ORIGINAL

0000167715

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

2016 JAN 22 P 2: 50

AZ CORP COMMISSION
DOCKET CONTROL

COMMISSIONERS

SUSAN BITTER SMITH, Chairman
BOB STUMP
ROBERT BURNS
DOUG LITTLE
TOM FORESE

IN THE MATTER OF THE APPLICATION OF GRANITE MOUNTAIN WATER CO., INC., FOR A RATE INCREASE.	DOCKET NO. W-02467A-14-0230 **NOTICE OF FILING REJOINDER TESTIMONY**

Granite Mountain Water Co., Inc. ("Granite Mountain") hereby provides notice of filing its rebuttal testimony in the above-captioned case.

Respectfully submitted on September 18, 2015, by:

Craig A. Marks

Craig A. Marks
Craig A. Marks, PLC
10645 N. Tatum Blvd
Suite 200-676
Phoenix, Arizona 85028
(480) 367-1956
Craig.Marks@azbar.org
Attorney for Granite Mountain Water Co., Inc.

Original and 13 copies filed on September 18, 2015, with:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED
JAN 22 2016
DOCKETED BY

Copies mailed on September 18, 2015 to:

Bridget A. Humphrey/Matthew Laudone
Staff Attorneys
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE, Chairman
BOB STUMP
BOB BURNS
TOM FORESE

IN THE MATTER OF THE APPLICATION OF GRANITE MOUNTAIN WATER COMPANY, INC. FOR APPROVAL OF A RATE INCREASE	DOCKET NO. W-02467A-14-0230

SUPPLEMENTAL DIRECT TESTIMONY
OF
RAY L. JONES
ON BEHALF OF
GRANITE MOUNTAIN WATER COMPANY, INC.
JANUARY 21, 2016

SUPPLEMENTAL DIRECT TESTIMONY
OF
RAY L. JONES
ON BEHALF OF
GRANITE MOUNTAIN WATER COMPANY, INC.
JANUARY 21, 2016

I INTRODUCTION

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND TELEPHONE NUMBER.

A. My name is Ray L. Jones. My business address is 18835 North Thompson Peak Parkway, Suite 215, Scottsdale, AZ 85255, and my business phone is (623) 341-4771.

Q. ARE YOU THE SAME RAY L. JONES WHO PREVIOUSLY SUBMITTED TESTIMONY IN THIS DOCKET?

A. Yes.

II LATE FILED EXHIBITS

Q. PLEASE SUMMARIZE THE LATE-FILED EXHIBITS SUBMITTED BY THE COMPANY IN THIS CASE?

A. On November 30, 2015, the Company filed the following late-filed exhibits:

- Post-hearing Exhibit A-3

  This exhibit contains an accounting report showing affiliated receivables from 12/31/2013 to 11/13/2015 and a report from the Company's billing system showing payment history on four accounts of Daniel (Danny) Levie for the period 1/1/13 to 11/25/15.

- Post-hearing Exhibit A-4

This exhibit is an accounting report and supporting documentation showing deposits and transactions for the WIFA Loan Bank Account required by Decision No. 74384.

Post-hearing Exhibit A-3

Q. PLESE DESCRIBE THE ACCOUTING REPORT INCLUDED AS PART OF EXHIBIT A-3.

A. This report shows all transactions related to receivables from entities affiliated with The Company from the period 12/31/13 to 11/13/15. The report contains accounts for the following affiliates:

- Chino Meadows II Water Co.
- Antelope Lakes Water Co.
- GFL CMI Tract B Water Line (Loan to Mr. Paul Levie)
- PDL Trust (Loan to trust controlled by Mr. Paul Levie)
- Zooki, LLC

Q. WHAT DOES THE ACCOUNTING REPORT INDICATE REGARDING THESE ACCOUNTS?

A. The report indicates that the receivables from the three non-water company affiliates have been paid in full. More specifically, the loan to Mr. Levie for the Tract B Water Line and the loan to Mr. Levie's trust were paid in full on 12/5/14. The amount due from Zookie, LLC was paid in full on 11/13/15. With the payment in full of these three receivables, Granite Mountain has no further amounts receivable from non-water company affiliates.

With respect to the receivable from Chino Meadows II Water Co., the report indicates that Chino Meadows has reduced the outstanding balance from $19,891.00 to $9,239.98 over the course of the period covered by the report.

With respect to the receivable from Antelope Lakes Water Co., the report indicates that the amount receivable is unchanged at $8,782.46.

Q. DOES THE COMPANY HAVE ANY RECEIVEABLES FROM AFFILIATES THAT ARE NOT REFLECTED ON THE ACCOUNTING REPORT?

A. Except for current customer receivables for customer accounts held by Mr. Levie and his immediate family, there are no other receivables from affiliates.

Q. PLESE DESCRIBE THE BILLING SYSTEM REPORT INCLUDED AS PART OF EXHIBIT A-3.

A. This report shows the billing and payment history for four customer accounts held by Mr. Daniel (Danny) Levie. The accounts are:

- 80.001.02 – Granite Mountain Stables
- 81.002.01 – Daniel P. Levie (2400 Shane Drive)
- 80.012.00 – Daniel P. Levie (7280 N. Stable Lane)
- 80.002.01 – Daniel P. Levie (2480 Shane Drive)

Q. WHAT DOES THE BILLING SYSTEM REPORT INDICATE REGARDING THESE ACCOUNTS?

A. The report indicates that all four accounts are current and that the accounts have a history of regular payments made in accordance with the Company's tariff requirements.

<u>Post-hearing Exhibit A-4</u>

Q. PLESE DESCRIBE THE ACCOUTING REPORT INCLUDED AS PART OF EXHIBIT A-4.

A. This report shows all transactions related to a bank account used for payments on the Company's WIFA loan as required by Decision No. 74384.

Q. DOES THE REPORT INDICATE THAT THE COMPANY IS IN COMPLIANCE WITH THE REQUIREMENTS OF DECISION NO. 74384?

A. Yes. The Company began making regular monthly deposits as required by Decision No. 74384 in November of 2014. In September of 2015, the Company made a deposit for amounts required for the period May 2014 through October 2014. As of the date of the report, the Company had made deposits as required for the period from May 2014 through October 2015. All withdrawals from the account are for WIFA loan payment or for fees charged by the bank. The Company is in compliance with Decision No. 74384.

III <u>POST-TEST YEAR PLANT – STORAGE TANK NO. 3</u>

Q. HAS THE COMPANY COMPLETED CONSTRUCTION OF STORAGE TANK NO. 3 AND PLACED THE TANK INTO SERVICE?

A. Yes. The Company completed construction of the tank, including disinfection and receipt of satisfactory bacteriological test results on November 16, 2015. On December 3, 2015, the Arizona Department of Environmental Quality issued an Approval to Construct ("AOC") for Storage Tank No. 3. A copy of the AOC is attached as Exhibit A. On December 5, 2015, the Company placed Storage Tank No. 3 into service.

Q. WHAT WAS THE FINAL COST OF STORAGE TANK NO. 3?

A. The final cost of Storage Tank No. 3 is $106,043.13. A full summary of the costs with supporting invoices is attached as Exhibit B.

Q. DOES THE FINAL COST OF STORAGE TANK NO. 3 INCLUDE ANY UNNECESSARY COSTS DUE TO THE NEED TO HIRE A SECOND CONTRACTOR TO FINISH CONSTRUCTION OF THE TANK?

A. As indicated on Exhibit B, the Company was able to obtain a refund in the amount of $18,925 from the original contractor for unfinished work and their failure to complete the

tank in a timely manner. The Company believes that with the inclusion of this credit, most, if not all, of the unnecessary or duplicate costs of constructing the tank were eliminated.

However, in order to be certain there are no duplicate costs and to address Staff's concern regarding this issue, as shown on Exhibit B, the Company has reduced the cost of the tank by $3,820.45. The reduction of $3,820.45 lowers the tank construction costs to the original bid of $93,650.00, eliminating any possibility of duplicate costs. After the cost reduction, the cost of Storage Tank No. 3, including engineering, construction and miscellaneous items is $102,222.68.

Q. WHAT IS THE AMOUNT OF POST-TEST YEAR PLANT REQUESTED BY THE COMPANY FOR STORAGE TANK NO. 3?

A. The Company is requesting inclusion of $102,222,68 in post-test year plant costs for Storage Tank No. 3.

IV <u>UPDATED SCHEDULES</u>

Q. HAS THE COMPANY PREPARED UPDATED SCHEDULES DETALING ITS CURRENT POSITION, INCLUDING $102,222.68 IN POST-TEST YEAR PLANT FOR STORAGE TANK NO. 3.

A. Yes. A full set of schedules detailing the Company's current position are attached as Exhibit C.

Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL DIRECT TESTIMONY?

A. Yes.

Testimony Exhibits

Exhibit A

ARIZONA DEPARTMENT
OF
ENVIRONMENTAL QUALITY

Douglas A. Ducey
Governor

Misael Cabrera
Director

APPROVAL OF CONSTRUCTION

Project Description: Granite Mountain Water Storage Tank. AOC permit is for installation of 1-50,000 gallon water storage tank and associated yard piping.

Location: Prescott, AZ

Project Owner: Granite Mountain Water Company
Address: P.O. Box 350, Chino Valley, AZ 86323

The Arizona Department of Environmental Quality (ADEQ) hereby issues an Approval of Construction for the above-described facility based on the following provisions of Arizona Administrative Code (A.A.C.) R18-5-507 et seq.

On November 17, 2015 GlenLee Vortherms, P.E., certified that the project was built according to the as-built plans and specifications and ADEQ's Certificate of Approval to Construct.

On July 27, 2011 ADEQ issued a Certificate of Approval to Construct for the referenced project.

This Approval of Construction authorizes the owner to begin operating the above-described facilities as represented in the approved plan on file with the ADEQ. Be advised that A.A.C. R18-4-203 requires the owner of a public water system to maintain and operate all water production, treatment and distribution facilities in accordance with ADEQ Safe Drinking Water Rules.

SA3
PWS No.:13150
LTF No.: 63268

Fahmida Maula 12/3/15
Fahmida Maula, P.E. Date Approved
Engineering Review Unit
Drinking Water Section

c: ADEQ File No.: 20110161
Yavapai County Health Department
AZ Corporation Commission
GlenLee Vortherms, P.E.

RIGHT TO APPEAL INFORMATION

The Arizona Department of Environmental Quality's review of this application was subject to the requirements of the licensing time frames ("LTF") statute under Arizona Revised Statutes ("A.R.S.") § 41-1072 through § 41-1079 and the LTF rules under Arizona Administrative Code ("A.A.C.") R18-1-501 through R18-1-525. This Notice is being issued within the overall time frame for your application.

ADEQ hereby approves your application for Approval of Construction Drinking Water Facilities under A.R.S. § 49-351. Your copy of the Approval of Construction Permit is on the reverse side of this Right to Appeal Information sheet.

This decision is an appealable agency action under A.R.S. § 41-1092. You have a right to request a hearing and file an appeal under A.R.S. § 41-1092.03(B). You must file a written Request for Hearing or Notice of Appeal within **30 days** of your receipt of this Notice. A Request for Hearing or Notice of Appeal is filed when it is received by ADEQ's Hearing Administrator as follows:

Office of Administrative Counsel
Arizona Department of Environmental Quality
1110 W. Washington Street
Phoenix, AZ 85007

The Request for Hearing or Notice of Appeal shall identify the party, the party's address, the agency and the action being appealed and shall contain a concise statement of the reasons for the appeal. Upon proper filing of a Request for Hearing or Notice of Appeal, ADEQ will serve a Notice of Hearing on all parties to the appeal. If you file a timely Request for Hearing or Notice of Appeal you have a right to request an informal settlement conference with ADEQ under A.R.S. § 41-1092.06. This request must be made in writing no later than **20 days** before a scheduled hearing and must be filed with the Hearing Administrator at the above address.

Please contact Steven J Vevang at (602) 771-4648 or sv4@azdeq.gov if you have questions regarding this Notice or the Certificate of Approved of Construction.

Granite Mountain Water Company, Inc.
Docket No. W-02467A-14-0230
Supplemental Direct Testimony of Ray L. Jones

Exhibit B

Granite Mountain Water Co., Inc.
TANK #3 COST SUMMARY

Item	Type	Date	Num	Name	Memo	Amount	Engineering & Permittiing	Tank Construction	Materials & Misc.
1	Check	05/25/2011	1608	Glen Vortherms	Engineering Plans & Report/As-Builts Tank #3	$ 900.00	$ 900.00	$ -	$ -
2	Check	07/05/2011	1629	Arizona Dept of Environmental ...	ADEQ Engineering Review GMWC Tank #3 A. ...	800.00	800.00		
3	Check	07/27/2011	1652	American Express	Postage-ADEQ Tank #3 Engineering Review ...	11.44	11.44		
4	Check	07/27/2011	1652	American Express	A&E Repographics (5) Copies of Eng Plans f...	92.82	92.82		
5	Check	04/10/2014	5510	Arden Barney	BS Building Permit for 3rd water tank 50,0000	100.00	100.00		
6	Check	05/22/2014	5555	Yavapai County Development S...	Building Permit Fees	465.00	465.00		
7	Check	06/18/2014	5589	Yavapai County Development S...	Tank Permit	415.00	415.00		
8	Check	09/12/2014	5688	David Larson	Draw #1 Tank Construction	6,300.00		6,300.00	
9	Check	09/19/2014	5703	David Larson	Draw #2 Tank Construction	6,300.00		6,300.00	
10	Check	02/09/2015	5873	Chapman Electric	50k Gal Water tank	34,225.00		34,225.00	
11	Check	04/17/2015	5954	Chapman Electric	50k Gal Water tank Sales tax Payable	2,800.13		2,800.13	
12	Check	07/30/2015	6056	Chapman Electric	Draw 2 and Materials	28,770.32		28,770.32	
13	Check	09/28/2015	6116	Cashion Tank & Steel, Co.	Tank #3- First Draw	15,000.00		15,000.00	
14	Check	10/16/2015	6137	Cashion Tank & Steel, Co.	Tank #3- 2nd Draw	10,000.00		10,000.00	
15	Deposit	10/16/2015		Chapman Electric	Reimbursement for work not performed	(18,925.00)		(18,925.00)	
16	Check	10/26/2015	6147	Dana Kepner Company Inc	Customer # 26840000- See invoice	2,263.01			2,263.01
17	Check	11/02/2015	6151	Cashion Tank & Steel, Co.	Tank #3- Last Draw	13,000.00		13,000.00	
18	Check	11/11/2015	6172	Chino Ship & Copy	Signage for Construction of tank per WIFA	30.90			30.90
19	Check	11/13/2015	6176	Home Depot	Paint for tank # 3	37.07			37.07
20	Check	11/13/2015	6177	John Deere Financial	Fire Control Materials and supplies	37.44			37.44
21	Check	11/18/2015	6182	Vortherms Consulting, LLC	Review WIFA Docs, Certify Documents, Prap...	3,420.00	3,420.00	-	-
						$ 106,043.13	$ 6,204.26	$ 97,470.45	$ 2,368.42
					Less Duplicate Tank Construction Costs (limits tank cost to 1/20/15 Bid Cost of $93,650)	(3,820.45)		(3,820.45)	
					Final Tank Costs for inclusion in rate base	**$ 102,222.68**	**$ 6,204.26**	**$ 93,650.00**	**$ 2,368.42**

Note: Invoices/documentation supporting line items 1 through 4 were destroyed in the fire at the Company's office and are not available.

12:24 PM

11/18/15

Accrual Basis

Granite Mountain Water Co., Inc.
Account QuickReport
All Transactions

Type	Date	Num	Name	Memo	Amount	Balance
105.00 · Construction Work in Progress						
105.03 · Water Tank #3 (50K Gallons)						
Check	05/25/2011	1608	Glen Vortherms	Engineering Plans & Report/As-Builts Tank #3	900.00	900.00
Check	07/05/2011	1629	Arizona Dept of Environmental ...	ADEQ Engineering Review GMWC Tank #3 A...	800.00	1,700.00
Check	07/27/2011	1652	American Express	Postage-ADEQ Tank #3 Engineering Review ...	11.44	1,711.44
Check	07/27/2011	1652	American Express	A&E Repographics (5) Copies of Eng Plans f...	92.82	1,804.26
Check	04/10/2014	5510	Arden Barney	BS Building Permit for 3rd water tank 50,0000	100.00	1,904.26
Check	05/22/2014	5555	Yavapai County Development S...	Building Permit Fees	465.00	2,369.26
Check	06/18/2014	5589	Yavapai County Development S...	Tank Permit	415.00	2,784.26
Check	09/12/2014	5688	David Larson	Draw #1 Tank Construction	6,300.00	9,084.26
Check	09/19/2014	5703	David Larson	Draw #2 Tank Construction	6,300.00	15,384.26
Check	02/09/2015	5873	Chapman Electric	50k Gal Water tank	34,225.00	49,609.26
Check	04/17/2015	5954	Chapman Electric	50k Gal Water tank Sales tax Payable	2,800.13	52,409.39
Check	07/30/2015	6056	Chapman Electric	Draw 2 and Materials	28,770.32	81,179.71
Check	09/28/2015	6116	Cashion Tank & Steel, Co.	Tank #3- First Draw	15,000.00	96,179.71
Check	10/16/2015	6137	Cashion Tank & Steel, Co.	Tank #3- 2nd Draw	10,000.00	106,179.71
Deposit	10/16/2015		Chapman Electric	Reimbursement for work not performed	-18,925.00	87,254.71
Check	10/26/2015	6147	Dana Kepner Company Inc	Customer # 26840000- See invoice	2,263.01	89,517.72
Check	11/02/2015	6151	Cashion Tank & Steel, Co.	Tank #3- Last Draw	13,000.00	102,517.72
Check	11/11/2015	6172	Chino Ship & Copy	Signage for Construction of tank per WIFA	30.90	102,548.62
Check	11/13/2015	6176	Home Depot	Paint for tank # 3	37.07	102,585.69
Check	11/13/2015	6177	John Deere Financial	Fire Control Materials and supplies	37.44	102,623.13
Check	11/18/2015	6182	Vortherms Consulting, LLC	Review WIFA Docs, Certify Documents, Prap...	3,420.00	106,043.13
Total 105.03 · Water Tank #3 (50K Gallons)					106,043.13	106,043.13
Total 105.00 · Construction Work in Progress					106,043.13	106,043.13
TOTAL					**106,043.13**	**106,043.13**

YAVAPAI COUNTY RECEIPT #: 14 00002027

By:

ARDEN BARNEY
GRANITE MOUNTAIN WATER COMPANY
PO BOX 350

Cash

Date
4/15/2014

Total Amount Paid
$100.00

APPL# A12014001030 **PERMIT#** **PARCEL#** 102-14-037

Account	Amount
BS Building Permit Revenue	($100.00)

5

4/10/2014

Arden Barney **100.00

One Hundred and 00/100**********

Arden Barney

BS Building Permit for 3rd water tank 50,0000

Arden Barney 4/10/2014

105.00 · Construction Work in Progress:1 BS Building Permit for 3rd water tank 50,0000 100.00

National Bank BS Building Permit for 3rd water tank 50,0000 100.00

Arden Barney 4/10/2014

105.00 · Construction Work in Progress:1 BS Building Permit for 3rd water tank 50,0000 100.00

National Bank BS Building Permit for 3rd water tank 50,0000 100.00

APPLICATION FORM

APPLICANT	[redacted]
Project Name: Additional 50,000 gal water storage tank	
Located in: Sec 31-15-3w Twp Prescott Rng	
Assessor's Tax Parcel Number(s): 102-14-037	

Property Owner: Philips Living Trust	**Applicant/Agent: (Circle One)** Paul D. Levie
Mailing Address: PO Box 350	**Mailing Address:** PO Box 350
City: Chino Valley	**City:** Chino Valley
State: AZ	**State:** AZ
Zip Code: 86323	**Zip Code:** 86323
Phone: 928-778-2600	**Phone:** 928-778-2600
Fax: 9278-636-0684	**Fax:** 928-6360684
E-mail: Arden@leviegroup.com	**E-mail:** Arden@leviegroup.com

Request:
Install additional 50,00 gal Water storage tank

Legal Description: X **See attached Legal Description OR:**
Lot: Block:
Subdivision:

I hereby certify that the information submitted on this application is complete and accurate to the best of my knowledge and that I am the owner or authorized agent of the same as stated in the attached documentation.

Signature: Paul Levie

Print Name: Paul D. Levie

Date:

COUNTY – Planning & Design Review Division

(6)

LICATION CHECKLIST

PPLICANT: Paul D. Levie PARCEL #: 102-14-037

X 1) A mandatory pre-application meeting with the Development Services Representatives on (DATE)_____;

X 2) Application submittal form filled out completely;

___ 3) Letter of Intent detailing the proposed use(s) and time period requested (if applicable);

X 4) A legal description of the property/lease area identified on the application; if too lengthy, please attach;

___ 5) Letter of authorization signed and notarized if required;

___ 6) A copy of deed restrictions that may apply to the subject property;

X 7) One (1) copy of a site plan showing: Parcel boundaries, Existing & Proposed Structures, Zoning classification, Adjacent roadways/legal access, Setbacks, Method of fencing, Signage, and Landscaping, if applicable. If plan is larger than 11"x17", then applicant must provide twenty (20) copies upon submittal;

__ 8) A filing fee in the amount of **$465.00** (Determined by the Development Services fee schedule as adopted by the Board of Supervisors).

__ 9). Letter of support from any Home Owners Association.

__ 10). Permission to enter property statement.

__ 11). The address and directions to the subject parcel for purposes of preparing the hearing notice and posting the property.

Granite Mountain Water Company
501 North Highway 89
P.O. Box 350
Chino Valley, AZ 86323
www.GraniteMtnWater.com

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221
91-532/1221

(6) 5555

5/22/2014

PAY TO THE ORDER OF Yavapai County Development Services $ **465.00

Four Hundred Sixty-Five and 00/100********** DOLLARS

Yavapai County Development Services
500 South Marina Street
Prescott, AZ 86303

MEMO
Improvements

AUTHORIZED SIGNATURE

Security Features Included Details on Back

Granite Mountain Water Company 5555

Yavapai County Development Services 5/22/2014
ask my accountant 465.00

National Bank Improvements 465.00

Granite Mountain Water Company 5555

Yavapai County Development Services 5/22/2014
ask my accountant 465.00

National Bank Improvements 465.00

YAVAPAI COUNTY RECEIPT #: 14 00003253 (7)

,d By:

GRANITE MOUNTAIN WATER COMPANY
PO BOX 350
CHINO VALLEY AZ 86323

Check #	Date	Total Amount Paid
5589	6/18/2014	$415.00

APPL# A12014001030 **PERMIT#** P12014001495 **PARCEL#** 102-14-037

Account	Amount
BS Building Permit Revenue	($300.00)
Zoning Clearance Revenue	($100.00)
DS Electronic Document	($15.00)

Granite Mountain Water Company
501 North Highway 89
P.O. Box 350
Chino Valley, AZ 86323
www.GraniteMtnWater.com

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221
91-532/1221

7

5589

6/18/2014

PAY TO THE ORDER OF Yavapai County Development Services $ **415.00

Four Hundred Fifteen and 00/100********** DOLLARS

Yavapai County Development Services
500 South Marina Street
Prescott, AZ 86303

MEMO
Improvements- Tank permit

AUTHORIZED SIGNATURE

Granite Mountain Water Company **5589**

Yavapai County Development Services 6/18/2014
ask my accountant Tank Permit 415.00

National Bank Improvements- Tank permit 415.00

Granite Mountain Water Company **5589**

Yavapai County Development Services 6/18/2014
ask my accountant Tank Permit 415.00

National Bank Improvements- Tank permit 415.00

DAVID LARSON
6109 W. MAUI LN
GLENDALE, AZ 85306

(8)

431901

Invoice

SOLD TO: GRANITE MTN. WATER COMPANY	SHIPPED TO: OFFICE
ADDRESS: PO BOX 350	ADDRESS:
CITY, STATE, ZIP: CHINO VALLEY, AZ 86323	CITY, STATE, ZIP:

CUSTOMER ORDER NO.	SOLD BY	TERMS	F.O.B.	VIA	DATE
					9/15/14

1	#1 DRAW FOR GRANITE MTN. TANK III		6,300.00
	TOTAL	$	6,300.00

DB140

01-11

Granite Mountain Water Company
501 North Highway 89
P.O. Box 350
Chino Valley, AZ 86323
www.GraniteMtnWater.com

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221
91-532/1221

(3)

5703

9/19/2014

PAID

PAY TO THE ORDER OF David Larson $ **6,300.00

Six Thousand Three Hundred and 00/100********** DOLLARS

David Larson
6109 W Maui Lane
Glendale, AZ 85306

MEMO
New

AUTHORIZED SIGNATURE

Details on Back.

Security Features Included

Granite Mountain Water Company

5703

David Larson 9/19/2014
105.00 · Construction Work in Progress:1 Well #4 6,300.00

National Bank New 6,300.00

Granite Mountain Water Company

5703

David Larson 9/19/2014
105.00 · Construction Work in Progress:1 Well #4 6,300.00

National Bank New 6,300.00

DAVID LARSON
6109 W. MAUI LN.
GLENDALE, AZ 85306

(9)

431902

Invoice

GRANITE MTN. WATER CO.	SHIPPED TO OFFICE	VIA	
P.O. BOX 350	ADDRESS		
CHINO VALLEY, AZ 86323	CITY, STATE, ZIP		
CUSTOMER ORDER NO.	SOLD BY	TERMS	F.O.B.	DATE 9/29/14

1	#2 DRAW FOR GRANITE MTN. TANK III		6300.00
	TOTAL	$	6,300.00
*	NOTE: DRAW = $12,600		
	BALANCE = $50,400		

D8140

01-11

al Be

Granite Mountain Water Company
501 North Highway 89
P.O. Box 350
Chino Valley, AZ 86323
www.GraniteMtnWater.com

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221
91-532/1221

paid 9 5688

9/12/2014

PAY TO THE ORDER OF David Larson $ **6,300.00

Six Thousand Three Hundred and 00/100********** DOLLARS

David Larson
6109 W Maui Lane
Glendale, AZ 85306

MEMO New

AUTHORIZED SIGNATURE

Details on Back.

Security Features Included

Granite Mountain Water Company 5688

David Larson 9/12/2014
105.00 · Construction Work in Progress Well #4 6,300.00

National Bank New 6,300.00

Granite Mountain Water Company 5688

David Larson 9/12/2014
105.00 · Construction Work in Progress Well #4 6,300.00

National Bank New 6,300.00

(10)

Chapman Electrical Contracting, Inc.
6040 N. 57th Ave
Glendale, AZ 85301

Phone: 623-937-1629 MBL: 623-910-6573
Fax: 623-937-6396

Quote #:	32477
Date:	1-20-15
Quote by:	Chet Chapman

Quote To:
Arden Barney
Granit Mountain Water Co.
P.O. Box 350 Chino Valley, Az. 86323
Email: arden@leviegroup.com
Office: 1-928-717-2616
Mbl: 1-928-899-7669

Thank you for the opportunity to provide you with the following quotation. Please review the information below. If there are any questions regarding scope of work or pricing please contact us using the information listed above and we will be happy to go over them with you.

"ARIZONA'S POWER DISTRIBUTION AND CONTROL SYSTEMS SPECIALISTS" Since 1984

PLEASE NOTE: This quote contains **one** page. Please be sure you have received **one** page and return all pages when signing this quotation.

Scope: Build a 50,000 gallon water tank on site in Chino Valley, Az as per engineered drawings provided by Mr. Glen Vortherms. Coat the inside of the tank as per specifications provided by Mr. Vortherms. Paint the exterior to match existing water tanks. All materials, and labor to build this 50,000gal water tank are included in this quote.

Quote Excludes: Tax, permits, engineering, engineered drawings, D.I.P., all excavation, underground obstructions, underground lines including but not limited to, gas, electric, telephone, cable tv, data lines etc. trenching, backfill, compacting, concrete cutting and repair, asphalt cutting and repair, hidden damages.

Total: $ 93,650.00

Quote amount is in effect for Thirty (30) days from date of Quotation.

Terms: 50% down 30% at 80% complete and balance due at 100 % complete.

PURCHASE AUTHORIZATION: I am duly Authorized by the above named Company to issue to Chapman Electrical, Inc. a written and/or verbal and/or facsimile purchase authorization, via this document and/or other means, for the above described product and/or service purchase. The item(s) and/or services purchased are for the sole benefit of the Company and payment in full to Chapman Electrical, Inc. upon delivery and/or completion per Chapman Electrical, Inc. terms is hereby authorized. I herewith order and authorized the above described material(s) and/or labor purchase.

No work is to be performed or materials ordered until this document is signed and returned or faxed back to Chapman Electrical.

Company _____ By _____ Date _____

Signers Printed Name _____

Granite Mountain Water Company
501 North Highway 89
P.O. Box 350
Chino Valley, AZ 86323
www.GraniteMtnWater.com

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221
91-532/1221

(10)

5873

2/9/2015

PAY TO THE ORDER OF Chapman Electric $ **34,225.00

Thirty-Four Thousand Two Hundred Twenty-Five and 00/100********** DOLLARS

Chapman Electric
6040 N 57th Ave
Glendale, AZ 85301

MEMO
50k Gal Water tank

AUTHORIZED SIGNATURE

Security Features Included Details on Back

Granite Mountain Water Company 5873

Chapman Electric 2/9/2015
105.00 · Construction Work in Progress:1 50k Gal Water tank 34,225.00

National Bank 50k Gal Water tank 34,225.00

Granite Mountain Water Company 5873

Chapman Electric 2/9/2015
105.00 · Construction Work in Progress:1 50k Gal Water tank 34,225.00

National Bank 50k Gal Water tank 34,225.00

51N312/39290

(11)

CHAPMAN ELECTRICAL CONTRACTING, INC.

Invoice

P.O. Box 2313
Glendale, AZ 85311

Date	Invoice #
2/12/2015	32477.1

Bill To	Location / Additional Comment
Granite Mountain Water Company, Inc P.O. Box 350 Chino Valley, AZ 86323	Chino Valley Arden Down Payment Billing #1

Terms	Due Date	Project	P.O. No.
Net 30	3/14/2015	32477 - 50,000 gal Water Tank	

Quantity	Item Code	Description	Unit Price	Amount
1	Straight Time-...	Labor - 35% of down payment	16,388.75	16,388.75
1	Job Materials	Materials - 65% of down payment	30,436.25	30,436.25T
-1	Job Materials	Miscellaneous pymt	12,600.00	-12,600.00
		Quote: 93,650.00 (does not incl. tax)		
		Pd. to date: 34,225.00		

Subtotal	$34,225.00
Sales Tax (9.2%)	$2,800.13
Total	$37,025.13
Payments/Credits	$-34,225.00
Balance Due	**$2,800.13**

"Our Business is Keeping YOU in Business"

THANK YOU!

Phone #	Fax #
623-937-1629	623-937-6396

Granite Mountain Water Company
501 North Highway 89
P.O. Box 350
Chino Valley, AZ 86323
www.GraniteMtnWater.com

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221
91-532/1221

(11)

5954

4/17/2015

PAY TO THE ORDER OF Chapman Electric

$ **2,800.13

Two Thousand Eight Hundred and 13/100********** DOLLARS

Chapman Electric
6040 N 57th Ave
Glendale, AZ 85301

MEMO
50k Gal Water tank Sales tax Payable

AUTHORIZED SIGNATURE

Granite Mountain Water Company

Chapman Electric 5954
105.00 · Construction Work in Progress:1 50k Gal Water tank Sales tax Payable 4/17/2015 2,800.13

National Bank 50k Gal Water tank Sales tax Payable 2,800.13

Granite Mountain Water Company

Chapman Electric 5954
105.00 · Construction Work in Progress:1 50k Gal Water tank Sales tax Payable 4/17/2015 2,800.13

National Bank 50k Gal Water tank Sales tax Payable 2,800.13

(12)

CHAPMAN ELECTRICAL CONTRACTING, INC.

Invoice

P.O. Box 2313
Glendale, AZ 85311

Date	Invoice #
6/4/2015	32477.2

Need to pay

Bill To	nal Comment
Granite Mountain Water Company, Inc P.O. Box 350 Chino Valley, AZ 86323	

Terms	Due Date	Project	P.O. No.
Net 30	7/4/2015	32477 - 50,000 gal Water Tank	

Quantity	Item Code	Description	Unit Price	Amount
1	Contracting Ite...	Draw on Contract #2	18,440.00	18,440.00
1	Job Materials	Materials	9,460.00	9,460.00T

Subtotal	$27,900.00
Sales Tax (9.2%)	$870.32
Total	$28,770.32
Payments/Credits	$0.00
Balance Due	**$28,770.32**

"Our Business is Keeping YOU in Business"

THANK YOU!

Phone #	Fax #
623-937-1629	623-937-6396

Granite Mountain Water Company
501 North Highway 89
Chino Valley, AZ 86323
www.GraniteMtnWater.com
928-717-2619

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221

(12) 6056

7/30/2015

PAY TO THE ORDER OF Chapman Electric $ **28,770.32

Twenty-Eight Thousand Seven Hundred Seventy and 32/100********** DOLLARS

Details on Back. Security Features Included

Chapman Electric
6040 N 57th Ave
Glendale, AZ 85301

MEMO
Draw 2 and Materials

AUTHORIZED SIGNATURE

Granite Mountain Water Company 6056

Chapman Electric 7/30/2015
105.00 · Construction Work in Progress:1 Draw 2 and Materials 28,770.32

National Bank Draw 2 and Materials 28,770.32

Granite Mountain Water Company 6056

Chapman Electric 7/30/2015
105.00 · Construction Work in Progress:1 Draw 2 and Materials 28,770.32

National Bank Draw 2 and Materials 28,770.32

AZ. LICENSE. # 075820

CASHION TANK & STEEL CO.

SPECIALIZING IN WATER TANK CONSTRUCTION

P.O. BOX 306
CASHION, AZ 85329

Phone 623-932-3380
Fax 623-932-3381

September 9, 2015

Granite Mountain Water
Jason Pudney 928-899-7669 928-636-0684 Fax

We propose to furnish labor and rest of material to complete construction of water tank 23' dia. X 16' high in Chino Valley Az. All work by Cashion Tank & Steel Co. to meet AWWA-D 100-11 & Osha Standards . Davis Bacon Wages

30" Shell Manway
Inside Ladder
Handrails
Gaugeboard Varec
4" Drain
Center Pole
Price on the tank $20,000

Top Manway
Outside Ladder
20"Vent
6" Inlet & Outlet
4" Overflow

Sandblast & Paint Inside & Outside To AWWA - D 102-11, Inside Paint NSF-61 Approved for Potable Water
Price on Paint $18,000

Total $ 38,000

Cashion Tank & Steel Co. will have liability insurance for at least $1,000.000 and workmen's compensation as required by State. Custom will supply all Permits and Clearances.

Darlene Spiva

Darlene Spiva, Sec
tanks48251@ aol.com

GRANITE MOUNTAIN WATER COMPANY

Work Performance Contract and Scope of Work

This agreement is made this 28th day of September 2015 by and between Granite Mountain Water Co., 501 N Hwy 89, Chino Valley AZ 86323 and Cashion Tank & Steel CO, 12505 W Buckeye Rd, Cashion AZ 85329.

WITNESSETH

Granite Mountain Water Co does hereby employ Cashion Tank & Steel CO to do all the work and provide all the materials, tools, machinery and supervision necessary for the complete construction of a 55,000 gallon water storage tank in the Prescott AZ area, the total sum of $38,000 all in accordance with the drawings, and specifications.

Cashion shall commence the work to be performed within 2 days from the date of the Notice to Proceed, and shall complete the work 28 days thereafter, or by 10/27/2015, whichever comes later, time being of the essence of this contract.

The Contractor shall carry liability insurance with the limits of $100,000 for injury to or death of one person, property damage and Workman's Compensation insurance and shall provide Owner with proof of such insurance.

Hold Harmless

Cashion agrees to defend, indemnify and hold the owner harmless from any liability or claim for damage because of bodily injury, death, property damage, sickness, disease or loss and expense arising from the Contractors' negligence in the performance of the construction Contract. Each Contractor and subcontractor is acting in the capacity of an independent Contractor with respect to the Owner. The Contractor further agrees to protect, defend and indemnify the Owner from any claims by laborers, subcontractors or material men for unpaid work or labor performed or materials supplied in connection with the Construction Contract.

Assignment of Contract

Cashion agrees not to assign the Construction Contract without the written consent of the Granite Mountain Water CO.

Change Orders

Cashion agrees not to make any changes in the schedule of work, design, or of the specifications without written authorization by the Granite Mountain Water CO.

Lien Waivers

The Contractor shall protect, defend and indemnify the Owner from any claims for unpaid work, labor or materials.

General Guarantee

Contractor will furnish Owner with all manufacturer's and supplier's written guarantees and warranties covering materials and equipment furnished under this Contract. Contractor shall guarantee all their work of completing this project.

Permits and Codes

The Owner shall obtain all necessary building permits, including those required by the Yavapai County, and Act 250 as applicable. The Contractor will secure at his/her own expense any other necessary permits and licenses required to do the work and will comply with all building and code regulations and ordinances whether or not covered by the specifications and drawings for the work.

Work Performance

1) The Contractor shall protect all work adjacent to the Contract site from any damage resulting from the work of the Contractor and shall repair or replace any damaged work at his/her own expense.

2) The Contractor shall replace and put in good condition any existing conditions damaged in carrying out the contract.

3) The Contractor shall take all precautions to protect persons from injury and unnecessary interference or inconvenience.

4) The Contractor shall conduct his activities in a business like manner and adhere to the reasonable wishes of the Owner in relation to his working schedule.

Condition of Premises

The Contractor agrees to keep the premises clean and orderly and to remove all debris as needed during the hours of work in order to maintain work conditions which do not cause health or safety hazards.

Use of Utilities

The Owner shall permit the Contractor to use, at no cost, power and water necessary to the carrying out and completion of the work.

Use of On Site Loam

Owner Agrees as part of this contract to allow the Contractor use of on-site loam to the degree available as necessary for the completion of the project.

Inspection

The Owner shall have the right to inspect all work performed under this contract. As well it shall be a condition of this contract that all work that needs to be inspected or tested and certified by the engineer as a condition of the Dept. of Environmental Conservation Permit, (or other State agency), or inspected and certified by the local health officer, shall be done at each necessary stage before further construction can continue. All inspection and certification will be done at the Owner's expense. Failure to follow this requirement will be grounds for termination of the contract.

Failure to follow this requirement will be grounds for termination of the contract.

Right to Stop Work

If the Contractor fails to correct defective work or persistently fails to supply materials or equipment in accordance with the Contract Documents, the Owner may order the Contractor to stop the work, or any portion thereof, until the cause for such order has been eliminated.

Payment Schedule

Payments for work shall be as follows:
$15,000.00 down payment
$10,000.00 Completion of welding
$13,000.00 after completion of work

Payments shall be disbursed based on the attached schedule of values. Within three days of notification by the Contractor of each stage of completion, the Owner or its designee will inspect and approve the work, or request any necessary adjustments in the work. The Owner agrees to make payments to the Contractor within ten days of approving work.

Liquidated Damages

Contractor hereby agrees to commence work under this contract within 2 days of the Notice to Proceed and to fully complete the project within 28 days consecutive calendar days thereafter. Contractor further agrees to pay as liquidated damages, the sum of $500.00 for each consecutive calendar day thereafter. These damages shall not apply, should unforeseeable causes beyond the control and without the fault or negligence of the Contractor cause delays in the completion of this project.

Taxes

The Owner hereby agrees to supply the Contractor with its tax-exempt number for relief from the sales tax on purchase of materials, if applicable.

Arbitration

1) All claims, disputes, and other matters in question arising out of, or relating to, the Contract Documents or the breach thereof, except for claims which have been waived by the making and acceptance of final payment, shall be decided by Arbitration in accordance with the construction Industry Arbitration Rules of the American Arbitration Association (or other arbitration rules). This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in any court having jurisdiction thereof. Any award shall provide for payment within 30 days of the date of the award.

2) Notice of the demand for arbitration shall be filed in writing with the other party to the CONTRACT DOCUMENTS and with the ARBITER'S ADDRESS. Demand for arbitration shall in no event be made on any claim, dispute or other matter in question which would be barred by the applicable statute of limitations.

3) The Contractor will carry on the work and maintain the progress schedule during any arbitration proceedings, unless otherwise mutually agreed in writing.

Governing Law

Contractor agrees to abide by the following laws and regulation and to make all records, invoices, materials, payrolls, records of personnel, conditions of employment and other documentary data available at any time for the purpose of an audit and to ensure compliance with relevant laws:

1) Equal Employment Opportunity: The Contractor shall not discriminate against any employee or applicant for employment on the basis of race, color, sex, religion, or national origin;

2) Title AZ of the Civil Rights Act of 1964, as amended;

3) The Davis-Bacon Act (Wage Rate Determination attached);

4) The Contract Work Hours and Safety Standards Act;

5) The National Environmental Policy Act (NEPA);

Conflict of Interest

This Contract shall be construed under the laws of the State of Arizona and may be modified or amended only by a written instrument executed by both the Owner and the Contractor.

IN WITNESS WHEREOF, THE OWNER AND THE CONTRACTOR HAVE EXECUTED THIS CONTRACT AS OF THE DATE FIRST WRITTEN ABOVE.

Cashion Tank + Steel Co.	
CONTRACTOR	OWNER
Daniel Olson	Paul D. Levie
NAME	NAME
AUTHORIZED SIGNATURE	AUTHORIZED SIGNATURE
9/29/2015	9-28-15
DATE	DATE

Granite Mountain Water Company
501 North Highway 89
Chino Valley, AZ 86323
www.GraniteMtnWater.com
928-717-2619

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221

(13) 6116

9/28/2015

PAY TO THE ORDER OF Cashion Tank & Steel, Co. $ **15,000.00

Fifteen Thousand and 00/100********** DOLLARS

Cashion Tank & Steel, CO
PO BOX 306
Cashion, AZ 85329

MEMO

Tank #3- First Draw

AUTHORIZED SIGNATURE

Security Features Included

Granite Mountain Water Company 6116

Cashion Tank & Steel, Co. 9/28/2015
105.00 · Construction Work in Progress:1 Tank #3- First Draw 15,000.00

National Bank Tank #3- First Draw 15,000.00

Granite Mountain Water Company 6116

Cashion Tank & Steel, Co. 9/28/2015
105.00 · Construction Work in Progress:1 Tank #3- First Draw 15,000.00

National Bank Tank #3- First Draw 15,000.00

(14)

Cashion Tank & Steel Co.
P O Box 306
12505 West Buckeye Road
Cashion, AZ 85329
USA

Voice: 623- 932-3380
Fax: 623-.932-3381

INVOICE

Invoice Number: 20767
Invoice Date: Oct 13, 2015
Page: 1

Duplicate

Granite Mountain Water Co.
P.O.Box 350
Chino Valley, AZ 86323

Granite Mountain Water Co.
P.O.Box 350
Chino Valley, AZ 86323

Granite Mount		C.O.D.	
	Courier		10/13/15

		Complete work on 50,000 gallon water storage tank 2nd payment due construction on tank complete		10,000.00

Subtotal	10,000.00
Sales Tax	
Total Invoice Amount	10,000.00
Payment/Credit Applied	

Check/Credit Memo No:

Granite Mountain Water Company
501 North Highway 89
Chino Valley, AZ 86323
www.GraniteMtnWater.com
928-717-2619

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221

(14)

6137

10/16/2015

PAY TO THE ORDER OF Cashion Tank & Steel, Co. $ **10,000.00

Ten Thousand and 00/100********** DOLLARS

Cashion Tank & Steel, CO
PO BOX 306
Cashion, AZ 85329

MEMO
Tank #3- 2nd Draw

AUTHORIZED SIGNATURE

Details on Back.
Security Features Included

Granite Mountain Water Company 6137

Cashion Tank & Steel, Co. 10/16/2015
105.00 · Construction Work in Progress:1 Tank #3- 2nd Draw 10,000.00

National Bank Tank #3- 2nd Draw 10,000.00

Granite Mountain Water Company 6137

Cashion Tank & Steel, Co. 10/16/2015
105.00 · Construction Work in Progress:1 Tank #3- 2nd Draw 10,000.00

National Bank Tank #3- 2nd Draw 10,000.00

NB|AZ

WWW.NBAZ.COM

(15)

CELEBRATING 11 YEARS AS
ARIZONA'S
#1 BANK

Checking Deposit 7659 10/15/15
Amount $18,925.00
12:54 051 06 6208

Earn AmaZing Rewards* for you
or your business.
See banker for details.

ALL ITEMS RECEIVED ARE SUBJECT TO CONDITIONS AND TERMS AS STATED ON DEPOSIT TICKETS CURRENTLY ISSUED.
THIS IS YOUR RECEIPT, RETAIN UNTIL YOU HAVE VERIFIED IT WITH YOUR STATEMENT.
MEMBER FDIC

Granite Mountain Water Co
501 North Highway 89
P.O. Box 350
Chino Valley, AZ 86323

DATE

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL
LIST CHECKS SEPARATELY OR ATTACH LIST
DOLLARS CENTS

is lost, stolen, or destroyed

- We may not re-issue or refund the funds after the stop payment has been placed until 90 days after the original check was issued

* Please visit a Chase branch to report a lost, stolen, or destroyed Cashier's Check or for any other information about this item

FOR YOUR PROTECTION SAVE THIS COPY

CASHIER'S CHECK

Customer Copy

9098614429

10/14/2015

Void after 7 years

Remitter: CHAPMAN ELECTRICAL CONTRACTING INC

$** 18,925.00 **

Pay To The Order Of: GRANITE MOUNTAIN WATER CO., INC.

Memo:

Note: For information only. Comment has no effect on bank's payment.

Drawer: **JPMORGAN CHASE BANK, N.A.**

NON NEGOTIABLE

282111107 NEW 01/08 8810004306

HOLD DOCUMENT UP TO THE LIGHT TO VIEW TRUE WATERMARK

CHASE

CASHIER'S CHECK

HOLD DOCUMENT UP TO THE LIGHT TO VIEW TRUE WATERMARK

9098614429 91-2 1221

Date 10/14/2015 Void after 7 years

Remitter: CHAPMAN ELECTRICAL CONTRACTING INC

Pay To The Order Of: GRANITE MOUNTAIN WATER CO., INC.

Pay: EIGHTEEN THOUSAND NINE HUNDRED TWENTY FIVE DOLLARS AND 00 CENTS

$** 18,925.00 **

Do not write outside this box

Memo:

Note: For information only. Comment has no effect on bank's payment.

Drawer: **JPMORGAN CHASE BANK, N.A.**

Senior Vice President
JPMorgan Chase Bank, N.A.
Phoenix, AZ

INVOICE

(16)

Dana Kepner Company, Inc.
Western Industrial Supply, LLC

KEPNER

** D U P L I C A T E ***

UPC VENDOR	INVOICE DATE	ORDER NO.
000000	10/06/15	4335586-00
	P.O. NO.	PAGE #
	WATERLINE / JASON	1

CUST.#: 26840000

SHIP TO: GRANITE MOUNTAIN WATER COMPANY
P.O. BOX 350

CHINO VALLEY, AZ 86323

REMIT TO: Dana Kepner Company, Inc.
PO Box 710281
Denver, CO 80271-0281

BILL TO: GRANITE MOUNTAIN WATER COMPANY
P.O. BOX 350

CHINO VALLEY, AZ 86323

INSTRUCTIONS		TERMS
XM		Net 30 Days
SHIP POINT	SHIP VIA	SHIPPED
	DELIVERY	10/06/15

LINE NO.	PRODUCT AND DESCRIPTION	QUANTITY ORDERED	QUANTITY B.O.	QTY. SHIPPED	QTY. U/M	UNIT PRICE	AMOUNT (NET)
	ALL ORDERS NEED TO BE CONFIRMED OR PLACED BY ARDEN BEFORE ORDERING						
1	0306350 6"X18'1-1/2" PC350 DI P TYTON JOINT, CMNT LINED DUCTILE IRON PIPE-ANSI A21.51	2	0	2	PCS	13.87 /ft	502.79
2	43DL06FML 6" MJ X FLG RW DI OL VALVE, LESS ACCS	1	0	1	PCS	622.96 PCS	622.96
3	43DL04FML 4" MJXFLG RW DI OL VALVE LESS ACCS	1	0	1	PCS	466.25 PCS	466.25
4	18L0622DOM 6" DOMESTIC MJ 22-1/2 BEND, CL,SSB,DI, LESS ACCS.	1	0	1	PCS	102.46 PCS	102.46
5	18L0645DOM 6" DOMESTIC MJ 45 BEND, CL,SSB,DI, LESS ACCS.	1	0	1	PCS	112.79 PCS	112.79
6	86FTGR048 4" FLANGE-TYTE RING GASKET, 1/8"	1	0	1	PCS	13.43 PCS	13.43
7	867302 4" BOLT PACK CONSISTING OF 8 PLATED BOLTS & NUTS 5/8X3"	1	0	1	PCS	7.34 PCS	7.34
8	86FTGR068 6" FLANGE-TYTE RING GAKSET, 1/8"	2	0	2	PCS	18.47 PCS	36.94
9	867304 6"-8" BOLT PACK CONSISTING OF 8 PLATED BOLTS & NUTS 3/4"X3-1/2"	2	0	2	PCS	11.57 PCS	23.14
10	18A04DOM 4" DOMESTIC MJ COMPACT ACCESSORY PACK W/GLAND	1	0	1	each	22.56 each	22.56
11	18A06DOM 6" DOMESTIC MJ COMPACT ACCESSORY PACK S/GLAND	6	0	6	each	27.26 each	163.56
12	97APS1836 18"-36" ADJUSTABLE PIPE STAND ADJUSTABLE 18"-36"	3	0	3	each	62.93 each	188.79

Continued

Dana Kepner Co.,Inc./Western Industrial Supply, LLC. standard terms and conditions apply. All returns must be approved and in full saleable condition. Returns will be subject to a restocking charge. Service charges will be applied to invoices that are not paid within terms.

(16)

INVOICE

Dana Kepner Company, Inc.
Western Industrial Supply, LLC

KEPNER

** D U P L I C A T E ***

UPC VENDOR	INVOICE DATE	ORDER NO.
000000	10/06/15	4335586-00
	P.O. NO.	PAGE #
	WATERLINE / JASON	2

CUST.#: 26840000

SHIP TO: GRANITE MOUNTAIN WATER COMPANY
P.O. BOX 350

CHINO VALLEY, AZ 86323

REMIT TO: Dana Kepner Company, Inc.
PO Box 710281
Denver, CO 80271-0281

BILL TO: GRANITE MOUNTAIN WATER COMPANY
P.O. BOX 350

CHINO VALLEY, AZ 86323

INSTRUCTIONS		TERMS
XM		Net 30 Days
SHIP POINT	SHIP VIA	SHIPPED
	DELIVERY	10/06/15

LINE NO.	PRODUCT AND DESCRIPTION	QUANTITY ORDERED	QUANTITY B.O.	QTY. SHIPPED	QTY. U/M	UNIT PRICE	AMOUNT (NET)
13	18L06AMFDOM 6" DOMESTIC MJXFLG ADAPTOR, CL,SSB,DI, LESS ACCS.	1	1	0	PCS	109.03 PCS	0.00
13	Lines Total	Qty Shipped Total		22		Total Invoice Total	2263.01 2263.01

Last Page

Dana Kepner Co.,Inc./Western Industrial Supply, LLC. standard terms and conditions apply. All returns must be approved and in full saleable condition. Returns will be subject to a restocking charge. Service charges will be applied to invoices that are not paid within terms.

(16)

10/26/2015

Dana Kepner Company Inc **2,263.01

Two Thousand Two Hundred Sixty-Three and 01/100**********

Dana Kepner Company Inc
PO Box 710281
Denver, CO 80271-0281

Customer # 26840000-

Dana Kepner Company Inc	10/26/2015	
105.00 · Construction Work in Progress:1 Customer # 26840000- See invoice		2,263.01

National Bank	Customer # 26840000-	2,263.01

Dana Kepner Company Inc	10/26/2015	
105.00 · Construction Work in Progress:1 Customer # 26840000- See invoice		2,263.01

National Bank	Customer # 26840000-	2,263.01

17

Cashion Tank & Steel Co.
P O Box 306
12505 West Buckeye Road
Cashion, AZ 85329
USA

Voice: 623- 932-3380
Fax: 623-.932-3381

INVOICE

Invoice Number: 20773
Invoice Date: Oct 26, 2015
Page: 1

Granite Mountain Water Co.
P.O.Box 350
Chino Valley, AZ 86323

Granite Mountain Water Co.
P.O.Box 350
Chino Valley, AZ 86323

Granite Mount		C.O.D.	
	Courier		10/26/15

		Work complete on 50,000 gallon water storage tank		38,000.00
		9/28/15 CK#6118		-15,000.00
		10/16/15 Ck# 6137		-10,000.00
		Subtotal		
		Sales Tax		13,000.00
		Total Invoice Amount		
		Payment/Credit Applied		13,000.00

Check/Credit Memo No:

Granite Mountain Water Company
501 North Highway 89
Chino Valley, AZ 86323
www.GraniteMtnWater.com
928-717-2619

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221

(17) 6151

11/2/2015

PAY TO THE ORDER OF Cashion Tank & Steel, Co. $ **13,000.00

Thirteen Thousand and 00/100********** DOLLARS

Details on Back.

Cashion Tank & Steel, CO
PO BOX 306
Cashion, AZ 85329

MEMO

Tank #3- Last Draw

AUTHORIZED SIGNATURE

Security Features Included

Granite Mountain Water Company 6151

Cashion Tank & Steel, Co. 11/2/2015
105.00 · Construction Work in Progress:1 Tank #3- Last Draw 13,000.00

National Bank Tank #3- Last Draw 13,000.00

Granite Mountain Water Company 6151

Cashion Tank & Steel, Co. 11/2/2015
105.00 · Construction Work in Progress:1 Tank #3- Last Draw 13,000.00

National Bank Tank #3- Last Draw 13,000.00

CHINO SHIP & COPY CENTER

382 Butterfield Rd
Chino Valley, Az 86323
928-636-7677

(18)

Contact: Jason Pudney

Address: 501 N Hwy 89 / Po Box 350
Chinovalley AZ 86323

Organization: Chino Meadows II Water Co.

Phone: 928-717-2616

Billing Period: 15th of month

Date	Description	Qty	Unit Cost	Sub-Total	Tax	Total	Balance	Initials
10/1	Vinyl Sign	1	28.00	28.—	2.90	30.90	30.90	

Due Date: Dec. 1, 2015 Total: 30.90

Granite Mountain Water Company
501 North Highway 89
Chino Valley, AZ 86323
www.GraniteMtnWater.com
928-717-2619

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221

18

6172

11/11/2015

PAY TO THE ORDER OF Chino Ship & Copy $ **30.90

Thirty and 90/100********** DOLLARS

Details on Back.

Security Features Included

Chino Ship & Copy

MEMO

Signage for Construction of tank per WIFA

AUTHORIZED SIGNATURE

Granite Mountain Water Company 6172

Chino Ship & Copy 11/11/2015

105.00 · Construction Work in Progress:1 Signage for Construction of tank per WIFA 30.90

National Bank Signage for Construction of tank per WIFA 30.90

Granite Mountain Water Company 6172

Chino Ship & Copy 11/11/2015

105.00 · Construction Work in Progress:1 Signage for Construction of tank per WIFA 30.90

National Bank Signage for Construction of tank per WIFA 30.90

19

...IONS (cont.)

	Location/Description	Reference #	Invoice #	Amount
	THE HOME DEPOT PRESCOTT AZ PAINT HARDWARE SEASONAL/GARDEN			$ 37.07
	THE HOME DEPOT PRESCOTT AZ SEASONAL/GARDEN PLUMBING			$ 46.33
10/24	THE HOME DEPOT PHOENIX AZ BUILDING MATERIALS			$ 147.08

Tank #3 GMWC
Paul
Paul

PAYMENTS, CREDITS, FEES AND ADJUSTMENTS

10/22	PAYMENT - THANK YOU	P91940097EHM7YSHL		$ 71.89-
10/30	LATE FEE			$ 35.00
10/30	FINANCE CHARGE			$ 36.05

FINANCE CHARGE SUMMARY

Your Annual Percentage Rate (APR) is the annual interest rate on your account.

Type of Balance	Annual Percentage Rate (APR)	Daily Periodic Rate	Balance Subject to Finance Charge	Finance Charge
PURCHASES				
REGULAR REVOLVING CREDIT PLAN	21.99%	0.06024%	$1,930.87	$36.05

ToolRental
20TH ANNIVERSARY

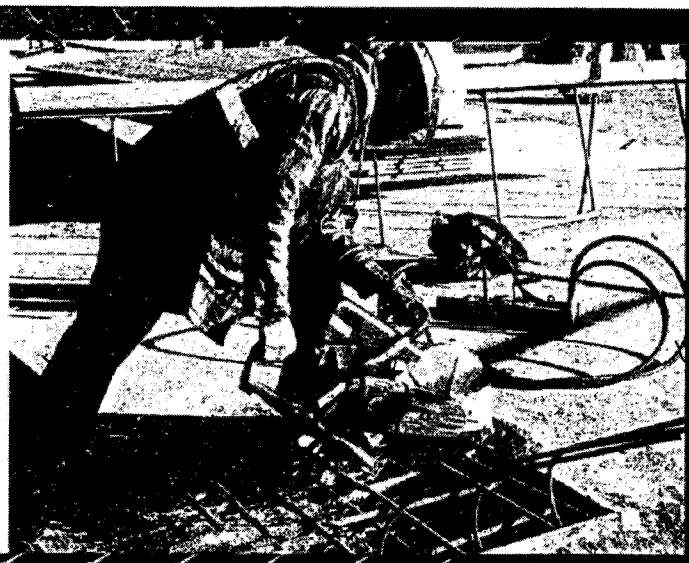
EXPERIENCE. RELIABILITY. SAVINGS.

- Hundreds of name brand rentals at competitive prices
- Dependable tools and world class service
- Used equipment availability now visible online at homedepot.com/usedtools

Visit homedepot.com/rentals for the location nearest you.

© 2015 Homer TLC, Inc. All rights reserved.

106



SEAL FASTER AND EASIER

The GREAT STUFF PRO™ Insulating Foam Sealant Series features the Pro 14 Dispensing Gun, designed specifically for the Contractor. The system is no drip, offers maximum control, and is restartable. Easy and effective, use the GREAT STUFF PRO™ system for all of your air sealing needs.

Ask for GREAT STUFF PRO™ Series products at your local Pro Desk or visit homedepot.com/GREATSTUFFPRO today.

PRO

© 2015 Homer TLC, Inc. All rights reserved.

107

19

Tank #3

20

More savi
More doir

1941 EAST HIGHWAY 69
PRESCOTT, AZ 86301 (928)771-84[illegible]

0452 00026 00336 10/22/15 11:[illegible]
CASHIER MARK - MTH0787

020066776282 SRSTSNRSRDSP <A>
STOPS RUST SUNRISE RED SPRAY
2@3.76 7.52
008925127079 4.5"FW 60G <A> 7.97
DIABLO 4-1/2" 60G STL DEMON CONICAL
731919245052 GMPCNGLV50FA <A> 5.97
GMPC NITRILE DISPOSABLE GLOVE 50CT
008925094524 4.5" MTL CUT <A>
DIABLO 4-1/2"X7/8" METAL CUTOFF BLDE
2@2.97 5.94
008925094708 14" MTL CUT <A> 6.97
DIABLO 14" X 1/8" X 1" METAL CUTOFF

SUBTOTAL 34.37
SALES TAX 2.70
TOTAL $37.07
XXXXXXXXXXXX6313 HOME DEPOT 37.07
AUTH CODE 022386/9260868 TA

P.O.#/JOB NAME: TANK 3

CUSTOMER PRO XTRA ID ###-###-7669
MEMBERSHIP LEVEL: Pro Xtra Paint Rewards

Pro Xtra Paint 2015 Savings $ 0.00
Total qualifying spend $ 0.00
Addl spend for next level $2000.00

Granite Mountain Water Company
501 North Highway 89
Chino Valley, AZ 86323
www.GraniteMtnWater.com
928-717-2619

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221

19

6176

11/13/2015

/ TO THE DER OF Home Depot $ **81.17

Eighty-One and 17/100********** DOLLARS

Home Depot Credit Services
PO Box 6029
The Lakes, NV 88901-6029

EMO

Acct # 6035 3220 1480 6313

AUTHORIZED SIGNATURE

Details on Back.

Security Features Included

Granite Mountain Water Company 6176

Home Depot 11/13/2015

105.00 · Construction Work in Progress:1	Paint for tankl # 3 2+C.	37.07
105.00 · Construction Work in Progress:1	Materials and supplies see invoice	44.10

National Bank Acct # 6035 3220 1480 6313 81.17

Granite Mountain Water Company 6176

Home Depot 11/13/2015

105.00 · Construction Work in Progress:1	Paint for tankl # 3 . 2+C	37.07
105.00 · Construction Work in Progress:1	Materials and supplies see invoice	44.10

National Bank Acct # 6035 3220 1480 6313 81.17

JOHN DEERE
FINANCIAL

For customer inquiries contact us at:
1-800-356-9033 or visit us online:
www.MyJDFAccount.com

CHINO MEADOWS 2 WATER CO
PO BOX 350
CHINO VALLEY AZ 86323-0350
PHONE: 928-717-2616

20

STATEMENT PERIOD	BEGIN DATE	CLOSING DATE
	10/02/15	11/01/15
DAYS IN BILLING CYCLE	31	
PREVIOUS BALANCE		73.76
PURCHASES/DEBITS		125.41
FEES CHARGED		0.00
INTEREST CHARGED		0.00
PAYMENTS		90.07CR
CREDITS		0.00
NEW BALANCE		109.10
MINIMUM PAYMENT DUE		25.00
PAYMENT DUE DATE		11/21/15

MULTI-USE ACCOUNT NUMBER 28111-29301
COMMERCIAL PREFERRED

REGULAR LIMIT	8,000
REGULAR AVAILABLE LIMIT	7,891

To avoid additional interest charges, pay $109.10 by the Payment Due Date of: 11/21/2015.

TRANSACTIONS POSTED TO YOUR ACCOUNT

Tran. Date	Date Posted	Invoice # / Reference	Description	Transaction Amount
PREVIOUS BALANCE				73.76
ARIZONA GENERAL ACE HARDWARE CHINO VALLEY AZ 928-636-4401				
10/05/15	10/05/15	D27491	PURCHASE GENERAL SUPPLIES PO# SHOP	37.44

Shop tank #3 fire control

Quantity	Unit Price	Item Total	Invoice Item Description
0	0	0.00	Authorized Buyer DENNY LOPEZ
1.00 EA	19.99 EA	19.99	GARDEN HOSE 5/8"75'
1.00 EA	13.99 EA	13.99	POLY IMPULSE ON POLY SLE
1.00 EA	0.79 EA	0.79	ADAPTR SCH40PVC 1/2SXFPT
1.00 EA	0.79 EA	0.79	ADAPTR SCH40PVC1/2"MPTXS
4.00 FT	0.23 FT	0.92	1/2" PVC SCH 40 PIPE 20'
		3.51	Tax

continued ...

▼ *Detach and return the bottom remittance portion with your payment in the enclosed envelope. Please write in black or blue ink.* ▼

JOHN DEERE
FINANCIAL

PO BOX 5328, MADISON WI 53705-0328

You can Make-A-Payment at www.MyJDFAccount.com or call us at 1-800-356-9033.

MULTI-USE ACCOUNT NUMBER	28111-29301
New Balance	109.10
Minimum Payment Due	**25.00**
Payment Due Date	**11/21/15**

Amount Enclosed $

Please note Address/Phone corrections on reverse side.

Make check payable to John Deere Financial at the address below.

JOHN DEERE FINANCIAL
P.O. BOX 4450
CAROL STREAM, IL 60197-4450

1207/024608/004816 123 003 GXHFVK reg02FP 126
CHINO MEADOWS 2 WATER CO
PO BOX 350
CHINO VALLEY AZ 86323-0350

20 0000000000281112930 1 0000002500 0000001091 0 9

Arizona General / Ace Hardware, Inc.

P.O. Box 1170
Chino Valley, AZ 86323
Phone: 928-636-4401

Tank #3
6mwc

Customer No.	Job No.	Purchase Order No.	Reference	Terms	Clerk	Date	Time
261600		SHOP	PO # SHOP	FARM PLAN CUSTOMER	GENE	10/ 5/15	1:49

Sold To
CHINO MEADOWS #2 WATER COMPANY
P.O. BOX 350
501 N HWY 89
CHINO VALLEY AZ 86323

Ship To

TERM#561

DOC# D27491
****
* INVOICE *
****

TAX : 001 ARIZONA GENERAL SALES

SHIPPED	ORDERED	UM	SKU	DESCRIPTION	SUGG	UNITS	PRICE/PER	EXTENSION
1		EA	73215	GARDEN HOSE 5/8"75'	19.99	1	19.99 /EA	19.99
1		EA	70692	POLY IMPULSE ON POLY SLE	13.99	1	13.99 /EA	13.99
1		EA	20-1404	ADAPTR SCH40PVC 1/2SXFPT	.79	1	.79 /EA	.79
1		EA	20-1304	ADAPTR SCH40PVC1/2"MPTXS	.79	1	.79 /EA	.79
4		FT	.5PVC	1/2" PVC SCH 40 PIPE 20'	.23	4	.23 /FT	.92

MID:174504717 APP:512379 XR:

** PAYMENT RECEIVED **
** PAID IN FULL **
(DENNY LOPEZ)

BANKCARD PAYMENT 37.44
BKCRD#XXXXXX9301

TAXABLE	36.48
NON-TAXABLE	0.00
SUBTOTAL	36.48
TD DISCOUNT	-2.55
TAX AMOUNT	3.51
TOTAL AMOUNT	37.44

Received By

\ALTCTN

Granite Mountain Water Company
501 North Highway 89
Chino Valley, AZ 86323
www.GraniteMtnWater.com
928-717-2619

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221

(20) 6177

11/13/2015

TO THE ORDER OF John Deere Financial $ **37.44

Thirty-Seven and 44/100********** DOLLARS

Details on Back.

Security Features Included

John Deere Financial
PO Box 4450
Carol Stream, IL 60197-4450

MEMO

Account # 28111-29301

AUTHORIZED SIGNATURE

Granite Mountain Water Company 6177

John Deere Financial 11/13/2015
105.00 · Construction Work in Progress:1 Fire Control Materials and supplies 37.44

National Bank Account # 28111-29301 37.44

Granite Mountain Water Company 6177

John Deere Financial 11/13/2015
105.00 · Construction Work in Progress:1 Fire Control Materials and supplies 37.44

National Bank Account # 28111-29301 37.44

105.03

21

Vortherms Consulting, LLC

11735 W. Daley Ln.
Sun City, AZ 85373

Email: jgvort@gmail.com

Invoice

Date	Invoice #
11/1/2015	164

Due Date	11/30/2015

Bill To
Granite Mountain Water Jason Pudney P.O. Box 350 Chino Valley, Az 86323

Services for:	October

Project

Description	Hrs.	Rate	Amount
Granite Mountain Water Tank #3: Site Visits. Review WIFA contract documents. Certify WIFA documents pertaining project. Prepare and Certify project as-built. Prepare and submit COC to ADEQ.	36	95.00	3,420.00

Total	$3,420.00

Granite Mountain Water Company
501 North Highway 89
Chino Valley, AZ 86323
www.GraniteMtnWater.com
928-717-2619

National Bank of Arizona
1299 North Highway 89
Chino Valley, AZ 86323
91-532/1221

21

6182

11/18/2015

PAY TO THE ORDER OF Vortherms Consulting, LLC $ **3,420.00

Three Thousand Four Hundred Twenty and 00/100********** DOLLARS

Details on Back.

Security Features Included

Vortherms Consulting, LLC
11735 W Daley Lane
Sun City, AZ 85373

MEMO
Water Tank #3

AUTHORIZED SIGNATURE

Granite Mountain Water Company 6182

Vortherms Consulting, LLC 11/18/2015
105.00 · Construction Work in Progress:1 Review WIFA Docs, Certify Documents, Prapere and 3,420.00

National Bank Water Tank #3 3,420.00

Granite Mountain Water Company 6182

Vortherms Consulting, LLC 11/18/2015
105.00 · Construction Work in Progress:1 Review WIFA Docs, Certify Documents, Prapere and 3,420.00

National Bank Water Tank #3 3,420.00

Granite Mountain Water Company, Inc.
Docket No. W-02467A-14-0230
Supplemental Direct Testimony of Ray L. Jones

Exhibit C
Supplemental Schedules

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Computation of Increase in Gross Revenue Requirements

Schedule RLJ-1
Supplemental
Page 1

Line No.			OCRB
1	Adjusted Rate Base	$	586,318
2			
3	Adjusted Operating Income		(2,740)
4			
5	Current Rate of Return		-0.47%
6			
7	Required Rate of Return		8.03%
8			
9	Required Operating Income	$	47,087
10			
11	Operating Income Deficiency	$	49,828
12			
13	Gross Revenue Conversion Factor		1.2090
14			
15	Increase in Gross Revenue	$	60,243
16			
17	Adjusted Test Year Revenue	$	117,320
18			
19	Proposed Annual Revenue	$	177,563
20			
21	Percent Increase in Gross Revenue		51.35%
22			
23			

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Summary of Original Cost Rate Base Elements

Line No.		Original Cost Rate Base*
1		
2	Gross Utility Plant in Service	$ 1,118,519
3		
4	Less: Accumulated Depreciation	(533,361)
5		
6	Net Utility Plant in Service	585,157
7		
8	Less:	
9	Advances in Aid of Construction	6,021
10		
11	Contributions in Aid of Construction	-
12	Accumulated Amortization of CIAC	-
13	Contributions in Aid of Construction - Net	-
14		
15	Customer Security Deposits	750
16	Deferred Income Taxes	-
17		
18	Plus:	
19	Working Capital	7,932
20	Net Regulatory Asset / (Liability)	-
21		
22	Rate Base	$ 586,318
23		
24	* including pro forma adjustments	
25		

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Original Cost Rate Base Pro forma Adjustments

Schedule RLJ-2
Supplemental
Page 2

Line No.		Actual End of Test Year	ADJ OC-1	ADJ OC-2	ADJ OC-3 NOT USED	ADJ OC-4	Rebuttal & Supplemental Adjustments	Total Pro Forma Adjustments	Adjusted End of Test Year
1									
2	Gross Utility Plant in Service	$ 846,548	$ 248,893				$ 23,078	$ 271,970	$ 1,118,519
3									
4	Less: Accumulated Depreciation	(556,045)		23,553			(870)	22,683	(533,361)
5									
6	Net Utility Plant in Service	290,504	248,893	23,553	-	-	22,208	294,654	585,157
7									
8	Less:								
9	Advances in Aid of Construction	8,256					(2,235)	(2,235)	6,021
10									
11	Contributions in Aid of Construction	-						-	-
12	Accumulated Amortization of CIAC	-						-	-
13	Contributions in Aid of Construction - Net	-	-	-	-	-	-	-	-
14									
15	Customer Security Deposits	70				680		680	750
16	Deferred Income Taxes	-						-	-
17									
18	Plus:								
19	Working Capital	10,662					(2,730)	(2,730)	7,932
20	Net Regulatory Asset / (Liability)							-	-
21									
22	Rate Base	$ 292,840	$ 248,893	$ 23,553	$ -	$ (680)	$ 21,712	$ 293,478	$ 586,318
23									
24									
25									
26									
27									

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Rate Base Adjustment OC-1

Schedule RLJ-2
Supplemental
Page 3

Plant In Service Balance

Line No.	Acct No.	Description	Actual End of Test Year	Book Adjustments - (Included on Schedule B.2.1) Direct Filing [1.1] Conform to Decision No. 71869	[1.2] NOT USED	[1.3] Reclass Plant Entries	Rebuttal [1.4] Staff Adjustment No. 2	Adjusted Book End of Test Year[1]	Rate Making Adjustments Direct [1.5] Post Test Year Plant	Rebuttal [1.6] Staff Adjustment No. 1	[1.7] Company Differences From Staff	Net PTY Plant Related to Well No. 6	Supp. [1.8] PTY Plant Tank No. 3	Rebuttal [1.9] PTY Plant[2] Well No. 4	Adjusted End of Test Year
1	Acct														
2	No.	Description													
3															
4	301	Organization Cost	$ 110	$ -				$ 110				-			$ 110
5	302	Franchise Cost	-	-				-				-			-
6	3	Land and Land Rights	-	-				-		14,700	33,800	48,500			48,500
7	304	Structures & Improvements	21,608				36,913	58,521		8,373	13,000	21,373			79,894
8	305	Collecting & Impounding Reservoirs	-	-				-				-			-
9	306	Lake, River, Canal Intakes	-	-				-				-			-
10	307	Wells & Springs	38,472				539	39,011	75,000	(44,065)	(9,000)	21,935			60,946
11	308	Infiltration Galleries	-	-				-				-			-
12	309	Raw Water Supply Mains	-					-				-			-
13	310	Power Generation Equipment	10,406			(10,406)	912	912				-			912
14	311	Pumping Equipment	94,776			10,406	(912)	104,270		11,270	1,599	12,868		4,769	121,906
15	320	Water Treatment Equipment	-	-		1,661	(1,661)	-				-			-
16	320.1	Water Treatment Plants	-	-				-				-			-
17	320.2	Solution Chemical Feeders	2,077	-		(1,661)	1,661	2,077		5,669		5,669			7,745
18	330	Distribution Reservoirs & Standpipes	7,775	-			(7,775)	-				-			-
19	330.1	Storage Tanks	106,705	-			(36,288)	70,417	144,000	(144,000)		-	102,223		172,640
20	330.2	Pressure Tanks	55,213					55,213				-			55,213
21	331	Transmission & Distribution Mains	415,165					415,165	30,000	4,869		34,869			450,034
22	333	Services	55,853	-				55,853		81		81			55,934
23	334	Meters	6,760	(107)				6,652		1,196	(1,196)	-			6,652
24	335	Hydrants	8,774	-				8,774				-			8,774
25	336	Backflow Prevention Devices	1,027	-				1,027		402		402			1,428
26	339	Other Plant & Misc Equipment	4,850					4,850				-			4,850
27	340	Office Furniture & Equipment	-	-				-				-			-
28	340.1	Computers & Software	-	-		3,500		3,500				-			3,500
29	341	Transportation Equipment	7,456	-	-		19,000	26,456				-			26,456
30	342	Stores Equipment	-	-				-				-			-
31	343	Tools, Shop & Garage Equipment	149	-			(149)	-				-			-
32	344	Laboratory Equipment	-	-				-				-			-
33	345	Power Operated Equipment	5,000	-				5,000				-			5,000
34	346	Communication Equipment	4,353	-		(3,500)	7,150	8,003				-			8,003
35	347	Miscellaneous Equipment	-	-				-				-			-
36	348	Other Tangible Plant	20	-				20				-			20
37		TOTALS	$ 846,548	$ (107)	$ -	$ -	$ 19,390	$ 865,831	$ 249,000	$ (141,506)	$ 38,203	$ 145,697	$ 102,223	$ 4,769	$ 1,118,519
38		Equity Adjustments (Attachment 3, pg 2))		$ (107)											
38															
39		Plant In Service per Books													$ 846,548
40															
41		Increase / (Decrease) in Plant in Service													$ 271,970
42															
43		[1] Adjusted plant in service balance including all book adjustments.													Total
44		[2] Net of retirement: $9,448.82 new pump - $4,680.00 retirement of old pump = net plant increase of $4,768.52													Equity Adj.
45															$ (107)
46															

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Rate Base Adjustment OC-2

Accumulated Depreciation

Line No.	Acct No.	Description	Actual End of Test Year	Book Adjustments - (Included on Schedule B.2.1) Updated for Rebuttal Filing [2.1] Unbooked Plant Retirement	[2.2] Difference From Calc'd on B-2.1	[2.3] NOT USED	[2.4] NOT USED	Adjusted Book End of Test Year[1]	Rate Making Adjustments Rebuttal [2.5] PTY Plant Well No. 4	[2.6] NOT USED	[2.7] NOT USED	Adjusted End of Test Year	
1													
2													
3													
4	301	Organization Cost			-			$ -				$ -	
5	302	Franchise Cost			-			-				-	
6	303	Land and Land Rights			-			-				-	
7	304	Structures & Improvements			20,635			20,635				20,635	
8	305	Collecting & Impounding Reservoirs			-			-				-	
9	306	Lake, River, Canal Intakes			-			-				-	
10	307	Wells & Springs			26,900			26,900				26,900	
11	308	Infiltration Galleries			-			-				-	
12	309	Raw Water Supply Mains			-			-				-	
13	310	Power Generation Equipment			114			114				114	
14	311	Pumping Equipment			104,270			104,270	(4,680)			99,590	
15	320	Water Treatment Equipment			-			-				-	
16	320	Water Treatment Plants			-			-				-	
17	320	Solution Chemical Feeders			2,077			2,077				2,077	
18	330	Distribution Reservoirs & Standpipes			-			-				-	
19	330.1	Storage Tanks			10,697			10,697				10,697	
20	330.2	Pressure Tanks			43,203			43,203				43,203	
21	331	Transmission & Distribution Mains			260,975			260,975				260,975	
22	333	Services			39,040			39,040				39,040	
23	334	Meters			4,099			4,099				4,099	
24	335	Hydrants			5,550			5,550				5,550	
25	336	Backflow Prevention Devices			889			889				889	
26	339	Other Plant & Misc Equipment			4,200			4,200				4,200	
27	340	Office Furniture & Equipment			-			-				-	
28	340.1	Computers & Software			2,450			2,450				2,450	
29	341	Transportation Equipment		-	5,628			5,628				5,628	
30	342	Stores Equipment			-			-				-	
31	343	Tools, Shop & Garage Equipment			-			-				-	
32	344	Laboratory Equipment			-			-				-	
33	345	Power Operated Equipment			3,912			3,912				3,912	
34	346	Communication Equipment			3,383			3,383				3,383	
35	347	Miscellaneous Equipment			-			-				-	
36	348	Other Tangible Plant			20			20				20	Total
37		TOTALS	$ 556,045	$ -	$ 538,041	$ -	$ -	$ 538,041	$ (4,680)	$ -	$ -	$ 533,361	Equity Adj.
38		Equity Adjustments (Attachment 3, pg 2))			$ 18,003	$ -	$ -		$ 4,680	$ -			$ 22,683
39													
40		Accumulated Depreciation per Books										$ 556,045	
41													
42		Increase / (Decrease) in Accumulated Depreciation										$ (22,683)	
43													
44		[1] Adjusted accumulated depreciation balance including all book adjustments.											

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Schedule RLJ-2
Supplemental
Page 5.1

				Per Decision No. 71869 - 09/01/2010							Conform Current Books to 71869		
Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	[1] Plant In Service at 12/31/2008	[2] Less Post Test Year Plant	[3] Book Plant at 12/31/2008 [1]+[2]	[4] Accum. Depr. 12/31/2008	[5] Net Plant 12/31/2008 [3]-[4]	[6] Non or Fully Depreciated Plant[1]	[7] Depr'able Plant	[8] Book Plant at 12/31/2008	[9] Conforming Plant Adjustment [3]-[8]	[10] Adjusted Plant at 12/31/2008 [8]+[9]
1	301	Organization Cost	0.00%	110		110		110		110	110	-	110
2	302	Franchise Cost	0.00%			-		-		-		-	-
3	303	Land and Land Rights	0.00%			-		-		-		-	-
4	304	Structures & Improvements	3.33%	21,608		21,608	11,506	10,102		21,608	57,379	(35,771)	21,608
5	305	Collecting & Impounding Reservoirs	2.50%			-	-	-		-		-	-
6	306	Lake, River, Canal Intakes	2.50%			-	-	-		-		-	-
7	307	Wells & Springs	3.33%	38,472		38,472	20,485	17,987		38,472	52,027	(13,555)	38,472
8	308	Infiltration Galleries	6.67%			-	-	-		-		-	-
9	309	Raw Water Supply Mains	2.00%			-	-	-		-	991	(991)	-
10	310	Power Generation Equipment	5.00%			-	-	-		-	9,494	(9,494)	-
11	311	Pumping Equipment	12.50%	104,270		104,270	55,521	48,749		104,270	94,776	9,494	104,270
12	320	Water Treatment Equipment	3.33%			-	-	-		-		-	-
13	320	Water Treatment Plants	3.33%			-	-	-		-		-	-
14	320	Solution Chemical Feeders	20.00%	1,661		1,661	884	776		1,661	1,661	-	1,661
15	330	Distribution Reservoirs & Standpipes	2.22%			-	-	-		-		-	-
16	330.1	Storage Tanks	2.22%	7,325		7,325	3,900	3,425		7,325	7,325	-	7,325
17	330.2	Pressure Tanks	5.00%	55,213		55,213	29,400	25,814		55,213		55,213	55,213
18	331	Transmission & Distribution Mains	2.00%	412,204		412,204	219,489	192,715		412,204	400,508	11,696	412,204
19	333	Services	3.33%	55,853		55,853	29,740	26,113		55,853	55,853	-	55,853
20	334	Meters	8.33%	3,434		3,434	1,829	1,605		3,434	3,541	(107)	3,434
21	335	Hydrants	2.00%	8,774		8,774	4,672	4,102		8,774	8,774	-	8,774
22	336	Backflow Prevention Devices	6.67%	1,027		1,027	547	480		1,027	1,027	-	1,027
23	339	Other Plant & Misc Equipment	6.67%	4,850		4,850	2,583	2,267		4,850	34,998	(30,148)	4,850
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%	5,000		5,000	2,662	2,338		5,000	5,000	-	5,000
31	346	Communication Equipment	10.00%	853		853	454	399		853	853	-	853
32	347	Miscellaneous Equipment	10.00%			-	-	-		-		-	-
33	348	Other Tangible Plant	20.00%	20		20	11	9		20	20	-	20
34													
35		TOTAL		720,673	-	720,673	383,682	336,991	-	720,673	734,335	(13,662)	720,673
36													
37		Depreciable Plant											
38		Composite Depreciation Rate											
39													

40 [1] Per Staff Depreciation Calculation

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Reconciliation of Plant Additions, Retirements and Accumulated Depreciatior

Schedule RLJ-2
Supplemental
Page 5.2

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2009 Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Deprecation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
1	301	Organization Cost	0.00%			-			-		-	110	-	110
2	302	Franchise Cost	0.00%			-			-		-	-	-	-
3	303	Land and Land Rights	0.00%			-			-		-	-	-	-
4	304	Structures & Improvements	3.33%		36,913	36,913			-		1,334	58,521	12,840	45,681
5	305	Collecting & Impounding Reservoirs	2.50%			-			-		-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%			-			-		-	-	-	-
7	307	Wells & Springs	3.33%			-			-		1,281	38,472	21,766	16,705
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%			-			-		13,034	104,270	68,555	35,715
12	320	Water Treatment Equipment	3.33%			-			-		-	-	-	-
13	320	Water Treatment Plants	3.33%			-			-		-	-	-	-
14	320	Solution Chemical Feeders	20.00%			-			-		332	1,661	1,216	444
15	330	Distribution Reservoirs & Standpipes	2.22%			-			-		-	-	-	-
16	330.1	Storage Tanks	2.22%	85,633	(36,913)	48,720			-		703	56,045	4,604	51,441
17	330.2	Pressure Tanks	5.00%			-			-		2,761	55,213	32,160	23,053
18	331	Transmission & Distribution Mains	2.00%	2,961		2,961			-		8,274	415,165	227,762	187,403
19	333	Services	3.33%			-			-		1,860	55,853	31,600	24,253
20	334	Meters	8.33%			-			-		286	3,434	2,115	1,319
21	335	Hydrants	2.00%			-			-		175	8,774	4,848	3,927
22	336	Backflow Prevention Devices	6.67%			-			-		68	1,027	615	411
23	339	Other Plant & Misc Equipment	6.67%			-			-		324	4,850	2,906	1,944
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%			-			-		250	5,000	2,912	2,088
31	346	Communication Equipment	10.00%			-			-		85	853	540	313
32	347	Miscellaneous Equipment	10.00%			-			-		-	-	-	-
33	348	Other Tangible Plant	20.00%			-			-		4	20	15	5
34														
35		TOTAL		88,594	-	88,594	-	-	-	-	30,772	809,267	414,454	394,813
36														
37		Depreciable Plant										809,157		
38		Composite Depreciation Rate										3.8029%		
39														

40 [1] Per Staff Depreciation Calculation

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Reconciliation of Plant Additions, Retirements and Accumulated Depreciatior

Schedule RLJ-2
Supplemental
Page 5.3

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2010 Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Deprecation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
1	301	Organization Cost	0.00%			-			-		-	110	-	110
2	302	Franchise Cost	0.00%			-			-		-	-	-	-
3	303	Land and Land Rights	0.00%			-			-		-	-	-	-
4	304	Structures & Improvements	3.33%			-			-		1,949	58,521	14,788	43,732
5	305	Collecting & Impounding Reservoirs	2.50%			-			-		-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%			-			-		-	-	-	-
7	307	Wells & Springs	3.33%			-			-		1,281	38,472	23,048	15,424
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%			-			-		13,034	104,270	81,588	22,681
12	320	Water Treatment Equipment	3.33%			-			-		-	-	-	-
13	320	Water Treatment Plants	3.33%			-			-		-	-	-	-
14	320	Solution Chemical Feeders	20.00%	416		416			-		374	2,077	1,590	487
15	330	Distribution Reservoirs & Standpipes	2.22%	450	(450)	-			-		-	-	-	-
16	330.1	Storage Tanks	2.22%	21,072	(6,700)	14,372			-		1,404	70,417	6,008	64,409
17	330.2	Pressure Tanks	5.00%			-			-		2,761	55,213	34,921	20,292
18	331	Transmission & Distribution Mains	2.00%			-			-		8,303	415,165	236,065	179,100
19	333	Services	3.33%			-			-		1,860	55,853	33,460	22,393
20	334	Meters	8.33%	2,628		2,628			-		396	6,062	2,510	3,552
21	335	Hydrants	2.00%			-			-		175	8,774	5,023	3,751
22	336	Backflow Prevention Devices	6.67%			-			-		68	1,027	684	343
23	339	Other Plant & Misc Equipment	6.67%			-			-		324	4,850	3,230	1,620
24	340	Office Furniture & Equipment	6.67%			-			-		-	-	-	-
25	340.1	Computers & Software	20.00%		3,500	3,500			-		350	3,500	350	3,150
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%			-			-		250	5,000	3,162	1,838
31	346	Communication Equipment	10.00%	3,500	3,650	7,150			-		443	8,003	982	7,021
32	347	Miscellaneous Equipment	10.00%			-			-		-	-	-	-
33	348	Other Tangible Plant	20.00%			-			-		4	20	19	1
34														
35		TOTAL		28,067	-	28,067	-	-	-	-	32,975	837,333	447,428	389,905
36														
37		Depreciable Plant										837,223		
38		Composite Depreciation Rate										3.9386%		
39														

40 [1] Per Staff Depreciation Calculation

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Reconciliation of Plant Additions, Retirements and Accumulated Depreciatior

Schedule RLJ-2
Supplemental
Page 5.4

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2011 Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Deprecation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
1	301	Organization Cost	0.00%			-			-		-	110	-	110
2	302	Franchise Cost	0.00%			-			-		-	-	-	-
3	303	Land and Land Rights	0.00%			-			-		-	-	-	-
4	304	Structures & Improvements	3.33%			-			-		1,949	58,521	16,737	41,784
5	305	Collecting & Impounding Reservoirs	2.50%			-			-		-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%			-			-		-	-	-	-
7	307	Wells & Springs	3.33%			-			-		1,281	38,472	24,329	14,143
8	308	Infiltration Galleries	6.67%			-			-		-	-	-	-
9	309	Raw Water Supply Mains	2.00%			-			-		-	-	-	-
10	310	Power Generation Equipment	5.00%	912		912			-		23	912	23	889
11	311	Pumping Equipment	12.50%			-			-		13,034	104,270	94,622	9,648
12	320	Water Treatment Equipment	3.33%			-			-		-	-	-	-
13	320	Water Treatment Plants	3.33%			-			-		-	-	-	-
14	320	Solution Chemical Feeders	20.00%			-			-		415	2,077	2,005	71
15	330	Distribution Reservoirs & Standpipes	2.22%			-			-		-	-	-	-
16	330.1	Storage Tanks	2.22%			-			-		1,563	70,417	7,571	62,846
17	330.2	Pressure Tanks	5.00%			-			-		2,761	55,213	37,682	17,532
18	331	Transmission & Distribution Mains	2.00%			-			-		8,303	415,165	244,369	170,796
19	333	Services	3.33%			-			-		1,860	55,853	35,320	20,533
20	334	Meters	8.33%			-			-		505	6,062	3,015	3,047
21	335	Hydrants	2.00%			-			-		175	8,774	5,199	3,576
22	336	Backflow Prevention Devices	6.67%			-			-		68	1,027	752	275
23	339	Other Plant & Misc Equipment	6.67%			-			-		324	4,850	3,553	1,297
24	340	Office Furniture & Equipment	6.67%			-			-		-	-	-	-
25	340.1	Computers & Software	20.00%			-			-		700	3,500	1,050	2,450
26	341	Transportation Equipment	20.00%	7,456		7,456			-		746	7,456	746	6,711
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%			-			-		250	5,000	3,412	1,588
31	346	Communication Equipment	10.00%			-			-		800	8,003	1,783	6,220
32	347	Miscellaneous Equipment	10.00%			-			-		-	-	-	-
33	348	Other Tangible Plant	20.00%			-			-		1	20	20	0
34														
35		TOTAL		8,369	-	8,369	-	-	-	-	34,759	845,702	482,187	363,515
36														
37		Depreciable Plant										845,592		
38		Composite Depreciation Rate										4.1106%		
39														

40 [1] Per Staff Depreciation Calculation

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Reconciliation of Plant Additions, Retirements and Accumulated Depreciatior

Schedule RLJ-2
Supplemental
Page 5.5

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2012 Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Deprecation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
1	301	Organization Cost	0.00%			-			-		-	110	-	110
2	302	Franchise Cost	0.00%			-			-		-	-	-	-
3	303	Land and Land Rights	0.00%			-			-		-	-	-	-
4	304	Structures & Improvements	3.33%			-			-		1,949	58,521	18,686	39,835
5	305	Collecting & Impounding Reservoirs	2.50%			-			-		-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%			-			-		-	-	-	-
7	307	Wells & Springs	3.33%			-			-		1,281	38,472	25,610	12,862
8	308	Infiltration Galleries	6.67%			-			-		-	-	-	-
9	309	Raw Water Supply Mains	2.00%			-			-		-	-	-	-
10	310	Power Generation Equipment	5.00%			-			-		46	912	68	844
11	311	Pumping Equipment	12.50%			-			-		9,648	104,270	104,270	0
12	320	Water Treatment Equipment	3.33%			-			-		-	-	-	-
13	320	Water Treatment Plants	3.33%			-			-		-	-	-	-
14	320	Solution Chemical Feeders	20.00%			-			-		71	2,077	2,077	(0)
15	330	Distribution Reservoirs & Standpipes	2.22%			-			-		-	-	-	-
16	330.1	Storage Tanks	2.22%			-			-		1,563	70,417	9,134	61,283
17	330.2	Pressure Tanks	5.00%			-			-		2,761	55,213	40,442	14,771
18	331	Transmission & Distribution Mains	2.00%			-			-		8,303	415,165	252,672	162,493
19	333	Services	3.33%			-			-		1,860	55,853	37,180	18,673
20	334	Meters	8.33%	590		590			-		530	6,652	3,545	3,108
21	335	Hydrants	2.00%			-			-		175	8,774	5,374	3,400
22	336	Backflow Prevention Devices	6.67%			-			-		68	1,027	820	206
23	339	Other Plant & Misc Equipment	6.67%			-			-		324	4,850	3,877	973
24	340	Office Furniture & Equipment	6.67%			-			-		-	-	-	-
25	340.1	Computers & Software	20.00%			-			-		700	3,500	1,750	1,750
26	341	Transportation Equipment	20.00%			-			-		1,491	7,456	2,237	5,219
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%			-			-		250	5,000	3,662	1,338
31	346	Communication Equipment	10.00%			-			-		800	8,003	2,583	5,420
32	347	Miscellaneous Equipment	10.00%			-			-		-	-	-	-
33	348	Other Tangible Plant	20.00%			-			-		-	20	20	0
34														
35		TOTAL		590	-	590	-	-	-	-	31,820	846,292	514,007	332,285
36														
37		Depreciable Plant										846,182		
38		Composite Depreciation Rate										3.7604%		
39														

40 [1] Per Staff Depreciation Calculation

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Reconciliation of Plant Additions, Retirements and Accumulated Depreciatior

Schedule RLJ-2
Supplemental
Page 5.6

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2013 Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Deprecation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
1	301	Organization Cost	0.00%			-			-		-	110	-	110
2	302	Franchise Cost	0.00%			-			-		-	-	-	-
3	303	Land and Land Rights	0.00%			-			-		-	-	-	-
4	304	Structures & Improvements	3.33%			-			-		1,949	58,521	20,635	37,886
5	305	Collecting & Impounding Reservoirs	2.50%			-			-		-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%			-			-		-	-	-	-
7	307	Wells & Springs	3.33%		539	539			-		1,290	39,011	26,900	12,111
8	308	Infiltration Galleries	6.67%			-			-		-	-	-	-
9	309	Raw Water Supply Mains	2.00%			-			-		-	-	-	-
10	310	Power Generation Equipment	5.00%			-			-		46	912	114	798
11	311	Pumping Equipment	12.50%			-			-		-	104,270	104,270	0
12	320	Water Treatment Equipment	3.33%			-			-		-	-	-	-
13	320	Water Treatment Plants	3.33%			-			-		-	-	-	-
14	320	Solution Chemical Feeders	20.00%			-			-		-	2,077	2,077	(0)
15	330	Distribution Reservoirs & Standpipes	2.22%			-			-		-	-	-	-
16	330.1	Storage Tanks	2.22%			-			-		1,563	70,417	10,697	59,720
17	330.2	Pressure Tanks	5.00%			-			-		2,761	55,213	43,203	12,010
18	331	Transmission & Distribution Mains	2.00%			-			-		8,303	415,165	260,975	154,190
19	333	Services	3.33%			-			-		1,860	55,853	39,040	16,813
20	334	Meters	8.33%			-			-		554	6,652	4,099	2,554
21	335	Hydrants	2.00%			-			-		175	8,774	5,550	3,225
22	336	Backflow Prevention Devices	6.67%			-			-		68	1,027	889	138
23	339	Other Plant & Misc Equipment	6.67%			-			-		324	4,850	4,200	650
24	340	Office Furniture & Equipment	6.67%			-			-		-	-	-	-
25	340.1	Computers & Software	20.00%			-			-		700	3,500	2,450	1,050
26	341	Transportation Equipment	20.00%		19,000	19,000			-		3,391	26,456	5,628	20,828
27	342	Stores Equipment	4.00%			-			-		-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	149	(149)	-			-		-	-	-	-
29	344	Laboratory Equipment	10.00%			-			-		-	-	-	-
30	345	Power Operated Equipment	5.00%			-			-		250	5,000	3,912	1,088
31	346	Communication Equipment	10.00%			-			-		800	8,003	3,383	4,620
32	347	Miscellaneous Equipment	10.00%			-			-		-	-	-	-
33	348	Other Tangible Plant	20.00%			-			-		-	20	20	0
34														
35		TOTAL		149	19,390	19,539	-	-	-	-	24,035	865,831	538,041	327,789
36														
37		Depreciable Plant										865,721		
38		Composite Depreciation Rate										2.7763%		
39														

40 [1] Per Staff Depreciation Calculation

Line No.			
1			
2	Operation and Maintenance Expense	$	60,410
3	Less depreciation, taxes, purchased		
4	power and purchased water		
5	Factor - 1/8		0.1250
6		$	7,551
7			
8	Purchased Power and Purchased Water	$	9,139
9	Factor - 1/24		0.0417
10		$	381
11			
12	Total Cash Working Capital	$	7,932
13			
14			

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Adjusted Test Year Income Statement

Schedule RLJ-3
Supplemental
Page 1

Line No.			Actual for Test Year Ended 12/31/2013	Total Pro forma Adjustments	Test Year Results After Pro forma Adjustments	Proposed Rate Increase	Adjusted With Rate Increase
1	**Revenues**						
2	460	Unmetered Water Revenue	$ -	$ -	$ -	-	$ -
3	461	Metered Water Revenues	112,585	1,561	114,145	60,243	174,389
4	471	Miscellaneous Service Revenue	3,174	-	3,174	-	3,174
5	**Total Revenues**		$ 115,759	$ 1,561	$ 117,320	$ 60,243	$ 177,563
6	**Operating Expenses**						
7	601	Salaries and Wages	$ 39,942	$ (8,618)	$ 31,324		$ 31,324
8	603	Salaries and Wages - Officers and Directors	-	6,440	6,440		6,440
9	604	Employee Pension and Benefits	-	-	-		-
10	610	Purchased Water	-	-	-		-
11	615	Purchased Power	8,950	190	9,139		9,139
12	618	Chemicals	47	45	92		92
13	620	Repairs and Maintenance	4,339	(2,433)	1,906		1,906
14	621	Office Supplies Expense	8,314	(3,876)	4,437		4,437
15	631	Contractual Services - Engineering	-	-	-		-
16	632	Contractual Services - Accounting	-	-	-		-
17	633	Contractual Services - Legal	-	-	-		-
18	634	Contractual Services - Management Fees	-	-	-		-
19	635	Contractual Services - Testing	5,380	(3,530)	1,850		1,850
20	636	Contractual Services - Other	11,353	(6,709)	4,644		4,644
21	641	Rent - Buildings	-	2,194	2,194		2,194
22	642	Rent - Equipment	-	-	-		-
23	650	Transportation Expense	5,453	(1,214)	4,239		4,239
24	656	Insurance - Vehicle	-	-	-		-
25	657	Insurance - General Liability	1,292	282	1,574		1,574
26	658	Insurance - Workman's Compensation	-	-	-		-
27	659	Insurance - Other	-	520	520		520
28	660	Advertising Expense	-	-	-		-
29	666	Regulatory Commission Expense - Rate Case	-	10,000	10,000		10,000
30	667	Regulatory Expense - Other	321	-	321		321
31	668	Water Resource Conservation Expense	-	-	-		-
32	670	Bad Debt Expense	-	772	772	397	1,169
33	675	Miscellaneous Expense	840	(744)	96		96
34	403	Depreciation Expense	33,874	(154)	33,720		33,720
35	408	Taxes Other Than Income	-	2,765	2,765		2,765
36	408.11	Property Taxes	1,619	2,791	4,410	830	5,240
37	409	Income Tax	-	(385)	(385)	9,190	8,804
38	**Total Operating Expenses**		$ 121,723	$ (1,663)	$ 120,060	$ 10,416	$ 130,476
39	**Operating Income**		$ (5,964)	$ 3,224	$ (2,740)	$ 49,828	$ 47,087
40	**Other Income (Expense)**						
41	419	Interest and Dividend Income	$ -	$ -	$ -		$ -
42	421	Non-Utility Income	59	-	59		59
43	426	Miscellaneous Non-Utility Expenses	-	-	-		-
44	427	Interest Expense	(34)	34	-		-
45	**Total Other Income (Expense)**		$ 24	$ 34	$ 59	$ -	$ 59
46	**Net Income (Loss)**		$ (5,940)	$ 3,258	$ (2,682)	$ 49,828	$ 47,146
47							

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Income Statement Pro forma Adjustments

Schedule RLJ-3
Supplemental
Page 2

Line No.			Actual for Test Year Ended 12/31/2013	ADJ IS-1 Eliminate Revenue Adjustments	ADJ IS-2 Correct Underbilled Revenue	ADJ IS-3 2014 Salary Increase	ADJ IS-4 Reclass Cust. Deposit Interest	ADJ IS-5 Reclass Bad Debt Expense	Witness: Rebuttal Adjustments Staff Adj. No. 1	Staff Adj. No. 2 - 6	Staff Adj. No. 7	Staff Adj. No. 8
	Revenues											
1	460	Unmetered Water Revenue	$ -									
2	461	Metered Water Revenues	112,585	1,040	647				(127)			
3	471	Miscellaneous Service Revenue	3,174									
4	**Total Revenues**		$ 115,759	$ 1,040	$ 647	$ -	$ -	$ -	$ (127)	$ -	$ -	$ -
5	**Operating Expenses**											
6	601	Salaries and Wages	$ 39,942			$ 5,000						($13,618)
7	603	Salaries and Wages - Officers and Directors	-									6,440
8	604	Employee Pension and Benefits	-									
9	610	Purchased Water	-									
10	615	Purchased Power	8,950									190
11	618	Chemicals	47									45
12	620	Repairs and Maintenance	4,339							(1,792)		(641)
13	621	Office Supplies Expense	8,314							(1,727)		(2,149)
14	631	Contractual Services - Engineering	-									
15	632	Contractual Services - Accounting	-									
16	633	Contractual Services - Legal	-									
17	634	Contractual Services - Management Fees	-									
18	635	Contractual Services - Testing	5,380							(3,530)		
19	636	Contractual Services - Other	11,353							(7,531)		822
20	641	Rent - Buildings	-									2,194
21	642	Rent - Equipment	-									
22	650	Transportation Expense	5,453							(900)		(314)
23	656	Insurance - Vehicle	-									
24	657	Insurance - General Liability	1,292									282
25	658	Insurance - Workman's Compensation	-									
26	659	Insurance - Other	-									520
27	660	Advertising Expense	-									
28	666	Regulatory Commission Expense - Rate Case	-								6,667	
29	667	Regulatory Expense - Other	321									
30	668	Water Resource Conservation Expense	-									
31	670	Bad Debt Expense	-					772				
32	675	Miscellaneous Expense	840				34	(772)				(6)
33	403	Depreciation Expense	33,874									
34	408	Taxes Other Than Income	-									2,765
35	408	Property Taxes	1,619									
36	409	Income Tax	-									
37	**Total Operating Expenses**		$ 121,723	$ -	$ -	$ 5,000	$ 34	$ -	$ -	$ (15,480)	$ 6,667	$ (3,470)
38	**Operating Income**		$ (5,964)	$ 1,040	$ 647	$ (5,000)	$ (34)	$ -	$ (127)	$ 15,480	$ (6,667)	$ 3,470
39	**Other Income (Expense)**											
40	419	Interest and Dividend Income	$ -									
41	421	Non-Utility Income	59									
42	426	Miscellaneous Non-Utility Expenses	-									
43	427	Interest Expense	(34)				34					
44	**Total Other Income (Expense)**		$ 24	$ -	$ -	$ -	$ 34	$ -	$ -	$ -	$ -	$ -
45	**Net Income (Loss)**		$ (5,940)	$ 1,040	$ 647	$ (5,000)	$ -	$ -	$ (127)	$ 15,480	$ (6,667)	$ 3,470

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Income Statement Pro forma Adjustments

Schedule RLJ-3
Supplemental
Page 3

Line No.			ADJ IS-6 Rate Case Expense	ADJ IS-7 Adjust Depreciation Expense	ADJ IS-8 Adjust Property Taxes	ADJ IS-9 Income Tax Allowance	Total Adjustments	Test Year Adjusted Results
			Updated Supplemental Adjustments					
	Revenues							
1	460	Unmetered Water Revenue					$ -	$ -
2	461	Metered Water Revenues					1,561	114,145
3	471	Miscellaneous Service Revenue					-	3,174
4	**Total Revenues**		$ -	$ -	$ -	$ -	$ 1,561	$ 117,320
5	**Operating Expenses**							
6	601	Salaries and Wages					$ (8,618)	$ 31,324
7	603	Salaries and Wages - Officers and Directors					6,440	6,440
8	604	Employee Pension and Benefits					-	-
9	610	Purchased Water					-	-
10	615	Purchased Power					190	9,139
11	618	Chemicals					45	92
12	620	Repairs and Maintenance					(2,433)	1,906
13	621	Office Supplies Expense					(3,876)	4,437
14	631	Contractual Services - Engineering					-	-
15	632	Contractual Services - Accounting					-	-
16	633	Contractual Services - Legal					-	-
17	634	Contractual Services - Management Fees					-	-
18	635	Contractual Services - Testing					(3,530)	1,850
19	636	Contractual Services - Other					(6,709)	4,644
20	641	Rent - Buildings					2,194	2,194
21	642	Rent - Equipment					-	-
22	650	Transportation Expense					(1,214)	4,239
23	656	Insurance - Vehicle					-	-
24	657	Insurance - General Liability					282	1,574
25	658	Insurance - Workman's Compensation					-	-
26	659	Insurance - Other					520	520
27	660	Advertising Expense					-	-
28	666	Regulatory Commission Expense - Rate Case	3,333				10,000	10,000
29	667	Regulatory Expense - Other					-	321
30	668	Water Resource Conservation Expense					-	-
31	670	Bad Debt Expense					772	772
32	675	Miscellaneous Expense					(744)	96
33	403	Depreciation Expense		(154)			(154)	33,720
34	408	Taxes Other Than Income					2,765	2,765
35	408	Property Taxes			2,791		2,791	4,410
36	409	Income Tax				(385)	(385)	(385)
37	**Total Operating Expenses**		$ 3,333	$ (154)	$ 2,791	$ (385)	$ (1,663)	$ 120,060
38	**Operating Income**		$ (3,333)	$ 154	$ (2,791)	$ 385	$ 3,224	$ (2,740)
39	**Other Income (Expense)**							
40	419	Interest and Dividend Income					$ -	$ -
41	421	Non-Utility Income					-	59
42	426	Miscellaneous Non-Utility Expenses					-	-
43	427	Interest Expense					34	-
44	**Total Other Income (Expense)**		$ -	$ -	$ -	$ -	$ 34	$ 59
45	**Net Income (Loss)**		$ (3,333)	$ 154	$ (2,791)	$ 385	$ 3,258	$ (2,682)

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Income Statement Adjustment IS-1

Schedule RLJ-3
Supplemental
Page 4

Line No.			
1	Eliminate Revenue Adjustments		
2			
3	Eliminate various nonrecurring revenue adjustments		
4		As Booked	
5	Prior Period Adjustment - 5/8" x 3/4" Meter Revenue	$ (1,564.42)	
6	Non Bill Usage - Residential	(70.33)	
7	J.E. Error	(30.00)	
8	Prior Period Adjustment - Other	(3.00)	
9	Prior Period Adjustment - Other	(7,900.21)	
10	Prior Period Adjustment - Other	8,527.58	
11		$ (1,040.38)	
12			
13	Increase/(Decrease) in Metered		$ 1,040.38
14			

Line No.				
1	Correct Underbilled Revenue			
2				
3	For the 5/8" x 3/4" Class, usage between 10,001 gallons and 14,000 gallons			
4	was billed at $6.60 per 1,000 gallons rather than $7.90 per 1,000 gallons.			
5				
6	5/8" x 3/4" Class usage between 10,001 gallons and 14,000 gallons		497,860	gallons
7	Rate Differential	$ -	$ 1.30	
8	Underbilled Revenue		647.22	
9				
10				
11	Increase/(Decrease) in Metered Revenue		$ 647.22	
12				

Line No.			
1	Adjust for 2014 Salary Increase		
2			
3	Total 2014 increase in employee salary	$ 20,000.00	
4	Percentage Allocated to Granite Mountain	25%	
5	Salary increase for Granite Mountain	$ 5,000.00	
6			
7	Increase/(Decrease) in Salaries and Wages		$ 5,000.00
8			
9			

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Income Statement Adjustment IS-4

Line No.			
1	Reclass Customer Deposit Interest		
2			
3			
4	Customer Deposit Interest Charged to Interest Expense	34.35	
5			
6	Increase/(Decrease) in Interest Expense		$ (34.35)
7			
8	Increase/(Decrease) in Miscellaneous Expense		$ 34.35
9			
10			

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Income Statement Adjustment IS-5

Line No.			
1	Reclass Bad Debt Expense		
2			
3			
5	Customer Bad Debt Charged to Miscellaneous Expense	772.17	
6			
7	Increase/(Decrease) in Miscellaneous Expense		$ (772.17)
8			
9	Increase/(Decrease) in Bad Debt Expense		$ 772.17
10			
11			
12			
13			
14			
15			

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Income Statement Adjustment IS-6

Adjust Rate Case Expense

Line No.			
1	Estimated Rate Case Expense	$	10,000
2			
3	Amortization Period (Years)		3
4			
5	Annualized Rate Case Expense	$	3,333
6			
7	Test Year Rate Case Expense		-
8			
9	Increase / (Decrease) in Rate Case Expense		3,333
10			

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Income Statement Adjustment IS-7

Schedule RLJ-3
Supplemental
Page 10

Adjust Depreciation Expense to Reflect Adjusted Plant Balances

Line No.	Acct	Description	Adjusted Test Year Balance 12/31/2013	Fully Depreciated Plant	Depreciable Plant	Proposed Depreciation Rate	Depreciation Expense
1							
2	301	Organization Cost	$ 110		$ 110	0.00%	$ -
3	302	Franchise Cost	-		-	0.00%	-
4	3	Land and Land Rights	48,500		48,500	0.00%	-
5	304	Structures & Improvements	79,894		79,894	3.33%	2,660
6	305	Collecting & Impounding Reservoirs	-		-	2.50%	-
7	306	Lake, River, Canal Intakes	-		-	2.50%	-
8	307	Wells & Springs	60,946		60,946	3.33%	2,030
9	308	Infiltration Galleries	-		-	6.67%	-
10	309	Raw Water Supply Mains	-		-	2.00%	-
11	310	Power Generation Equipment	912		912	5.00%	46
12	311	Pumping Equipment	121,906	(104,270)	17,637	12.50%	2,205
13	320	Water Treatment Equipment	-		-	3.33%	-
14	320.1	Water Treatment Plants	-		-	3.33%	-
15	320.2	Solution Chemical Feeders	7,745	(2,077)	5,669	20.00%	1,134
16	330	Distribution Reservoirs & Standpipes	-		-	2.22%	-
17	330.1	Storage Tanks	172,640		172,640	2.22%	3,833
18	330.2	Pressure Tanks	55,213		55,213	5.00%	2,761
19	331	Transmission & Distribution Mains	450,034		450,034	2.00%	9,001
20	333	Services	55,934		55,934	3.33%	1,863
21	334	Meters	6,652		6,652	8.33%	554
22	335	Hydrants	8,774		8,774	2.00%	175
23	336	Backflow Prevention Devices	1,428		1,428	6.67%	95
24	339	Other Plant & Misc Equipment	4,850		4,850	6.67%	324
25	340	Office Furniture & Equipment	-		-	6.67%	-
26	340.1	Computers & Software	3,500		3,500	20.00%	700
27	341	Transportation Equipment	26,456		26,456	20.00%	5,291
28	342	Stores Equipment	-		-	4.00%	-
29	343	Tools, Shop & Garage Equipment	-		-	5.00%	-
30	344	Laboratory Equipment	-		-	10.00%	-
31	345	Power Operated Equipment	5,000		5,000	5.00%	250
32	346	Communication Equipment	8,003		8,003	10.00%	800
33	347	Miscellaneous Equipment	-		-	10.00%	-
34	348	Other Tangible Plant	20	(20)	0	20.00%	-
35		TOTALS	$ 1,118,519	$ (106,366)	$ 1,012,152		$ 33,720
36							
37		Less: Amortization of CIAC	$ -			3.4996%	$ -
38							
39		Adjusted Test Year Depreciation Expense					$ 33,720
40							
41		Test Year Depreciation Expense					$ 33,874
42							
43		Increase / (Decrease) in Depreciation Expense					$ (154)

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Income Statement Adjustment IS-8

Adjust Property Tax Expense to Reflect Adjusted Test Year and Proposed Revenues

Line No.	Description	Company As Adjusted	Company Proposed
1	Adjusted Test Year Revenue	$ 117,320	$ 117,320
2	Adjusted Test Year Revenue	117,320	117,320
3	Adjusted Test Year Revenue	117,320	
4	Proposed Revenues after Increase		177,563
5	Average of three year's of revenue	117,320	137,401
6	Average of three year's of revenue, times 2	234,639	274,801
7	Add:		
8	Construction Work In Progress at 10%	-	-
9	Deduct:		
10	Net Book Value of Transportation Equipment	21,165	21,165
11			
12	Full Cash Value	213,474	253,636
13	Assessment Ratio	18.5%	18.5%
14	Assessed Value	39,493	46,923
15	Property Tax Rate (2012 Tax Year)	11.1667%	11.1667%
16			
17	Adjusted Test Year Property Tax	$ 4,410	
18	Recorded Test Year Property Tax	1,619	
19	Test Year Adjustment	$ 2,791	
20			
21	Property Tax at Proposed Rates		$ 5,240
22	Adjusted Test Year Property Tax		4,410
23	Increase in Property Tax due to Rate Increase		$ 830
24			
25	Calculation of Property Tax Factor		
26	Increase to Property Tax Expense		$ 830
27	Increase in Revenue Requirement		$ 60,243
28	Property Tax Factor (L25 / L26)		1.3772%
29			

Line No.	CALCULATION OF TAX RATE		2013 Value	Ratio	Tax Value	Tax	Rate
30							
31							
32		923-70-190	157,000	19.5%	30,615	3,419	11.1667%

Adjust Income Tax Expense to Reflect Adjusted Test Year and Proposed Revenues

Line No.	Description					Adjusted Test Year	Proposed with Increase
1							
2	Calculation of Income Tax:						
3	Revenue					$ 117,320	$ 177,563
4	Less: Operating Expenses (Excluding Income Taxes)					120,445	121,672
5	Less: Synchronized Interest						-
6	Arizona Taxable Income					$ (3,126)	$ 55,891
7	AZ - Individual Tax Calculation (Married Filing Jointly - 2015)						
8		Over	But not Over	Amount plus	%		
9		$ -	$ 20,000	$ -	2.5900%	$ (81)	$ -
10		20,000	50,000	(58.00)	2.8800%	-	-
11		50,000	100,000	(298.00)	3.3600%	-	1,580
12		100,000	300,000	(1,178.00)	4.2400%	-	-
13		300,000	999,999,999	(2,078.00)	4.5400%	-	-
14	Arizona Income Tax					$ (81)	$ 1,580
15	Federal Taxable Income					$ (3,045)	$ 54,311
16	Federal - Individual Tax Calculation (Married Filing Jointly - 2015)						
17		Over	But not Over	Amount plus	%		
18		$ -	$ 18,450	$ -	10.0000%	$ (304)	$ -
19		18,450	74,900	1,845.00	15.0000%	-	7,224
20		74,900	151,200	10,312.50	25.0000%	-	-
21		151,200	230,450	29,387.50	28.0000%	-	-
22		230,450	411,500	51,577.50	33.0000%	-	-
23		411,500	464,850	111,324.00	35.0000%	-	-
24		464,850	9,999,999,999	129,996.50	39.6000%		
25							
26	Total Federal Income Tax					$ (304)	$ 7,224
27							
28	Combined Federal and State Income Tax					$ (385)	$ 8,804
29							
30	Effective State Tax Rate					2.5900%	2.8268%
31	Effective Federal Tax Rate					10.0000%	13.3015%
32	Effective Combined Tax Rate					12.3310%	15.7523%
33							
34	Applicable Arizona State Income Tax Rate (Rate Applicable to Revenue Increase)						2.8143%
35	Applicable Federal Income Tax Rate (Rate Applicable to Revenue Increase)						13.1262%
36							
37	Calculation of Interest Synchronization						
38	Rate Base			$ 586,318			
39	Weighted Average Cost of Debt						
40	Synchronized Interest			$ -			
41							
42	Income Tax Adjustments						
43	Test Year Income Taxes - Booked					$ -	
44	Increase / (decrease) in Income Taxes (L21 - L32)					(385)	
45							
46	Test Year Income Taxes - Adjusted						$ (385)
47	Increase / (decrease) in Federal Income Taxes (L21 - L35)						9,190
48							
49							

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Computation of Gross Revenue Conversion Factor

Line No.	Calculation of Gross Revenue Conversion Factor		
1	Revenue	100.0000%	
2	Uncollectable Factor (Line 11)	0.5557%	
3	Revenue (L1 - L2)	99.4443%	
4	Combined Income Tax and Property Tax Rate (Line 23)	16.7339%	
5	Operating Income Percentage (L3 -L4)	82.7105%	
6	Gross Revenue Conversion Factor (L1 / L5)	1.209037	
	Calculation of Uncollectable Factor		
7	Unity	100.0000%	
8	Combined Federal and State Tax Rate (Line 17)	15.5711%	
9	One Minus Combined Federal and State Tax Rate (L7 - L8)	84.4289%	
10	Uncollectable Rate (Line 26)	0.6582%	
11	Uncollectable Factor (L9 * L10)	0.5557%	
	Calculation of Effective Tax Rate		
12	Operating Income Before Taxes	100.0000%	
13	Applicable Arizona State Tax Rate (from Schedule C-2)	2.8143%	
14	Federal Taxable Income (L12 - L13)	97.1857%	
15	Applicable Federal Tax Rate (from Schedule C-2)	13.1262%	
16	Effective Federal Tax Rate (L14 * L15)	12.7568%	
17	Combined Federal and State Tax Rate (L13 + L16)		15.5711%
	Calculation of Effective Property Tax Rate		
18	Unity	100.0000%	
19	Combined Federal and State Tax Rate (Line 17)	15.5711%	
20	One Minus Combined Income Tax Rate (L18 - L19)	84.4289%	
21	Property Tax Factor (from Schedule C-2)	1.3772%	
22	Effective Property Tax Factor (L20 * L21)		1.1628%
23	Combined Federal and State Income Tax Rate and Property Tax Rate (L17 + L22)		16.7339%

	Calculation of Uncollectable Rate		
24	Bad Debt Expense (from Schedule C-1)	$	772
25	Total Revenues (from Schedule C-1)		117,320
26	Uncollectable Rate (L24 / L25)		0.6582%
27	Revenue Increase (from Schedule C-1)	$	60,243
28	Uncollectable Rate (Line 26)		0.6582%
29	Bad Debt Expense due to Increase	$	397

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Changes in Representative Rate Schedules

Line No.	**General Water Service Rates**		Present	Proposed	Base Charge			Volume Charge		
2			Rate Tiers	Rate Tiers	Present	Proposed		Present	Proposed	
3	Description		(gallons)	(gallons)	Rate	Rate	Change	Rate	Rate	Change
4										
5	R1 - 5/8" x 3/4" Meter	Tier 1	4,000	3,000	$ 25.00	$ 37.80	$ 12.80	$ 4.40	$ 6.65	$ 2.25
6		Tier 2	10,000	10,000				$ 6.60	$ 9.95	$ 3.35
7		Tier 3	999,999,000	999,999,000				$ 7.90	$ 11.90	$ 4.00
8	R2 - 3/4" Meter	Tier 1	4,000	3,000	$ 37.50	$ 56.70	$ 19.20	$ 4.40	$ 6.65	$ 2.25
9		Tier 2	10,000	10,000				$ 6.60	$ 9.95	$ 3.35
10		Tier 3	999,999,000	999,999,000				$ 7.90	$ 11.90	$ 4.00
11	R3 - 1" Meter	Tier 1	-	-	$ 62.50	$ 94.50	$ 32.00			
12		Tier 2	10,000	15,000				$ 6.60	$ 9.95	$ 3.35
13		Tier 3	999,999,000	999,999,000				$ 7.90	$ 11.90	$ 4.00
14	R4 - 1.5" Meter	Tier 1	-	-	$ 125.00	$ 189.00	$ 64.00			
15		Tier 2	20,000	30,000				$ 6.60	$ 9.95	$ 3.35
16		Tier 3	999,999,000	999,999,000				$ 7.90	$ 11.90	$ 4.00
17	R5 - 2" Meter	Tier 1	-	-	$ 200.00	$ 302.40	$ 102.40			
18		Tier 2	40,000	50,000				$ 6.60	$ 9.95	$ 3.35
19		Tier 3	999,999,000	999,999,000				$ 7.90	$ 11.90	$ 4.00
20	R6 - 3" Meter	Tier 1	-	-	$ 400.00	$ 604.80	$ 204.80			
21		Tier 2	144,000	100,000				$ 6.60	$ 9.95	$ 3.35
22		Tier 3	999,999,000	999,999,000				$ 7.90	$ 11.90	$ 4.00
23	R7 - 4" Meter	Tier 1	-	-	$ 625.00	$ 945.00	$ 320.00			
24		Tier 2	225,000	150,000				$ 6.60	$ 9.95	$ 3.35
25		Tier 3	999,999,000	999,999,000				$ 7.90	$ 11.90	$ 4.00
26	R8 - 6" Meter	Tier 1	-	-	$ 1,250.00	$ 1,890.00	$ 640.00			
27		Tier 2	450,000	300,000				$ 6.60	$ 9.95	$ 3.35
28		Tier 3	999,999,000	999,999,000				$ 7.90	$ 11.90	$ 4.00
30	Hydrant Meter	Tier 3	999,999,000	999,999,000		By Meter Size		$ 7.90	$ 11.90	$ 4.00
31	Standpipe	Tier 3	999,999,000	999,999,000		None		$ 7.90	$ 11.90	$ 4.00
32										
33										

Line No.	**Other Service Charges**	Present Rates	Proposed Rates
3	Establishment	$ 25.00	$ 25.00
4	Establishment (After Hours)	$ 35.00	n/t
5	Reconnection (Delinquent)	$ 35.00	$ 35.00
6	Reconnection (Delinquent) (After Hours)	$ 45.00	n/t
7	After Hours Charge	n/t	$ 25.00
8	Meter Test (If correct)	$ 35.00	$ 35.00
9	Deposit Requirement	2 times the average bill	2 times the average bill
10	Deposit Interest	6% per year	6% per year
11	Re-Establishment (Within 12 Months)	Number of Months off system times the monthly minimum charge	Number of Months off system times the monthly minimum charge
12	NSF Check	$ 20.00	$ 20.00
13	Deferred Payment, Per Month	1.5%	1.5%
14	Meter Re-Read (If correct)	$ 15.00	$ 15.00
15	Moving Customer Meter at Customer Request	Cost	Cost
16	Late Charge per month	1.50%	1.50%

17
18 In addition to the collection of regular rates, the utility will collect from its
19 customers a proportionate share of any privilege, sales, use, and franchise tax,
20 per Commission rule A.A.C. 14-2-409(D)(5).
21
22 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.
23
24 n/t - no tariff
25

26	**Service Line and Meter Installation Charges**	Present Rates			Proposed Rates		
27		Srv. Line	Meter	Total	Srv. Line	Meter	Total
28	5/8" x 3/4" Meter	$ 405	$ 95	$ 500	$ 450	$ 150	$ 600
29	3/4" Meter	$ 413	$ 162	$ 575	$ 450	$ 250	$ 700
30	1" Meter	$ 441	$ 209	$ 650	$ 575	$ 300	$ 875
31	1 1/2" Meter	$ 395	$ 321	$ 716	$ 675	$ 500	$ 1,175
32	2" Meter	$ 727	$ 845	$ 1,572	$ 1,000	$ 1,500	$ 2,500
34	3" Meter	$ 952	$ 1,448	$ 2,400	$ 1,300	$ 2,000	$ 3,300
36	4" Meter	$ 1,310	$ 2,206	$ 3,516	$ 1,800	$ 3,500	$ 5,300
38	6" Meter	$ 2,160	$ 4,756	$ 6,916	$ 2,800	$ 6,000	$ 8,800

42
43 All advances and/or contributions are to include labor, materials and parts, overheads and all applicable taxes,
44 including gross-up taxes for Federal and State taxes, if applicable.
45
46 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.
47
48 n/t - no tariff
49

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Analysis of Revenue by Detailed Class

Schedule RLJ-4
Supplemental
Page 3

Line No.	Description	Average Number Customers	Average Consumption	Revenues Present Rates	Revenues Proposed Rates	Proposed Increase Amount	Proposed Increase %
1							
2	Metered Water Revenue						
3	R1 - 5/8" x 3/4" Meter	85	6,411	$ 64,502	$ 99,349	$ 34,847	54.03%
4	R2 - 3/4" Meter	-	-	-	-	-	
6	R3 - 1" Meter	34	6,496	44,269	66,338	22,069	49.85%
7	R4 - 1.5" Meter	-	-	-	-	-	
8	R5 - 2" Meter	1	41,200	5,965	8,942	2,977	49.92%
9	R6 - 3" Meter	-	-	-	-	-	
10	R7 - 4" Meter	-	-	-	-	-	
11	R8 - 6" Meter	-	-	-	-	-	
12	Hydrant Meter						
13							
14	Metered Water Revenue						
15	All Customers	120	81,126	114,735	174,629	59,894	52.20%
16							
17	Other Water Revenue			$ 3,174	$ 3,174	-	0.00%
18							
19	Total	120		$ 117,910	$ 177,804	$ 59,894	50.80%
20							

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

Line No.	Description	Revenue at Current Rates: Base Charge	1st Tier	2nd Tier	3rd Tier	Total Revenue
1						
2	R1 - 5/8" x 3/4" Meter	$ 25,600	$ 13,442	$ 11,498	$ 13,962	$ 64,502
3	R2 - 3/4" Meter	-	-	-	-	-
4	R3 - 1" Meter	25,750	-	13,322	5,197	44,269
5	R4 - 1.5" Meter	-	-	-	-	-
6	R5 - 2" Meter	2,400	-	1,731	1,834	5,965
7	R6 - 3" Meter	-	-	-	-	-
8	R7 - 4" Meter					
9	R8 - 6" Meter	-	-	-	-	-
10	R9 - 8" Meter	-	-	-	-	-
11	Hydrant Meter					-
12						
13	Total Revenue	$ 53,750	$ 13,442	$ 26,550	$ 20,993	$ 114,735
14						
15	Percentage of Total	46.85%	11.72%	23.14%	18.30%	100.00%
16						

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

Line No.	Description	Revenue at Proposed Rates: Base Charge	1st Tier	2nd Tier	3rd Tier	Total Revenue
1						
2	R1 - 5/8" x 3/4" Meter	$ 38,707	$ 16,364	$ 23,246	$ 21,031	$ 99,349
3	R2 - 3/4" Meter	-	-	-	-	-
4	R3 - 1" Meter	38,934	-	22,676	4,729	66,338
5	R4 - 1.5" Meter	-	-	-	-	-
6	R5 - 2" Meter	3,629	-	2,907	2,406	8,942
7	R6 - 3" Meter	-	-	-	-	-
8	R7 - 4" Meter					
9	R8 - 6" Meter	-	-	-	-	-
10	R9 - 8" Meter	-	-	-	-	-
11	Hydrant Meter					-
12						
13	Total Revenue	$ 81,270	$ 16,364	$ 48,829	$ 28,166	$ 174,629
14						
15	Percentage of Total Revenue	46.54%	9.37%	27.96%	16.13%	100.00%
16						
17	Percentage Increase by Tier	51.20%	21.74%	83.91%	34.17%	52.20%
18						

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

Line No.		Base Charge	1st Tier	2nd Tier	3rd Tier	Total Revenue
1	Revenue at Current Rates	$ 53,750	$ 13,442	$ 26,550	$ 20,993	$ 114,735
2	Revenue at Company's Proposed Rates	81,270	16,364	48,829	28,166	174,629
3	Increase in Rates	$ 27,520	$ 2,922	$ 22,279	$ 7,173	$ 59,894
4						
5	Percentage Increase by Tier	51.2%	21.7%	83.9%	34.2%	52.2%
6	Percentage of Increase within Tier	45.9%	4.9%	37.2%	12.0%	100.0%
7						
8						
9						
10		Base	1st	2nd	3rd	Total
11		Charge	Tier	Tier	Tier	Revenue
12	Revenue at Current Rates	$ 53,750	$ 13,442	$ 26,550	$ 20,993	$ 114,735
13	Revenue at Company's Proposed Rates	$ 81,270	$ 16,364	$ 48,829	$ 28,166	$ 174,629
14						
15	Percentage of Total Revenue					
16	Current Rates	46.8%	11.7%	23.1% #	18.3%	100.0%
17	Company's Proposed Rates	46.5%	9.4%	28.0% #	16.1%	100.0%
18	Change	-0.3%	-2.3%	4.8%	-2.2%	0.0%
19						
20						

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Bill Count

Schedule RLJ-4
Supplemental
Page 7

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

Rate Tiers	Present Rates	Proposed Rates
Tier One Breakover (M gal):	4	3
Tier Two Breakover (M gal):	10	10
Tier Three Breakover (M gal):	999,999	999,999

Charges	Present Rates	Proposed Rates
Base Charge:	$ 25.00	$ 37.80
Tier One Rate:	$ 4.40	$ 6.65
Tier Two Rate:	$ 6.60	$ 9.95
Tier Three Rate:	$ 7.90	$ 11.90

Line No.	Block			Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
1	-	-	-	79			79	7.71%	-	0.00%
2	1	-	1,000	58	551	31,960	137	13.38%	31,960	0.49%
3	1,001	-	2,000	118	1,492	176,030	255	24.90%	207,990	3.17%
4	2,001	-	3,000	116	2,532	293,740	371	36.23%	501,730	7.64%
5	3,001	-	4,000	120	3,510	421,240	491	47.95%	922,970	14.06%
6	4,001	-	5,000	116	4,467	518,210	607	59.28%	1,441,180	21.95%
7	5,001	-	6,000	86	5,504	473,350	693	67.68%	1,914,530	29.17%
8	6,001	-	7,000	60	6,452	387,120	753	73.54%	2,301,650	35.06%
9	7,001	-	8,000	61	7,436	453,590	814	79.49%	2,755,240	41.97%
10	8,001	-	9,000	28	8,348	233,750	842	82.23%	2,988,990	45.53%
11	9,001	-	10,000	21	9,432	198,070	863	84.28%	3,187,060	48.55%
12	10,001	-	12,000	40	10,933	437,310	903	88.18%	3,624,370	55.21%
13	12,001	-	14,000	25	13,062	326,550	928	90.63%	3,950,920	60.19%
14	14,001	-	16,000	16	15,108	241,730	944	92.19%	4,192,650	63.87%
15	16,001	-	18,000	13	16,862	219,200	957	93.46%	4,411,850	67.21%
16	18,001	-	20,000	14	18,854	263,960	971	94.82%	4,675,810	71.23%
17	20,001	-	25,000	19	22,146	420,770	990	96.68%	5,096,580	77.64%
18	25,001	-	30,000	13	28,165	366,150	1,003	97.95%	5,462,730	83.22%
19	30,001	-	35,000	5	32,218	161,090	1,008	98.44%	5,623,820	85.67%
20	35,001	-	40,000	1	38,000	38,000	1,009	98.54%	5,661,820	86.25%
21	40,001	-	50,000	8	45,083	360,660	1,017	99.32%	6,022,480	91.74%
22	50,001	-	60,000	4	54,480	217,920	1,021	99.71%	6,240,400	95.06%
23	60,001	-	70,000	-	-	-	1,021	99.71%	6,240,400	95.06%
24	70,001	-	80,000	1	74,090	74,090	1,022	99.80%	6,314,490	96.19%
25	80,001	-	90,000	-	-	-	1,022	99.80%	6,314,490	96.19%
26	90,001	-	100,000	-	-	-	1,022	99.80%	6,314,490	96.19%
27	106,640	-	106,640	1	106,640	106,640	1,023	99.90%	6,421,130	97.82%
28	143,260	-	143,260	1	143,260	143,260	1,024	100.00%	6,564,390	100.00%
29							1,024	100.00%	6,564,390	100.00%
30							1,024	100.00%	6,564,390	100.00%
113										
114	Totals			1,024		6,564,390	1,024		6,564,390	
115										
116			Total Bills	1,024						

Average Number of Customers	85
Average Consumption (gallons)	6,411
Median Consumption (gallons)	3,684

	Current Rates Units	Current Rates Revenue	Proposed Rates Units	Proposed Rates Revenue
Base Charge	1,024	$ 25,600	1,024	$ 38,707
Usage (gallons)				
Tier One	3,054,970	$ 13,442	2,460,730	$ 16,364
Tier Two	1,742,090	11,498	2,336,330	23,246
Tier Three	1,767,330	13,962	1,767,330	21,031
Usage Totals	6,564,390		6,564,390	
Revenue Totals		$ 64,501.57		$ 99,349

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Typical Bill Analysis

Schedule RLJ-4
Supplemental
Page 8

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

Line No.	Rate Schedules			Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	**Present Rates:**			-	$ 25.00	$ 37.80	$ 12.80	51.20%
2	Base Charge:	$	25.00	1,000	$ 29.40	$ 44.45	$ 15.05	51.19%
3				2,000	$ 33.80	$ 51.10	$ 17.30	51.18%
4				3,000	$ 38.20	$ 57.75	$ 19.55	51.18%
5	Tier One Rate:	$	4.40	4,000	$ 42.60	$ 67.70	$ 25.10	58.92%
6	Tier Two Rate:	$	6.60	5,000	$ 49.20	$ 77.65	$ 28.45	57.83%
7	Tier Three Rate:	$	7.90	6,000	$ 55.80	$ 87.60	$ 31.80	56.99%
8				7,000	$ 62.40	$ 97.55	$ 35.15	56.33%
9	Tier One Breakover (M gal):		4	8,000	$ 69.00	$ 107.50	$ 38.50	55.80%
10	Tier Two Breakover (M gal):		10	9,000	$ 75.60	$ 117.45	$ 41.85	55.36%
11	Tier Three Breakover (M gal):		999,999	10,000	$ 82.20	$ 127.40	$ 45.20	54.99%
12				12,000	$ 98.00	$ 151.20	$ 53.20	54.29%
13				14,000	$ 113.80	$ 175.00	$ 61.20	53.78%
14	**Proposed Rates:**			16,000	$ 129.60	$ 198.80	$ 69.20	53.40%
15	Base Charge:	$	37.80	18,000	$ 145.40	$ 222.60	$ 77.20	53.09%
16				20,000	$ 161.20	$ 246.40	$ 85.20	52.85%
17				25,000	$ 200.70	$ 305.90	$ 105.20	52.42%
18	Tier One Rate:	$	6.65	30,000	$ 240.20	$ 365.40	$ 125.20	52.12%
19	Tier Two Rate:	$	9.95	35,000	$ 279.70	$ 424.90	$ 145.20	51.91%
20	Tier Three Rate:	$	11.90	40,000	$ 319.20	$ 484.40	$ 165.20	51.75%
21				45,000	$ 358.70	$ 543.90	$ 185.20	51.63%
22	Tier One Breakover (M gal):		3	50,000	$ 398.20	$ 603.40	$ 205.20	51.53%
23	Tier Two Breakover (M gal):		10	60,000	$ 477.20	$ 722.40	$ 245.20	51.38%
24	Tier Three Breakover (M gal):		999,999	70,000	$ 556.20	$ 841.40	$ 285.20	51.28%
25				80,000	$ 635.20	$ 960.40	$ 325.20	51.20%
26				90,000	$ 714.20	$ 1,079.40	$ 365.20	51.13%
27				100,000	$ 793.20	$ 1,198.40	$ 405.20	51.08%
28								
29				Average Usage				
30				6,411	$ 58.51	$ 91.69	$ 33.18	56.71%
31				Median Usage				
32				3,684	$ 41.21	$ 64.55	$ 23.34	56.64%
33								
34								

Meter Size: 1"
Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates
Tier One Breakover (M gal):	-	-
Tier Two Breakover (M gal):	10	15
Tier Three Breakover (M gal):	999,999	999,999

Charges	Present Rates	Proposed Rates
Base Charge:	$ 62.50	$ 94.50
Tier One Rate:	$ -	$ -
Tier Two Rate:	$ 6.60	$ 9.95
Tier Three Rate:	$ 7.90	$ 11.90

Line No.	Block	Number of Bills by Block	Average Consumption in Block 85%	Consumption by Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
1	- - -	25			25	6.07%	-	0.00%
2	1 - 1,000	22	350	7,700	47	11.41%	7,700	0.29%
3	1,001 - 2,000	33	1,517	50,050	80	19.42%	57,750	2.16%
4	2,001 - 3,000	54	2,618	141,360	134	32.52%	199,110	7.44%
5	3,001 - 4,000	62	3,457	214,360	196	47.57%	413,470	15.45%
6	4,001 - 5,000	44	4,488	197,470	240	58.25%	610,940	22.83%
7	5,001 - 6,000	35	5,541	193,933	275	66.75%	804,873	30.07%
8	6,001 - 7,000	22	6,486	142,687	297	72.09%	947,560	35.41%
9	7,001 - 8,000	23	7,482	172,080	320	77.67%	1,119,640	41.84%
10	8,001 - 9,000	9	8,453	76,080	329	79.85%	1,195,720	44.68%
11	9,001 - 10,000	13	9,443	122,760	342	83.01%	1,318,480	49.26%
12	10,001 - 12,000	15	11,138	167,070	357	86.65%	1,485,550	55.51%
13	12,001 - 14,000	14	12,743	178,400	371	90.05%	1,663,950	62.17%
14	14,001 - 16,000	8	15,060	120,480	379	91.99%	1,784,430	66.67%
15	16,001 - 18,000	5	16,520	82,600	384	93.20%	1,867,030	69.76%
16	18,001 - 20,000	3	19,097	57,290	387	93.93%	1,924,320	71.90%
17	20,001 - 25,000	10	22,867	228,670	397	96.36%	2,152,990	80.45%
18	25,001 - 30,000	5	27,902	139,510	402	97.57%	2,292,500	85.66%
19	30,001 - 35,000	4	32,588	130,350	406	98.54%	2,422,850	90.53%
20	35,001 - 40,000	2	35,980	71,960	408	99.03%	2,494,810	93.22%
21	40,001 - 50,000	4	45,378	181,510	412	100.00%	2,676,320	100.00%
22	50,001 - 60,000	-		-	412	100.00%	2,676,320	100.00%
23	60,001 - 70,000	-		-	412	100.00%	2,676,320	100.00%
24	70,001 - 80,000	-		-	412	100.00%	2,676,320	100.00%
25	80,001 - 90,000	-		-	412	100.00%	2,676,320	100.00%
26	90,001 - 100,000	-		-	412	100.00%	2,676,320	100.00%
163								
164	Totals	412		2,676,320	412		2,676,320	
165								
166	Total Bills	412						

Average Number of Customers	34
Average Consumption (gallons)	6,496
Median Consumption (gallons)	3,692

	Current Rates Units	Current Rates Revenue	Proposed Rates Units	Proposed Rates Revenue
Base Charge	412	$ 25,750	412	$ 38,934
Usage (gallons)				
Tier One	-	$ -	-	$ -
Tier Two	2,018,480	13,322	2,278,950	22,676
Tier Three	657,840	5,197	397,370	4,729
Usage Totals	2,676,320		2,676,320	
Revenue Totals		$ 44,269	$ 18,519	$ 66,338

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Typical Bill Analysis

Schedule RLJ-4
Supplemental
Page 10

Meter Size: 1"
Rate Code: R3

Line No.	Rate Schedules			Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	**Present Rates:**			-	$ 62.50	$ 94.50	$ 32.00	51.20%
2	Base Charge:	$	62.50	1,000	$ 69.10	$ 104.45	$ 35.35	51.16%
3				2,000	$ 75.70	$ 114.40	$ 38.70	51.12%
4				3,000	$ 82.30	$ 124.35	$ 42.05	51.09%
5	Tier One Rate:	$	-	4,000	$ 88.90	$ 134.30	$ 45.40	51.07%
6	Tier Two Rate:	$	6.60	5,000	$ 95.50	$ 144.25	$ 48.75	51.05%
7	Tier Three Rate:	$	7.90	6,000	$ 102.10	$ 154.20	$ 52.10	51.03%
8				7,000	$ 108.70	$ 164.15	$ 55.45	51.01%
9	Tier One Breakover (M gal):		-	8,000	$ 115.30	$ 174.10	$ 58.80	51.00%
10	Tier Two Breakover (M gal):		10	9,000	$ 121.90	$ 184.05	$ 62.15	50.98%
11	Tier Three Breakover (M gal):		999,999	10,000	$ 128.50	$ 194.00	$ 65.50	50.97%
12				12,000	$ 144.30	$ 213.90	$ 69.60	48.23%
13				14,000	$ 160.10	$ 233.80	$ 73.70	46.03%
14	**Proposed Rates:**			16,000	$ 175.90	$ 255.65	$ 79.75	45.34%
15	Base Charge:	$	94.50	18,000	$ 191.70	$ 279.45	$ 87.75	45.77%
16				20,000	$ 207.50	$ 303.25	$ 95.75	46.14%
17				25,000	$ 247.00	$ 362.75	$ 115.75	46.86%
18	Tier One Rate:	$	-	30,000	$ 286.50	$ 422.25	$ 135.75	47.38%
19	Tier Two Rate:	$	9.95	35,000	$ 326.00	$ 481.75	$ 155.75	47.78%
20	Tier Three Rate:	$	11.90	40,000	$ 365.50	$ 541.25	$ 175.75	48.08%
21				45,000	$ 405.00	$ 600.75	$ 195.75	48.33%
22	Tier One Breakover (M gal):		-	50,000	$ 444.50	$ 660.25	$ 215.75	48.54%
23	Tier Two Breakover (M gal):		15	60,000	$ 523.50	$ 779.25	$ 255.75	48.85%
24	Tier Three Breakover (M gal):		999,999	70,000	$ 602.50	$ 898.25	$ 295.75	49.09%
25				80,000	$ 681.50	$ 1,017.25	$ 335.75	49.27%
26				90,000	$ 760.50	$ 1,136.25	$ 375.75	49.41%
27				100,000	$ 839.50	$ 1,255.25	$ 415.75	49.52%
28								
29				Average Usage				
30				6,496	$ 105.37	$ 159.14	$ 53.77	51.03%

Meter Size: 2"
Rate Code: R5

Rate Tiers	Present Rates	Proposed Rates
Tier One Breakover (M gal):	-	-
Tier Two Breakover (M gal):	40	50
Tier Three Breakover (M gal):	999,999	999,999

Charges	Present Rates	Proposed Rates
Base Charge:	$ 200.00	$ 302.40
Tier One Rate:	$ -	$ -
Tier Two Rate:	$ 6.60	$ 9.95
Tier Three Rate:	$ 7.90	$ 11.90

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
1	- - -	1			1	8.33%	-	0.00%
2	1 - 1,000	-	-	-	1	8.33%	-	0.00%
3	1,001 - 2,000	-	1,000	-	1	8.33%	-	0.00%
4	2,001 - 3,000	-	2,000	-	1	8.33%	-	0.00%
5	3,001 - 4,000	1	3,200	3,200	2	16.67%	3,200	0.65%
6	4,001 - 5,000	1	4,400	4,400	3	25.00%	7,600	1.54%
7	5,001 - 6,000	-	5,000	-	3	25.00%	7,600	1.54%
8	6,001 - 7,000	1	6,500	6,500	4	33.33%	14,100	2.85%
9	7,001 - 8,000	1	7,800	7,800	5	41.67%	21,900	4.43%
10	8,001 - 9,000	-	8,000	-	5	41.67%	21,900	4.43%
11	9,001 - 10,000	-	9,000	-	5	41.67%	21,900	4.43%
12	10,001 - 12,000	-	10,000	-	5	41.67%	21,900	4.43%
13	12,001 - 14,000	1	13,100	13,100	6	50.00%	35,000	7.08%
14	14,001 - 16,000	-	14,000	-	6	50.00%	35,000	7.08%
15	16,001 - 18,000	-	16,000	-	6	50.00%	35,000	7.08%
16	18,001 - 20,000	-	18,000	-	6	50.00%	35,000	7.08%
17	20,001 - 25,000	-	20,000	-	6	50.00%	35,000	7.08%
18	25,001 - 30,000	1	28,700	28,700	7	58.33%	63,700	12.88%
19	30,001 - 35,000	-	30,000	-	7	58.33%	63,700	12.88%
20	35,001 - 40,000	2	39,250	78,500	9	75.00%	142,200	28.76%
21	40,001 - 50,000	-	40,000	-	9	75.00%	142,200	28.76%
22	50,001 - 60,000	-	50,000	-	9	75.00%	142,200	28.76%
23	60,001 - 70,000	-	60,000	-	9	75.00%	142,200	28.76%
24	70,001 - 80,000	1	79,800	79,800	10	83.33%	222,000	44.90%
25	80,001 - 90,000	-	80,000	-	10	83.33%	222,000	44.90%
26	90,001 - 100,000	-	90,000	-	10	83.33%	222,000	44.90%
27	123,300 - 123,300	1	123,300	123,300	11	91.67%	345,300	69.84%
28	149,100 - 149,100	1	149,100	149,100	12	100.00%	494,400	100.00%
366								
367	Totals	12		494,400	12		494,400	
368								
369	Total Bills	12						

370		
371	Average Number of Customers	1
372		
373	Average Consumption (gallons)	41,200
374		
375	Median Consumption (gallons)	13,100
376		
377		
378		
379		

	Current Rates Units	Current Rates Revenue	Proposed Rates Units	Proposed Rates Revenue
Base Charge	12	$ 2,400	12	$ 3,629
Usage (gallons)				
Tier One	-	$ -	-	$ -
Tier Two	262,200	1,731	292,200	2,907
Tier Three	232,200	1,834	202,200	2,406
Usage Totals	494,400		494,400	
Revenue Totals		$ 5,965		$ 8,942

Granite Mountain Water Co., Inc.
Test Year Ended December 31, 2013
Typical Bill Analysis

Schedule RLJ-4
Supplemental
Page 12

Meter Size: 2"
Rate Code: R5

Line No.	Rate Schedules			Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	**Present Rates:**			-	$ 200.00	$ 302.40	$ 102.40	51.20%
2	Base Charge:	$	200.00	1,000	$ 206.60	$ 312.35	$ 105.75	51.19%
3				2,000	$ 213.20	$ 322.30	$ 109.10	51.17%
4				3,000	$ 219.80	$ 332.25	$ 112.45	51.16%
5	Tier One Rate:	$	-	4,000	$ 226.40	$ 342.20	$ 115.80	51.15%
6	Tier Two Rate:	$	6.60	5,000	$ 233.00	$ 352.15	$ 119.15	51.14%
7	Tier Three Rate:	$	7.90	6,000	$ 239.60	$ 362.10	$ 122.50	51.13%
8				7,000	$ 246.20	$ 372.05	$ 125.85	51.12%
9	Tier One Breakover (M gal):		-	8,000	$ 252.80	$ 382.00	$ 129.20	51.11%
10	Tier Two Breakover (M gal):		40	9,000	$ 259.40	$ 391.95	$ 132.55	51.10%
11	Tier Three Breakover (M gal):		999,999	10,000	$ 266.00	$ 401.90	$ 135.90	51.09%
12				12,000	$ 279.20	$ 421.80	$ 142.60	51.07%
13				14,000	$ 292.40	$ 441.70	$ 149.30	51.06%
14	**Proposed Rates:**			16,000	$ 305.60	$ 461.60	$ 156.00	51.05%
15	Base Charge:	$	302.40	18,000	$ 318.80	$ 481.50	$ 162.70	51.04%
16				20,000	$ 332.00	$ 501.40	$ 169.40	51.02%
17				25,000	$ 365.00	$ 551.15	$ 186.15	51.00%
18	Tier One Rate:	$	-	30,000	$ 398.00	$ 600.90	$ 202.90	50.98%
19	Tier Two Rate:	$	9.95	35,000	$ 431.00	$ 650.65	$ 219.65	50.96%
20	Tier Three Rate:	$	11.90	40,000	$ 464.00	$ 700.40	$ 236.40	50.95%
21				45,000	$ 503.50	$ 750.15	$ 246.65	48.99%
22	Tier One Breakover (M gal):		-	50,000	$ 543.00	$ 799.90	$ 256.90	47.31%
23	Tier Two Breakover (M gal):		50	60,000	$ 622.00	$ 918.90	$ 296.90	47.73%
24	Tier Three Breakover (M gal):		999,999	70,000	$ 701.00	$ 1,037.90	$ 336.90	48.06%
25				80,000	$ 780.00	$ 1,156.90	$ 376.90	48.32%
26				90,000	$ 859.00	$ 1,275.90	$ 416.90	48.53%
27				100,000	$ 938.00	$ 1,394.90	$ 456.90	48.71%
28								
29				Average Usage				
30				41,200	$ 473.48	$ 712.34	$ 238.86	50.45%
31				Median Usage				
32				13,100	$ 286.46	$ 432.75	$ 146.29	51.07%