

ORIGINAL

JOHNSON UTILITIES, L.L.

5230 East Shea Boulevard, Suite 200 * Scottsdale, Arizona 85204
PH: (480) 998-3300; FAX: (480) 483-7908



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AZ CORP COMMISSION
DOCKET CONTROL

May 25, 2016

Arizona Corporation Commission

DOCKETED

MAY 31 2016

Mr. Thomas M. Broderick
Director-Utilities Department
1200 W. Washington
Phoenix, AZ 85007

DOCKETED BY 

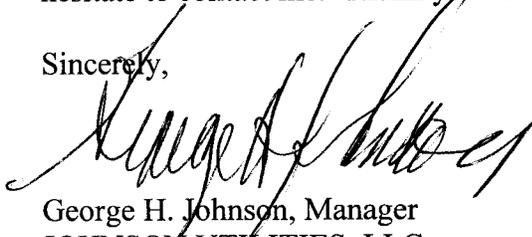
RE: Johnson Utilities, LLC
Decision No. 74695
Docket No. WS-02987A-08-0180
Requirement to File a Yearly Earnings Report for 2015.

Dear Mr. Broderick;

Johnson Utilities hereby submits Attachment 1 to comply with the order to file a yearly earnings report for 2015. As required, the information has been entered on the forms of schedules that were attached as Exhibit A to the Proposed Settlement Agreement.

If you need any additional information in regards to this compliance item, please do not hesitate to contact me. Thank you for your time and consideration in this matter.

Sincerely,



George H. Johnson, Manager
JOHNSON UTILITIES, LLC

Cc: Docket Control (13 + original)

Attachment 1

RATE BASE

1	PLANT		
2	Plant in Service (Excluding CWIP)	\$	153,025,302
3	Less; Accumulated Depreciation		<u>(47,575,888)</u>
4	Net Plant	\$	105,449,414
5			
6	DEDUCTIONS		
7	Advances in Aid of Construction		(69,708,184)
8			
9	Contributions in Aid of Construction ("CIAC")	(54,960,066)	
10	Accumulated Depreciation of CIAC	<u>15,322,897</u>	
11	Net CIAC		(39,637,169)
12			
13	Customer Meter Deposit		-
14			
15	Customer Security Deposits		(1,005,064)
16			
17	Accumulated Deferred Income Taxes ("ADIT") - Schedule 4 Line 14		28,706
18			
19			
20	ADDITIONS		
21	Deferred Regulatory Assets (Liabilities)		-
22			
23	Allowance for Working Capital		-
24			
25	Net Additions and Deductions		<u>(110,321,711)</u>
26			
27	TOTAL RATE BASE		<u>\$ (4,872,297)</u>
28			
29			
30			
31	RATE OF RETURN		
32	Fair Value Rate Base - Line 27 above		(4,872,297)
33			
34	Operating Income - Schedule 3 Line 30		(1,756,994)
35			
36	Current Rate of Return (Line 34/Line 32)		NM
37			
38	Approved Rate of Return - Last Rate Case		8.00%
39			
40	Number of Customers - Last Rate Case		18,700
41			
42	Number of Customers - This Filing		33,302

WW DIVISION BALANCE SHEET

1	<u>CURRENT AND ACCRUED ASSETS</u>		
2	Cash	\$	6,872,546
3	Working Funds		-
4	Temporary Cash Investments		-
5	Customer Accounts Receivable		1,673,855
6	Notes/Receivables from Associated Companies		6,442
7	Plant Materials and Supplies		104,489
8	Prepayments/Miscellaneous		470,656
9	Total Current and Accrued Assets		<u>9,127,988</u>
10			
11	<u>FIXED ASSETS</u>		
12	Utility Plant in Service	\$	153,025,302
13	Property Held for Future Use		-
14	Construction Work in Progress		135,358
15	Accumulated Depreciation - Utility Plant		(47,575,888)
16	Non-Utility Property		-
17	Accumulated Depreciation - Non Utility		-
18	Total Fixed Assets		<u>105,584,772</u>
19			
20	TOTAL ASSETS		<u><u>\$ 114,712,760</u></u>
21			
22	<u>CURRENT AND ACCRUED LIABILITIES</u>		
23	Accounts Payable	\$	1,500,881
24	Notes Payable (Current Portion)		-
25	Notes/Accounts Payable to Associated Companies		-
26	Security/Customer Deposits		1,005,064
27	Accrued Taxes		536,125
28	Accrued Interest		-
29	Miscellaneous		2,229
30	Total Current Liabilities		<u>3,044,299</u>
31			
32	<u>LONG TERM DEBT</u>		366,000
33			
34	<u>DEFERRED CREDITS</u>		
35	Unamortized Premium on Debt		
36	Advances in Aid of Construction	\$	69,708,184
37	Accumulated Deferred Tax Credits		
38	Contributions in Aid of Construction		54,960,066
39	Less; Amortizations of Contributions		(15,322,897)
40	Contributions in Aid of Construction - PHFU		
41	Accumulated Deferred Income Tax		
42	Total Deferred Credits		<u>109,345,353</u>
43			
44	TOTAL LIABILITIES		<u>\$ 112,755,652</u>
45			
46	<u>EQUITY</u>		
47	Common Stock Issued		
48	Paid in Capital in Excess of Par Value		
49	Retained Earnings		
50	Proprietary Capital (Partnerships)	\$	1,957,108
51	Total Equity		<u>1,957,108</u>
52			
53	TOTAL LIABILITIES AND EQUITY		<u><u>\$ 114,712,760</u></u>

OPERATING INCOME

DOCKET NO. WS-02987A-08-0180

SCHEDULE OF INCOME

1	<u>OPERATING REVENUES</u>		
2	Flat Rate Revenues	\$	15,978,485
3	Annualized Revenues from 40-252 Tax Case		-
4	Measured Revenues		506,310
5	Other Wastewater Revenues		538,079
6	Total Operating Revenues		<u>\$ 17,022,874</u>
7			
8	<u>OPERATING EXPENSES</u>		
9	Salaries and Wages	\$	122,000
10	Purchased Wastewater Treatment		-
11	Sludge Removal Expense		615,768
12	Purchased Power		755,960
13	Fuel for Power Productions		-
14	Chemicals		234,891
15	Materials and Supplies		1,006,698
16	Contractual Services - Professional		8,380,838
17	Contractual Services - Testing		-
18	Contractual Services - Other		-
19	Rents		966,616
20	Transportation Expense		8,423
21	Insurance Expense		77,667
22	Bad Debt Expense		-
23	Miscellaneous Expense		885,650
24	Depreciation Expense		4,943,985
25	Taxes other than Income		6,247
26	Property Taxes		775,125
27	Income Taxes		-
28	Total Operating Expenses		<u>18,779,868</u>
29			
30	<u>OPERATING INCOME (LOSS)</u>	\$	(1,756,994)
31			
32	<u>OTHER INCOME (LOSS)</u>		
33	Interest and Dividend Income	\$	61,698
34	Ono-Utility Income		558,344
35	Miscellaneous Non-Utility Income		(12,581)
36	Interest Expense		(70,018)
37	Total other Income (Loss)		<u>537,443</u>
38			
39	<u>NET INCOME (LOSS)</u>	\$	<u>(1,219,551)</u>

ADIT CALCULATION

DOCKET NO. WS-02987A-08-0180

ADIT CALCULATION

1	Cummulative Adjusted Tax SDA/Depreciation Since Decision 72579	\$	24,393,378
2			
3	Cummulative Adjusted Book Depreiation Since Decision 72579		<u>24,521,640</u>
4			
5	Difference (Line 1 Minus Line 3)	\$	(128,262)
6			
7	Tax Rate (per Decision 72579)		37.32%
8			
9	Accumulative Deferred Income Taxes Liability/(Asset) - Line 5 multiplied by Line 7	\$	(47,867)
10			
11	Allocation Factor - Waste Water Division		59.97%
12			
13	Waste Water Deferred Accumulated Deferred Income Tax Liability/(Asset) ("ADIT") -		
14	Line 9 multiplied by Line 11	\$	<u>(28,706)</u>