15	137.67%
25			80,000 \$ 222.50	528.65	306.15	137.60%
26			90,000 \$ 249.50	592.65	343.15	137.54%
27			100,000 \$ 276.50	656.65	380.15	137.49%
28						
29		Average Usage				
30		4,656	\$ 21.48	\$ 52.16	\$ 30.68	142.83%
31		Median Usage				
32		2,470	\$ 16.82	\$ 40.80	\$ 23.98	142.57%
33						
34						

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

Class: Residential  
 Meter Size: 3/4"  
 Rate Code: R2

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>					
2	Base Charge: \$ 16.00	-	\$ 16.00	\$ 45.45	\$ 29.45	184.06%
3		1,000	\$ 17.75	\$ 49.70	\$ 31.95	180.00%
4		2,000	\$ 19.50	\$ 53.95	\$ 34.45	176.67%
5	Tier One Rate: \$ 1.75	3,000	\$ 21.25	\$ 58.20	\$ 36.95	173.88%
6	Tier Two Rate: \$ 2.25	4,000	\$ 23.50	\$ 63.70	\$ 40.20	171.06%
7	Tier Three Rate: \$ 2.70	5,000	\$ 25.75	\$ 69.20	\$ 43.45	168.74%
8		6,000	\$ 28.00	\$ 74.70	\$ 46.70	166.79%
9	Tier One Breakover (M gal): 3	7,000	\$ 30.25	\$ 80.20	\$ 49.95	165.12%
10	Tier Two Breakover (M gal): 10	8,000	\$ 32.50	\$ 85.70	\$ 53.20	163.69%
11	Tier Three Breakover (M gal): 999,999	9,000	\$ 34.75	\$ 91.20	\$ 56.45	162.45%
12		10,000	\$ 37.00	\$ 96.70	\$ 59.70	161.35%
13		12,000	\$ 42.40	\$ 107.70	\$ 65.30	154.01%
14	<b>Proposed Rates:</b>	14,000	\$ 47.80	\$ 118.70	\$ 70.90	148.33%
15	Base Charge: \$ 45.45	16,000	\$ 53.20	\$ 129.70	\$ 76.50	143.80%
16		18,000	\$ 58.60	\$ 140.70	\$ 82.10	140.10%
17		20,000	\$ 64.00	\$ 151.70	\$ 87.70	137.03%
18	Tier One Rate: \$ 4.25	25,000	\$ 77.50	\$ 183.70	\$ 106.20	137.03%
19	Tier Two Rate: \$ 5.50	30,000	\$ 91.00	\$ 215.70	\$ 124.70	137.03%
20	Tier Three Rate: \$ 6.40	35,000	\$ 104.50	\$ 247.70	\$ 143.20	137.03%
21		40,000	\$ 118.00	\$ 279.70	\$ 161.70	137.03%
22	Tier One Breakover (M gal): 3	45,000	\$ 131.50	\$ 311.70	\$ 180.20	137.03%
23	Tier Two Breakover (M gal): 20	50,000	\$ 145.00	\$ 343.70	\$ 198.70	137.03%
24	Tier Three Breakover (M gal): 999,999	60,000	\$ 172.00	\$ 407.70	\$ 235.70	137.03%
25		70,000	\$ 199.00	\$ 471.70	\$ 272.70	137.04%
26		80,000	\$ 226.00	\$ 535.70	\$ 309.70	137.04%
27		90,000	\$ 253.00	\$ 599.70	\$ 346.70	137.04%
28		100,000	\$ 280.00	\$ 663.70	\$ 383.70	137.04%
29						
30		Average Usage				
31		35,549	\$ 105.98	\$ 251.21	\$ 145.23	137.04%
32		Median Usage				
33		32,480	\$ 97.70	\$ 231.57	\$ 133.87	137.02%
34						

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

Class: Residential  
 Meter Size: 1"  
 Rate Code: R3

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>	-	\$ 30.00	\$ 75.75	\$ 45.75	152.50%
2	Base Charge: \$ 30.00	1,000	\$ 31.75	\$ 81.25	\$ 49.50	155.91%
3		2,000	\$ 33.50	\$ 86.75	\$ 53.25	158.96%
4		3,000	\$ 35.25	\$ 92.25	\$ 57.00	161.70%
5	Tier One Rate: \$ 1.75	4,000	\$ 37.50	\$ 97.75	\$ 60.25	160.67%
6	Tier Two Rate: \$ 2.25	5,000	\$ 39.75	\$ 103.25	\$ 63.50	159.75%
7	Tier Three Rate: \$ 2.70	6,000	\$ 42.00	\$ 108.75	\$ 66.75	158.93%
8		7,000	\$ 44.25	\$ 114.25	\$ 70.00	158.19%
9	Tier One Breakover (M gal): 3	8,000	\$ 46.50	\$ 119.75	\$ 73.25	157.53%
10	Tier Two Breakover (M gal): 10	9,000	\$ 48.75	\$ 125.25	\$ 76.50	156.92%
11	Tier Three Breakover (M gal): 999,999	10,000	\$ 51.00	\$ 130.75	\$ 79.75	156.37%
12		12,000	\$ 56.40	\$ 141.75	\$ 85.35	151.33%
13		14,000	\$ 61.80	\$ 152.75	\$ 90.95	147.17%
14	<b>Proposed Rates:</b>	16,000	\$ 67.20	\$ 163.75	\$ 96.55	143.68%
15	Base Charge: \$ 75.75	18,000	\$ 72.60	\$ 174.75	\$ 102.15	140.70%
16		20,000	\$ 78.00	\$ 185.75	\$ 107.75	138.14%
17		25,000	\$ 91.50	\$ 213.25	\$ 121.75	133.06%
18	Tier One Rate:	30,000	\$ 105.00	\$ 242.55	\$ 137.55	131.00%
19	Tier Two Rate: \$ 5.50	35,000	\$ 118.50	\$ 274.55	\$ 156.05	131.69%
20	Tier Three Rate: \$ 6.40	40,000	\$ 132.00	\$ 306.55	\$ 174.55	132.23%
21		45,000	\$ 145.50	\$ 338.55	\$ 193.05	132.68%
22	Tier One Breakover (M gal): -	50,000	\$ 159.00	\$ 370.55	\$ 211.55	133.05%
23	Tier Two Breakover (M gal): 28	60,000	\$ 186.00	\$ 434.55	\$ 248.55	133.63%
24	Tier Three Breakover (M gal): 999,999	70,000	\$ 213.00	\$ 498.55	\$ 285.55	134.06%
25		80,000	\$ 240.00	\$ 562.55	\$ 322.55	134.40%
26		90,000	\$ 267.00	\$ 626.55	\$ 359.55	134.66%
27		100,000	\$ 294.00	\$ 690.55	\$ 396.55	134.88%
28						
29		Average Usage				
30		15,711	\$ 66.42	\$ 162.16	\$ 95.74	144.14%
31		Median Usage				
32		14,515	\$ 63.19	\$ 155.58	\$ 92.39	146.21%
33						
34						

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

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

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase	
1	<b>Present Rates:</b>						
2	Base Charge:	\$ 50.00	\$ 50.00	\$ 151.50	\$ 101.50	203.00%	
3			1,000 \$ 51.75	\$ 157.00	\$ 105.25	203.38%	
4			2,000 \$ 53.50	\$ 162.50	\$ 109.00	203.74%	
5			3,000 \$ 55.25	\$ 168.00	\$ 112.75	204.07%	
6	Tier One Rate:	\$ 1.75	4,000 \$ 57.50	\$ 173.50	\$ 116.00	201.74%	
7	Tier Two Rate:	\$ 2.25	5,000 \$ 59.75	\$ 179.00	\$ 119.25	199.58%	
8	Tier Three Rate:	\$ 2.70	6,000 \$ 62.00	\$ 184.50	\$ 122.50	197.58%	
9			7,000 \$ 64.25	\$ 190.00	\$ 125.75	195.72%	
10	Tier One Breakover (M gal):	3	8,000 \$ 66.50	\$ 195.50	\$ 129.00	193.98%	
11	Tier Two Breakover (M gal):	10	9,000 \$ 68.75	\$ 201.00	\$ 132.25	192.36%	
12	Tier Three Breakover (M gal):	999,999	10,000 \$ 71.00	\$ 206.50	\$ 135.50	190.85%	
13			12,000 \$ 76.40	\$ 217.50	\$ 141.10	184.69%	
14	<b>Proposed Rates:</b>						
15	Base Charge:	\$ 151.50	14,000 \$ 81.80	\$ 228.50	\$ 146.70	179.34%	
16			16,000 \$ 87.20	\$ 239.50	\$ 152.30	174.66%	
17			18,000 \$ 92.60	\$ 250.50	\$ 157.90	170.52%	
18			20,000 \$ 98.00	\$ 261.50	\$ 163.50	166.84%	
19	Tier One Rate:		25,000 \$ 111.50	\$ 289.00	\$ 177.50	159.19%	
20	Tier Two Rate:	\$ 5.50	30,000 \$ 125.00	\$ 316.50	\$ 191.50	153.20%	
21	Tier Three Rate:	\$ 6.40	35,000 \$ 138.50	\$ 344.00	\$ 205.50	148.38%	
22			40,000 \$ 152.00	\$ 371.50	\$ 219.50	144.41%	
23			45,000 \$ 165.50	\$ 399.00	\$ 233.50	141.09%	
24	Tier One Breakover (M gal):	-	50,000 \$ 179.00	\$ 428.30	\$ 249.30	139.27%	
25	Tier Two Breakover (M gal):	48	60,000 \$ 206.00	\$ 492.30	\$ 286.30	138.98%	
26	Tier Three Breakover (M gal):	999,999	70,000 \$ 233.00	\$ 556.30	\$ 323.30	138.76%	
27			80,000 \$ 260.00	\$ 620.30	\$ 360.30	138.58%	
28			90,000 \$ 287.00	\$ 684.30	\$ 397.30	138.43%	
29			100,000 \$ 314.00	\$ 748.30	\$ 434.30	138.31%	
30			Average Usage				
31			6,425 \$	\$ 62.96	\$ 186.84	\$ 123.88	196.76%
32			Median Usage				
33			5,700 \$	\$ 61.33	\$ 182.85	\$ 121.52	198.14%
34							

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

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

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>	-	\$ 12.50	\$ 30.30	\$ 17.80	142.40%
2	Base Charge:	\$ 12.50	1,000 \$ 14.25	34.55 \$ 20.30	142.46%	
3		2,000 \$ 16.00	38.80 \$ 22.80	142.50%		
4		3,000 \$ 17.75	43.05 \$ 25.30	142.54%		
5	Tier One Rate:	\$ 1.75	4,000 \$ 20.00	48.55 \$ 28.55	142.75%	
6	Tier Two Rate:	\$ 2.25	5,000 \$ 22.25	54.05 \$ 31.80	142.92%	
7	Tier Three Rate:	\$ 2.70	6,000 \$ 24.50	59.55 \$ 35.05	143.06%	
8		7,000 \$ 26.75	65.05 \$ 38.30	143.18%		
9	Tier One Breakover (M gal):	3	8,000 \$ 29.00	70.55 \$ 41.55	143.28%	
10	Tier Two Breakover (M gal):	10	9,000 \$ 31.25	76.05 \$ 44.80	143.36%	
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 33.50	81.55 \$ 48.05	143.43%	
12		12,000 \$ 38.90	93.45 \$ 54.55	140.23%		
13		14,000 \$ 44.30	106.25 \$ 61.95	139.84%		
14	<b>Proposed Rates:</b>	16,000 \$ 49.70	119.05 \$ 69.35	139.54%		
15	Base Charge:	\$ 30.30	18,000 \$ 55.10	131.85 \$ 76.75	139.29%	
16		20,000 \$ 60.50	144.65 \$ 84.15	139.09%		
17		25,000 \$ 74.00	176.65 \$ 102.65	138.72%		
18	Tier One Rate:		30,000 \$ 87.50	208.65 \$ 121.15	138.46%	
19	Tier Two Rate:	\$ 5.50	35,000 \$ 101.00	240.65 \$ 139.65	138.27%	
20	Tier Three Rate:	\$ 6.40	40,000 \$ 114.50	272.65 \$ 158.15	138.12%	
21		45,000 \$ 128.00	304.65 \$ 176.65	138.01%		
22	Tier One Breakover (M gal):	3	50,000 \$ 141.50	336.65 \$ 195.15	137.92%	
23	Tier Two Breakover (M gal):	11	60,000 \$ 168.50	400.65 \$ 232.15	137.77%	
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 195.50	464.65 \$ 269.15	137.67%	
25		80,000 \$ 222.50	528.65 \$ 306.15	137.60%		
26		90,000 \$ 249.50	592.65 \$ 343.15	137.54%		
27		100,000 \$ 276.50	656.65 \$ 380.15	137.49%		
28						
29		Average Usage				
30		5,234 \$	22.78 \$	55.34 \$	32.56	142.93%
31		Median Usage				
32		1,489 \$	15.11 \$	36.63 \$	21.52	142.42%
33						
34						

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

Class: Commercial  
 Meter Size: 1"  
 Rate Code: R3

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>	-	\$ 30.00	\$ 75.75	\$ 45.75	152.50%
2	Base Charge: \$ 30.00	1,000	\$ 31.75	\$ 81.25	\$ 49.50	155.91%
3		2,000	\$ 33.50	\$ 86.75	\$ 53.25	158.96%
4		3,000	\$ 35.25	\$ 92.25	\$ 57.00	161.70%
5	Tier One Rate: \$ 1.75	4,000	\$ 37.50	\$ 97.75	\$ 60.25	160.67%
6	Tier Two Rate: \$ 2.25	5,000	\$ 39.75	\$ 103.25	\$ 63.50	159.75%
7	Tier Three Rate: \$ 2.70	6,000	\$ 42.00	\$ 108.75	\$ 66.75	158.93%
8		7,000	\$ 44.25	\$ 114.25	\$ 70.00	158.19%
9	Tier One Breakover (M gal): 3	8,000	\$ 46.50	\$ 119.75	\$ 73.25	157.53%
10	Tier Two Breakover (M gal): 10	9,000	\$ 48.75	\$ 125.25	\$ 76.50	156.92%
11	Tier Three Breakover (M gal): 999,999	10,000	\$ 51.00	\$ 130.75	\$ 79.75	156.37%
12		12,000	\$ 56.40	\$ 141.75	\$ 85.35	151.33%
13		14,000	\$ 61.80	\$ 152.75	\$ 90.95	147.17%
14	<b>Proposed Rates:</b>	16,000	\$ 67.20	\$ 163.75	\$ 96.55	143.68%
15	Base Charge: \$ 75.75	18,000	\$ 72.60	\$ 174.75	\$ 102.15	140.70%
16		20,000	\$ 78.00	\$ 185.75	\$ 107.75	138.14%
17		25,000	\$ 91.50	\$ 213.25	\$ 121.75	133.06%
18	Tier One Rate:	30,000	\$ 105.00	\$ 242.55	\$ 137.55	131.00%
19	Tier Two Rate: \$ 5.50	35,000	\$ 118.50	\$ 274.55	\$ 156.05	131.69%
20	Tier Three Rate: \$ 6.40	40,000	\$ 132.00	\$ 306.55	\$ 174.55	132.23%
21		45,000	\$ 145.50	\$ 338.55	\$ 193.05	132.68%
22	Tier One Breakover (M gal): -	50,000	\$ 159.00	\$ 370.55	\$ 211.55	133.05%
23	Tier Two Breakover (M gal): 28	60,000	\$ 186.00	\$ 434.55	\$ 248.55	133.63%
24	Tier Three Breakover (M gal): 999,999	70,000	\$ 213.00	\$ 498.55	\$ 285.55	134.06%
25		80,000	\$ 240.00	\$ 562.55	\$ 322.55	134.40%
26		90,000	\$ 267.00	\$ 626.55	\$ 359.55	134.66%
27		100,000	\$ 294.00	\$ 690.55	\$ 396.55	134.88%
28						
29		Average Usage				
30		3,907	\$ 37.29	\$ 97.24	\$ 59.95	160.77%
31		Median Usage				
32		581	\$ 31.02	\$ 78.95	\$ 47.93	154.51%
33						
34						

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

Class: Commercial  
 Meter Size: 1.5"  
 Rate Code: R4

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>	-	\$ 50.00	\$ 151.50	\$ 101.50	203.00%
2	Base Charge: \$ 50.00	1,000	\$ 51.75	\$ 157.00	\$ 105.25	203.38%
3		2,000	\$ 53.50	\$ 162.50	\$ 109.00	203.74%
4		3,000	\$ 55.25	\$ 168.00	\$ 112.75	204.07%
5	Tier One Rate: \$ 1.75	4,000	\$ 57.50	\$ 173.50	\$ 116.00	201.74%
6	Tier Two Rate: \$ 2.25	5,000	\$ 59.75	\$ 179.00	\$ 119.25	199.58%
7	Tier Three Rate: \$ 2.70	6,000	\$ 62.00	\$ 184.50	\$ 122.50	197.58%
8		7,000	\$ 64.25	\$ 190.00	\$ 125.75	195.72%
9	Tier One Breakover (M gal): 3	8,000	\$ 66.50	\$ 195.50	\$ 129.00	193.98%
10	Tier Two Breakover (M gal): 10	9,000	\$ 68.75	\$ 201.00	\$ 132.25	192.36%
11	Tier Three Breakover (M gal): 999,999	10,000	\$ 71.00	\$ 206.50	\$ 135.50	190.85%
12		12,000	\$ 76.40	\$ 217.50	\$ 141.10	184.69%
13		14,000	\$ 81.80	\$ 228.50	\$ 146.70	179.34%
14	<b>Proposed Rates:</b>	16,000	\$ 87.20	\$ 239.50	\$ 152.30	174.66%
15	Base Charge: \$ 151.50	18,000	\$ 92.60	\$ 250.50	\$ 157.90	170.52%
16		20,000	\$ 98.00	\$ 261.50	\$ 163.50	166.84%
17		25,000	\$ 111.50	\$ 289.00	\$ 177.50	159.19%
18	Tier One Rate:	30,000	\$ 125.00	\$ 316.50	\$ 191.50	153.20%
19	Tier Two Rate: \$ 5.50	35,000	\$ 138.50	\$ 344.00	\$ 205.50	148.38%
20	Tier Three Rate: \$ 6.40	40,000	\$ 152.00	\$ 371.50	\$ 219.50	144.41%
21		45,000	\$ 165.50	\$ 399.00	\$ 233.50	141.09%
22	Tier One Breakover (M gal): -	50,000	\$ 179.00	\$ 428.30	\$ 249.30	139.27%
23	Tier Two Breakover (M gal): 48	60,000	\$ 206.00	\$ 492.30	\$ 286.30	138.98%
24	Tier Three Breakover (M gal): 999,999	70,000	\$ 233.00	\$ 556.30	\$ 323.30	138.76%
25		80,000	\$ 260.00	\$ 620.30	\$ 360.30	138.58%
26		90,000	\$ 287.00	\$ 684.30	\$ 397.30	138.43%
27		100,000	\$ 314.00	\$ 748.30	\$ 434.30	138.31%
28						
29		Average Usage				
30		21,956	\$ 103.28	\$ 272.26	\$ 168.98	163.61%
31		Median Usage				
32		20,567	\$ 99.53	\$ 264.62	\$ 165.09	165.87%
33						
34						

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

Class: Commercial  
 Meter Size: 2"  
 Rate Code: R5

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>	-	\$ 80.00	\$ 242.40	\$ 162.40	203.00%
2	Base Charge:	\$ 80.00	1,000 \$ 81.75	247.90 \$ 166.15	203.24%	
3			2,000 \$ 83.50	253.40 \$ 169.90	203.47%	
4			3,000 \$ 85.25	258.90 \$ 173.65	203.70%	
5	Tier One Rate:	\$ 1.75	4,000 \$ 87.50	264.40 \$ 176.90	202.17%	
6	Tier Two Rate:	\$ 2.25	5,000 \$ 89.75	269.90 \$ 180.15	200.72%	
7	Tier Three Rate:	\$ 2.70	6,000 \$ 92.00	275.40 \$ 183.40	199.35%	
8			7,000 \$ 94.25	280.90 \$ 186.65	198.04%	
9	Tier One Breakover (M gal):	3	8,000 \$ 96.50	286.40 \$ 189.90	196.79%	
10	Tier Two Breakover (M gal):	10	9,000 \$ 98.75	291.90 \$ 193.15	195.59%	
11	Tier Three Breakover (M gal):	999,999	10,000 \$ 101.00	297.40 \$ 196.40	194.46%	
12			12,000 \$ 106.40	308.40 \$ 202.00	189.85%	
13			14,000 \$ 111.80	319.40 \$ 207.60	185.69%	
14	<b>Proposed Rates:</b>		16,000 \$ 117.20	330.40 \$ 213.20	181.91%	
15	Base Charge:	\$ 242.40	18,000 \$ 122.60	341.40 \$ 218.80	178.47%	
16			20,000 \$ 128.00	352.40 \$ 224.40	175.31%	
17			25,000 \$ 141.50	379.90 \$ 238.40	168.48%	
18	Tier One Rate:		30,000 \$ 155.00	407.40 \$ 252.40	162.84%	
19	Tier Two Rate:	\$ 5.50	35,000 \$ 168.50	434.90 \$ 266.40	158.10%	
20	Tier Three Rate:	\$ 6.40	40,000 \$ 182.00	462.40 \$ 280.40	154.07%	
21			45,000 \$ 195.50	489.90 \$ 294.40	150.59%	
22	Tier One Breakover (M gal):	-	50,000 \$ 209.00	517.40 \$ 308.40	147.56%	
23	Tier Two Breakover (M gal):	112	60,000 \$ 236.00	572.40 \$ 336.40	142.54%	
24	Tier Three Breakover (M gal):	999,999	70,000 \$ 263.00	627.40 \$ 364.40	138.56%	
25			80,000 \$ 290.00	682.40 \$ 392.40	135.31%	
26			90,000 \$ 317.00	737.40 \$ 420.40	132.62%	
27			100,000 \$ 344.00	792.40 \$ 448.40	130.35%	
28						
29						
30		Average Usage	89,799 \$ 316.46	736.29 \$ 419.83	132.66%	
31		Median Usage	47,700 \$ 202.79	504.75 \$ 301.96	148.90%	
32						
33						
34						

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

Class: Bulk Water - Metered  
 Meter Size: All  
 Rate Code: 0

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>	-	\$ -	\$ 20.00	\$ 20.00	#DIV/0!
2	Base Charge:	1,000	\$ 5.00	\$ 32.00	\$ 27.00	540.00%
3		2,000	\$ 10.00	\$ 44.00	\$ 34.00	340.00%
4		3,000	\$ 15.00	\$ 56.00	\$ 41.00	273.33%
5	Tier One Rate:	4,000	\$ 20.00	\$ 68.00	\$ 48.00	240.00%
6	Tier Two Rate:	5,000	\$ 25.00	\$ 80.00	\$ 55.00	220.00%
7	Tier Three Rate:	6,000	\$ 30.00	\$ 92.00	\$ 62.00	206.67%
8		7,000	\$ 35.00	\$ 104.00	\$ 69.00	197.14%
9	Tier One Breakover (M gal):	-	\$ 8.00	\$ 116.00	\$ 76.00	190.00%
10	Tier Two Breakover (M gal):	-	\$ 9.00	\$ 128.00	\$ 83.00	184.44%
11	Tier Three Breakover (M gal):	999,999	\$ 10.00	\$ 140.00	\$ 90.00	180.00%
12		12,000	\$ 60.00	\$ 164.00	\$ 104.00	173.33%
13		14,000	\$ 70.00	\$ 188.00	\$ 118.00	168.57%
14	<b>Proposed Rates:</b>	16,000	\$ 80.00	\$ 212.00	\$ 132.00	165.00%
15	Base Charge:	18,000	\$ 90.00	\$ 236.00	\$ 146.00	162.22%
16		20,000	\$ 100.00	\$ 260.00	\$ 160.00	160.00%
17		25,000	\$ 125.00	\$ 320.00	\$ 195.00	156.00%
18	Tier One Rate:	30,000	\$ 150.00	\$ 380.00	\$ 230.00	153.33%
19	Tier Two Rate:	35,000	\$ 175.00	\$ 440.00	\$ 265.00	151.43%
20	Tier Three Rate:	40,000	\$ 200.00	\$ 500.00	\$ 300.00	150.00%
21		45,000	\$ 225.00	\$ 560.00	\$ 335.00	148.89%
22	Tier One Breakover (M gal):	-	\$ 50.00	\$ 620.00	\$ 370.00	148.00%
23	Tier Two Breakover (M gal):	-	\$ 60.00	\$ 740.00	\$ 440.00	146.67%
24	Tier Three Breakover (M gal):	999,999	\$ 70.00	\$ 860.00	\$ 510.00	145.71%
25		80,000	\$ 400.00	\$ 980.00	\$ 580.00	145.00%
26		90,000	\$ 450.00	\$ 1,100.00	\$ 650.00	144.44%
27		100,000	\$ 500.00	\$ 1,220.00	\$ 720.00	144.00%
28						
29		Average Usage				
30		50,881	\$ 254.41	\$ 630.57	\$ 376.16	147.86%
31		Median Usage				
32		28,648	\$ 143.24	\$ 363.78	\$ 220.54	153.97%
33						
34						

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Typical Bill Analysis

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

Class: Bulk Water - Standpipe  
 Meter Size: Automated Standpipe  
 Rate Code: 0

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase	
1	<b>Present Rates:</b>	-	\$ -	\$ -	\$ -	#DIV/0!	
2	Base Charge:	1,000	\$ 5.00	\$ 12.00	\$ 7.00	140.00%	
3		2,000	\$ 10.00	\$ 24.00	\$ 14.00	140.00%	
4		3,000	\$ 15.00	\$ 36.00	\$ 21.00	140.00%	
5	Tier One Rate:	4,000	\$ 20.00	\$ 48.00	\$ 28.00	140.00%	
6	Tier Two Rate:	5,000	\$ 25.00	\$ 60.00	\$ 35.00	140.00%	
7	Tier Three Rate:	\$ 5.00	\$ 30.00	\$ 72.00	\$ 42.00	140.00%	
8		7,000	\$ 35.00	\$ 84.00	\$ 49.00	140.00%	
9	Tier One Breakover (M gal):	-	\$ 8.00	\$ 40.00	\$ 56.00	140.00%	
10	Tier Two Breakover (M gal):	-	\$ 9.00	\$ 45.00	\$ 63.00	140.00%	
11	Tier Three Breakover (M gal):	999,999	\$ 10.00	\$ 50.00	\$ 70.00	140.00%	
12		12,000	\$ 60.00	\$ 144.00	\$ 84.00	140.00%	
13		14,000	\$ 70.00	\$ 168.00	\$ 98.00	140.00%	
14	<b>Proposed Rates:</b>	16,000	\$ 80.00	\$ 192.00	\$ 112.00	140.00%	
15	Base Charge:	18,000	\$ 90.00	\$ 216.00	\$ 126.00	140.00%	
16		20,000	\$ 100.00	\$ 240.00	\$ 140.00	140.00%	
17		25,000	\$ 125.00	\$ 300.00	\$ 175.00	140.00%	
18	Tier One Rate:	30,000	\$ 150.00	\$ 360.00	\$ 210.00	140.00%	
19	Tier Two Rate:	35,000	\$ 175.00	\$ 420.00	\$ 245.00	140.00%	
20	Tier Three Rate:	\$ 12.00	\$ 40.00	\$ 200.00	\$ 480.00	\$ 280.00	140.00%
21		45,000	\$ 225.00	\$ 540.00	\$ 315.00	140.00%	
22	Tier One Breakover (M gal):	-	\$ 50.00	\$ 250.00	\$ 600.00	\$ 350.00	140.00%
23	Tier Two Breakover (M gal):	-	\$ 60.00	\$ 300.00	\$ 720.00	\$ 420.00	140.00%
24	Tier Three Breakover (M gal):	999,999	\$ 70.00	\$ 350.00	\$ 840.00	\$ 490.00	140.00%
25		80,000	\$ 400.00	\$ 960.00	\$ 560.00	140.00%	
26		90,000	\$ 450.00	\$ 1,080.00	\$ 630.00	140.00%	
27		100,000	\$ 500.00	\$ 1,200.00	\$ 700.00	140.00%	
28							
29		Average Usage					
30		386,475	\$ 1,932.38	\$ 4,637.70	\$ 2,705.32	140.00%	
31		Median Usage					
32		373,580	\$ 1,867.90	\$ 4,482.96	\$ 2,615.06	140.00%	
33							
34							

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

Rate Tiers		Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
				Base Charge:	\$ 12.50	\$ 30.30
Tier One Breakover (M gal):		3	3	Tier One Rate:	\$ 1.75	\$ 4.25
Tier Two Breakover (M gal):		10	11	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):		999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	278	-	-	278	10.73%	-	0.00%
2	1	371	447	165,820	649	25.06%	165,820	1.37%
3	1,001	368	1,518	558,546	1,017	39.27%	724,366	6.01%
4	2,001	375	2,470	926,410	1,392	53.75%	1,650,776	13.69%
5	3,001	278	3,459	961,610	1,670	64.48%	2,612,386	21.66%
6	4,001	190	4,511	857,095	1,860	71.81%	3,469,481	28.77%
7	5,001	131	5,455	714,620	1,991	76.87%	4,184,101	34.69%
8	6,001	101	6,455	651,980	2,092	80.77%	4,836,081	40.10%
9	7,001	71	7,466	530,060	2,163	83.51%	5,366,141	44.50%
10	8,001	84	8,472	711,640	2,247	86.76%	6,077,781	50.40%
11	9,001	43	9,406	404,460	2,290	88.42%	6,482,241	53.75%
12	10,001	40	10,496	419,840	2,330	89.96%	6,902,081	57.23%
13	11,001	31	11,548	358,000	2,361	91.16%	7,260,081	60.20%
14	12,001	21	12,498	262,450	2,382	91.97%	7,522,531	62.38%
15	13,001	24	13,510	324,230	2,406	92.90%	7,846,761	65.07%
16	14,001	23	14,440	332,120	2,429	93.78%	8,178,881	67.82%
17	15,001	28	15,529	434,800	2,457	94.86%	8,613,681	71.42%
18	16,001	22	16,483	362,620	2,479	95.71%	8,976,301	74.43%
19	17,001	12	17,458	209,500	2,491	96.18%	9,185,801	76.17%
20	18,001	10	18,553	185,530	2,501	96.56%	9,371,331	77.71%
21	19,001	8	19,573	156,580	2,509	96.87%	9,527,911	79.01%
22	20,001	8	20,500	164,000	2,517	97.18%	9,691,911	80.37%
23	21,001	9	21,504	193,540	2,526	97.53%	9,885,451	81.97%
24	22,001	7	22,414	156,900	2,533	97.80%	10,042,351	83.27%
25	23,001	8	23,460	187,680	2,541	98.11%	10,230,031	84.83%
26	24,001	3	24,470	73,410	2,544	98.22%	10,303,441	85.44%
27	25,001	3	25,457	76,370	2,547	98.34%	10,379,811	86.07%
28	26,001	7	26,434	185,040	2,554	98.61%	10,564,851	87.60%
29	27,001	-	-	-	2,554	98.61%	10,564,851	87.60%
30	28,001	2	28,605	57,210	2,556	98.69%	10,622,061	88.08%
31	29,001	3	29,103	87,310	2,559	98.80%	10,709,371	88.80%
32	30,001	6	30,597	183,580	2,565	99.03%	10,892,951	90.32%
33	31,001	2	31,100	62,200	2,567	99.11%	10,955,151	90.84%
34	32,001	1	32,260	32,260	2,568	99.15%	10,987,411	91.11%
35	33,001	1	33,980	33,980	2,569	99.19%	11,021,391	91.39%
36	34,001	1	34,850	34,850	2,570	99.23%	11,056,241	91.68%
37	35,001	-	-	-	2,570	99.23%	11,056,241	91.68%
38	36,001	1	36,300	36,300	2,571	99.27%	11,092,541	91.98%
39	37,001	1	37,490	37,490	2,572	99.31%	11,130,031	92.29%
40	38,001	-	-	-	2,572	99.31%	11,130,031	92.29%
41	39,001	1	39,650	39,650	2,573	99.34%	11,169,681	92.62%
42	40,001	1	40,550	40,550	2,574	99.38%	11,210,231	92.96%
43	41,001	2	41,520	83,040	2,576	99.46%	11,293,271	93.64%
44	42,001	1	42,210	42,210	2,577	99.50%	11,335,481	93.99%
45	43,001	-	-	-	2,577	99.50%	11,335,481	93.99%
46	44,001	2	44,780	89,560	2,579	99.58%	11,425,041	94.74%
47	45,001	1	45,380	45,380	2,580	99.61%	11,470,421	95.11%
48	46,001	-	-	-	2,580	99.61%	11,470,421	95.11%
49	47,001	-	-	-	2,580	99.61%	11,470,421	95.11%
50	48,001	-	-	-	2,580	99.61%	11,470,421	95.11%
51	49,001	1	49,400	49,400	2,581	99.65%	11,519,821	95.52%
52	50,001	2	50,325	100,650	2,583	99.73%	11,620,471	96.36%
53	51,001	-	-	-	2,583	99.73%	11,620,471	96.36%

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 12.50	\$ 30.30
Tier One Breakover (M gal):	3	3	Tier One Rate:	\$ 1.75	\$ 4.25
Tier Two Breakover (M gal):	10	11	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	2,583	99.73%	11,620,471	96.36%
55	53,001 - 54,000	-	-	-	2,583	99.73%	11,620,471	96.36%
56	54,001 - 55,000	-	-	-	2,583	99.73%	11,620,471	96.36%
57	55,001 - 56,000	1	55,220	55,220	2,584	99.77%	11,675,691	96.82%
58	56,001 - 57,000	-	-	-	2,584	99.77%	11,675,691	96.82%
59	57,001 - 58,000	-	-	-	2,584	99.77%	11,675,691	96.82%
60	58,001 - 59,000	-	-	-	2,584	99.77%	11,675,691	96.82%
61	59,001 - 60,000	-	-	-	2,584	99.77%	11,675,691	96.82%
62	60,001 - 61,000	1	60,600	60,600	2,585	99.81%	11,736,291	97.32%
63	61,001 - 62,000	1	61,990	61,990	2,586	99.85%	11,798,281	97.83%
64	62,001 - 63,000	-	-	-	2,586	99.85%	11,798,281	97.83%
65	63,001 - 64,000	1	63,640	63,640	2,587	99.88%	11,861,921	98.36%
66	64,001 - 65,000	1	64,940	64,940	2,588	99.92%	11,926,861	98.90%
67	65,001 - 66,000	-	-	-	2,588	99.92%	11,926,861	98.90%
68	66,001 - 67,000	2	66,465	132,930	2,590	100.00%	12,059,791	100.00%
69	67,001 - 68,000	-	-	-	2,590	100.00%	12,059,791	100.00%
70	68,001 - 69,000	-	-	-	2,590	100.00%	12,059,791	100.00%
71	69,001 - 70,000	-	-	-	2,590	100.00%	12,059,791	100.00%
72	70,001 - 71,000	-	-	-	2,590	100.00%	12,059,791	100.00%
73	71,001 - 72,000	-	-	-	2,590	100.00%	12,059,791	100.00%
74	72,001 - 73,000	-	-	-	2,590	100.00%	12,059,791	100.00%
75	73,001 - 74,000	-	-	-	2,590	100.00%	12,059,791	100.00%
76	74,001 - 75,000	-	-	-	2,590	100.00%	12,059,791	100.00%
77	75,001 - 76,000	-	-	-	2,590	100.00%	12,059,791	100.00%
78	76,001 - 77,000	-	-	-	2,590	100.00%	12,059,791	100.00%
79	77,001 - 78,000	-	-	-	2,590	100.00%	12,059,791	100.00%
80	78,001 - 79,000	-	-	-	2,590	100.00%	12,059,791	100.00%
81	79,001 - 80,000	-	-	-	2,590	100.00%	12,059,791	100.00%
82	80,001 - 81,000	-	-	-	2,590	100.00%	12,059,791	100.00%
83	81,001 - 82,000	-	-	-	2,590	100.00%	12,059,791	100.00%
84	82,001 - 83,000	-	-	-	2,590	100.00%	12,059,791	100.00%
85	83,001 - 84,000	-	-	-	2,590	100.00%	12,059,791	100.00%
86	84,001 - 85,000	-	-	-	2,590	100.00%	12,059,791	100.00%
87	85,001 - 86,000	-	-	-	2,590	100.00%	12,059,791	100.00%
88	86,001 - 87,000	-	-	-	2,590	100.00%	12,059,791	100.00%
89	87,001 - 88,000	-	-	-	2,590	100.00%	12,059,791	100.00%
90	88,001 - 89,000	-	-	-	2,590	100.00%	12,059,791	100.00%
91	89,001 - 90,000	-	-	-	2,590	100.00%	12,059,791	100.00%
92	90,001 - 91,000	-	-	-	2,590	100.00%	12,059,791	100.00%
93	91,001 - 92,000	-	-	-	2,590	100.00%	12,059,791	100.00%
94	92,001 - 93,000	-	-	-	2,590	100.00%	12,059,791	100.00%
95	93,001 - 94,000	-	-	-	2,590	100.00%	12,059,791	100.00%
96	94,001 - 95,000	-	-	-	2,590	100.00%	12,059,791	100.00%
97	95,001 - 96,000	-	-	-	2,590	100.00%	12,059,791	100.00%
98	96,001 - 97,000	-	-	-	2,590	100.00%	12,059,791	100.00%
99	97,001 - 98,000	-	-	-	2,590	100.00%	12,059,791	100.00%
100	98,001 - 99,000	-	-	-	2,590	100.00%	12,059,791	100.00%
101	99,001 - 100,000	-	-	-	2,590	100.00%	12,059,791	100.00%

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 12.50	\$ 30.30
Tier One Breakover (M gal):	3	3	Tier One Rate:	\$ 1.75	\$ 4.25
Tier Two Breakover (M gal):	10	11	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
113								
114	Totals	2,590		12,059,791	2,590		12,059,791	
115								
116	Total Bills	2,590						
117								
118								
119	Average Number of Customers		216					
120								
121	Average Consumption (gallons)		4,656					
122								
123	Median Consumption (gallons)		2,470					
124								
125								
126								

  

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
Base Charge	2,590	\$ 32,375	2,590	\$ 78,477
Usage (gallons)				
Tier One	5,244,776	\$ 9,178	5,244,776	\$ 22,290
Tier Two	4,237,465	9,534	4,517,305	24,845
Tier Three	2,577,550	6,959	2,297,710	14,705
Usage Totals	12,059,791		12,059,791	
Revenue Totals		\$ 58,047		\$ 140,318

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Residential  
 Meter Size: 3/4"  
 Rate Code: R2

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 16.00	\$ 45.45
Tier One Breakover (M gal):	3	3	Tier One Rate:	\$ 1.75	\$ 4.25
Tier Two Breakover (M gal):	10	20	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total		
1	-	-	-	-	-	0.00%	-	0.00%		
2	1	-	1,000	-	-	0.00%	-	0.00%		
3	1,001	-	2,000	-	-	0.00%	-	0.00%		
4	2,001	-	3,000	-	-	0.00%	-	0.00%		
5	3,001	-	4,000	-	-	0.00%	-	0.00%		
6	4,001	-	5,000	-	-	0.00%	-	0.00%		
7	5,001	-	6,000	-	-	0.00%	-	0.00%		
8	6,001	-	7,000	-	-	0.00%	-	0.00%		
9	7,001	-	8,000	-	-	0.00%	-	0.00%		
10	8,001	-	9,000	-	-	0.00%	-	0.00%		
11	9,001	-	10,000	-	-	0.00%	-	0.00%		
12	10,001	-	11,000	-	-	0.00%	-	0.00%		
13	11,001	-	12,000	-	-	0.00%	-	0.00%		
14	12,001	-	13,000	-	-	0.00%	-	0.00%		
15	13,001	-	14,000	-	-	0.00%	-	0.00%		
16	14,001	-	15,000	-	-	0.00%	-	0.00%		
17	15,001	-	16,000	2	15,415	30,830	2	16.67%	30,830	7.23%
18	16,001	-	17,000	-	-	-	2	16.67%	30,830	7.23%
19	17,001	-	18,000	-	-	-	2	16.67%	30,830	7.23%
20	18,001	-	19,000	-	-	-	2	16.67%	30,830	7.23%
21	19,001	-	20,000	1	19,820	19,820	3	25.00%	50,650	11.87%
22	20,001	-	21,000	1	20,800	20,800	4	33.33%	71,450	16.75%
23	21,001	-	22,000	-	-	-	4	33.33%	71,450	16.75%
24	22,001	-	23,000	-	-	-	4	33.33%	71,450	16.75%
25	23,001	-	24,000	-	-	-	4	33.33%	71,450	16.75%
26	24,001	-	25,000	-	-	-	4	33.33%	71,450	16.75%
27	25,001	-	26,000	-	-	-	4	33.33%	71,450	16.75%
28	26,001	-	27,000	-	-	-	4	33.33%	71,450	16.75%
29	27,001	-	28,000	-	-	-	4	33.33%	71,450	16.75%
30	28,001	-	29,000	-	-	-	4	33.33%	71,450	16.75%
31	29,001	-	30,000	-	-	-	4	33.33%	71,450	16.75%
32	30,001	-	31,000	-	-	-	4	33.33%	71,450	16.75%
33	31,001	-	32,000	-	-	-	4	33.33%	71,450	16.75%
34	32,001	-	33,000	2	32,480	64,960	6	50.00%	136,410	31.98%
35	33,001	-	34,000	-	-	-	6	50.00%	136,410	31.98%
36	34,001	-	35,000	1	34,350	34,350	7	58.33%	170,760	40.03%
37	35,001	-	36,000	-	-	-	7	58.33%	170,760	40.03%
38	36,001	-	37,000	-	-	-	7	58.33%	170,760	40.03%
39	37,001	-	38,000	-	-	-	7	58.33%	170,760	40.03%
40	38,001	-	39,000	-	-	-	7	58.33%	170,760	40.03%
41	39,001	-	40,000	1	39,490	39,490	8	66.67%	210,250	49.29%
42	40,001	-	41,000	-	-	-	8	66.67%	210,250	49.29%
43	41,001	-	42,000	1	41,930	41,930	9	75.00%	252,180	59.12%
44	42,001	-	43,000	-	-	-	9	75.00%	252,180	59.12%
45	43,001	-	44,000	-	-	-	9	75.00%	252,180	59.12%
46	44,001	-	45,000	1	44,190	44,190	10	83.33%	296,370	69.47%
47	45,001	-	46,000	-	-	-	10	83.33%	296,370	69.47%
48	46,001	-	47,000	-	-	-	10	83.33%	296,370	69.47%
49	47,001	-	48,000	-	-	-	10	83.33%	296,370	69.47%
50	48,001	-	49,000	-	-	-	10	83.33%	296,370	69.47%
51	49,001	-	50,000	1	49,210	49,210	11	91.67%	345,580	81.01%
52	50,001	-	51,000	-	-	-	11	91.67%	345,580	81.01%
53	51,001	-	52,000	-	-	-	11	91.67%	345,580	81.01%

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Residential  
 Meter Size: 3/4"  
 Rate Code: R2

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 16.00	\$ 45.45
Tier One Breakover (M gal):	3	3	Tier One Rate:	\$ 1.75	\$ 4.25
Tier Two Breakover (M gal):	10	20	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	11	91.67%	345,580	81.01%
55	53,001 - 54,000	-	-	-	11	91.67%	345,580	81.01%
56	54,001 - 55,000	-	-	-	11	91.67%	345,580	81.01%
57	55,001 - 56,000	-	-	-	11	91.67%	345,580	81.01%
58	56,001 - 57,000	-	-	-	11	91.67%	345,580	81.01%
59	57,001 - 58,000	-	-	-	11	91.67%	345,580	81.01%
60	58,001 - 59,000	-	-	-	11	91.67%	345,580	81.01%
61	59,001 - 60,000	-	-	-	11	91.67%	345,580	81.01%
62	60,001 - 61,000	-	-	-	11	91.67%	345,580	81.01%
63	61,001 - 62,000	-	-	-	11	91.67%	345,580	81.01%
64	62,001 - 63,000	-	-	-	11	91.67%	345,580	81.01%
65	63,001 - 64,000	-	-	-	11	91.67%	345,580	81.01%
66	64,001 - 65,000	-	-	-	11	91.67%	345,580	81.01%
67	65,001 - 66,000	-	-	-	11	91.67%	345,580	81.01%
68	66,001 - 67,000	-	-	-	11	91.67%	345,580	81.01%
69	67,001 - 68,000	-	-	-	11	91.67%	345,580	81.01%
70	68,001 - 69,000	-	-	-	11	91.67%	345,580	81.01%
71	69,001 - 70,000	-	-	-	11	91.67%	345,580	81.01%
72	70,001 - 71,000	-	-	-	11	91.67%	345,580	81.01%
73	71,001 - 72,000	-	-	-	11	91.67%	345,580	81.01%
74	72,001 - 73,000	-	-	-	11	91.67%	345,580	81.01%
75	73,001 - 74,000	-	-	-	11	91.67%	345,580	81.01%
76	74,001 - 75,000	-	-	-	11	91.67%	345,580	81.01%
77	75,001 - 76,000	-	-	-	11	91.67%	345,580	81.01%
78	76,001 - 77,000	-	-	-	11	91.67%	345,580	81.01%
79	77,001 - 78,000	-	-	-	11	91.67%	345,580	81.01%
80	78,001 - 79,000	-	-	-	11	91.67%	345,580	81.01%
81	79,001 - 80,000	-	-	-	11	91.67%	345,580	81.01%
82	80,001 - 81,000	-	-	-	11	91.67%	345,580	81.01%
83	81,001 - 82,000	1	81,010	81,010	12	100.00%	426,590	100.00%
84	82,001 - 83,000	-	-	-	12	100.00%	426,590	100.00%
85	83,001 - 84,000	-	-	-	12	100.00%	426,590	100.00%
86	84,001 - 85,000	-	-	-	12	100.00%	426,590	100.00%
87	85,001 - 86,000	-	-	-	12	100.00%	426,590	100.00%
88	86,001 - 87,000	-	-	-	12	100.00%	426,590	100.00%
89	87,001 - 88,000	-	-	-	12	100.00%	426,590	100.00%
90	88,001 - 89,000	-	-	-	12	100.00%	426,590	100.00%
91	89,001 - 90,000	-	-	-	12	100.00%	426,590	100.00%
92	90,001 - 91,000	-	-	-	12	100.00%	426,590	100.00%
93	91,001 - 92,000	-	-	-	12	100.00%	426,590	100.00%
94	92,001 - 93,000	-	-	-	12	100.00%	426,590	100.00%
95	93,001 - 94,000	-	-	-	12	100.00%	426,590	100.00%
96	94,001 - 95,000	-	-	-	12	100.00%	426,590	100.00%
97	95,001 - 96,000	-	-	-	12	100.00%	426,590	100.00%
98	96,001 - 97,000	-	-	-	12	100.00%	426,590	100.00%
99	97,001 - 98,000	-	-	-	12	100.00%	426,590	100.00%
100	98,001 - 99,000	-	-	-	12	100.00%	426,590	100.00%
101	99,001 - 100,000	-	-	-	12	100.00%	426,590	100.00%
105								
106	Totals	12		426,590	12		426,590	
107								
108	Total Bills	12				Current Rates		Proposed Rates

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Residential  
 Meter Size: 3/4"  
 Rate Code: R2

Rate Tiers	Present Rates	Proposed Rates	Charges	
			Present Rates	Proposed Rates
			Base Charge:	\$ 16.00 \$ 45.45
Tier One Breakover (M gal):	3	3	Tier One Rate:	\$ 1.75 \$ 4.25
Tier Two Breakover (M gal):	10	20	Tier Two Rate:	\$ 2.25 \$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70 \$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
109					Units	Revenue	Units	Revenue
110					Base Charge	12 \$ 192	12	\$ 545
111	Average Number of Customers		<u>1</u>					
112					<u>Usage (gallons)</u>			
113	Average Consumption (gallons)		<u>35,549</u>		Tier One	36,000 \$ 63	36,000	\$ 153
114					Tier Two	84,000 189	194,650	1,071
115	Median Consumption (gallons)		<u>32,480</u>		Tier Three	<u>306,590</u> 828	<u>195,940</u>	<u>1,254</u>
116					Usage Totals	426,590	426,590	
117					Revenue Totals	<u>\$ 1,272</u>		<u>\$ 3,023</u>
118								

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Residential  
 Meter Size: 1"  
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	30.00	\$ 75.75
Tier One Breakover (M gal):	3	-	Tier One Rate: \$	1.75	
Tier Two Breakover (M gal):	10	28	Tier Two Rate: \$	2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	-	-	-	-	0.00%	-	0.00%
2	1	1,000	-	-	-	0.00%	-	0.00%
3	1,001	2,000	4	1,580	4	8.33%	6,320	0.84%
4	2,001	3,000	8	2,463	12	25.00%	26,020	3.45%
5	3,001	4,000	2	3,940	14	29.17%	33,900	4.50%
6	4,001	5,000	2	4,795	16	33.33%	43,490	5.77%
7	5,001	6,000	-	-	16	33.33%	43,490	5.77%
8	6,001	7,000	2	6,710	18	37.50%	56,910	7.55%
9	7,001	8,000	-	-	18	37.50%	56,910	7.55%
10	8,001	9,000	-	-	18	37.50%	56,910	7.55%
11	9,001	10,000	1	9,170	19	39.58%	66,080	8.76%
12	10,001	11,000	1	10,670	20	41.67%	76,750	10.18%
13	11,001	12,000	1	11,990	21	43.75%	88,740	11.77%
14	12,001	13,000	1	12,720	22	45.83%	101,460	13.45%
15	13,001	14,000	1	13,790	23	47.92%	115,250	15.28%
16	14,001	15,000	2	14,515	25	52.08%	144,280	19.13%
17	15,001	16,000	2	15,475	27	56.25%	175,230	23.24%
18	16,001	17,000	2	16,390	29	60.42%	208,010	27.58%
19	17,001	18,000	2	17,310	31	64.58%	242,630	32.17%
20	18,001	19,000	2	18,270	33	68.75%	279,170	37.02%
21	19,001	20,000	-	-	33	68.75%	279,170	37.02%
22	20,001	21,000	-	-	33	68.75%	279,170	37.02%
23	21,001	22,000	-	-	33	68.75%	279,170	37.02%
24	22,001	23,000	1	22,520	34	70.83%	301,690	40.01%
25	23,001	24,000	2	23,580	36	75.00%	348,850	46.26%
26	24,001	25,000	-	-	36	75.00%	348,850	46.26%
27	25,001	26,000	2	25,525	38	79.17%	399,900	53.03%
28	26,001	27,000	2	26,535	40	83.33%	452,970	60.07%
29	27,001	28,000	2	27,630	42	87.50%	508,230	67.39%
30	28,001	29,000	1	28,700	43	89.58%	536,930	71.20%
31	29,001	30,000	1	29,500	44	91.67%	566,430	75.11%
32	30,001	31,000	-	-	44	91.67%	566,430	75.11%
33	31,001	32,000	-	-	44	91.67%	566,430	75.11%
34	32,001	33,000	2	32,285	46	95.83%	631,000	83.67%
35	33,001	34,000	-	-	46	95.83%	631,000	83.67%
36	34,001	35,000	-	-	46	95.83%	631,000	83.67%
37	35,001	36,000	-	-	46	95.83%	631,000	83.67%
38	36,001	37,000	-	-	46	95.83%	631,000	83.67%
39	37,001	38,000	-	-	46	95.83%	631,000	83.67%
40	38,001	39,000	-	-	46	95.83%	631,000	83.67%
41	39,001	40,000	-	-	46	95.83%	631,000	83.67%
42	40,001	41,000	-	-	46	95.83%	631,000	83.67%
43	41,001	42,000	-	-	46	95.83%	631,000	83.67%
44	42,001	43,000	-	-	46	95.83%	631,000	83.67%
45	43,001	44,000	-	-	46	95.83%	631,000	83.67%
46	44,001	45,000	-	-	46	95.83%	631,000	83.67%
47	45,001	46,000	-	-	46	95.83%	631,000	83.67%
48	46,001	47,000	-	-	46	95.83%	631,000	83.67%
49	47,001	48,000	-	-	46	95.83%	631,000	83.67%
50	48,001	49,000	-	-	46	95.83%	631,000	83.67%
51	49,001	50,000	-	-	46	95.83%	631,000	83.67%
52	50,001	51,000	1	50,270	47	97.92%	681,270	90.34%
53	51,001	52,000	-	-	47	97.92%	681,270	90.34%

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Residential  
 Meter Size: 1"  
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	30.00	\$ 75.75
Tier One Breakover (M gal):	3	-	Tier One Rate: \$	1.75	
Tier Two Breakover (M gal):	10	28	Tier Two Rate: \$	2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	47	97.92%	681,270	90.34%
55	53,001 - 54,000	-	-	-	47	97.92%	681,270	90.34%
56	54,001 - 55,000	-	-	-	47	97.92%	681,270	90.34%
57	55,001 - 56,000	-	-	-	47	97.92%	681,270	90.34%
58	56,001 - 57,000	-	-	-	47	97.92%	681,270	90.34%
59	57,001 - 58,000	-	-	-	47	97.92%	681,270	90.34%
60	58,001 - 59,000	-	-	-	47	97.92%	681,270	90.34%
61	59,001 - 60,000	-	-	-	47	97.92%	681,270	90.34%
62	60,001 - 61,000	-	-	-	47	97.92%	681,270	90.34%
63	61,001 - 62,000	-	-	-	47	97.92%	681,270	90.34%
64	62,001 - 63,000	-	-	-	47	97.92%	681,270	90.34%
65	63,001 - 64,000	-	-	-	47	97.92%	681,270	90.34%
66	64,001 - 65,000	-	-	-	47	97.92%	681,270	90.34%
67	65,001 - 66,000	-	-	-	47	97.92%	681,270	90.34%
68	66,001 - 67,000	-	-	-	47	97.92%	681,270	90.34%
69	67,001 - 68,000	-	-	-	47	97.92%	681,270	90.34%
70	68,001 - 69,000	-	-	-	47	97.92%	681,270	90.34%
71	69,001 - 70,000	-	-	-	47	97.92%	681,270	90.34%
72	70,001 - 71,000	-	-	-	47	97.92%	681,270	90.34%
73	71,001 - 72,000	-	-	-	47	97.92%	681,270	90.34%
74	72,001 - 73,000	1	72,850	72,850	48	100.00%	754,120	100.00%
75	73,001 - 74,000	-	-	-	48	100.00%	754,120	100.00%
76	74,001 - 75,000	-	-	-	48	100.00%	754,120	100.00%
77	75,001 - 76,000	-	-	-	48	100.00%	754,120	100.00%
78	76,001 - 77,000	-	-	-	48	100.00%	754,120	100.00%
79	77,001 - 78,000	-	-	-	48	100.00%	754,120	100.00%
80	78,001 - 79,000	-	-	-	48	100.00%	754,120	100.00%
81	79,001 - 80,000	-	-	-	48	100.00%	754,120	100.00%
82	80,001 - 81,000	-	-	-	48	100.00%	754,120	100.00%
83	81,001 - 82,000	-	-	-	48	100.00%	754,120	100.00%
84	82,001 - 83,000	-	-	-	48	100.00%	754,120	100.00%
85	83,001 - 84,000	-	-	-	48	100.00%	754,120	100.00%
86	84,001 - 85,000	-	-	-	48	100.00%	754,120	100.00%
87	85,001 - 86,000	-	-	-	48	100.00%	754,120	100.00%
88	86,001 - 87,000	-	-	-	48	100.00%	754,120	100.00%
89	87,001 - 88,000	-	-	-	48	100.00%	754,120	100.00%
90	88,001 - 89,000	-	-	-	48	100.00%	754,120	100.00%
91	89,001 - 90,000	-	-	-	48	100.00%	754,120	100.00%
92	90,001 - 91,000	-	-	-	48	100.00%	754,120	100.00%
93	91,001 - 92,000	-	-	-	48	100.00%	754,120	100.00%
94	92,001 - 93,000	-	-	-	48	100.00%	754,120	100.00%
95	93,001 - 94,000	-	-	-	48	100.00%	754,120	100.00%
96	94,001 - 95,000	-	-	-	48	100.00%	754,120	100.00%
97	95,001 - 96,000	-	-	-	48	100.00%	754,120	100.00%
98	96,001 - 97,000	-	-	-	48	100.00%	754,120	100.00%
99	97,001 - 98,000	-	-	-	48	100.00%	754,120	100.00%
100	98,001 - 99,000	-	-	-	48	100.00%	754,120	100.00%
101	99,001 - 100,000	-	-	-	48	100.00%	754,120	100.00%
163								
164	Totals	48		754,120	48		754,120	
165								
166	Total Bills	48				Current Rates		Proposed Rates

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Residential  
 Meter Size: 1"  
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 30.00	\$ 75.75
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	28	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total	Units	Revenue	Units	Revenue
167												
168												
169	Average Number of Customers		4		Base Charge	48	\$ 1,440		48	\$ 3,636		
170					Usage (gallons)							
171	Average Consumption (gallons)		15,711		Tier One	134,020	\$ 235		-	\$ -		
172					Tier Two	222,060	500		676,230	3,719		
173	Median Consumption (gallons)		14,515		Tier Three	398,040	1,075		77,890	499		
174					Usage Totals	754,120			754,120			
175					Revenue Totals		\$ 3,249			\$ 7,854		
176												

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	50.00	\$ 151.50
Tier One Breakover (M gal):	3	-	Tier One Rate: \$	1.75	
Tier Two Breakover (M gal):	10	48	Tier Two Rate: \$	2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	-	-	-	-	0.00%	-	0.00%
2	1	1,000	1	500	1	4.17%	500	0.32%
3	1,001	2,000	4	1,450	5	20.83%	6,300	4.09%
4	2,001	3,000	2	2,500	7	29.17%	11,300	7.33%
5	3,001	4,000	3	3,467	10	41.67%	21,700	14.07%
6	4,001	5,000	1	4,460	11	45.83%	26,160	16.96%
7	5,001	6,000	2	5,700	13	54.17%	37,560	24.36%
8	6,001	7,000	1	6,400	14	58.33%	43,960	28.51%
9	7,001	8,000	3	7,547	17	70.83%	66,600	43.19%
10	8,001	9,000	2	8,600	19	79.17%	83,800	54.35%
11	9,001	10,000	-	-	19	79.17%	83,800	54.35%
12	10,001	11,000	2	10,500	21	87.50%	104,800	67.96%
13	11,001	12,000	-	-	21	87.50%	104,800	67.96%
14	12,001	13,000	-	-	21	87.50%	104,800	67.96%
15	13,001	14,000	1	13,600	22	91.67%	118,400	76.78%
16	14,001	15,000	-	-	22	91.67%	118,400	76.78%
17	15,001	16,000	1	15,500	23	95.83%	133,900	86.84%
18	16,001	17,000	-	-	23	95.83%	133,900	86.84%
19	17,001	18,000	-	-	23	95.83%	133,900	86.84%
20	18,001	19,000	-	-	23	95.83%	133,900	86.84%
21	19,001	20,000	-	-	23	95.83%	133,900	86.84%
22	20,001	21,000	1	20,300	24	100.00%	154,200	100.00%
23	21,001	22,000	-	-	24	100.00%	154,200	100.00%
24	22,001	23,000	-	-	24	100.00%	154,200	100.00%
25	23,001	24,000	-	-	24	100.00%	154,200	100.00%
26	24,001	25,000	-	-	24	100.00%	154,200	100.00%
27	25,001	26,000	-	-	24	100.00%	154,200	100.00%
28	26,001	27,000	-	-	24	100.00%	154,200	100.00%
29	27,001	28,000	-	-	24	100.00%	154,200	100.00%
30	28,001	29,000	-	-	24	100.00%	154,200	100.00%
31	29,001	30,000	-	-	24	100.00%	154,200	100.00%
32	30,001	31,000	-	-	24	100.00%	154,200	100.00%
33	31,001	32,000	-	-	24	100.00%	154,200	100.00%
34	32,001	33,000	-	-	24	100.00%	154,200	100.00%
35	33,001	34,000	-	-	24	100.00%	154,200	100.00%
36	34,001	35,000	-	-	24	100.00%	154,200	100.00%
37	35,001	36,000	-	-	24	100.00%	154,200	100.00%
38	36,001	37,000	-	-	24	100.00%	154,200	100.00%
39	37,001	38,000	-	-	24	100.00%	154,200	100.00%
40	38,001	39,000	-	-	24	100.00%	154,200	100.00%
41	39,001	40,000	-	-	24	100.00%	154,200	100.00%
42	40,001	41,000	-	-	24	100.00%	154,200	100.00%
43	41,001	42,000	-	-	24	100.00%	154,200	100.00%
44	42,001	43,000	-	-	24	100.00%	154,200	100.00%
45	43,001	44,000	-	-	24	100.00%	154,200	100.00%
46	44,001	45,000	-	-	24	100.00%	154,200	100.00%
47	45,001	46,000	-	-	24	100.00%	154,200	100.00%
48	46,001	47,000	-	-	24	100.00%	154,200	100.00%
49	47,001	48,000	-	-	24	100.00%	154,200	100.00%
50	48,001	49,000	-	-	24	100.00%	154,200	100.00%
51	49,001	50,000	-	-	24	100.00%	154,200	100.00%
52	50,001	51,000	-	-	24	100.00%	154,200	100.00%
53	51,001	52,000	-	-	24	100.00%	154,200	100.00%

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 50.00	\$ 151.50
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	48	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	24	100.00%	154,200	100.00%
55	53,001 - 54,000	-	-	-	24	100.00%	154,200	100.00%
56	54,001 - 55,000	-	-	-	24	100.00%	154,200	100.00%
57	55,001 - 56,000	-	-	-	24	100.00%	154,200	100.00%
58	56,001 - 57,000	-	-	-	24	100.00%	154,200	100.00%
59	57,001 - 58,000	-	-	-	24	100.00%	154,200	100.00%
60	58,001 - 59,000	-	-	-	24	100.00%	154,200	100.00%
61	59,001 - 60,000	-	-	-	24	100.00%	154,200	100.00%
62	60,001 - 61,000	-	-	-	24	100.00%	154,200	100.00%
63	61,001 - 62,000	-	-	-	24	100.00%	154,200	100.00%
64	62,001 - 63,000	-	-	-	24	100.00%	154,200	100.00%
65	63,001 - 64,000	-	-	-	24	100.00%	154,200	100.00%
66	64,001 - 65,000	-	-	-	24	100.00%	154,200	100.00%
67	65,001 - 66,000	-	-	-	24	100.00%	154,200	100.00%
68	66,001 - 67,000	-	-	-	24	100.00%	154,200	100.00%
69	67,001 - 68,000	-	-	-	24	100.00%	154,200	100.00%
70	68,001 - 69,000	-	-	-	24	100.00%	154,200	100.00%
71	69,001 - 70,000	-	-	-	24	100.00%	154,200	100.00%
72	70,001 - 71,000	-	-	-	24	100.00%	154,200	100.00%
73	71,001 - 72,000	-	-	-	24	100.00%	154,200	100.00%
74	72,001 - 73,000	-	-	-	24	100.00%	154,200	100.00%
75	73,001 - 74,000	-	-	-	24	100.00%	154,200	100.00%
76	74,001 - 75,000	-	-	-	24	100.00%	154,200	100.00%
77	75,001 - 76,000	-	-	-	24	100.00%	154,200	100.00%
78	76,001 - 77,000	-	-	-	24	100.00%	154,200	100.00%
79	77,001 - 78,000	-	-	-	24	100.00%	154,200	100.00%
80	78,001 - 79,000	-	-	-	24	100.00%	154,200	100.00%
81	79,001 - 80,000	-	-	-	24	100.00%	154,200	100.00%
82	80,001 - 81,000	-	-	-	24	100.00%	154,200	100.00%
83	81,001 - 82,000	-	-	-	24	100.00%	154,200	100.00%
84	82,001 - 83,000	-	-	-	24	100.00%	154,200	100.00%
85	83,001 - 84,000	-	-	-	24	100.00%	154,200	100.00%
86	84,001 - 85,000	-	-	-	24	100.00%	154,200	100.00%
87	85,001 - 86,000	-	-	-	24	100.00%	154,200	100.00%
88	86,001 - 87,000	-	-	-	24	100.00%	154,200	100.00%
89	87,001 - 88,000	-	-	-	24	100.00%	154,200	100.00%
90	88,001 - 89,000	-	-	-	24	100.00%	154,200	100.00%
91	89,001 - 90,000	-	-	-	24	100.00%	154,200	100.00%
92	90,001 - 91,000	-	-	-	24	100.00%	154,200	100.00%
93	91,001 - 92,000	-	-	-	24	100.00%	154,200	100.00%
94	92,001 - 93,000	-	-	-	24	100.00%	154,200	100.00%
95	93,001 - 94,000	-	-	-	24	100.00%	154,200	100.00%
96	94,001 - 95,000	-	-	-	24	100.00%	154,200	100.00%
97	95,001 - 96,000	-	-	-	24	100.00%	154,200	100.00%
98	96,001 - 97,000	-	-	-	24	100.00%	154,200	100.00%
99	97,001 - 98,000	-	-	-	24	100.00%	154,200	100.00%
100	98,001 - 99,000	-	-	-	24	100.00%	154,200	100.00%
101	99,001 - 100,000	-	-	-	24	100.00%	154,200	100.00%
112								
113	Totals	24		154,200	24		154,200	
114								
115	Total Bills	24				Current Rates		Proposed Rates

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 50.00	\$ 151.50
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	48	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
116					Units	Revenue	Units	Revenue
117					Base Charge	24 \$ 1,200	24	\$ 3,636
118	Average Number of Customers		<u>2</u>					
119					<u>Usage (gallons)</u>			
120	Average Consumption (gallons)		<u>6,425</u>		Tier One	62,300 \$ 109	-	\$ -
121					Tier Two	71,500 161	154,200	848
122	Median Consumption (gallons)		<u>5,700</u>		Tier Three	<u>20,400</u> 55	-	-
123					Usage Totals	154,200	154,200	
124					Revenue Totals	<u>\$ 1,525</u>		<u>\$ 4,484</u>
125								

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	12.50	\$ 30.30
Tier One Breakover (M gal):	3	3	Tier One Rate: \$	1.75	
Tier Two Breakover (M gal):	10	11	Tier Two Rate: \$	2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	61	-	-	61	14.12%	-	0.00%
2	1	117	350	40,920	178	41.20%	40,920	1.81%
3	1,001	64	1,489	95,320	242	56.02%	136,240	6.03%
4	2,001	47	2,467	115,950	289	66.90%	252,190	11.15%
5	3,001	22	3,525	77,560	311	71.99%	329,750	14.58%
6	4,001	22	4,375	96,250	333	77.08%	426,000	18.84%
7	5,001	9	5,457	49,110	342	79.17%	475,110	21.01%
8	6,001	15	6,559	98,390	357	82.64%	573,500	25.36%
9	7,001	14	7,430	104,020	371	85.88%	677,520	29.96%
10	8,001	6	8,328	49,970	377	87.27%	727,490	32.17%
11	9,001	4	9,480	37,920	381	88.19%	765,410	33.85%
12	10,001	6	10,500	63,000	387	89.58%	828,410	36.64%
13	11,001	3	11,407	34,220	390	90.28%	862,630	38.15%
14	12,001	2	12,840	25,680	392	90.74%	888,310	39.28%
15	13,001	3	13,463	40,390	395	91.44%	928,700	41.07%
16	14,001	-	-	-	395	91.44%	928,700	41.07%
17	15,001	1	15,940	15,940	396	91.67%	944,640	41.78%
18	16,001	5	16,460	82,300	401	92.82%	1,026,940	45.41%
19	17,001	2	17,835	35,670	403	93.29%	1,062,610	46.99%
20	18,001	1	18,600	18,600	404	93.52%	1,081,210	47.81%
21	19,001	1	19,550	19,550	405	93.75%	1,100,760	48.68%
22	20,001	-	-	-	405	93.75%	1,100,760	48.68%
23	21,001	1	21,760	21,760	406	93.98%	1,122,520	49.64%
24	22,001	-	-	-	406	93.98%	1,122,520	49.64%
25	23,001	2	23,350	46,700	408	94.44%	1,169,220	51.71%
26	24,001	1	24,180	24,180	409	94.68%	1,193,400	52.78%
27	25,001	1	25,650	25,650	410	94.91%	1,219,050	53.91%
28	26,001	2	26,440	52,880	412	95.37%	1,271,930	56.25%
29	27,001	1	27,500	27,500	413	95.60%	1,299,430	57.47%
30	28,001	1	28,620	28,620	414	95.83%	1,328,050	58.73%
31	29,001	1	29,530	29,530	415	96.06%	1,357,580	60.04%
32	30,001	-	-	-	415	96.06%	1,357,580	60.04%
33	31,001	1	31,080	31,080	416	96.30%	1,388,660	61.41%
34	32,001	-	-	-	416	96.30%	1,388,660	61.41%
35	33,001	-	-	-	416	96.30%	1,388,660	61.41%
36	34,001	-	-	-	416	96.30%	1,388,660	61.41%
37	35,001	-	-	-	416	96.30%	1,388,660	61.41%
38	36,001	2	36,760	73,520	418	96.76%	1,462,180	64.66%
39	37,001	1	37,140	37,140	419	96.99%	1,499,320	66.31%
40	38,001	-	-	-	419	96.99%	1,499,320	66.31%
41	39,001	2	39,190	78,380	421	97.45%	1,577,700	69.77%
42	40,001	-	-	-	421	97.45%	1,577,700	69.77%
43	41,001	-	-	-	421	97.45%	1,577,700	69.77%
44	42,001	-	-	-	421	97.45%	1,577,700	69.77%
45	43,001	1	43,870	43,870	422	97.69%	1,621,570	71.71%
46	44,001	-	-	-	422	97.69%	1,621,570	71.71%
47	45,001	-	-	-	422	97.69%	1,621,570	71.71%
48	46,001	-	-	-	422	97.69%	1,621,570	71.71%
49	47,001	-	-	-	422	97.69%	1,621,570	71.71%
50	48,001	-	-	-	422	97.69%	1,621,570	71.71%
51	49,001	-	-	-	422	97.69%	1,621,570	71.71%
52	50,001	1	50,230	50,230	423	97.92%	1,671,800	73.93%
53	51,001	2	51,570	103,140	425	98.38%	1,774,940	78.49%

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	3	3	Base Charge: \$	12.50	\$ 30.30
Tier Two Breakover (M gal):	10	11	Tier One Rate: \$	1.75	
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate: \$	2.25	\$ 5.50
			Tier Three Rate: \$	2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	425	98.38%	1,774,940	78.49%
55	53,001 - 54,000	-	-	-	425	98.38%	1,774,940	78.49%
56	54,001 - 55,000	-	-	-	425	98.38%	1,774,940	78.49%
57	55,001 - 56,000	-	-	-	425	98.38%	1,774,940	78.49%
58	56,001 - 57,000	-	-	-	425	98.38%	1,774,940	78.49%
59	57,001 - 58,000	-	-	-	425	98.38%	1,774,940	78.49%
60	58,001 - 59,000	-	-	-	425	98.38%	1,774,940	78.49%
61	59,001 - 60,000	1	59,190	59,190	426	98.61%	1,834,130	81.11%
62	60,001 - 61,000	-	-	-	426	98.61%	1,834,130	81.11%
63	61,001 - 62,000	1	61,810	61,810	427	98.84%	1,895,940	83.85%
64	62,001 - 63,000	-	-	-	427	98.84%	1,895,940	83.85%
65	63,001 - 64,000	-	-	-	427	98.84%	1,895,940	83.85%
66	64,001 - 65,000	1	64,070	64,070	428	99.07%	1,960,010	86.68%
67	65,001 - 66,000	-	-	-	428	99.07%	1,960,010	86.68%
68	66,001 - 67,000	1	66,830	66,830	429	99.31%	2,026,840	89.63%
69	67,001 - 68,000	-	-	-	429	99.31%	2,026,840	89.63%
70	68,001 - 69,000	-	-	-	429	99.31%	2,026,840	89.63%
71	69,001 - 70,000	1	69,580	69,580	430	99.54%	2,096,420	92.71%
72	70,001 - 71,000	-	-	-	430	99.54%	2,096,420	92.71%
73	71,001 - 72,000	1	71,750	71,750	431	99.77%	2,168,170	95.88%
74	72,001 - 73,000	-	-	-	431	99.77%	2,168,170	95.88%
75	73,001 - 74,000	-	-	-	431	99.77%	2,168,170	95.88%
76	74,001 - 75,000	-	-	-	431	99.77%	2,168,170	95.88%
77	75,001 - 76,000	-	-	-	431	99.77%	2,168,170	95.88%
78	76,001 - 77,000	-	-	-	431	99.77%	2,168,170	95.88%
79	77,001 - 78,000	-	-	-	431	99.77%	2,168,170	95.88%
80	78,001 - 79,000	-	-	-	431	99.77%	2,168,170	95.88%
81	79,001 - 80,000	-	-	-	431	99.77%	2,168,170	95.88%
82	80,001 - 81,000	-	-	-	431	99.77%	2,168,170	95.88%
83	81,001 - 82,000	-	-	-	431	99.77%	2,168,170	95.88%
84	82,001 - 83,000	-	-	-	431	99.77%	2,168,170	95.88%
85	83,001 - 84,000	-	-	-	431	99.77%	2,168,170	95.88%
86	84,001 - 85,000	-	-	-	431	99.77%	2,168,170	95.88%
87	85,001 - 86,000	-	-	-	431	99.77%	2,168,170	95.88%
88	86,001 - 87,000	-	-	-	431	99.77%	2,168,170	95.88%
89	87,001 - 88,000	-	-	-	431	99.77%	2,168,170	95.88%
90	88,001 - 89,000	-	-	-	431	99.77%	2,168,170	95.88%
91	89,001 - 90,000	-	-	-	431	99.77%	2,168,170	95.88%
92	90,001 - 91,000	-	-	-	431	99.77%	2,168,170	95.88%
93	91,001 - 92,000	-	-	-	431	99.77%	2,168,170	95.88%
94	92,001 - 93,000	-	-	-	431	99.77%	2,168,170	95.88%
95	93,001 - 94,000	1	93,070	93,070	432	100.00%	2,261,240	100.00%
96	94,001 - 95,000	-	-	-	432	100.00%	2,261,240	100.00%
97	95,001 - 96,000	-	-	-	432	100.00%	2,261,240	100.00%
98	96,001 - 97,000	-	-	-	432	100.00%	2,261,240	100.00%
99	97,001 - 98,000	-	-	-	432	100.00%	2,261,240	100.00%
100	98,001 - 99,000	-	-	-	432	100.00%	2,261,240	100.00%
101	99,001 - 100,000	-	-	-	432	100.00%	2,261,240	100.00%
106								
107	Totals	432		2,261,240	432		2,261,240	
108								
109	Total Bills	432				Current Rates		Proposed Rates

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

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

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 12.50	\$ 30.30
Tier One Breakover (M gal):	3	3	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	11	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption		
					No.	% of Total	Amount	% of Total	
110						Units	Revenue	Units	Revenue
111					Base Charge	432	\$ 5,400	432	\$ 13,090
112	Average Number of Customers		36		<u>Usage (gallons)</u>				
113					Tier One	681,190	\$ 1,192	681,190	\$ 2,895
114	Average Consumption (gallons)		5,234		Tier Two	594,220	1,337	642,220	3,532
115					Tier Three	985,830	2,662	937,830	6,002
116	Median Consumption (gallons)		1,489		Usage Totals	2,261,240		2,261,240	
117					Revenue Totals		\$ 10,591		\$ 25,519
118									
119									

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 1"  
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 30.00	\$ 75.75
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	28	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	-	-	-	-	0.00%	-	0.00%
2	1	1,000	27	581	15,690	56.25%	15,690	8.37%
3	1,001	2,000	8	1,208	9,660	72.92%	25,350	13.52%
4	2,001	3,000	1	2,090	2,090	75.00%	27,440	14.63%
5	3,001	4,000	-	-	-	75.00%	27,440	14.63%
6	4,001	5,000	-	-	-	75.00%	27,440	14.63%
7	5,001	6,000	-	-	-	75.00%	27,440	14.63%
8	6,001	7,000	-	-	-	75.00%	27,440	14.63%
9	7,001	8,000	1	7,870	7,870	77.08%	35,310	18.83%
10	8,001	9,000	-	-	-	77.08%	35,310	18.83%
11	9,001	10,000	1	9,480	9,480	79.17%	44,790	23.88%
12	10,001	11,000	1	10,360	10,360	81.25%	55,150	29.41%
13	11,001	12,000	3	11,307	33,920	87.50%	89,070	47.49%
14	12,001	13,000	-	-	-	87.50%	89,070	47.49%
15	13,001	14,000	2	13,705	27,410	91.67%	116,480	62.11%
16	14,001	15,000	1	14,540	14,540	93.75%	131,020	69.86%
17	15,001	16,000	1	15,980	15,980	95.83%	147,000	78.38%
18	16,001	17,000	-	-	-	95.83%	147,000	78.38%
19	17,001	18,000	-	-	-	95.83%	147,000	78.38%
20	18,001	19,000	1	18,190	18,190	97.92%	165,190	88.08%
21	19,001	20,000	-	-	-	97.92%	165,190	88.08%
22	20,001	21,000	-	-	-	97.92%	165,190	88.08%
23	21,001	22,000	-	-	-	97.92%	165,190	88.08%
24	22,001	23,000	1	22,350	22,350	100.00%	187,540	100.00%
25	23,001	24,000	-	-	-	100.00%	187,540	100.00%
26	24,001	25,000	-	-	-	100.00%	187,540	100.00%
27	25,001	26,000	-	-	-	100.00%	187,540	100.00%
28	26,001	27,000	-	-	-	100.00%	187,540	100.00%
29	27,001	28,000	-	-	-	100.00%	187,540	100.00%
30	28,001	29,000	-	-	-	100.00%	187,540	100.00%
31	29,001	30,000	-	-	-	100.00%	187,540	100.00%
32	30,001	31,000	-	-	-	100.00%	187,540	100.00%
33	31,001	32,000	-	-	-	100.00%	187,540	100.00%
34	32,001	33,000	-	-	-	100.00%	187,540	100.00%
35	33,001	34,000	-	-	-	100.00%	187,540	100.00%
36	34,001	35,000	-	-	-	100.00%	187,540	100.00%
37	35,001	36,000	-	-	-	100.00%	187,540	100.00%
38	36,001	37,000	-	-	-	100.00%	187,540	100.00%
39	37,001	38,000	-	-	-	100.00%	187,540	100.00%
40	38,001	39,000	-	-	-	100.00%	187,540	100.00%
41	39,001	40,000	-	-	-	100.00%	187,540	100.00%
42	40,001	41,000	-	-	-	100.00%	187,540	100.00%
43	41,001	42,000	-	-	-	100.00%	187,540	100.00%
44	42,001	43,000	-	-	-	100.00%	187,540	100.00%
45	43,001	44,000	-	-	-	100.00%	187,540	100.00%
46	44,001	45,000	-	-	-	100.00%	187,540	100.00%
47	45,001	46,000	-	-	-	100.00%	187,540	100.00%
48	46,001	47,000	-	-	-	100.00%	187,540	100.00%
49	47,001	48,000	-	-	-	100.00%	187,540	100.00%
50	48,001	49,000	-	-	-	100.00%	187,540	100.00%
51	49,001	50,000	-	-	-	100.00%	187,540	100.00%
52	50,001	51,000	-	-	-	100.00%	187,540	100.00%
53	51,001	52,000	-	-	-	100.00%	187,540	100.00%

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 1"  
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge: \$	30.00	\$ 75.75
Tier One Breakover (M gal):	3	-	Tier One Rate: \$	1.75	
Tier Two Breakover (M gal):	10	28	Tier Two Rate: \$	2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate: \$	2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
54	52,001 - 53,000	-	-	-	48	100.00%	187,540	100.00%
55	53,001 - 54,000	-	-	-	48	100.00%	187,540	100.00%
56	54,001 - 55,000	-	-	-	48	100.00%	187,540	100.00%
57	55,001 - 56,000	-	-	-	48	100.00%	187,540	100.00%
58	56,001 - 57,000	-	-	-	48	100.00%	187,540	100.00%
59	57,001 - 58,000	-	-	-	48	100.00%	187,540	100.00%
60	58,001 - 59,000	-	-	-	48	100.00%	187,540	100.00%
61	59,001 - 60,000	-	-	-	48	100.00%	187,540	100.00%
62	60,001 - 61,000	-	-	-	48	100.00%	187,540	100.00%
63	61,001 - 62,000	-	-	-	48	100.00%	187,540	100.00%
64	62,001 - 63,000	-	-	-	48	100.00%	187,540	100.00%
65	63,001 - 64,000	-	-	-	48	100.00%	187,540	100.00%
66	64,001 - 65,000	-	-	-	48	100.00%	187,540	100.00%
67	65,001 - 66,000	-	-	-	48	100.00%	187,540	100.00%
68	66,001 - 67,000	-	-	-	48	100.00%	187,540	100.00%
69	67,001 - 68,000	-	-	-	48	100.00%	187,540	100.00%
70	68,001 - 69,000	-	-	-	48	100.00%	187,540	100.00%
71	69,001 - 70,000	-	-	-	48	100.00%	187,540	100.00%
72	70,001 - 71,000	-	-	-	48	100.00%	187,540	100.00%
73	71,001 - 72,000	-	-	-	48	100.00%	187,540	100.00%
74	72,001 - 73,000	-	-	-	48	100.00%	187,540	100.00%
75	73,001 - 74,000	-	-	-	48	100.00%	187,540	100.00%
76	74,001 - 75,000	-	-	-	48	100.00%	187,540	100.00%
77	75,001 - 76,000	-	-	-	48	100.00%	187,540	100.00%
78	76,001 - 77,000	-	-	-	48	100.00%	187,540	100.00%
79	77,001 - 78,000	-	-	-	48	100.00%	187,540	100.00%
80	78,001 - 79,000	-	-	-	48	100.00%	187,540	100.00%
81	79,001 - 80,000	-	-	-	48	100.00%	187,540	100.00%
82	80,001 - 81,000	-	-	-	48	100.00%	187,540	100.00%
83	81,001 - 82,000	-	-	-	48	100.00%	187,540	100.00%
84	82,001 - 83,000	-	-	-	48	100.00%	187,540	100.00%
85	83,001 - 84,000	-	-	-	48	100.00%	187,540	100.00%
86	84,001 - 85,000	-	-	-	48	100.00%	187,540	100.00%
87	85,001 - 86,000	-	-	-	48	100.00%	187,540	100.00%
88	86,001 - 87,000	-	-	-	48	100.00%	187,540	100.00%
89	87,001 - 88,000	-	-	-	48	100.00%	187,540	100.00%
90	88,001 - 89,000	-	-	-	48	100.00%	187,540	100.00%
91	89,001 - 90,000	-	-	-	48	100.00%	187,540	100.00%
92	90,001 - 91,000	-	-	-	48	100.00%	187,540	100.00%
93	91,001 - 92,000	-	-	-	48	100.00%	187,540	100.00%
94	92,001 - 93,000	-	-	-	48	100.00%	187,540	100.00%
95	93,001 - 94,000	-	-	-	48	100.00%	187,540	100.00%
96	94,001 - 95,000	-	-	-	48	100.00%	187,540	100.00%
97	95,001 - 96,000	-	-	-	48	100.00%	187,540	100.00%
98	96,001 - 97,000	-	-	-	48	100.00%	187,540	100.00%
99	97,001 - 98,000	-	-	-	48	100.00%	187,540	100.00%
100	98,001 - 99,000	-	-	-	48	100.00%	187,540	100.00%
101	99,001 - 100,000	-	-	-	48	100.00%	187,540	100.00%
114								
115	Totals	48		187,540	48		187,540	
116								
117	Total Bills	48				Current Rates		Proposed Rates

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 1"  
 Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 30.00	\$ 75.75
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	28	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
118					Units	Revenue	Units	Revenue
119					Base Charge	48 \$ 1,440	48	\$ 3,636
120	Average Number of Customers		<u>4</u>		<u>Usage (gallons)</u>			
121					Tier One	63,440 \$ 111	-	\$ -
122	Average Consumption (gallons)		<u>3,907</u>		Tier Two	81,350 183	187,540	1,031
123					Tier Three	<u>42,750</u> 115	-	-
124	Median Consumption (gallons)		<u>581</u>		Usage Totals	187,540	187,540	
125					Revenue Totals	<u>\$ 1,849</u>		<u>\$ 4,667</u>
126								
127								

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 1.5"  
 Rate Code: R4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 50.00	\$ 151.50
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	48	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
1	-	11	-	-	11	18.33%	-	0.00%
2	1	1,000	-	-	11	18.33%	-	0.00%
3	1,001	2,000	-	-	11	18.33%	-	0.00%
4	2,001	3,000	1	2,280	12	20.00%	2,280	0.17%
5	3,001	4,000	1	3,700	13	21.67%	5,980	0.45%
6	4,001	5,000	-	-	13	21.67%	5,980	0.45%
7	5,001	6,000	2	5,550	15	25.00%	17,080	1.30%
8	6,001	7,000	1	6,500	16	26.67%	23,580	1.79%
9	7,001	8,000	4	7,200	20	33.33%	52,380	3.98%
10	8,001	9,000	-	-	20	33.33%	52,380	3.98%
11	9,001	10,000	2	9,400	22	36.67%	71,180	5.40%
12	10,001	11,000	-	-	22	36.67%	71,180	5.40%
13	11,001	12,000	-	-	22	36.67%	71,180	5.40%
14	12,001	13,000	1	13,000	23	38.33%	84,180	6.39%
15	13,001	14,000	2	13,500	25	41.67%	111,180	8.44%
16	14,001	15,000	1	14,700	26	43.33%	125,880	9.56%
17	15,001	16,000	-	-	26	43.33%	125,880	9.56%
18	16,001	17,000	-	-	26	43.33%	125,880	9.56%
19	17,001	18,000	-	-	26	43.33%	125,880	9.56%
20	18,001	19,000	2	18,750	28	46.67%	163,380	12.40%
21	19,001	20,000	-	-	28	46.67%	163,380	12.40%
22	20,001	21,000	3	20,567	31	51.67%	225,080	17.09%
23	21,001	22,000	-	-	31	51.67%	225,080	17.09%
24	22,001	23,000	1	22,800	32	53.33%	247,880	18.82%
25	23,001	24,000	1	23,900	33	55.00%	271,780	20.63%
26	24,001	25,000	1	24,600	34	56.67%	296,380	22.50%
27	25,001	26,000	3	25,600	37	61.67%	373,180	28.33%
28	26,001	27,000	3	26,233	40	66.67%	451,880	34.30%
29	27,001	28,000	2	27,950	42	70.00%	507,780	38.55%
30	28,001	29,000	-	-	42	70.00%	507,780	38.55%
31	29,001	30,000	-	-	42	70.00%	507,780	38.55%
32	30,001	31,000	2	30,300	44	73.33%	568,380	43.15%
33	31,001	32,000	-	-	44	73.33%	568,380	43.15%
34	32,001	33,000	1	33,000	45	75.00%	601,380	45.65%
35	33,001	34,000	1	34,000	46	76.67%	635,380	48.23%
36	34,001	35,000	1	34,070	47	78.33%	669,450	50.82%
37	35,001	36,000	1	35,400	48	80.00%	704,850	53.50%
38	36,001	37,000	1	36,990	49	81.67%	741,840	56.31%
39	37,001	38,000	1	37,430	50	83.33%	779,270	59.15%
40	38,001	39,000	1	38,200	51	85.00%	817,470	62.05%
41	39,001	40,000	-	-	51	85.00%	817,470	62.05%
42	40,001	41,000	1	40,910	52	86.67%	858,380	65.16%
43	41,001	42,000	-	-	52	86.67%	858,380	65.16%
44	42,001	43,000	-	-	52	86.67%	858,380	65.16%
45	43,001	44,000	-	-	52	86.67%	858,380	65.16%
46	44,001	45,000	-	-	52	86.67%	858,380	65.16%
47	45,001	46,000	-	-	52	86.67%	858,380	65.16%
48	46,001	47,000	-	-	52	86.67%	858,380	65.16%
49	47,001	48,000	2	47,565	54	90.00%	953,510	72.38%
50	48,001	49,000	1	48,400	55	91.67%	1,001,910	76.05%
51	49,001	50,000	1	49,570	56	93.33%	1,051,480	79.82%
52	50,001	51,000	-	-	56	93.33%	1,051,480	79.82%
53	51,001	52,000	-	-	56	93.33%	1,051,480	79.82%

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 1.5"  
 Rate Code: R4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	3	-	Base Charge: \$	50.00	\$ 151.50
Tier Two Breakover (M gal):	10	48	Tier One Rate: \$	1.75	
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate: \$	2.25	\$ 5.50
			Tier Three Rate: \$	2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
54	52,001 - 53,000	1	52,650	52,650	57	95.00%	1,104,130	83.81%
55	53,001 - 54,000	-	-	-	57	95.00%	1,104,130	83.81%
56	54,001 - 55,000	1	54,500	54,500	58	96.67%	1,158,630	87.95%
57	55,001 - 56,000	-	-	-	58	96.67%	1,158,630	87.95%
58	56,001 - 57,000	1	57,000	57,000	59	98.33%	1,215,630	92.28%
59	57,001 - 58,000	-	-	-	59	98.33%	1,215,630	92.28%
60	58,001 - 59,000	-	-	-	59	98.33%	1,215,630	92.28%
61	59,001 - 60,000	-	-	-	59	98.33%	1,215,630	92.28%
62	60,001 - 61,000	-	-	-	59	98.33%	1,215,630	92.28%
63	61,001 - 62,000	-	-	-	59	98.33%	1,215,630	92.28%
64	62,001 - 63,000	-	-	-	59	98.33%	1,215,630	92.28%
65	63,001 - 64,000	-	-	-	59	98.33%	1,215,630	92.28%
66	64,001 - 65,000	-	-	-	59	98.33%	1,215,630	92.28%
67	65,001 - 66,000	-	-	-	59	98.33%	1,215,630	92.28%
68	66,001 - 67,000	-	-	-	59	98.33%	1,215,630	92.28%
69	67,001 - 68,000	-	-	-	59	98.33%	1,215,630	92.28%
70	68,001 - 69,000	-	-	-	59	98.33%	1,215,630	92.28%
71	69,001 - 70,000	-	-	-	59	98.33%	1,215,630	92.28%
72	70,001 - 71,000	-	-	-	59	98.33%	1,215,630	92.28%
73	71,001 - 72,000	-	-	-	59	98.33%	1,215,630	92.28%
74	72,001 - 73,000	-	-	-	59	98.33%	1,215,630	92.28%
75	73,001 - 74,000	-	-	-	59	98.33%	1,215,630	92.28%
76	74,001 - 75,000	-	-	-	59	98.33%	1,215,630	92.28%
77	75,001 - 76,000	-	-	-	59	98.33%	1,215,630	92.28%
78	76,001 - 77,000	-	-	-	59	98.33%	1,215,630	92.28%
79	77,001 - 78,000	-	-	-	59	98.33%	1,215,630	92.28%
80	78,001 - 79,000	-	-	-	59	98.33%	1,215,630	92.28%
81	79,001 - 80,000	-	-	-	59	98.33%	1,215,630	92.28%
82	80,001 - 81,000	-	-	-	59	98.33%	1,215,630	92.28%
83	81,001 - 82,000	-	-	-	59	98.33%	1,215,630	92.28%
84	82,001 - 83,000	-	-	-	59	98.33%	1,215,630	92.28%
85	83,001 - 84,000	-	-	-	59	98.33%	1,215,630	92.28%
86	84,001 - 85,000	-	-	-	59	98.33%	1,215,630	92.28%
87	85,001 - 86,000	-	-	-	59	98.33%	1,215,630	92.28%
88	86,001 - 87,000	-	-	-	59	98.33%	1,215,630	92.28%
89	87,001 - 88,000	-	-	-	59	98.33%	1,215,630	92.28%
90	88,001 - 89,000	-	-	-	59	98.33%	1,215,630	92.28%
91	89,001 - 90,000	-	-	-	59	98.33%	1,215,630	92.28%
92	90,001 - 91,000	-	-	-	59	98.33%	1,215,630	92.28%
93	91,001 - 92,000	-	-	-	59	98.33%	1,215,630	92.28%
94	92,001 - 93,000	-	-	-	59	98.33%	1,215,630	92.28%
95	93,001 - 94,000	-	-	-	59	98.33%	1,215,630	92.28%
96	94,001 - 95,000	-	-	-	59	98.33%	1,215,630	92.28%
97	95,001 - 96,000	-	-	-	59	98.33%	1,215,630	92.28%
98	96,001 - 97,000	-	-	-	59	98.33%	1,215,630	92.28%
99	97,001 - 98,000	-	-	-	59	98.33%	1,215,630	92.28%
100	98,001 - 99,000	-	-	-	59	98.33%	1,215,630	92.28%
101	99,001 - 100,000	-	-	-	59	98.33%	1,215,630	92.28%
102	101,730 - 101,730	1	101,730	101,730	60	100.00%	1,317,360	100.00%
126								
127	Totals	60		1,317,360	60		1,317,360	
128								
129	Total Bills	60				Current Rates	Proposed Rates	

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 1.5"  
 Rate Code: R4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 50.00	\$ 151.50
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	48	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
130					Units	Revenue	Units	Revenue
131					Base Charge	60 \$ 3,000	60	\$ 9,090
132	Average Number of Customers		5					
133					Usage (gallons)			
134	Average Consumption (gallons)		21,956		Tier One	146,280 \$ 256	-	\$ -
135					Tier Two	304,900 686	1,241,510	6,828
136	Median Consumption (gallons)		20,567		Tier Three	866,180 2,339	75,850	485
137					Usage Totals	1,317,360	1,317,360	
138					Revenue Totals	\$ 6,281		\$ 16,404
139								

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 2"  
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 80.00	\$ 242.40
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	112	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	9	-	-	9	6.82%	-	0.00%
2	1 - 1,000	2	15	30	11	8.33%	30	0.00%
3	1,001 - 2,000	-	-	-	11	8.33%	30	0.00%
4	2,001 - 3,000	1	3,000	3,000	12	9.09%	3,030	0.03%
5	3,001 - 4,000	1	3,500	3,500	13	9.85%	6,530	0.06%
6	4,001 - 5,000	-	-	-	13	9.85%	6,530	0.06%
7	5,001 - 6,000	5	5,640	28,200	18	13.64%	34,730	0.29%
8	6,001 - 7,000	2	6,700	13,400	20	15.15%	48,130	0.41%
9	7,001 - 8,000	2	7,200	14,400	22	16.67%	62,530	0.53%
10	8,001 - 9,000	2	8,200	16,400	24	18.18%	78,930	0.67%
11	9,001 - 10,000	1	9,100	9,100	25	18.94%	88,030	0.74%
12	10,001 - 11,000	2	10,700	21,400	27	20.45%	109,430	0.92%
13	11,001 - 12,000	4	11,300	45,200	31	23.48%	154,630	1.30%
14	12,001 - 13,000	2	12,350	24,700	33	25.00%	179,330	1.51%
15	13,001 - 14,000	-	-	-	33	25.00%	179,330	1.51%
16	14,001 - 15,000	-	-	-	33	25.00%	179,330	1.51%
17	15,001 - 16,000	-	-	-	33	25.00%	179,330	1.51%
18	16,001 - 17,000	-	-	-	33	25.00%	179,330	1.51%
19	17,001 - 18,000	-	-	-	33	25.00%	179,330	1.51%
20	18,001 - 19,000	1	18,900	18,900	34	25.76%	198,230	1.67%
21	19,001 - 20,000	2	19,800	39,600	36	27.27%	237,830	2.01%
22	20,001 - 21,000	-	-	-	36	27.27%	237,830	2.01%
23	21,001 - 22,000	-	-	-	36	27.27%	237,830	2.01%
24	22,001 - 23,000	1	22,600	22,600	37	28.03%	260,430	2.20%
25	23,001 - 24,000	1	23,800	23,800	38	28.79%	284,230	2.40%
26	24,001 - 25,000	2	24,500	49,000	40	30.30%	333,230	2.81%
27	25,001 - 26,000	1	25,600	25,600	41	31.06%	358,830	3.03%
28	26,001 - 27,000	1	27,000	27,000	42	31.82%	385,830	3.26%
29	27,001 - 28,000	1	27,300	27,300	43	32.58%	413,130	3.49%
30	28,001 - 29,000	3	28,800	86,400	46	34.85%	499,530	4.21%
31	29,001 - 30,000	2	29,400	58,800	48	36.36%	558,330	4.71%
32	30,001 - 31,000	2	30,600	61,200	50	37.88%	619,530	5.23%
33	31,001 - 32,000	-	-	-	50	37.88%	619,530	5.23%
34	32,001 - 33,000	2	32,450	64,900	52	39.39%	684,430	5.77%
35	33,001 - 34,000	1	33,800	33,800	53	40.15%	718,230	6.06%
36	34,001 - 35,000	-	-	-	53	40.15%	718,230	6.06%
37	35,001 - 36,000	1	36,000	36,000	54	40.91%	754,230	6.36%
38	36,001 - 37,000	1	36,500	36,500	55	41.67%	790,730	6.67%
39	37,001 - 38,000	1	37,200	37,200	56	42.42%	827,930	6.98%
40	38,001 - 39,000	-	-	-	56	42.42%	827,930	6.98%
41	39,001 - 40,000	1	39,700	39,700	57	43.18%	867,630	7.32%
42	40,001 - 41,000	-	-	-	57	43.18%	867,630	7.32%
43	41,001 - 42,000	-	-	-	57	43.18%	867,630	7.32%
44	42,001 - 43,000	-	-	-	57	43.18%	867,630	7.32%
45	43,001 - 44,000	-	-	-	57	43.18%	867,630	7.32%
46	44,001 - 45,000	3	44,400	133,200	60	45.45%	1,000,830	8.44%
47	45,001 - 46,000	4	45,450	181,800	64	48.48%	1,182,630	9.98%
48	46,001 - 47,000	1	46,900	46,900	65	49.24%	1,229,530	10.37%
49	47,001 - 48,000	1	47,700	47,700	66	50.00%	1,277,230	10.78%
50	48,001 - 49,000	2	48,350	96,700	68	51.52%	1,373,930	11.59%
51	49,001 - 50,000	1	49,600	49,600	69	52.27%	1,423,530	12.01%
52	50,001 - 51,000	-	-	-	69	52.27%	1,423,530	12.01%
53	51,001 - 52,000	1	51,200	51,200	70	53.03%	1,474,730	12.44%

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 2"  
 Rate Code: R5

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers			Base Charge:	\$ 80.00	\$ 242.40
Tier One Breakover (M gal):	3	-	Tier One Rate:	\$ 1.75	
Tier Two Breakover (M gal):	10	112	Tier Two Rate:	\$ 2.25	\$ 5.50
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption	
					No.	% of Total	Amount	% of Total
54	52,001 - 53,000	2	52,200	104,400	72	54.55%	1,579,130	13.32%
55	53,001 - 54,000	-	-	-	72	54.55%	1,579,130	13.32%
56	54,001 - 55,000	1	54,500	54,500	73	55.30%	1,633,630	13.78%
57	55,001 - 56,000	1	55,100	55,100	74	56.06%	1,688,730	14.25%
58	56,001 - 57,000	-	-	-	74	56.06%	1,688,730	14.25%
59	57,001 - 58,000	2	57,550	115,100	76	57.58%	1,803,830	15.22%
60	58,001 - 59,000	1	58,620	58,620	77	58.33%	1,862,450	15.71%
61	59,001 - 60,000	2	59,550	119,100	79	59.85%	1,981,550	16.72%
62	60,001 - 61,000	2	60,800	121,600	81	61.36%	2,103,150	17.74%
63	61,001 - 62,000	2	61,400	122,800	83	62.88%	2,225,950	18.78%
64	62,001 - 63,000	4	62,575	250,300	87	65.91%	2,476,250	20.89%
65	63,001 - 64,000	2	63,800	127,600	89	67.42%	2,603,850	21.97%
66	64,001 - 65,000	-	-	-	89	67.42%	2,603,850	21.97%
67	65,001 - 66,000	1	65,500	65,500	90	68.18%	2,669,350	22.52%
68	66,001 - 67,000	-	-	-	90	68.18%	2,669,350	22.52%
69	67,001 - 68,000	-	-	-	90	68.18%	2,669,350	22.52%
70	68,001 - 69,000	1	68,200	68,200	91	68.94%	2,737,550	23.09%
71	69,001 - 70,000	1	69,400	69,400	92	69.70%	2,806,950	23.68%
72	70,001 - 71,000	1	70,600	70,600	93	70.45%	2,877,550	24.28%
73	71,001 - 72,000	1	71,400	71,400	94	71.21%	2,948,950	24.88%
74	72,001 - 73,000	-	-	-	94	71.21%	2,948,950	24.88%
75	73,001 - 74,000	1	73,800	73,800	95	71.97%	3,022,750	25.50%
76	74,001 - 75,000	-	-	-	95	71.97%	3,022,750	25.50%
77	75,001 - 76,000	2	75,650	151,300	97	73.48%	3,174,050	26.78%
78	76,001 - 77,000	-	-	-	97	73.48%	3,174,050	26.78%
79	77,001 - 78,000	-	-	-	97	73.48%	3,174,050	26.78%
80	78,001 - 79,000	2	78,650	157,300	99	75.00%	3,331,350	28.10%
81	79,001 - 80,000	-	-	-	99	75.00%	3,331,350	28.10%
82	80,001 - 81,000	-	-	-	99	75.00%	3,331,350	28.10%
83	81,001 - 82,000	-	-	-	99	75.00%	3,331,350	28.10%
84	82,001 - 83,000	2	82,500	165,000	101	76.52%	3,496,350	29.50%
85	83,001 - 84,000	-	-	-	101	76.52%	3,496,350	29.50%
86	84,001 - 85,000	2	84,550	169,100	103	78.03%	3,665,450	30.92%
87	85,001 - 86,000	1	85,900	85,900	104	78.79%	3,751,350	31.65%
88	86,001 - 87,000	1	86,700	86,700	105	79.55%	3,838,050	32.38%
89	87,001 - 88,000	-	-	-	105	79.55%	3,838,050	32.38%
90	88,001 - 89,000	1	88,100	88,100	106	80.30%	3,926,150	33.12%
91	89,001 - 90,000	1	89,700	89,700	107	81.06%	4,015,850	33.88%
92	90,001 - 91,000	2	90,750	181,500	109	82.58%	4,197,350	35.41%
93	91,001 - 92,000	1	91,500	91,500	110	83.33%	4,288,850	36.18%
94	92,001 - 93,000	1	92,100	92,100	111	84.09%	4,380,950	36.96%
95	93,001 - 94,000	1	93,200	93,200	112	84.85%	4,474,150	37.75%
96	94,001 - 95,000	-	-	-	112	84.85%	4,474,150	37.75%
97	95,001 - 96,000	-	-	-	112	84.85%	4,474,150	37.75%
98	96,001 - 97,000	2	96,500	193,000	114	86.36%	4,667,150	39.37%
99	97,001 - 98,000	-	-	-	114	86.36%	4,667,150	39.37%
100	98,001 - 99,000	-	-	-	114	86.36%	4,667,150	39.37%
101	99,001 - 100,000	-	-	-	114	86.36%	4,667,150	39.37%
102	104,600 - 104,600	1	104,600	104,600	115	87.12%	4,771,750	40.26%
103	108,300 - 108,300	1	108,300	108,300	116	87.88%	4,880,050	41.17%
104	110,000 - 110,000	1	110,000	110,000	117	88.64%	4,990,050	42.10%
105	112,800 - 112,800	1	112,800	112,800	118	89.39%	5,102,850	43.05%
106	114,500 - 114,500	1	114,500	114,500	119	90.15%	5,217,350	44.02%

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Commercial  
 Meter Size: 2"  
 Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	3	-	Base Charge:	\$ 80.00	\$ 242.40
Tier Two Breakover (M gal):	10	112	Tier One Rate:	\$ 1.75	
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:	\$ 2.25	\$ 5.50
			Tier Three Rate:	\$ 2.70	\$ 6.40

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	116,700 - 116,700	1	116,700	116,700	120	90.91%	5,334,050	45.00%
108	121,200 - 121,200	1	121,200	121,200	121	91.67%	5,455,250	46.02%
109	168,000 - 168,000	1	168,000	168,000	122	92.42%	5,623,250	47.44%
110	180,800 - 180,800	1	180,800	180,800	123	93.18%	5,804,050	48.97%
111	185,300 - 185,300	1	185,300	185,300	124	93.94%	5,989,350	50.53%
112	388,100 - 388,100	1	388,100	388,100	125	94.70%	6,377,450	53.80%
113	524,000 - 524,000	1	524,000	524,000	126	95.45%	6,901,450	58.22%
114	584,400 - 584,400	1	584,400	584,400	127	96.21%	7,485,850	63.15%
115	804,000 - 804,000	1	804,000	804,000	128	96.97%	8,289,850	69.94%
116	819,500 - 819,500	1	819,500	819,500	129	97.73%	9,109,350	76.85%
117	826,500 - 826,500	1	826,500	826,500	130	98.48%	9,935,850	83.82%
118	863,300 - 863,300	1	863,300	863,300	131	99.24%	10,799,150	91.11%
119	##### - #####	1	1,054,300	1,054,300	132	100.00%	11,853,450	100.00%
102								
103	Totals	132		11,853,450	132		11,853,450	
104								
105	Total Bills	132						

	Current Rates	Proposed Rates		
	Units	Revenue	Units	Revenue
107	Base Charge	132 \$ 10,560	132	\$ 31,997
108	Average Number of Customers	11		
109	Usage (gallons)			
110	Average Consumption (gallons)	89,799		
111	Tier One	363,030 \$ 635	-	\$ -
112	Tier Two	795,000 1,789	6,670,050	36,685
113	Tier Three	10,695,420 28,878	5,183,400	33,174
114	Usage Totals	11,853,450	11,853,450	
115	Revenue Totals	\$ 41,862		\$ 101,856

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Bulk Water - Metered  
 Meter Size: All  
 Rate Code:

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:		\$ 20.00
Tier Two Breakover (M gal):			Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:		
			Tier Three Rate: \$	5.00	\$ 12.00

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	7	-	-	7	10.77%	-	0.00%
2	1 - 1,000	1	900	900	8	12.31%	900	0.03%
3	1,001 - 2,000	1	1,500	1,500	9	13.85%	2,400	0.07%
4	2,001 - 3,000	-	-	-	9	13.85%	2,400	0.07%
5	3,001 - 4,000	-	-	-	9	13.85%	2,400	0.07%
6	4,001 - 5,000	1	4,700	4,700	10	15.38%	7,100	0.21%
7	5,001 - 6,000	3	5,567	16,700	13	20.00%	23,800	0.72%
8	6,001 - 7,000	2	6,600	13,200	15	23.08%	37,000	1.12%
9	7,001 - 8,000	-	-	-	15	23.08%	37,000	1.12%
10	8,001 - 9,000	3	8,617	25,850	18	27.69%	62,850	1.90%
11	9,001 - 10,000	-	-	-	18	27.69%	62,850	1.90%
12	10,001 - 11,000	2	10,300	20,600	20	30.77%	83,450	2.52%
13	11,001 - 12,000	1	12,000	12,000	21	32.31%	95,450	2.89%
14	12,001 - 13,000	1	12,900	12,900	22	33.85%	108,350	3.28%
15	13,001 - 14,000	1	13,500	13,500	23	35.38%	121,850	3.68%
16	14,001 - 15,000	-	-	-	23	35.38%	121,850	3.68%
17	15,001 - 16,000	-	-	-	23	35.38%	121,850	3.68%
18	16,001 - 17,000	1	16,200	16,200	24	36.92%	138,050	4.17%
19	17,001 - 18,000	-	-	-	24	36.92%	138,050	4.17%
20	18,001 - 19,000	2	18,139	36,278	26	40.00%	174,328	5.27%
21	19,001 - 20,000	1	19,800	19,800	27	41.54%	194,128	5.87%
22	20,001 - 21,000	2	20,800	41,600	29	44.62%	235,728	7.13%
23	21,001 - 22,000	1	21,300	21,300	30	46.15%	257,028	7.77%
24	22,001 - 23,000	-	-	-	30	46.15%	257,028	7.77%
25	23,001 - 24,000	1	23,300	23,300	31	47.69%	280,328	8.48%
26	24,001 - 25,000	-	-	-	31	47.69%	280,328	8.48%
27	25,001 - 26,000	-	-	-	31	47.69%	280,328	8.48%
28	26,001 - 27,000	-	-	-	31	47.69%	280,328	8.48%
29	27,001 - 28,000	1	27,300	27,300	32	49.23%	307,628	9.30%
30	28,001 - 29,000	1	28,648	28,648	33	50.77%	336,276	10.17%
31	29,001 - 30,000	2	29,800	59,600	35	53.85%	395,876	11.97%
32	30,001 - 31,000	-	-	-	35	53.85%	395,876	11.97%
33	31,001 - 32,000	2	31,700	63,400	37	56.92%	459,276	13.89%
34	32,001 - 33,000	2	32,800	65,600	39	60.00%	524,876	15.87%
35	33,001 - 34,000	-	-	-	39	60.00%	524,876	15.87%
36	34,001 - 35,000	-	-	-	39	60.00%	524,876	15.87%
37	35,001 - 36,000	1	35,700	35,700	40	61.54%	560,576	16.95%
38	36,001 - 37,000	1	36,200	36,200	41	63.08%	596,776	18.04%
39	37,001 - 38,000	1	37,600	37,600	42	64.62%	634,376	19.18%
40	38,001 - 39,000	-	-	-	42	64.62%	634,376	19.18%
41	39,001 - 40,000	-	-	-	42	64.62%	634,376	19.18%
42	40,001 - 41,000	1	40,500	40,500	43	66.15%	674,876	20.41%
43	41,001 - 42,000	-	-	-	43	66.15%	674,876	20.41%
44	42,001 - 43,000	-	-	-	43	66.15%	674,876	20.41%
45	43,001 - 44,000	-	-	-	43	66.15%	674,876	20.41%
46	44,001 - 45,000	-	-	-	43	66.15%	674,876	20.41%
47	45,001 - 46,000	-	-	-	43	66.15%	674,876	20.41%
48	46,001 - 47,000	-	-	-	43	66.15%	674,876	20.41%
49	47,001 - 48,000	1	47,300	47,300	44	67.69%	722,176	21.84%
50	48,001 - 49,000	1	48,900	48,900	45	69.23%	771,076	23.31%
51	49,001 - 50,000	1	50,000	50,000	46	70.77%	821,076	24.83%
52	50,001 - 51,000	1	50,200	50,200	47	72.31%	871,276	26.34%
53	51,001 - 52,000	-	-	-	47	72.31%	871,276	26.34%

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Bulk Water - Metered  
 Meter Size: All  
 Rate Code:

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:		\$ 20.00
Tier One Breakover (M gal):			Tier One Rate:		
Tier Two Breakover (M gal):			Tier Two Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 5.00	\$ 12.00

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	47	72.31%	871,276	26.34%
55	53,001 - 54,000	-	-	-	47	72.31%	871,276	26.34%
56	54,001 - 55,000	-	-	-	47	72.31%	871,276	26.34%
57	55,001 - 56,000	-	-	-	47	72.31%	871,276	26.34%
58	56,001 - 57,000	1	56,200	56,200	48	73.85%	927,476	28.04%
59	57,001 - 58,000	-	-	-	48	73.85%	927,476	28.04%
60	58,001 - 59,000	-	-	-	48	73.85%	927,476	28.04%
61	59,001 - 60,000	-	-	-	48	73.85%	927,476	28.04%
62	60,001 - 61,000	-	-	-	48	73.85%	927,476	28.04%
63	61,001 - 62,000	-	-	-	48	73.85%	927,476	28.04%
64	62,001 - 63,000	-	-	-	48	73.85%	927,476	28.04%
65	63,001 - 64,000	-	-	-	48	73.85%	927,476	28.04%
66	64,001 - 65,000	-	-	-	48	73.85%	927,476	28.04%
67	65,001 - 66,000	-	-	-	48	73.85%	927,476	28.04%
68	66,001 - 67,000	-	-	-	48	73.85%	927,476	28.04%
69	67,001 - 68,000	-	-	-	48	73.85%	927,476	28.04%
70	68,001 - 69,000	-	-	-	48	73.85%	927,476	28.04%
71	69,001 - 70,000	-	-	-	48	73.85%	927,476	28.04%
72	70,001 - 71,000	2	70,900	141,800	50	76.92%	1,069,276	32.33%
73	71,001 - 72,000	-	-	-	50	76.92%	1,069,276	32.33%
74	72,001 - 73,000	-	-	-	50	76.92%	1,069,276	32.33%
75	73,001 - 74,000	-	-	-	50	76.92%	1,069,276	32.33%
76	74,001 - 75,000	-	-	-	50	76.92%	1,069,276	32.33%
77	75,001 - 76,000	-	-	-	50	76.92%	1,069,276	32.33%
78	76,001 - 77,000	-	-	-	50	76.92%	1,069,276	32.33%
79	77,001 - 78,000	-	-	-	50	76.92%	1,069,276	32.33%
80	78,001 - 79,000	-	-	-	50	76.92%	1,069,276	32.33%
81	79,001 - 80,000	-	-	-	50	76.92%	1,069,276	32.33%
82	80,001 - 81,000	-	-	-	50	76.92%	1,069,276	32.33%
83	81,001 - 82,000	2	81,900	163,800	52	80.00%	1,233,076	37.28%
84	82,001 - 83,000	-	-	-	52	80.00%	1,233,076	37.28%
85	83,001 - 84,000	-	-	-	52	80.00%	1,233,076	37.28%
86	84,001 - 85,000	1	84,900	84,900	53	81.54%	1,317,976	39.85%
87	85,001 - 86,000	-	-	-	53	81.54%	1,317,976	39.85%
88	86,001 - 87,000	-	-	-	53	81.54%	1,317,976	39.85%
89	87,001 - 88,000	-	-	-	53	81.54%	1,317,976	39.85%
90	88,001 - 89,000	-	-	-	53	81.54%	1,317,976	39.85%
91	89,001 - 90,000	1	89,200	89,200	54	83.08%	1,407,176	42.55%
92	90,001 - 91,000	-	-	-	54	83.08%	1,407,176	42.55%
93	91,001 - 92,000	-	-	-	54	83.08%	1,407,176	42.55%
94	92,001 - 93,000	1	93,000	93,000	55	84.62%	1,500,176	45.36%
95	93,001 - 94,000	-	-	-	55	84.62%	1,500,176	45.36%
96	94,001 - 95,000	-	-	-	55	84.62%	1,500,176	45.36%
97	95,001 - 96,000	-	-	-	55	84.62%	1,500,176	45.36%
98	96,001 - 97,000	-	-	-	55	84.62%	1,500,176	45.36%
99	97,001 - 98,000	1	97,900	97,900	56	86.15%	1,598,076	48.32%
100	98,001 - 99,000	-	-	-	56	86.15%	1,598,076	48.32%
101	99,001 - 100,000	1	99,700	99,700	57	87.69%	1,697,776	51.33%
102	106,900 - 106,900	1	106,900	106,900	58	89.23%	1,804,676	54.57%
103	115,800 - 115,800	1	115,800	115,800	59	90.77%	1,920,476	58.07%
104	117,600 - 117,600	1	117,600	117,600	60	92.31%	2,038,076	61.62%
105	122,400 - 122,400	1	122,400	122,400	61	93.85%	2,160,476	65.32%
106	123,100 - 123,100	1	123,100	123,100	62	95.38%	2,283,576	69.05%

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Bulk Water - Metered  
 Meter Size: All  
 Rate Code:

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:		\$ 20.00
Tier Two Breakover (M gal):			Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:		
			Tier Three Rate:	\$ 5.00	\$ 12.00

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	130,700 - 130,700	1	130,700	130,700	63	96.92%	2,414,276	73.00%
108	295,200 - 295,200	1	295,200	295,200	64	98.46%	2,709,476	81.92%
109	597,800 - 597,800	1	597,800	597,800	65	100.00%	3,307,276	100.00%
302								
303	Totals	65		3,307,276	65		3,307,276	
304								
305	Total Bills	65						

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
307	Base Charge	65 \$ -	65 \$	1,300
308	Average Number of Customers	5		
309	Usage (gallons)			
310	Average Consumption (gallons)	50,881		
311				
312	Median Consumption (gallons)	28,648		
313				
314	Usage Totals	3,307,276	3,307,276	
315	Revenue Totals	\$ 16,536	\$	40,987

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Bulk Water - Standpipe  
 Meter Size: Automated Standpipe  
 Rate Code:

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:		
Tier Two Breakover (M gal):			Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:		
			Tier Three Rate: \$	5.00	\$ 12.00

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

**Aubrey Water Company**  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Bulk Water - Standpipe  
 Meter Size: Automated Standpipe  
 Rate Code:

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:		
Tier Two Breakover (M gal):			Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:		
			Tier Three Rate: \$	5.00	\$ 12.00

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000				-	0.00%	-	0.00%
55	53,001 - 54,000				-	0.00%	-	0.00%
56	54,001 - 55,000				-	0.00%	-	0.00%
57	55,001 - 56,000				-	0.00%	-	0.00%
58	56,001 - 57,000				-	0.00%	-	0.00%
59	57,001 - 58,000				-	0.00%	-	0.00%
60	58,001 - 59,000				-	0.00%	-	0.00%
61	59,001 - 60,000				-	0.00%	-	0.00%
62	60,001 - 61,000				-	0.00%	-	0.00%
63	61,001 - 62,000				-	0.00%	-	0.00%
64	62,001 - 63,000				-	0.00%	-	0.00%
65	63,001 - 64,000				-	0.00%	-	0.00%
66	64,001 - 65,000				-	0.00%	-	0.00%
67	65,001 - 66,000				-	0.00%	-	0.00%
68	66,001 - 67,000				-	0.00%	-	0.00%
69	67,001 - 68,000				-	0.00%	-	0.00%
70	68,001 - 69,000				-	0.00%	-	0.00%
71	69,001 - 70,000				-	0.00%	-	0.00%
72	70,001 - 71,000				-	0.00%	-	0.00%
73	71,001 - 72,000				-	0.00%	-	0.00%
74	72,001 - 73,000				-	0.00%	-	0.00%
75	73,001 - 74,000				-	0.00%	-	0.00%
76	74,001 - 75,000				-	0.00%	-	0.00%
77	75,001 - 76,000				-	0.00%	-	0.00%
78	76,001 - 77,000				-	0.00%	-	0.00%
79	77,001 - 78,000				-	0.00%	-	0.00%
80	78,001 - 79,000				-	0.00%	-	0.00%
81	79,001 - 80,000				-	0.00%	-	0.00%
82	80,001 - 81,000				-	0.00%	-	0.00%
83	81,001 - 82,000				-	0.00%	-	0.00%
84	82,001 - 83,000				-	0.00%	-	0.00%
85	83,001 - 84,000				-	0.00%	-	0.00%
86	84,001 - 85,000				-	0.00%	-	0.00%
87	85,001 - 86,000				-	0.00%	-	0.00%
88	86,001 - 87,000				-	0.00%	-	0.00%
89	87,001 - 88,000				-	0.00%	-	0.00%
90	88,001 - 89,000				-	0.00%	-	0.00%
91	89,001 - 90,000				-	0.00%	-	0.00%
92	90,001 - 91,000				-	0.00%	-	0.00%
93	91,001 - 92,000				-	0.00%	-	0.00%
94	92,001 - 93,000				-	0.00%	-	0.00%
95	93,001 - 94,000				-	0.00%	-	0.00%
96	94,001 - 95,000				-	0.00%	-	0.00%
97	95,001 - 96,000				-	0.00%	-	0.00%
98	96,001 - 97,000				-	0.00%	-	0.00%
99	97,001 - 98,000				-	0.00%	-	0.00%
100	98,001 - 99,000				-	0.00%	-	0.00%
101	99,001 - 100,000				-	0.00%	-	0.00%
102	286,640 - 286,640	1	286,640	286,640	1	8.33%	286,640	6.18%
103	299,620 - 299,620	1	299,620	299,620	2	16.67%	586,260	12.64%
104	305,950 - 305,950	1	305,950	305,950	3	25.00%	892,210	19.24%
105	336,600 - 336,600	1	336,600	336,600	4	33.33%	1,228,810	26.50%
106	363,170 - 363,170	1	363,170	363,170	5	41.67%	1,591,980	34.33%

Aubrey Water Company  
 Test Year Ended December 31, 2014  
 Bill Count

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

Class: Bulk Water - Standpipe  
 Meter Size: Automated Standpipe  
 Rate Code:

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:		
Tier Two Breakover (M gal):			Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:		
			Tier Three Rate:	\$ 5.00	\$ 12.00

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	373,580 - 373,580	1	373,580	373,580	6	50.00%	1,965,560	42.38%
108	379,120 - 379,120	1	379,120	379,120	7	58.33%	2,344,680	50.56%
109	399,080 - 399,080	1	399,080	399,080	8	66.67%	2,743,760	59.16%
110	431,430 - 431,430	1	431,430	431,430	9	75.00%	3,175,190	68.46%
111	438,010 - 438,010	1	438,010	438,010	10	83.33%	3,613,200	77.91%
112	453,470 - 453,470	1	453,470	453,470	11	91.67%	4,066,670	87.69%
113	571,030 - 571,030	1	571,030	571,030	12	100.00%	4,637,700	100.00%
114	Totals	12		4,637,700	12		4,637,700	

Line No.	Block	Total Bills	Current Rates		Proposed Rates	
			Units	Revenue	Units	Revenue
116		12	12	\$ -	12	\$ -
117	Average Number of Customers	1				
118			<u>Usage (gallons)</u>			
119	Average Consumption (gallons)	386,475	Tier One	\$ -	-	\$ -
120			Tier Two	-	-	-
121	Median Consumption (gallons)	373,580	Tier Three	4,637,700	23,189	4,637,700 55,652
122			Usage Totals	4,637,700	4,637,700	
123			Revenue Totals	\$ 23,189	\$ 55,652	

Aubrey Water Company

Direct Testimony of Ray L. Jones

**Exhibit RLJ-DT3**

AUBREY WATER COMPANY  
P.O. BOX 85160  
TUCSON, ARIZONA 85754  
(520) 623-5172

**WATER LOSS REPORT**  
2014

SYSTEM INPUT					
South Well-Gallons Pumped PER MONTH	Year: 2014 GALLONS	North Well-Gallons Pumped PER MONTH	Year: 2014 GALLONS	TOTAL GALLONS PUMPED	Year: 2014 GALLONS
Jan	160,600	Jan	2,365,800	Jan	2,526,400
Feb	2,889,200	Feb	0	Feb	2,889,200
Mar	2,423,900	Mar	109,300	Mar	2,533,200
Apr	29,100	Apr	3,114,300	Apr	3,143,400
May	109,000	May	3,943,800	May	4,052,800
June	715,700	June	4,601,100	June	5,316,800
July	227,700	July	5,350,400	July	5,578,100
Aug	206,100	Aug	4,767,300	Aug	4,973,400
Sept	3,475,900	Sept	257,700	Sept	3,733,600
Oct	1,895,600	Oct	2,280,100	Oct	4,175,700
Nov	0	Nov	3,677,100	Nov	3,677,100
Dec	2,184,900	Dec	460,800	Dec	2,645,700
<b>TOTAL</b>	<b>14,317,700</b>	<b>TOTAL</b>	<b>30,927,700</b>	<b>TOTAL</b>	<b>45,245,400</b>

BILLED AUTHORIZED CONSUMPTION					
TOTAL GALLONS SOLD INDIVIDUAL READINGS	YEAR 2014	TOTAL GALLONS SOLD QUARTER MACHINE	YEAR 2014	TOTAL GALLONS SOLD	YEAR 2014
Jan	1,537,068	Jan	305,950	Jan	1,843,018
Feb	1,784,870	Feb	336,600	Feb	2,121,470
Mar	1,624,398	Mar	286,640	Mar	1,911,038
Apr	2,102,650	Apr	379,120	Apr	2,481,770
May	2,935,810	May	431,430	May	3,367,240
June	4,122,790	June	438,010	June	4,560,800
July	4,278,070	July	571,030	July	4,849,100
Aug	3,751,041	Aug	453,470	Aug	4,204,511
Sept	2,616,940	Sept	373,580	Sept	2,990,520
Oct	3,164,480	Oct	399,080	Oct	3,563,560
Nov	2,649,580	Nov	363,170	Nov	3,012,750
Dec	1,753,870	Dec	299,620	Dec	2,053,490
<b>TOTAL</b>	<b>32,321,567</b>	<b>TOTAL</b>	<b>4,637,700</b>	<b>TOTAL</b>	<b>36,959,267</b>

Authorized Non-Revenue Uses		Water Losses		PERFORMANCE INDICATORS	
Water Used for System Flushing and Fire Protection		[System Input] - [Billed Authorized Consumption] - [Authorized Non-Revenue Uses]		Water Loss Percentage	
TOTAL GALLONS	YEAR 2014	TOTAL GALLONS	YEAR 2014	Date	%
Jan	14,000	Jan	669,382	Jan	26.50%
Feb	4,300	Feb	763,430	Feb	26.42%
Mar	6,250	Mar	615,912	Mar	24.31%
Apr	3,250	Apr	658,380	Apr	20.94%
May	86,200	May	599,360	May	14.79%
June	6,000	June	750,000	June	14.11%
July	0	July	729,000	July	13.07%
Aug	12,300	Aug	756,589	Aug	15.21%
Sept	750	Sept	742,330	Sept	19.88%
Oct	1,260	Oct	610,880	Oct	14.63%
Nov	3,050	Nov	661,300	Nov	17.98%
Dec	3,550	Dec	588,660	Dec	22.25%
<b>TOTAL</b>	<b>140,910</b>	<b>TOTAL</b>	<b>8,145,223</b>	<b>Calendar Year 2013</b>	<b>18.00%</b>

AUBREY WATER COMPANY  
P.O. BOX 85160  
TUCSON, ARIZONA 85754  
(520) 623-5172

**WATER LOSS REPORT**  
2014

Transmission System						2014
	Transmission Losses					
	Well Production	Storage Tank Inlet	Sales from Trans. Line	Transmission Losses		
				Gallons	Percent	
Jan	2,526,400	2,612,000	29,840	-115,440	-4.6%	
Feb	2,889,200	2,676,000	94,960	118,240	4.1%	
Mar	2,533,200	2,489,000	30,350	13,850	0.5%	
Apr	3,143,400	3,047,000	30,680	65,720	2.1%	
May	4,052,800	3,895,000	40,130	117,670	2.9%	
June	5,316,800	4,719,000	641,490	-43,690	-0.8%	
July	5,578,100	5,121,000	356,560	100,540	1.8%	
Aug	4,973,400	4,777,000	43,290	153,110	3.1%	
Sept	3,733,600	3,638,000	65,440	30,160	0.8%	
Oct	4,175,700	4,109,000	59,110	7,590	0.2%	
Nov	3,677,100	3,581,000	50,330	45,770	1.2%	
Dec	2,645,700	2,560,000	83,630	2,070	0.1%	
<b>Totals</b>	<b>45,245,400</b>	<b>43,224,000</b>	<b>1,525,810</b>	<b>495,590</b>	<b>1.1%</b>	

Distribution System							2013
	Storage Tank Inlet	Authorized Consumption				Distribution Losses	
		Billed Consumption	Sales from Trans. Line	Non-Revenue Auth. Usage	Dist. Sys. Auth. Consump.	Gallons	Percentage
Jan	2,612,000	1,843,018	29,840	14,000	1,827,178	784,822	30.0%
Feb	2,676,000	2,121,470	94,960	4,300	2,030,810	645,190	24.1%
Mar	2,489,000	1,911,038	30,350	6,250	1,886,938	602,062	24.2%
Apr	3,047,000	2,481,770	30,680	3,250	2,454,340	592,660	19.5%
May	3,895,000	3,367,240	40,130	86,200	3,413,310	481,690	12.4%
June	4,719,000	4,560,800	641,490	6,000	3,925,310	793,690	16.8%
July	5,121,000	4,849,100	356,560	0	4,492,540	628,460	12.3%
Aug	4,777,000	4,204,511	43,290	12,300	4,173,521	603,479	12.6%
Sept	3,638,000	2,990,520	65,440	750	2,925,830	712,170	19.6%
Oct	4,109,000	3,563,560	59,110	1,260	3,505,710	603,290	14.7%
Nov	3,581,000	3,012,750	50,330	3,050	2,965,470	615,530	17.2%
Dec	2,560,000	2,053,490	83,630	3,550	1,973,410	586,590	22.9%
<b>Totals</b>	<b>43,224,000</b>	<b>36,959,267</b>	<b>1,525,810</b>	<b>140,910</b>	<b>35,574,367</b>	<b>7,649,633</b>	<b>17.7%</b>

Full System					2013
	Well Production	Authorized Consumption	System Losses		
			Gallons	Percentage	
Jan	2,526,400	1,857,018	669,382	26.50%	
Feb	2,889,200	2,125,770	763,430	26.42%	
Mar	2,533,200	1,917,288	615,912	24.31%	
Apr	3,143,400	2,485,020	658,380	20.94%	
May	4,052,800	3,453,440	599,360	14.79%	
June	5,316,800	4,566,800	750,000	14.11%	
July	5,578,100	4,849,100	729,000	13.07%	
Aug	4,973,400	4,216,811	756,589	15.21%	
Sept	3,733,600	2,991,270	742,330	19.88%	
Oct	4,175,700	3,564,820	610,880	14.63%	
Nov	3,677,100	3,015,800	661,300	17.98%	
Dec	2,645,700	2,057,040	588,660	22.25%	
<b>Totals</b>	<b>45,245,400</b>	<b>37,100,177</b>	<b>8,145,223</b>	<b>18.00%</b>	

Aubrey Water Company

Direct Testimony of Ray L. Jones

**Exhibit RLJ-DT4**

# Transfer Pump Station Project



- This project consists of modifications to Aubrey's water supply facilities located at the Canyon Mouth Reservoir. The project consists of abandonment of the existing transfer tank, transfer pump station and well pipeline, equipping the wells with new pumps capable of pumping directly to the well transmission main, and installing a new well pipeline from the wells to the existing transmission main.
  
- **Project Drivers**
  - ADEQ Inspection 142982 dated July 9, 2009 recommended repair or replacement of leaking pumps
  - Age of pump station is 50+ years
  - Pumps, pipe and fittings are experiencing leaks, scaling and corrosion
  - Pumps in very poor condition
  - Documented noncompliance with electric codes
  - Pump house severely deteriorated

# Transfer Pump Station Project



## • Project Justification

- Eliminating transfer pump station will provide moderate capital cost savings and substantial operating cost savings
- Replacing transfer pump station required substantial upgrades and modifications to yard piping and electrical systems and construction of a new pump house
- Existing transfer tank is 50+ years old and is not suitable for long-term use
- Proposed modifications will improve supply system performance and meet or exceed ADEQ recommendations
- New control system will greatly improve the operation, management and reliability of the water system

• **Project Cost - \$443,321**

Aubrey Water Company

Direct Testimony of Ray L. Jones

**Exhibit RLJ-DT5**

# Town Tank and Booster Station Project



- **Project Drivers**
  - Inspection of the existing 250,000 gallon tank on December 6, 2007 revealed several major deficiencies . Key findings from the report are as follows:
    - \* Tank built in approximately 1930
    - \* Exterior coating in poor condition with high lead content primer exposed
    - \* Tank leaking in a few areas
    - \* Wooden roofing system in fair condition
    - \* Interior coating in poor condition
    - \* Sidewalls rusted and corroded in all areas
    - \* Sidewalls covered with heavy buildup
    - \* Floor believed to be in poor condition with evidence of leakage observed
    - \* Interior ladder in poor condition and unsafe for use
    - \* Man way does not meet OSHA requirements
    - \* Roof and venting do not meet ADEQ requirements
    - \* Foundation in poor condition
    - \* Water level indication system in poor condition

# Town Tank and Booster Station Project



- **Project Drivers (Cont.)**
  - Existing Booster Station is 50 year old and at the end of its useful life
  - Leakage is observed at site
  - Piping connections to unknown locations (possible leakage)
  - Existing pump house is severely deteriorated and nearing failure
- **Project Justification**
  - New site is centrally located, providing better pressure distribution in the delivery system
  - New site provides direct access for operators, eliminating unsafe access along BNSF tracks
  - New booster station will allow for lower operating pressure, reducing lost water
  - New tank and booster station will provide for fire flow
  - New booster station will allow staff to better manage chlorine residuals
- **Project Cost - \$ 1,108,196**