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Eagletail Water Co. LLC  
PO Box 157  
Tonopah, AZ 85354

April 29th, 2016

ORIGINAL

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AZ CORP COMMISSION  
DOCKET CONTROL

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

**Docket Number W-03936A-16-0096: Application for Rate Increase**

As required in this docket to address deficiencies in the Rate Increase Application, the Company is filing amended pages 6, 19 A and 19 B. The last outstanding item will be filed as soon as the Company receives a legible copy of the invoice from Welch Pump.

Please contact me if you have any questions.

Respectfully,

Michelle Sharp

Consultant

Michelle.waterco@gmail.com

Arizona Corporation Commission

DOCKETED

MAY 03 2016

DOCKETED BY

**STATEMENTS IN SUPPORT OF RATE REQUEST  
AMENDED**

Complete the following statements in support of your rate request.

**EAGLETAIL WATER COMPANY** (The "Company") requests an adjustment in the existing rates charged by the Company. The information contained in this application is based upon a twelve-month Test Year ending **6/30/15** (mm/dd/yy). The Company had total operating revenues of **\$ 39,959**, served **50** metered and **0** un-metered customers, and sold **3,218,820** gallons of water during the Test Year.

The Company is requesting an increase in Test Year revenues in the amount of **\$ 35,663**

Total annual operating revenues, if the Company is granted the rate adjustment, will be \$ **75,622**

The Company is current on all property taxes.  YES  NO

The Company is current on all sales taxes.  YES  NO

The Company currently has a Curtailment Plan Tariff on file with the Commission.  YES  NO

The Company currently has a Backflow Prevention Tariff on file with the Commission.  YES  NO

The Company notified its customers of its application for a rate adjustment on 3/16/2016 (mm/dd/yy). **A COPY OF THE NOTICE WITH A NOTARIZED CERTIFICATION OF MAILING WAS FILED WITH THE ORIGINAL APPLICATION.**

By completing this application in support of the Company's request for a rate adjustment, the Company realizes that Original Cost Less Depreciation ("OCLD") plant information will be used to determine the fair value rate base, i.e., the Company waives the right to Reconstruction Cost New.

## AMENDED

## COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	2014	7/14 to 6/15 TEST YEAR	PROFORMA ADJUSTMENTS	REF #	ADJUSTED TEST YEAR	PROPOSED RATE INCR	REF #	PROPOSED RATES
461	Metered Water Revenue	\$ 36,308	\$ 35,008	\$ 1,679	5	\$ 36,687	\$ 33,387	5	\$ 70,074
460	Unmetered Water Revenue	-					-		-
474	Surcharge Revenue	4,273	4,305			4,305	1,098	4	5,403
474	Other Water Revenues	80	646	(501)	6	145			145
<b>TOTAL OPERATING REVENUES</b>		<b>\$ 40,661</b>	<b>\$ 39,959</b>	<b>\$ 1,178</b>	<b>*</b>	<b>\$ 41,137</b>	<b>\$ 34,485</b>		<b>\$ 75,622</b>
<b>OPERATING EXPENSES</b>									
601	Salaries and Wages	\$ -				\$ -			\$ -
610	Purchased Water	-				-			-
615	Purchased Power	5,610	7,267			7,267			7,267
618	Chemicals	402	322			322			322
620	Repairs and Maintenance	3,817	4,129			4,129	4,000	8	8,129
621	Office Supplies & Expense	940	667	491	1	1,158			1,158
630	Outside Services	8,852	8,630			8,630	5,000	9	13,630
635	Water Testing			145	1	145			145
641	Rents								-
650	Transportation Expenses	472	513			513			513
657	Insurance - General Liability	1,517	1,442			1,442			1,442
659	Insurance - Health and Life								-
666	Regulatory Commission Exp-Rate Case			867	2	867			867
675	Miscellaneous Expense	1,348	1,767	(636)	1	1,131			1,131
403	Depreciation Expense	9,127	9,127	(1,846)	7	7,281	3,714	7	10,995
408	Taxes Other Than Income								-
408.11	Property Taxes	730	1,518			1,518	1,099	3	2,617
409	Income Tax								-
427.2	Customer Security Deposit Interest		-	18	11	18			18
<b>TOTAL OPERATING EXPENSE</b>		<b>\$ 32,815</b>	<b>\$ 35,382</b>	<b>\$ (961)</b>		<b>\$ 34,421</b>	<b>\$ 13,813</b>		<b>\$ 48,234</b>
<b>OPERATING INCOME/(LOSS)</b>		<b>\$ 7,846</b>	<b>\$ 4,577</b>			<b>\$ 6,716</b>			<b>\$ 27,388</b>
<b>OTHER INCOME/(EXPENSE)</b>									
419	Interest and Dividend Income	\$ 3	\$ 3	\$ -		\$ 3			\$ 3
421	Non-Utility Income	-	-	-		-			-
426	Miscellaneous Non-Utility E	-	-	-		-			-
427	Interest Expense	(4,439)	(4,439)	(170)	10	(4,269)	(10,256)	10	(14,525)
<b>TOTAL OTHER INCOME/(EXPENS)</b>		<b>\$ (4,436)</b>	<b>\$ (4,436)</b>	<b>\$ (170)</b>		<b>\$ (4,266)</b>			<b>\$ (14,522)</b>
<b>NET INCOME/(LOSS)</b>		<b>\$ 3,410</b>	<b>\$ 141</b>			<b>\$ 2,450</b>			<b>\$ 12,866</b>

Note: Do not include sales tax in revenue or expense. Please refer to the checklist on page 1 for the required attachment related to this schedule.

\* This number must be identical to the number entered on page 6 "total operating revenues."

**AMENDED  
DETAIL OF PROFORMA ADJUSTMENTS**

**Adjustment 1**

Office Supplies and Expense (Book)	\$ 667
Reclassify postage costs	491
Office Supplies and Expense (Adjusted)	<u>\$ 1,158</u>
Water Testing Expense (Book)	\$ -
Reclassify water testing cost	<u>\$ 145</u>
Water Testing Expense (Adjusted)	\$ 145
Miscellaneous Expense (Book)	\$ 1,767
Remove water testing cost	\$ (145)
Remove postage costs	<u>(491)</u>
Miscellaneous Expense (Adjusted)	\$ 1,131

**Adjustment 2**

**Rate Case Expense**

Total	\$ 2,600	Annual Rate Case Expense	\$ 867
Amortized over 3 years	<u>867</u>	Test Year Rate Case Expense	<u>-</u>
		Adjustment	<u>\$ 867</u>

**Adjustment 3**

**Property Tax Expense at Proposed Revenue**

Calculated Property Tax Expense at Proposed Revenue	\$ 2,617
Actual Test Year Property Tax Expense	<u>1,518</u>
Property Tax Adjustment	<u>\$ 1,099</u>

**Adjustment 4**

**Surcharge**

Test Year Surcharge Revenue	\$ 4,305
Adjustment to Surcharge Revenue*	<u>\$ 1,098</u>
Proposed Surcharge Revenue	\$ 5,403

\*to equal the annual payments on the loan

**Adjustment 5**

Test Year metered water revenue per book	\$ 35,008
Reclassify water charges included in Other Water Revenue	16
Add meter refund credits and billing adjustments	492
Remove returned check fee	(25)
Adjustment to match to Billcount	1,196
Test Year Adjusted Meter Water Revenue	<u>\$ 36,687</u>
Test Year Adjusted Meter Water Revenue	\$ 36,687
Company proposed increase to metered water revenue	<u>33,387</u>
Proposed Metered Water Revenue	<u>\$ 70,074</u>

**Adjustment 6**

Test Year other water revenue per book	\$646
Reclassify water charges included in Other Water Revenue	(16)
Remove meter deposit from other water revenue	(510)
Reclassify returned check fee included in Metered Water Revenue	<u>25</u>
Adjusted Test Year Other Water Revenue	145