

ORIGINAL

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BOB STUMP
BOB BURNS
TOM FORESE
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OPEN MEETING ITEM



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Executive Director

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ARIZONA CORPORATION COMMISSION
AZ CORP COMMISSION
DOCKET CONTROL

DATE: JULY 22, 2016 JUL 22 PM 2 03
DOCKET NOS.: W-02023A-15-0315

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Yvette B. Kinsey. The recommendation has been filed in the form of an Order on:

JOSHUA VALLEY UTILITY COMPANY, INC.
(RATES)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

AUGUST 1, 2016

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

AUGUST 9, 2016 AND AUGUST 10, 2016

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

JODI A. JERICH
EXECUTIVE DIRECTOR

Arizona Corporation Commission
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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE – Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN

IN THE MATTER OF THE APPLICATION OF
JOSHUA VALLEY UTILITY COMPANY, INC.
FOR AN INCREASE IN RATES.

DOCKET NO. W-02023A-15-0315

DECISION NO. _____

ORDER

Open Meeting
August 9 and 10, 2016
Phoenix, Arizona

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

* * * * *

FINDINGS OF FACT

Procedural History

1. On September 1, 2015, Joshua Valley Utility Company, Inc. (“Joshua Valley” or “Company”) filed an application with the Arizona Corporation Commission (“Commission”) for approval of a rate increase. The Company’s application is based on a 2014 test year (“TY”).
2. On September 10, 2015, Joshua Valley filed an Affidavit of Customer Mailing, certifying that the Company had mailed notice of the above-captioned application on September 3, 2015, to each of its customers.
3. Between September 10, 2015 and September 18, 2015, various consumer comments were filed in the docket in opposition to the Company’s proposed rate increase.
4. On September 21, 2015, the Company filed an amendment to its application.
5. On October 1, 2015, the Commission’s Utilities Division (“Staff”) filed a Letter of Sufficiency, stating that Joshua Valley’s application had met the sufficiency requirements as outlined

1 in the Arizona Administrative Code ("A.A.C.") R14-2-103 and that Joshua Valley had been classified
2 as a Class D utility.

3 6. On November 24, 2015, Staff filed a Request for an Extension of Time to File Staff
4 Report, stating that Staff needed additional time, until January 5, 2016, to file the Staff Report in this
5 matter, and stating that the Company had no objection to Staff's request for an extension of time.

6 7. On December 3, 2015, by Procedural Order, Staff's request for an extension of time,
7 until January 5, 2016, to file the Staff Report in this matter was granted and the timeclock in this
8 proceeding was extended by twenty days.

9 8. On January 5, 2016, Joshua Valley filed a Motion for Extension of Time, requesting
10 that the deadline for Staff to file the Staff Report in this matter be extended to January 22, 2016, because
11 the principal manager for the Company could no longer participate in the Company's operations due
12 to illness, and another person unfamiliar with the Company's operations is now responsible for the
13 matters related to the rate case. The Company's motion stated that the Company's current situation
14 had delayed the Company's response to Staff's data requests, and that Staff needed additional time to
15 file the Staff Report.

16 9. On January 8, 2016, by Procedural Order, Joshua Valley's Motion for an Extension of
17 Time, until January 22, 2016, for Staff to file the Staff Report was granted. Further, the timeclock in
18 this matter was suspended.

19 10. On January 22, 2016, Staff filed its Staff Report, recommending approval of Joshua
20 Valley's application using Staff's recommended rates and charges. The Staff Report directed that
21 parties wishing to file comments related to the Staff Report must do so by February 1, 2016.

22 11. On February 1, 2016, the Company filed a Motion for Extension of Time, stating that
23 the Company needed additional time, until February 5, 2016, to file its response to the Staff Report.

24 12. On February 5, 2016, by Procedural Order, the Company's motion for an extension of
25 time was granted and the timeclock in this matter remained suspended.

26 13. On the same date, the Company filed its Response to the Staff Report, opposing some
27 of Staff's recommendations.

28 14. On March 4, 2016, Staff filed Staff's Response to the Company's Comments.

1 15. On March 31, 2016, the Company filed a Reply to Staff's Response. The Company
2 continued to oppose several of Staff's recommendations, but did not request a hearing in this matter.

3 **Background/Compliance**

4 16. Joshua Valley is an Arizona for-profit "C" corporation engaged in the business of
5 providing water utility service to approximately 947 customers in an unincorporated area known as
6 Meadview, which is located approximately 70 miles north of Kingman, Arizona in Mohave County.
7 The Company's Certificate of Convenience and Necessity ("CC&N") area encompasses approximately
8 4.5 square miles.

9 17. The Commission's records show that beginning January 1, 2012, to November 23, 2015,
10 no complaints had been filed against the Company and that four opinions opposing the rate increase
11 had been filed in this docket.¹

12 18. According to the Commission's Utilities Division Compliance Section, Joshua Valley
13 had no outstanding compliance delinquencies as of October 5, 2015.

14 19. The Company's water system consists of five active wells, four storage tanks, a pressure
15 tank, and a distribution system with approximately 947 metered connections. The water system also
16 includes two standpipes known as Unit 2 and Double Tanks. The Unit 2 standpipe is a coin operated,
17 metered standpipe used by residents that live in the area and who must haul water because they are not
18 within the vicinity of the Company's distributions mains. The Double Tanks standpipe is: used
19 primarily by Mohave County road maintenance and construction; equipped with a lock and a 3-inch
20 meter that is not functional; and water is being sold on an honor system. Staff stated that the Double
21 Tanks standpipe is exposed to the elements and sometimes freezes during the winter months.

22 20. The Company's non-account water loss exceeds Staff recommended water loss of 10
23 percent or less. For the TY, Staff states that the Company had a non-account water loss of 17.42 percent.
24 Staff believes the Company's non-account water loss is due to several factors that include: 1) old meters
25 throughout the system that are registering inaccurate information; 2) meters that are only being replaced
26 on an as needed basis; 3) water system infrastructure (installed in the 1960s) that has leaks; and 4) the

27
28 _____
¹ Staff Report at 3.

1 3-inch meter located at the Double Tanks standpipe that is not functional.

2 21. To correct the Company's non-account water loss issues, Staff recommends that the
3 Company install a new meter on the 3-inch Double Tanks standpipe that is designed to function in
4 freezing temperatures, within sixty (60) days of the effective date of a decision in this matter. Staff also
5 recommends that the Company prepare a report containing a detailed analysis and plan to reduce the
6 water loss to 10 percent or less. Staff states that if the Company believes it is not cost effective to
7 reduce the water loss to less than 10 percent, it should submit a detailed cost benefit analysis to support
8 its opinion. Staff states in no case shall the Company allow water loss to be greater than 15 percent.
9 Staff recommends that the Company's water loss reduction report or the detailed analysis, whichever
10 is submitted, be docket as a compliance item within ninety (90) days of the decision in this matter.

11 22. Staff's analysis of Joshua Valley's water system showed that the Company is unlikely
12 to experience growth over the next five years and that Staff estimates that the Company will experience
13 a decline in customers. Staff believes the Company's water system has sufficient production and
14 storage capacity to serve its existing customers and reasonable growth.

15 23. According to Staff, Joshua Valley is in compliance with the Arizona Department of
16 Environmental Quality ("ADEQ"). Based on an ADEQ Compliance Status Report, ADEQ determined
17 that Joshua Valley is currently delivering water that meets water quality standards as required by 40
18 CFR 141/ A.A.C. Title 18, Chapter 4.²

19 24. The Company's CC&N area is not located within an Arizona Department of Water
20 Resources ("ADWR") Active Management Area ("AMA"). However, ADWR has determined that
21 Joshua Valley's water system is in compliance with departmental requirements governing water
22 providers and/or community water systems.³

23 25. Joshua Valley is in compliance with the Commission's Utilities Division Compliance
24 Section.⁴

25 26. According to Staff, Joshua Valley has approved Curtailment and Backflow Prevention
26 tariffs on file with the Commission.

27 ² ADEQ Compliance Status Report dated July 22, 2015.

28 ³ ADWR Compliance Status Report dated October 5, 2015.

⁴ Compliance Section Report dated September 16, 2015.

1 27. Joshua Valley is current on its property taxes in Arizona.⁵

2 28. Staff recommends that the Company file with Docket Control, as a compliance item in
3 this docket, within 90 days of the effective date of this Decision, at least three Best Management
4 Practices (“BMPs”) in the form of tariffs that substantially conform to the templates (located on the
5 Commission’s website) created by Staff, for the Commission’s review and consideration. Staff also
6 recommends that the Company, at a maximum, choose no more than two of the BMPs from the “Public
7 Awareness/Public Relations” or “Education and Training” categories and the Company may seek cost
8 recovery of the actual costs associated with the BMPs implementation in its next general rate case.

9 29. The Company does not oppose Staff’s recommendations as set forth above.

10 30. Staff’s recommendations are reasonable and we will adopt them.

11 **Rate Application**

12 31. Joshua Valley is currently providing services under rates and charges established in
13 Commission Decision No. 64000 (August 30, 2001).

14 32. The Company has filed an application for a permanent rate increase, using a test year
15 TY ending December 31, 2014. The Company’s application states a rate increase is needed due to
16 increasing expenses, decreasing usage, aging infrastructure, and needed repairs.

17 33. Joshua Valley’s application seeks an increase in revenues in the amount of \$95,000, or
18 34.55 percent over TY revenues of \$274,958, to \$369,958.

19 34. Staff recommends approval of Joshua Valley’s rate application, using Staff’s
20 recommended rates and charges.⁶

21 35. There are two issues in dispute in this matter. The Company opposes Staff’s
22 recommendations related to Plant-in-Service to be included in rate base and Staff’s adjustments to labor
23 and management expenses. The Company is in agreement with the remainder of Staff’s
24 recommendations.⁷ The Company did not request a hearing on the issues in dispute; therefore, they
25 will be resolved herein.

26 ⁵ Application at Exhibit 7.

27 ⁶ On January 22, 2016, Staff filed its initial Staff Report recommending approval of Joshua Valley’s application.
Subsequently, on March 4, 2016, Staff filed a Supplemental Staff Report continuing to recommend approval of the
Company’s application and responding to Joshua Valley’s comments/disagreements with the initial Staff Report.

28 ⁷ Joshua Valley’s Reply to Staff’s Response at 13-15.

1 **Rate Base**

2 36. Joshua Valley proposed a fair value rate base (“FVRB”) of \$859,068.⁸ The Company
3 did not propose a FVRB that differs from its proposed original cost rate base (“OCRB”) of \$859,068.⁹

4 37. Staff recommends a FVRB of \$837,576.¹⁰ Staff’s adjusted FVRB is the same as Staff’s
5 adjusted OCRB of \$837,576.¹¹

6 38. Staff states that in addition to other rate base adjustments, it recommends a decrease in
7 the Company’s net Plant-in-Service because the Company failed to produce supporting invoices for
8 the plant additions. Staff also stated that in order to protect the interest of ratepayers, Staff did not
9 include the unsupported plant in rate base.¹² In support of its position to disallow the plant additions,
10 Staff relies on Arizona Administrative Code (“A.A.C”) R14-2-411.D.1, which states in relevant part:

11 Each Utility shall keep general and auxiliary accounting records reflecting
12 the cost of its properties, operating income and expense, assets and
13 liabilities, and all other accounting and statistical data necessary to give
14 complete and authentic information as to its properties and operations.

15 39. Additionally, A.A.C. R14-2-411.D.2 states that each utility shall maintain its books and
16 records in conformity with the National Association of Regulatory Utility Commission (“NARUC”)
17 Uniform System of Accounts (“USOA”).

18 40. The NARUC USOA Accounting Instruction No. 2 (A-B)- General- Records provides
19 instruction on the types of books and records utilities should maintain for any transaction. Instruction
20 No. 2 states in relevant part:

21 A. Each Utility shall keep its books of account, and all other books, records,
22 and memoranda which support the entries in such books of accounts so
23 as to able to furnish readily full information as to any item included in
24 any account. Each entry shall be supported by such detailed information
25 as will permit a ready identification, analysis, and verification of all
26 facts relevant thereto.

27 B. The books and records referred to herein include not only accounting
28 records in a limited technical sense, but all other records, such as minute

26 ⁸ Application at 15b.

27 ⁹ Staff’s Amended Schedule BCA-2 at 1.

28 ¹⁰ *Id.*

¹¹ *Id.*

¹² Staff’s Response to Joshua Valley Utility Company’s Comments to the Staff Report at 1- 2.

1 books, stock books, reports, correspondence, memoranda, etc., which
2 may be useful in developing the history of, or facts regarding, any
3 transaction.

4 41. Staff recommends the following adjustments to the Company's proposed FVRB:

5 a. Decreasing Plant-in-Service by \$37,653, from \$2,372,749 to
6 \$2,335,096, to reflect the removal of plant for which the Company could
7 not produce supporting invoices. Staff recommends disallowing Plant-in-
8 Service in the following categories: Wells and Spring by \$10,201, from
9 \$108,304 to \$98,103; Transmission and Distribution Mains by \$7,835, from
10 \$1,992,877 to \$1,985,042; Meter and Meter Installations by \$14,106, from
11 \$44,840 to \$30,734; Computer Software by \$1,497, from \$8,946 to \$7,449;
12 Tools and Work Equipment by \$3,657, from \$3,657 to \$0; and
13 Miscellaneous Equipment by \$357, from \$357 to \$0.¹³

14 b. Decreasing Accumulated Depreciation by \$17,370, from
15 \$1,481,455 to \$1,464,085 to reflect Staff's adjusted Plant-in-Service.¹⁴

16 c. Decreasing Cash Working Capital by \$1,208, from \$24,052 to
17 \$22,844, to reflect Staff's calculation of 1/24 of Purchased Power costs in
18 the amount of \$1,036. Staff used the formula method to calculate the
19 Company's Cash Working Capital, which is based on 1/8 of the Company's
20 operations and maintenance expenses.¹⁵

21 42. Staff concurs with the Company's proposed Advances in Aid of Construction ("AIAC")
22 in the amount of \$25,226 for the TY.¹⁶

23 43. Based on the depreciation rate authorized in Decision No. 64000 (August 30, 2001),
24 Staff concurs that the Company had Contributions in Aid of Construction ("CIAC") in the amount of
25 \$58,342 for the TY, and CIAC amortization balance of \$26,254, resulting in net CIAC in the amount
26 of \$32,088.¹⁷

27 44. Joshua Valley opposes Staff's adjustment to Plant-in-Service for the TY. The Company
28 states that it could not locate six invoices that were eight to 13 years old, and that the Company's owner
is in "extremely poor health" and was unable to assist with the rate case.¹⁸ Joshua Valley argues that

¹³ Staff Report at 4-5.

¹⁴ Staff's Amended Schedule BCA-2 at 4-6

¹⁵ *Id.* at 6.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ Joshua Valley's Comments Re Staff Report at 2.

1 Staff should take a more “common sense” approach to the missing invoices.¹⁹ The Company states
 2 that for several years, and moving forward, plant additions have been tracked and accounted for
 3 differently.²⁰

4 45. Joshua Valley contends that A.A.C. R14-2-411.D does not require Staff to perform a
 5 100 percent audit of all water company invoices. To illustrate its point, Joshua Valley points to
 6 language contained in A.A.C. R14-2-411.D which states that utilities shall keep “general and auxiliary
 7 accounting records . . .”²¹ The Company also contends that Staff’s interpretation of the rule would
 8 require every water company seeking a rate case to produce every invoice for Staff’s audit.²²

9 46. Joshua Valley relies on Commission Decision No. 71854 (August 25, 2010) to support
 10 its position that water companies need not produce 100 percent of invoices for a Staff audit.²³ In a prior
 11 rate case, involving Johnson Utilities Company (“Johnson”), Johnson proposed a net utility Plant-in-
 12 Service of \$115,454,166 for its wastewater division and net Plant-in-Service of \$69,177,566 for its
 13 water division.²⁴

14 47. In *Johnson*, Staff recommended that the Commission disallow Plant-in-Service in the
 15 amount of \$10,892,391 for Johnson’s wastewater division and \$7,433,707 for Johnson’s water
 16 division.²⁵ Staff expressed concern over the amount of inadequately supported plant costs that Johnson
 17 had included in its net Plant-in-Service and Staff recommended that the Commission disallow 10
 18 percent of the plant additions requested by Johnson.²⁶ Staff stated that Johnson “failed to provide
 19 complete and authentic information in regards to its plant in accordance with Commission rules.”²⁷
 20 Johnson argued that Staff’s recommended 10 percent disallowance was arbitrary (because it did not
 21 identify specific unsupported or inadequately supported plant costs), and that Johnson provided
 22 contracts, invoices, cancelled checks and/or main extension agreements that supported all but \$885,064
 23

24 _____
 25 ¹⁹ Joshua Valley’s Comments Re Staff Report at 2.

26 ²⁰ *Id.*

27 ²¹ Joshua Valley’s Reply to Staff’s Response at 2.

28 ²² *Id.* at 3.

²³ *Id.* at 4.

²⁴ Decision No. 71854 at 4.

²⁵ *Id.* at 5.

²⁶ *Id.*

²⁷ *Id.*

1 of Johnson's proposed Plant-in-Service.²⁸ Decision No. 71854 approved Staff's recommended
 2 adjustments to net utility Plant-in Service for Johnson's wastewater division and reduced Johnson's
 3 rate base accordingly.²⁹

4 48. Subsequently, Johnson filed a Petition to Amend Decision No. 71854 ("Petition")
 5 pursuant to Arizona Revised Statutes ("A.R.S.") §40-252, requesting among other things, to add back
 6 into rate base \$18,244,755 for its wastewater division that was disallowed due to inadequately
 7 supported plant cost and \$7,352,364 disallowed for affiliate profit.³⁰ In its Petition, Johnson argued that
 8 during its rate hearing it had provided "copies of contracts, invoices, cancelled checks, and/or line
 9 extension agreements to support almost all of the wastewater plant items that were requested by
 10 Staff."³¹ Staff opposed the Company's request to add back into rate base the plant that had been
 11 disallowed.³² In that case, Staff did not dispute that Johnson provided the documentation to support its
 12 plant additions, but stated that Staff's "audit and analysis could not verify the Company's claims" and
 13 that the audit process was "compounded by the lack of timeliness of the response of the Company as
 14 well as the failure of the Company to keep its records in accordance with NARUC USOA."³³ Staff
 15 stated that during Johnson's rate hearing, Johnson provided "voluminous documents" in response to a
 16 data request issued in 2008, "a mere two days before the commencement of the hearing" . . . and that
 17 it was "unreasonable to require Staff to audit those records on the eve of trial."³⁴

18 49. In Decision No. 72579 (September 15, 2011), the Commission granted approval to
 19 amend Decision No. 71854 and granted, among other things, Johnson's request to add back into its
 20 wastewater rate base \$10,892,391 that had previously been disallowed for inadequately supported plant
 21 cost.³⁵

22 50. Joshua Valley contends that the *Johnson* case illustrates "the disparate treatment
 23 between large and small water companies as far as the requirement for small water companies to be
 24

25 ²⁸ Decision No. 71854 at 6.

26 ²⁹ *Id.* at 49 and 67-69.

27 ³⁰ Decision No. 72579 (September 15, 2011) at 2.

28 ³¹ Johnson Petition to Amend Decision No. 71854 Pursuant to A.R.S. §40-252 filed in Docket No. WS-02987A-08-0180.

³² Staff's Response to Petition to Amend filed in Docket No. WS-02987A-08-0180.

³³ *Id.*

³⁴ *Id.*

³⁵ Decision No. 72579 at 3-7.

1 subject to 100 percent audits, while large companies are subject to sample audits.”³⁶ The Company
 2 contends that Johnson “sought approximately \$115,000,000 in rate base for its wastewater division,
 3 but produced invoices totaling only \$8,100,000.”³⁷ According to Joshua Valley, Johnson argued that
 4 contracts, bank statements, and extension agreements established that Johnson had approximately
 5 \$100,000,000 in plant investment.³⁸

6 51. The Company argues that each of the plant additions that Staff disallowed was recorded
 7 in the Company’s accounting records, general ledger, and its Utilities Division Annual Reports
 8 (“Annual Reports”), and that the documentation had been submitted to Staff and/or filed with the
 9 Commission.³⁹ Joshua Valley contends that its application included business records that constitute
 10 prima facie evidence of the plant additions and that, as required by Staff, the Company reviews its
 11 “accounting records and provides summaries of the plant additions as well as many invoices.”⁴⁰
 12 Further, Joshua Valley argues that its general ledger submitted for Staff’s review, as well as its Annual
 13 Reports, contained the plant additions and were recorded as part of the Company’s ordinary course of
 14 business.⁴¹ Joshua Valley states that it has \$2,372,749 in plant, that the six missing invoices constitute
 15 1.6 percent of its plant in rate base, and that water companies should not be punished because they
 16 cannot locate all of their plant invoices.⁴²

17 52. The Company states that although it was unable to locate the six missing invoices,
 18 evidence of the Plant-in-Service was provided. The Company’s application included a list of plant
 19 additions and retirements for the intervening years between its last rate case in 2001 and the end of the
 20 TY 2014.⁴³ The Company’s application also included a plant summary showing that prior to its 2001
 21 rate case, it had \$29,238 in Plant-in-Service in the Wells & Springs category.⁴⁴ The Company’s
 22 application shows that during the intervening years, Joshua Valley added plant in the Wells & Springs
 23

24 ³⁶ Joshua Valley’s Reply to Staff’s Response at 5.

25 ³⁷ *Id.* at 4.

26 ³⁸ *Id.*

27 ³⁹ *Id.*

28 ⁴⁰ *Id.* at 6.

⁴¹ *Id.*

⁴² *Id.* at 7.

⁴³ Application at 12-13.

⁴⁴ *Id.* at 14.

1 category of: \$10,200 in 2002; \$39,117 in 2013; and \$29,749 in 2014.⁴⁵ The total cost of plant additions
 2 in the Wells & Springs category for the intervening years, and through the end of the TY, was \$79,066,
 3 and no plant was retired during that time.⁴⁶ The Company reported that at the end of the TY it had total
 4 Plant-in-Service in the amount of \$108,304 in the Wells & Springs category.⁴⁷ A review of Joshua
 5 Valley's Annual Reports filed with the Commission for the years 2012, 2013, and 2014 show that
 6 Joshua Valley reported identical amounts for its plant additions in the Wells & Springs category, as it
 7 reported in its application, which resulted in total plant additions in the amount of \$108,304 at the end
 8 of the TY. Likewise, the Company's Commission-filed Annual Reports for the years 2012, 2013 and
 9 2014, also reported identical amounts for its plant additions in the following categories: Transmission
 10 & Distribution Mains; Meters & Meter Installations; Computers & Software; and Miscellaneous
 11 Equipment. In both its Annual Reports and its application the Company's requested amount of net
 12 Plant-in-Service at the end of the test year is the same. Further, the Company has stated that its books
 13 and ledgers recorded the plant additions during the intervening years.⁴⁸

14 53. We disagree with the Company's argument that the Johnson case "highlights the
 15 disparate treatment between large and small water companies" as it relates to auditing the books of a
 16 regulated utility. Under Commission Rules and NARUC USOA guidelines each utility is required "to
 17 keep its books of account, and all other books, records, and memoranda which support the entries in
 18 such books of accounts so as to able to furnish readily full information as to any item included in any
 19 account." While the NARUC USOA instructions allow for the inclusion of "not only accounting
 20 records in a limited technical sense, but all other records, such as minute books, stock books, reports,
 21 correspondence, memoranda, etc., which may be useful in developing the history of, or facts regarding,
 22 any transaction. . . .," it is nevertheless the utility's responsibility to substantiate each transaction
 23 recorded in its books and records. In other words, the burden of proof lies with the utility.

24 54. Here, the Company's proposed Plant-in-Service additions at the end of the TY were
 25 identical to amounts reported in the Company's Annual Reports (for prior years). It is also undisputed
 26

27 ⁴⁵ Application at 12-13.

⁴⁶ *Id.* at 14.

⁴⁷ *Id.*

28 ⁴⁸ Joshua Valley's Reply to Staff's Response at 1.

1 that the Company's books and ledgers contained and recorded the plant additions. Further, the
 2 documentation submitted with the Company's application in support of recent plant additions show
 3 that the Company has improved and/or made positive changes in its record keeping and accounting
 4 methods. Based on the above factors, we find that under the specific circumstances of this case, it is
 5 reasonable to allow the Company's proposed net Plant-in-Service. We find that the Company had total
 6 Plant-in-Service in the amount of \$2,372,749, and Accumulated Depreciation in the amount of
 7 \$1,481,456, for a net Plant-in-Service in the amount of \$891,293 for the TY.⁴⁹

8 55. The Company proposed a Cash Working Capital Allowance in the amount of \$25,088.
 9 Staff's adjustment to Cash Working Capital decreased the amount by \$1,208, from \$25,088, to
 10 \$23,880.⁵⁰ Based on the adjustments adopted herein, we find it appropriate to increase Staff's proposed
 11 Cash Working Capital Allowance by \$924, from \$23,880, to \$24,804, to reflect calculation of 1/24 of
 12 purchased power costs, in the amount of \$24,854, and calculation of 1/8 of operation and maintenance
 13 expenses, in the amount of \$190,151, using the formula method, to calculate Cash Working Capital.⁵¹

14 56. The Company did not propose a FVRB that differs from its OCRB; therefore, we find
 15 that Joshua Valley's OCRB is the same as its FVRB of \$858,783.⁵²

16 **Operating Income and Revenue Requirement**

17 57. The Company proposed a \$95,000, or 34.55 percent, increase in revenues over its
 18 proposed TY revenues of \$274,958, to \$369,958.⁵³ Joshua Valley's proposed revenue increase would
 19 produce an operating income of \$60,957, for a 7.38 percent rate of return on an OCRB of \$859,068.⁵⁴

20 58. The Company proposed a cash flow in the amount of \$111,023.

21 59. Staff does not recommend adjustments to the Company's proposed TY revenues of
 22 \$274,958.⁵⁵ Staff recommends a total annual operating revenue of \$357,991, an increase of \$83,033,
 23 or 30.20 percent, over TY revenues of 274,958.⁵⁶ Staff's recommended revenue increase would
 24

25 ⁴⁹ See, Attached Exhibit A.

⁵⁰ Staff's Amended Schedule BCA-2.

26 ⁵¹ See, Attached Exhibit A.

⁵² *Id.*

27 ⁵³ Application at 19.

⁵⁴ *Id.*

28 ⁵⁵ Staff's Amended Schedule BCA-3 at 1.

⁵⁶ *Id.*

1 produce an operating income of \$59,050, for a 7.05 percent rate of return on Staff's adjusted OCRB of
2 \$837,576.⁵⁷

3 60. Staff recommends a cash flow amount of \$108,917. Staff believes its recommended
4 cash flow will provide the Company with sufficient income to pay operating expenses and
5 contingencies.

6 61. The Company states it had TY operating expenses of \$284,524, resulting in an operating
7 income of negative \$9,566.⁵⁸

8 62. Staff recommends TY operating expenses of \$279,542, resulting in an operating income
9 of negative \$4,584.⁵⁹

10 63. Staff adjustments to operating expenses include:

11
12 a. Increasing Salaries and Wages expense by \$12,600, from \$103,971,
13 to \$116,571, to reflect the reclassification of owner's salary of \$20,000 from
14 Account No. 630, Outside Services, to Account No. 601, Salaries and
15 Wages. The adjustment also removes \$7,400 due to duplication of services
16 for both the owner and general manager.

17 b. Decreasing Outside Services by \$20,000, from \$21,718, to \$1,718,
18 to reflect the reclassification of \$20,000 from Account No. 630, Salary and
19 Wages, to Account No. 601, Outside Services.

20 c. Increasing Water Testing by \$370, from \$3,120 to \$3,490, to reflect
21 Staff's Engineer's calculation of water testing expense.

22 d. Decreasing Depreciation by \$199, from \$50,066 to \$49,867, to
23 reflect the application of Staff's recommended depreciation rate to Staff's
24 recommended plant balances.

25 e. Increasing Income Tax expense by \$1,283, from negative \$2,406 to
26 negative \$1,123, for the TY, to reflect Staff's calculation of the income tax
27 obligation on Staff's adjusted TY taxable income.⁶⁰

28 f. Increasing Taxes Other than Income by \$964, from \$9,004 to
\$9,968, to reflect Federal Insurance Contributions Act Taxes ("FICA") on
Staff's adjustment to reduce the owner's salary from \$20,000 to \$12,600 for
the TY.⁶¹

64. Staff states that its adjustments to Salaries and Wages were based on statements made
by the Company in its application and in response to Staff's data request. Staff points to the Exhibit 2,

⁵⁷ Staff's Amended Schedule BCA-3 at 1.

⁵⁸ Application at 19.

⁵⁹ Staff's Amended Schedule BCA-3 at 1.

⁶⁰ *Id.* at 1-3.

⁶¹ *Id.* at 1.

1 filed with the Company's application, entitled Salaries and Wages Support.⁶² In this document, Staff
 2 points out the Company stated its General Manager, Mr. Levandowski, "oversees all aspects of
 3 operations."⁶³ Staff also points out that the Company's response to data request JLK 1.13 stated that
 4 the owner, "John Norton provides routine services related to Company management and oversight of
 5 employees and service providers."⁶⁴ Based on these statements, Staff concluded that both the owner
 6 and the General Manager perform the same service to "oversee all aspects of operations."⁶⁵ Therefore,
 7 Staff states it decreased Salaries and Wages by \$7,400 because of the duplication of services.⁶⁶

8 65. In support of its position, Staff relies on the language found in NARUC USOA
 9 Accounting Instruction No. 10 – Allocation of Salaries and Expenses, which states in relevant part that:

10 Charges to utility plant or to a salaries expense account shall be based upon
 11 the actual time engaged in either plant construction or providing operational
 12 services. In the event actual time spent in the various activities is not
 13 available or practicable, salaries should be allocated upon the basis of a
 14 study of the time engaged during a representative period. Charges should
 15 not be made to accounts based upon estimates or in an arbitrary fashion.⁶⁷

16 66. In regards to Staff's adjustment to reclassify \$20,000 in salary paid to the Company's
 17 owner/general manager from Salary and Wages to Outside Services, Staff explained that in transactions
 18 in which an owner is paid as both an owner and an employee these transactions require additional
 19 scrutiny.⁶⁸ Staff states that the compensation of owners in excess of a reasonable amount may actually
 20 be a distribution of income/profit.⁶⁹ Further, Staff stated that it reviewed the Company's general ledger
 21 and found that the owner was not paid bi-weekly or even monthly and that the owner had only been
 22 paid once during the TY in the amount of \$20,000 in June 2014.⁷⁰ Staff points out that employees are
 23 typically paid bi-weekly and that the Company could not substantiate the actual time the owner/general
 24 manager spends working on Joshua Valley activities. Staff asserts that customers should only be
 25 required to pay for the actual and reasonable cost needed to provide service and that, pursuant to the

24 _____
 25 ⁶² Staff's Response to Joshua Valley's Comments to Staff Report at 2.

26 ⁶³ *Id.*

27 ⁶⁴ *Id.*

28 ⁶⁵ Staff Report at 6.

⁶⁶ Staff Response to Joshua Valley's Comments to Staff Report at 3.

⁶⁷ *Id.*

⁶⁸ *Id.* at 2.

⁶⁹ *Id.* at 3.

⁷⁰ *Id.*

1 NARUC USOA, it is not appropriate to use an estimate as a basis for a salary.⁷¹

2 67. Staff stated that while the owner did spend time working on Joshua Valley activities,
3 Staff determined that he did not spend as much time on Joshua Valley activities as the general
4 manager.⁷² Staff also took into consideration the fact that both the owner and the general manager have
5 similar duties and that the general manager was paid \$12,600 for the TY. Based on that information,
6 Staff concluded that the owner should be paid the equivalent amount of \$12,600.⁷³ Staff reasoned that
7 although the salary was the same for the owner and general manager, the hourly rate for the owner is
8 higher and will compensate for the fewer hours being worked by the owner.⁷⁴

9 68. Staff also recommends that, on a going-forward basis, the Company should utilize the
10 depreciation rates as delineated in Table C of the Staff Report.

11 69. The Company opposes Staff's recommendation to reduce the owner's salary from
12 \$20,000, as proposed by the Company, to \$12,600. Joshua Valley explained that the Company is run
13 by its owner (part-time), two part-time employees, and two full-time employees, for a total cost of
14 \$123,971 annually.⁷⁵ The Company claims that it has essentially two part-time general managers, Mr.
15 Levandowski and Mr. John Norton, with annual salaries of \$12,600 and \$20,000, respectively.⁷⁶ The
16 Company asserts that Mr. Norton, who is one of two directors/owners for the Company, is primarily
17 responsible for corporate, financial, and regulatory matters, while Mr. Levandowski is responsible for
18 the operational needs of the Company and ensures customers have service.⁷⁷

19 70. Joshua Valley states that Mr. Norton's duties, as owner/general manager, include:
20 personnel decisions; bidding; regulatory compliance; banking and financing; contracting; land use and
21 right-of-ways; line extension agreements; oversight of professional accountants and attorneys; tax
22 matters; correspondence with customers and the business community; and corporate matters.⁷⁸ By
23 comparison, the Company states that Mr. Levandowski's duties, as general manager, include:

24
25
26
27
28

⁷¹ Staff's Response to Joshua Valley's Comments to Staff Report at 3.

⁷² *Id.*

⁷³ *Id.*

⁷⁴ *Id.*

⁷⁵ Joshua Valley's Reply to Staff Response at 7-8.

⁷⁶ *Id.* at 8-9.

⁷⁷ *Id.* at 8-9.

⁷⁸ *Id.* at 9.

1 supervising employees; identifying issues with the water system; ensuring meters are read; making sure
 2 customer bills are mailed each month; and overseeing all aspects of the water systems operations.⁷⁹
 3 The Company states that Mr. Levandowski reports directly to Mr. Norton, on all substantive matters,
 4 but Mr. Norton makes the final decisions. Joshua Valley argues that the “two general managers” work
 5 duties are complementary, but not duplicative.⁸⁰

6 71. Joshua Valley contends that Staff’s recommended adjustment, decreasing the owner’s
 7 salary by \$7,400, is arbitrary.⁸¹ The Company argues that under Staff’s proposal, only \$25,200 would
 8 be allocated to the two general manager positions, and that the \$25,200 amount is unrealistic for a
 9 Company with approximately 1,000 customers.⁸² Joshua Valley also argues that Staff failed to ask the
 10 Company to explain how the Company split the general management duties and that the two documents
 11 Staff relied on do not directly address how the two general managers’ work duties are divided.⁸³

12 72. The Company also argues that Staff’s recommended reclassification of the owner’s
 13 salary, from Outside Services to Salary and Wages, creates a “strawman argument” which Staff uses
 14 “to rationalize the \$7,400 reduction.”⁸⁴ According to Joshua Valley, Staff made its recommendation
 15 to reclassify the owner’s salary so that Staff could apply the NARUC standard for salaries expenses.⁸⁵
 16 The Company states that “at no time during the discovery process did Staff ever raise the issue
 17 regarding Norton’s work.”⁸⁶

18 73. The Company argues that Staff offered no evidence to support reclassifying the owner’s
 19 salary from Outside Services to Salary and Wages; Staff’s “strawman argument” impliedly criticized
 20 the Company for not providing timesheets for a non-salaried employee; Staff never asked for
 21 timesheets for any employees, but only adjusted for the owner; and Staff offered no factual basis for
 22 its arbitrary adjustment.⁸⁷

23 74. The Company states that on a going-forward basis, it does not object to reclassifying

24 ⁷⁹ Joshua Valley’s Reply to Staff Response at 8.

25 ⁸⁰ *Id.* at 9.

26 ⁸¹ *Id.* at 10.

27 ⁸² *Id.* at 10.

28 ⁸³ *Id.* at 10.

⁸⁴ *Id.* at 11.

⁸⁵ *Id.* at 11.

⁸⁶ *Id.* at 12.

⁸⁷ *Id.* at 12.

1 the owner's salary from Outside Services to Salary and Wages. Further, the Company states that on a
 2 going-forward basis, it will implement a policy of paying the owner more than once a year. However,
 3 the Company argues that taking this approach will be more expensive for ratepayers because the
 4 Company will no longer be able to use the owner's salary throughout the year, and that the once a year
 5 payment allowed the Company to reduce its FICA payments by approximately \$1,000.⁸⁸

6 75. Based on the Company's explanation of the roles of both Mr. Norton and Mr.
 7 Levandowski, we find that the duties for the two employees are not duplicative and there is no evidence
 8 in the record to dispute that the owner's salary is reasonable given the size of the Company. Therefore,
 9 we will adopt the Company's proposed salary of \$20,000 for its owner/general manager and we will
 10 transfer \$20,000 from Outside Services to Salary and Wages, as recommended by Staff.⁸⁹ Further, on
 11 a going forward basis, the Company should pay its owner/general manager more than once a year and
 12 record such payments under Salary and Wages, pursuant to NARUC USOA guidelines.

13 76. Based on the adjustments adopted herein, we make the following adjustments to the
 14 Company's proposed expenses for the TY: increasing Salary and Wages by \$20,000, from \$103,971
 15 to \$123,971; decreasing Outside Services by \$20,000, from \$21,718 to \$1,718; increasing Water
 16 Testing by \$370, from \$3,120, to \$3,490; increasing Depreciation Expense by \$390, from \$50,066, to
 17 \$50,456; increasing Taxes Other Than Income by \$1,530, from \$9,004 to \$10,534; decreasing Property
 18 Taxes by \$286, from \$10,583 to \$10,297; decreasing Income Taxes by \$305, from negative \$2,406 to
 19 negative \$2,711; and increasing TY operating expenses by \$1,669.⁹⁰ Further, we will adopt the
 20 Company's proposed TY revenues of \$274,958, and adjusted operating expenses of \$286,223, resulting
 21 in operating income of negative \$11,265 for the TY.⁹¹

22 77. In addition, based on our findings herein, we find that, on a going forward basis, the
 23 Company has a revenue requirement of \$368,801, operating expenses of \$308,025, and an operating
 24 income of \$60,776, for a 7.10 percent rate of return on its FVRB of \$858,783.⁹²

26 ⁸⁸ Joshua Valley's Reply to Staff Response at 13.

27 ⁸⁹ See, Attached Exhibit B.

27 ⁹⁰ *Id.* at Exhibit C.

28 ⁹¹ *Id.*

28 ⁹² *Id.* at Exhibit D.

Rate Design

78. The rates and charges for the Company at present, as proposed in the rate application, and as recommended by Staff are as follows:

MONTHLY USAGE CHARGE:

	Present <u>Rates</u>	Proposed Rates	
		<u>Company</u>	<u>Staff</u>
5/8" x 3/4" Meter	\$13.50	18.50	17.50
3/4" Meter	25.00	27.75	25.50
1" Meter	35.00	46.25	42.50
1 1/2" Meter	80.00	92.50	85.00
2" Meter	180.00	148.00	180.00
3" Meter	200.00	296.00	200.00
4" Meter	300.00	462.50	300.00
6" Meter	400.00	925.00	600.00
8" Meter	-	-	-

COMMODITY RATES**5/8" x 3/4" Meter and 3/4" Meter**

1 to 5,000 Gallons	\$3.40		
5,001 to 20,000 Gallons	3.90		
Over 20,000 Gallons	4.25		
1 to 3,000 Gallons		\$4.00	\$4.00
3,001 to 10,000 Gallons		5.25	5.20
Over 10,000 Gallons		6.54	6.59

1" Meter

1 to 5,000 Gallons	\$3.40		
5,001 to 20,000 Gallons	3.90		
Over 20,000 Gallons	4.25		
1 to 10,000 Gallons		\$5.25	
Over 10,000 Gallons		6.54	
1 to 20,000 Gallons			\$5.20
Over 20,000 Gallons			6.59

1 1/2" Meter

1 to 5,000 Gallons	\$3.40		
5,001 to 20,000 Gallons	3.90		
Over 20,000 Gallons	4.25		
1 to 10,000 Gallons		\$5.25	
Over 10,000 Gallons		6.54	
1 to 50,000 Gallons			\$5.20
Over 50,000 Gallons			6.59

2" Meter

1 to 5,000 Gallons	\$3.40		
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1	5,001 to 20,000 Gallons	3.90		
	Over 20,000 Gallons	4.25		
2	1 to 10,000 Gallons		\$5.25	
	Over 10,00 Gallons		6.54	
3	1 to 90,000 Gallons			\$5.20
4	Over 90,000 Gallons			6.59
5	<u>3" Meter</u>			
	1 to 5,000 Gallons	\$3.40		
6	5,001 to 20,000 Gallons	3.90		
	Over 20,000 Gallons	4.25		
7	1 to 10,000 Gallons		\$5.25	
	Over 10,000 Gallons		6.54	
8	1 to 200,000 Gallons			\$5.20
9	Over 200,000 Gallons			6.59
10	<u>4" Meter</u>			
	1 to 5,000 Gallons	\$3.40		
11	5,001 to 20,000 Gallons	3.90		
	Over 20,000 Gallons	4.25		
12	1 to 10,000 Gallons		\$5.25	
	Over 10,000 Gallons		6.54	
13	1 to 300,000 Gallons			\$5.20
14	Over 300,000 Gallons			6.59
15	<u>6" Meter</u>			
	1 to 5,000 Gallons	\$3.40		
16	5,001 to 20,000 Gallons	3.90		
	Over 20,000 Gallons	4.25		
17	1 to 10,000 Gallons		\$5.25	
18	Over 10,000 Gallons		6.54	
	1 to 600,000 Gallons			\$5.20
19	Over 600,000 Gallons			6.59
20	<u>Coin Meter/Bulk</u>			
21	Per 1,000 Gallons	\$5.00	\$6.54	\$6.59

SERVICE LINE AND METER INSTALLATION CHARGES:
(Refundable pursuant to A.A.C. R14-2-40-5)

		Company			Staff Recommended			
	<u>Present</u>	<u>Service</u>	<u>Meter</u>	<u>Total</u>	<u>Service</u>	<u>Meter</u>	<u>Total</u>	
	<u>Rates</u>	<u>Line</u>	<u>Charge</u>	<u>Charge</u>	<u>Line</u>	<u>Charge</u>	<u>Charge</u>	
25								
26	5/8" x 3/4" Meter	\$320	\$490	\$132	\$622	\$490	\$132	\$622
	3/4" Meter	350	490	233	723	490	233	723
27	1" Meter	400	547	293	840	547	293	840
28	1 1/2" Meter	615	610	506	1,116	610	506	1,116

1	2" Turbine Meter	850	927	1,031	1,958	927	1,031	1,958
	2" Compound Meter	-	927	1,884	2,811	927	1,884	2,811
2	3" Turbine Meter	-	1,171	1,662	2,833	1,171	1,662	2,833
	3" Compound Meter	-	1,308	2,546	3,854	1,308	2,546	3,854
3	4" Turbine Meter	-	1,661	2,647	4,308	1,661	2,647	4,308
	4" Compound Meter	-	1,866	3,632	5,498	1,866	3,632	5,498
4	6" Turbine Meter	-	2,479	5,026	7,505	2,479	5,026	7,505
	6" Compound Meter	-	2,615	6,939	9,554	2,615	6,939	9,554
5	Over 6"	-	Cost	Cost	Cost	Cost	Cost	Cost

	Present Rates	Company Proposed	Staff Recommended
7	<u>SERVICE CHARGE:</u>		
	Establishment	\$35.00	\$35.00
8	Reconnection (Delinquent)	50.00	45.00
	After Hours Service Charge	N/A	50.00
9	Meter Test (If Correct)	\$25.00	40.00
10	Deposit	*	*
	Deposit Interest	*	*
11	Reestablishment (Within 12 Months)	**	**
	NSF Check	\$20.00	\$30.00
12	Deferred Payment (per month)	1.50%	1.50%
	Meter Reread (If Correct)	\$15.00	\$25.00
13	Late Payment (per month)	1.50%	1.50%
14	Moving Customer Meter at Customer Request Per Rule R14-2-405B	N/A	Cost
15	Fire Sprinkler (All Meter Sizes)	***	***

- 16 * Per Commission rule A.A.C. R-14-2-403(B).
- 17 ** Months of system times the monthly minimum per Commission rule A.A.C. R14-2-403(D).
- 18 *** 2% of the monthly minimum for a comparable size meter connection but not less than \$10.00 per month.

19 79. In addition to the collection of regular rates, the Company will collect from its customers
 20 a proportionate share of any privilege, sales, use, and franchise tax.

21 80. Joshua Valley did not propose any changes to its three-tiered rate structure, but did
 22 propose modifications to its break-over points. The Company proposed that zero gallons be included
 23 in the minimum and break-over points of: first-tier 1 to 3,000 gallons; second-tier 3,001 to 10,000
 24 gallons; and third-tier over 10,000 gallons for its 5/8 x 3/4-inch meters.

25 81. Staff concurs with the Company's proposed break-over points for its 5/8 x 3/4-inch
 26 meters. However, Staff proposed a different rate structure with higher break-over points for the
 27

28

1 Company's larger meter sizes.⁹³

2 82. We find that the Company's proposed rate design is reasonable and should be adopted.
3 Further, we find Staff's recommended rate structure is reasonable and should be adopted.

4 83. The Company's proposed rates and rate design would increase the typical residential
5 bill for customers on a 5/8 x 3/4-inch meter, and a median usage of 945 gallons, from \$30.93 to \$41.57,
6 for an increase of \$10.65, or 34.43 percent.⁹⁴ For an average customer (using 2,408 gallons) with the
7 same meter size, the Company's proposed rates would increase from \$36.10 to \$48.53, or 34.46
8 percent.

9 84. Staff's recommended rates and rate design would increase the typical residential 5/8 x
10 3/4-inch meter bill, with a median usage of 945 gallons, from \$30.93 to \$39.97, for an increase of \$9.04,
11 or 29.24 percent. For an average customer (using 2,408 gallons) with the same meter size, Staff's
12 recommended rates would increase the monthly bill from \$36.10 to \$46.86, for an increase of \$10.77,
13 or 29.82 percent.⁹⁵

14 85. Based on the findings herein, given that we have adopted the Company's proposed
15 revenue requirement and its rate design, the typical residential 5/8 x 3/4-inch meter bill with a median
16 usage of 945 gallons would increase from \$16.71, to \$22.28, for an increase of \$5.57, or 33.31
17 percent.⁹⁶ For an average customer (using 2,408 gallons) with the same meter size, the rates would
18 increase the monthly bill from \$21.69, to \$28.13, for an increase of \$6.44, or 29.72 percent.⁹⁷

19 86. The Company proposed changes to its current Service Line and Meter Installation
20 charges. Staff does not oppose the Company's proposed Service Line and Meter Installation charges,
21 but recommends that the Company apply separate charges for service line and meter installations. Staff
22 states that there may be times when the Company may need to install meters on an existing service
23 line; therefore, Staff recommends separate charges for each service.

24 87. Staff recommended the following adjustments to the Company's proposed Service
25

26 ⁹³ Staff Report at Schedule BCA-4.

27 ⁹⁴ Although Staff calculated the proposed increase in rates, the calculations appear to be incorrect. Amended Schedule
28 BCA-5. See also, Attached Exhibit E.

⁹⁵ *Id.*

⁹⁶ *Id.*

⁹⁷ *Id.*

1 Charges: decreasing Meter Test (If Correct) from \$40 to \$25; decreasing NSF Check from \$30 to \$15;
2 and decreasing Meter Reread (If Correct) from \$25 to \$15.

3 88. The Company did not oppose Staff's recommended Service Line and Meter Installation
4 charges or Staff's recommended Service charges.

5 89. We find Staff's recommended charges are reasonable and we will adopt them.

6 90. Because an allowance for the property tax expense is included in the Company's rates
7 and will be collected from its customers, the Commission seeks assurances from the Company that any
8 taxes collected from ratepayers have been remitted to the appropriate taxing authority. It has come to
9 the Commission's attention that a number of water companies have been unwilling or unable to fulfill
10 their obligation to pay the taxes that were collected from ratepayers, some for as many as twenty years.
11 It is reasonable, therefore, that Joshua Valley should file, as part of its annual report, an affidavit with
12 the Utilities Division attesting that the Company is current on its property taxes in Arizona.

CONCLUSIONS OF LAW

14 1. Joshua Valley is a public service corporation within the meaning of Article XV of the
15 Arizona Constitution and A.R.S. §§ 40-250 and 40-251.

16 2. The Commission has jurisdiction over Joshua Valley and the subject matter of the rate
17 application.

18 3. Notice of the application was given in accordance with the law.

19 4. The rates and charges authorized herein are just and reasonable, in the public interest,
20 and should be approved.

21 5. The subject matter of this application may be approved without a hearing.

ORDER

23 IT IS THEREFORE ORDERED that Joshua Valley Utility Company, Inc. is hereby authorized
24 and directed to file with the Commission, as a compliance item in this docket, on or before August 31,
25 2016, a revised tariff setting forth the following rates and charges:

MONTHLY USAGE CHARGE:

26	5/8" x 3/4" Meter	\$18.03
27	3/4" Meter	26.28
	1" Meter	43.80
28	1 1/2" Meter	87.59

1	2" Meter	185.49
	3" Meter	206.10
2	4" Meter	309.15
	6" Meter	618.30
3	8" Meter	-

4		
5	<u>5/8" x 3/4" Meter and 3/4" Meter</u>	
	1 to 3,000 Gallons	\$4.12
6	3,001 to 10,000 Gallons	5.36
	Over 10,000 Gallons	6.79

7		
8	<u>1" Meter</u>	
	1 to 20,000 Gallons	\$5.36
9	Over 20,000 Gallons	6.79

10	<u>1 1/2" Meter</u>	
	1 to 50,000 Gallons	\$5.36
11	Over 50,000 Gallons	6.79

12	<u>2" Meter</u>	
13	1 to 90,000 Gallons	\$5.36
	Over 90,000 Gallons	6.79

14	<u>3" Meter</u>	
15	1 to 200,000 Gallons	\$5.36
16	Over 200,000 Gallons	6.79

17	<u>4" Meter</u>	
	1 to 300,000 Gallons	\$5.36
18	Over 300,000 Gallons	6.79

19	<u>6" Meter</u>	
20	1 to 600,000 Gallons	\$5.36
	Over 600,000 Gallons	6.79

21	<u>Coin Meter/Bulk</u>	
22	Per 1,000 Gallons	\$6.79

23 **SERVICE LINE AND METER INSTALLATION CHARGES:**
 24 **(Refundable pursuant to A.A.C. R14-2-40-5)**

	<u>Service Line</u>	<u>Meter Charge</u>	<u>Total Charge</u>
25	5/8" x 3/4" Meter	\$490	\$132
			\$622
	3/4" Meter	490	233
			723
26	1" Meter	547	293
			840
	1 1/2" Meter	610	506
			1,116
27	2" Turbine Meter	927	1,031
			1,958
28	2" Compound Meter	927	1,884
			2,811

1	3" Turbine Meter	1,171	1,662	2,833
	3" Compound Meter	1,308	2,546	3,854
2	4" Turbine Meter	1,661	2,647	4,308
	4" Compound Meter	1,866	3,632	5,498
3	6" Turbine Meter	2,479	5,026	7,505
	6" Compound Meter	2,615	6,939	9,554
4	Over 6"	Cost	Cost	Cost

SERVICE CHARGE:

5				
6	Establishment		\$35.00	
	Reconnection (Delinquent)		45.00	
7	After Hours Service Charge		50.00	
	Meter Test (If Correct)		25.00	
8	Deposit		*	
	Deposit Interest		*	
9	Reestablishment (Within 12 Months)		**	
10	NSF Check		\$15.00	
	Deferred Payment (per month)		1.50%	
11	Meter Reread (If Correct)		\$15.00	
	Late Payment (per month)		1.50%	
12	Moving Customer Meter at Customer		Cost	
13	Request Per Rule R14-2-405B			
	Fire Sprinkler (All Meter Sizes)		***	

14 * Per Commission rule A.A.C. R-14-2-403(B).

15 ** Months of system times the monthly minimum per Commission rule A.A.C. R14-2-403(D).

16 *** 2% of the monthly minimum for a comparable size meter connection but not less than
17 \$10.00 per month. The Service Charge for Fire Sprinklers is only applicable for
18 service lines separate and distinct from the primary water service line.

18 IT IS FURTHER ORDERED that the revised schedule of rates and charges shall be effective
19 for all service rendered on and after September 1, 2016.

20 IT IS FURTHER ORDERED that in addition to the collection of its regular rates and charges,
21 Joshua Valley Utility Water Company, Inc., is authorized to collect from its customers a proportionate
22 share of any privilege, sales, or use tax pursuant to A.A.C. R14-2-409.D.

23 IT IS FURTHER ORDERED that Joshua Valley Utility Water Company, Inc., shall notify its
24 customers of the authorized rates and charges, and the effective dates of said rates and charges, in a
25 form acceptable to Staff, by means of an insert in its next regularly scheduled billing, or separate
26 mailing, and the Company shall file copies of the notice with Docket Control within 10 days of the date
27 the notice is sent to customers.
28

1 IT IS FURTHER ORDERED that Joshua Valley Utility Water Company, Inc., is hereby put on
2 notice that it shall appropriately record all plant transactions in accordance with National Association
3 of Regulatory Commissioners guidelines.

4 IT IS FURTHER ORDERED that Joshua Valley Utility Water Company, Inc., shall on a going
5 forward basis, use the depreciation rates delineated in Table C attached to the Staff Report.

6 IT IS FURTHER ORDERED that Joshua Valley Utility Water Company, Inc., shall prepare a
7 report containing a detailed analysis and plan to reduce the Company's water loss to 10 percent or less.
8 If the Company believes it is not cost effective to reduce the water loss to less than 10 percent, it shall
9 submit file a detailed cost benefit analysis to support its opinion. In no case shall the Company allow
10 water loss to be greater than 15 percent. The water loss reduction report or the detailed analysis,
11 whichever is submitted, shall be docketed as a compliance item, within ninety (90) days of the effective
12 date of this Decision.

13 IT IS FURTHER ORDERED that Joshua Valley Utility Water Company, Inc., shall install a
14 meter on the 3-inch standpipe that will function year-round, regardless of freezing weather. The meter
15 shall be installed and operational within sixty (60) days of the effective date of this Decision.

16 IT IS FURTHER ORDERED that upon Joshua Valley Utility Water Company, Inc., installing
17 a meter on the 3-inch standpipe (discussed above), the Company shall file, within thirty (30) days of
18 such installation, with Docket Control, as a compliance item in this docket, a notice updating the
19 Commission on the status of its compliance.

20 IT IS FURTHER ORDERED that Joshua Valley Utility Water Company, Inc., shall file with
21 Docket Control, as a compliance item in this docket, and within ninety (90) days of the effective date
22 of this Decision, at least three Best Management Practices in the form of tariffs that substantially
23 conform to the templates created by Staff. The templates created by Staff are available on the
24 Commission's website at <http://www.azcc.gov/Divisions/Utilities/Water/forms.asp>.

25 IT IS FURTHER ORDERED that the Joshua Valley Utility Water Company Inc's., Best
26 Management Practices may only contain a maximum of two Best Management Practices from the
27 "Public Awareness/Public Relations" or "Education and Training" categories. The Company may seek
28 cost recovery of the actual costs associated with the implementation of the Best Management Practices

1 in its next general rate case.

2 IT IS FURTHER ORDERED that Joshua Valley Utility Water Company Inc., shall file
3 annually, with the Commission's Utilities Division, as part of its Annual Report, an affidavit attesting
4 that it is current on its property taxes in Arizona.

5 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

6 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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CHAIRMAN LITTLE

COMMISSIONER STUMP

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COMMISSIONER FORESE

COMMISSIONER TOBIN

COMMISSIONER BURNS

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IN WITNESS WHEREOF, I, JODI JERICH, Executive Director
of the Arizona Corporation Commission, have hereunto set my
hand and caused the official seal of the Commission to be affixed
at the Capitol, in the City of Phoenix, this _____ day
of _____ 2016.

JODI A. JERICH

EXECUTIVE DIRECTOR

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DISSENT _____

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DISSENT _____

YK:rt:aw

1 SERVICE LIST FOR:

JOSHUA VALLEY UTILITY COMPANY, INC.

2 DOCKET NO.:

W-02023A-15-0315

3 Steve Wene

4 MOYES SELLERS & HENDRICKS LTD.

1850 N. Central Ave., Suite 1100

5 Phoenix, AZ 85004

Attorneys for Joshua Valley Utility Company, Inc.

6 Janice Alward, Chief Counsel

Legal Division

7 ARIZONA CORPORATION COMMISSION

1200 West Washington Street

8 Phoenix, AZ 85007

9 Thomas Broderick, Director

Utilities Division

10 ARIZONA CORPORATION COMMISSION

1200 West Washington Street

11 Phoenix, AZ 85007

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Joshua Valley Utility Company
Docket No. W-02023A-15-0315
Test Year Ended December 31, 2014

Exhibit A

LINE NO.	RATE BASE - FAIR VALUE			
	(A) COMPANY AS FILED	(B) STAFF AS ADJUSTED	(C) RO ADOPTED ADJUSTMENTS	(D) RO ADOPTED
1	\$ 2,372,749	\$ 2,335,096	\$ 37,653	\$ 2,372,749
2	1,481,456	1,464,086	17,370	1,481,456
3	<u>\$ 891,293</u>	<u>\$ 871,010</u>	<u>\$ 20,283</u>	<u>\$ 891,293</u>
	<u>LESS:</u>			
4	\$ -	\$ -	\$ -	\$ -
5	\$ 25,226	\$ 25,226	\$ -	\$ 25,226
6	\$ 58,342	\$ 58,342	\$ -	\$ 58,342
7	26,254	26,254	-	26,254
8	<u>\$ 32,088</u>	<u>\$ 32,088</u>	<u>\$ -</u>	<u>\$ 32,088</u>
9	\$ 57,314	\$ 57,314	\$ -	\$ 57,314
10	\$ -	\$ -	\$ -	\$ -
11	\$ -	\$ -	\$ -	\$ -
	<u>ADD: Working Capital</u>			
12	\$ 25,088	\$ 23,880	\$ 924	\$ 24,804
13	\$ -	\$ -	\$ -	\$ -
14	<u>\$ 859,067</u>	<u>\$ 837,576</u>	<u>\$ 21,207</u>	<u>\$ 858,783</u>

DECISION NO. _____

Joshua Valley Utility Company
Docket No. W-02023A-15-0315
Test Year Ended December 31, 2014

OPERATING INCOME - TEST YEAR AND ADOPTED

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] STAFF TEST YEAR AS ADJUSTED	[C] ADOPTED ADJUSTMENTS TO COMPANY	[D] TEST YEAR AS ADOPTED	[E] RO ADOPTED ADJUSTMENTS	[F] RO ADOPTED
REVENUES:							
1	Metered Water Sales	\$ 271,457	\$ 271,457	\$ -	\$ 271,457	\$ 93,843	\$ 365,300
2	Water Sales - Unmetered	-	-	-	-	-	-
3	Other Operating Revenues	3,501	3,501	-	3,501	-	3,501
4	Total Revenues	\$ 274,958	\$ 274,958	\$ -	\$ 274,958	\$ 93,843	\$ 368,801
EXPENSES:							
6	Salaries and Wages	\$ 103,971	\$ 116,571	\$ 20,000	\$ 123,971	\$ -	\$ 123,971
7	Salaries and Wages-Officers & Directors	-	-	-	-	-	-
8	Employee Pensions & Benefits	-	-	-	-	-	-
9	Purchased Power	24,854	24,854	-	24,854	-	24,854
10	Chemicals	-	-	-	-	-	-
11	Repairs and Maintenance	8,240	8,240	-	8,240	-	8,240
12	Office Supplies Expense	10,975	10,975	-	10,975	-	10,975
13	Contractual Services - Professional	-	-	-	-	-	-
14	Contractual Services - Billing	-	-	-	-	-	-
15	Contractual Services - All	21,718	1,718	(20,000)	1,718	-	1,718
16	Contractual Services - Water Testing	3,120	3,490	370	3,490	-	3,490
17	Contractual Services - Other	-	-	-	-	-	-
18	Rents	4,800	4,800	-	4,800	-	4,800
19	Rent - Equipment	-	-	-	-	-	-
20	Transportation Expense	14,945	14,945	-	14,945	-	14,945
21	Insurance - General Liability	6,953	6,953	-	6,953	-	6,953
22	Insurance - Life & Health	-	-	-	-	-	-
23	Reg. Comm. Exp. - Rate Case	7,500	7,500	-	7,500	-	7,500
24	Reg. Comm. Exp. - Other	-	-	-	-	-	-
25	Bad Debt Expense	2,642	2,642	-	2,642	-	2,642
26	Miscellaneous Expense	7,559	7,559	-	7,559	-	7,559
27	Depreciation Expense	50,066	49,867	390	50,456	-	50,456
28	Taxes Other Than Income	9,004	9,968	1,530	10,534	-	10,534
29	Property Taxes	10,583	10,583	(286)	10,297	1,171	11,468
30	Income Taxes	(2,406)	(1,123)	(305)	(2,711)	20,631	17,920
31	Interest Expense - Customer Deposits	-	-	-	-	-	-
32	Rounding	-	-	-	-	-	-
33							
34	Total Operating Expenses	\$ 284,524	\$ 279,543	\$ 1,699	\$ 286,223	\$ 21,802	\$ 308,025
35	Operating Income (Loss)	\$ (9,566)	\$ (4,585)	\$ (1,699)	\$ (11,265)	\$ 72,041	\$ 60,776

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	(A) Company Test Year As Filed	(B) Salaries & Wages	(C) Outside Services	(D) Water Testing	(E) Depreciation Expense	(F) Taxes Other Than Income	(G) Income Taxes	(H) Staff Test Year As Adjusted	(I) RO ADOPTED ADJUSTMENTS TO STAFF	(J) RO ADOPTED
REVENUES:											
1	Metered Water Sales	\$ 271,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271,457	\$ -	\$ 271,457
2	Surcharge Collections	-	-	-	-	-	-	-	-	-	-
3	Other Operating Revenues	3,501	-	-	-	-	-	-	3,501	-	3,501
4	Total Revenues	\$ 274,958	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 274,958	\$ -	\$ 274,958
OPERATING EXPENSES:											
6	Salaries and Wages	\$ 103,971	\$ 12,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,571	\$ 7,400	\$ 123,971
8	Salaries and Wages-Officers & Directors	-	-	-	-	-	-	-	-	-	-
9	Employee Pensions & Benefits	-	-	-	-	-	-	-	-	-	-
10	Purchased Power	24,854	-	-	-	-	-	-	24,854	-	24,854
11	Chemicals	-	-	-	-	-	-	-	-	-	-
12	Repairs and Maintenance	8,240	-	-	-	-	-	-	8,240	-	8,240
13	Office Supplies Expense	10,975	-	-	-	-	-	-	10,975	-	10,975
14	Contractual Services - Professional	-	-	-	-	-	-	-	-	-	-
15	Contractual Services - Billing	-	-	-	-	-	-	-	-	-	-
16	Contractual Services - All	21,718	-	(20,000)	-	-	-	-	1,718	-	1,718
17	Contractual Services - Water Testing	3,120	-	-	370	-	-	-	3,490	-	3,490
18	Contractual Services - Other	-	-	-	-	-	-	-	-	-	-
19	Rents	4,800	-	-	-	-	-	-	4,800	-	4,800
20	Rent - Equipment	-	-	-	-	-	-	-	-	-	-
21	Transportation Expense	14,945	-	-	-	-	-	-	14,945	-	14,945
22	Insurance - General Liability	6,953	-	-	-	-	-	-	6,953	-	6,953
23	Insurance - Life & Health	-	-	-	-	-	-	-	-	-	-
24	Reg. Comm. Exp. - Rate Case	7,500	-	-	-	-	-	-	7,500	-	7,500
25	Reg. Comm. Exp. - Other	-	-	-	-	-	-	-	-	-	-
26	Bad Debt Expense	2,642	-	-	-	-	-	-	2,642	-	2,642
27	Miscellaneous Expense	7,559	-	-	-	-	-	-	7,559	-	7,559
28	Depreciation Expense	50,066	-	-	-	(199)	-	-	49,867	390	50,257
29	Taxes Other Than Income	9,004	-	-	-	-	964	-	9,968	566	10,534
30	Property Taxes	10,583	-	-	-	-	-	-	10,583	(286)	10,297
31	Income Taxes	(2,406)	-	-	-	-	-	1,283	(1,123)	(1,588)	(2,711)
32	Interest Expense - Customer Deposits	-	-	-	-	-	-	-	-	-	-
33	Rounding	-	-	-	-	-	-	-	-	-	-
34	Total Operating Expenses	\$ 284,524	\$ 12,600	\$ (20,000)	\$ 370	\$ (199)	\$ 964	\$ 1,283	\$ 279,543	\$ 6,482	\$ 286,024
35	Operating Income (Loss)	\$ (9,566)	\$ (12,600)	\$ 20,000	\$ (370)	\$ 199	\$ (964)	\$ (1,283)	\$ (4,585)	\$ (6,482)	\$ (11,066)

Joshua Valley Utility Company
Docket No. W-02023A-15-0315
Test Year Ended December 31, 2014

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	[A] COMPANY FINAL FAIR VALUE	[B] STAFF FINAL FAIR VALUE	[C] RO ADOPTED FAIR VALUE
1	Adjusted Rate Base	\$ 859,067	\$ 837,576	\$ 858,783
2	Adjusted Operating Income (Loss)	\$ (9,566)	\$ (4,585)	\$ (11,066)
3	Current Rate of Return (L2 / L1)	-1.11%	-0.55%	-1.29%
4	Required Rate of Return	7.38%	7.05%	7.10%
5	Required Operating Income (L4 * L1)	\$ 63,428	\$ 59,050	\$ 60,931
6	Operating Income Deficiency (L5 - L2)	\$ 72,994	\$ 63,635	\$ 71,997
7	Gross Revenue Conversion Factor	1.30148	1.30484	1.30343
8	Increase (Decrease) In Gross Revenue (L7 * L6)	\$ 95,000	\$ 83,033	\$ 93,843
9	Adjusted Test Year Revenue	\$ 274,958	\$ 274,958	\$ 274,958
10	Proposed Annual Revenue (L8 + L9)	\$ 369,958	\$ 357,991	\$ 368,801
11	Required Increase/(Decrease in Revenue) (%) (L8/L9)	34.55%	30.20%	34.13%
12	Operating Margin	17.14%	16.49%	16.52%
13	Cash Flow Before Debt Service Reserve	\$ 113,494	\$ 108,917	\$ 111,232
14	Cash Flow After Debt Service Reserve	\$ 113,494	\$ 108,917	\$ 111,232

Joshua Valley Utility Company
 Docket No. W-02023A-15-0315
 Test Year Ended December 31, 2014

Typical Bill Analysis
 5/8" 3/4" Residential

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Median Usage	945	\$ 16.71	\$ 22.28	\$ 5.57	33.31%
Average Usage	2,408	\$ 21.69	\$ 28.13	\$ 6.44	29.72%

Staff Recommended	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Median Usage	945	\$ 16.71	\$ 21.28	\$ 4.57	27.33%
Average Usage	2,408	\$ 21.69	\$ 27.13	\$ 5.44	25.11%

ADOPTED

Median Usage	945	\$ 16.71	\$ 22.28	\$ 5.57	33.31%
Average Usage	2,408	\$ 21.69	\$ 28.13	\$ 6.44	29.72%

All Rates Presented Without Taxes

Gallons	Present Rates	ADOPTED		Company Proposed		Staff Recommended	
		Rates	Increase %	Rates	Increase %	Rates	Increase %
		5/8" 3/4" Residential	5/8" 3/4" Residential	5/8" 3/4" Residential	5/8" 3/4" Residential	5/8" 3/4" Residential	5/8" 3/4" Residential
		Minimum Charge \$ 13.50	Minimum Charge \$ 18.50	Minimum Charge \$ 18.50	Minimum Charge \$ 18.50	Minimum Charge \$ 17.50	Minimum Charge \$ 17.50
		1st Tier Rate \$3.40	1st Tier Rate \$4.00				
		1st Tier End 5,000	1st Tier Breakover 3,000				
		Incremental 2nd Tier Rate \$0.50	Incremental Tier 2 \$1.25				
		2nd Tier End 20,000	2nd Tier Breakover 10,000				
		Incremental 3rd Tier Rate \$0.35	Incremental Tier 3 \$1.29	Incremental Tier 3 \$1.29	Incremental Tier 3 \$1.29	Incremental Tier 3 \$1.23	Incremental Tier 3 \$1.23
		3rd Tier End 99,999,999	3rd Tier Breakover 99,999,999	3rd Tier Breakover 99,999,999	3rd Tier Breakover 99,999,999	3rd Tier Breakover 99,999,999	3rd Tier Breakover 99,999,999
		Incremental 4th Tier Rate \$0.00	Incremental Tier 4 \$0.00	Incremental Tier 4 \$0.00	Incremental Tier 4 \$0.00	Incremental Tier 4 \$0.00	Incremental Tier 4 \$0.00
		4th Tier End 99,999,999	4th Tier Breakover 99,999,999	4th Tier Breakover 99,999,999	4th Tier Breakover 99,999,999	4th Tier Breakover 99,999,999	4th Tier Breakover 99,999,999
		Incremental 5th Tier Rate \$0.00	Incremental Tier 5 \$0.00	Incremental Tier 5 \$0.00	Incremental Tier 5 \$0.00	Incremental Tier 5 \$0.00	Incremental Tier 5 \$0.00
		5th Tier End 99,999,999	5th Tier Breakover 99,999,999	5th Tier Breakover 99,999,999	5th Tier Breakover 99,999,999	5th Tier Breakover 99,999,999	5th Tier Breakover 99,999,999
		Incremental 6th Tier Rate \$0.00	Incremental Tier 6 \$0.00	Incremental Tier 6 \$0.00	Incremental Tier 6 \$0.00	Incremental Tier 6 \$0.00	Incremental Tier 6 \$0.00
Consumption	Rates	Rates	Increase	Rates	Increase	Rates	Increase
-	\$ 13.50	\$ 18.50	37.04%	\$ 18.50	37.04%	\$ 17.50	29.63%
1,000	\$ 16.90	\$ 22.50	33.14%	\$ 22.50	33.14%	\$ 21.50	27.22%
2,000	\$ 20.30	\$ 26.50	30.54%	\$ 26.50	30.54%	\$ 25.50	25.62%
3,000	\$ 23.70	\$ 30.50	28.69%	\$ 30.50	28.69%	\$ 29.50	24.47%
4,000	\$ 27.10	\$ 35.75	31.92%	\$ 35.75	31.92%	\$ 34.70	28.04%
5,000	\$ 30.50	\$ 41.00	34.43%	\$ 41.00	34.43%	\$ 39.90	30.82%
6,000	\$ 34.40	\$ 46.25	34.45%	\$ 46.25	34.45%	\$ 45.10	31.10%
7,000	\$ 38.30	\$ 51.50	34.46%	\$ 51.50	34.46%	\$ 50.30	31.33%
8,000	\$ 42.20	\$ 56.75	34.48%	\$ 56.75	34.48%	\$ 55.50	31.52%
9,000	\$ 46.10	\$ 62.00	34.49%	\$ 62.00	34.49%	\$ 60.70	31.67%
10,000	\$ 50.00	\$ 67.25	34.50%	\$ 67.25	34.50%	\$ 65.90	31.80%
11,000	\$ 53.90	\$ 73.79	36.90%	\$ 73.79	36.90%	\$ 72.33	34.19%
12,000	\$ 57.80	\$ 80.33	38.98%	\$ 80.33	38.98%	\$ 78.76	36.26%
13,000	\$ 61.70	\$ 86.87	40.79%	\$ 86.87	40.79%	\$ 85.19	38.07%
14,000	\$ 65.60	\$ 93.41	42.39%	\$ 93.41	42.39%	\$ 91.62	39.66%
15,000	\$ 69.50	\$ 99.95	43.81%	\$ 99.95	43.81%	\$ 98.05	41.08%
16,000	\$ 73.40	\$ 106.49	45.08%	\$ 106.49	45.08%	\$ 104.48	42.34%
17,000	\$ 77.30	\$ 113.03	46.22%	\$ 113.03	46.22%	\$ 110.91	43.48%
18,000	\$ 81.20	\$ 119.57	47.25%	\$ 119.57	47.25%	\$ 117.34	44.51%
19,000	\$ 85.10	\$ 126.11	48.19%	\$ 126.11	48.19%	\$ 123.77	45.44%
20,000	\$ 89.00	\$ 132.65	49.04%	\$ 132.65	49.04%	\$ 130.20	46.29%
25,000	\$ 110.25	\$ 165.35	49.98%	\$ 165.35	49.98%	\$ 162.35	47.26%
30,000	\$ 131.50	\$ 198.05	50.61%	\$ 198.05	50.61%	\$ 194.50	47.91%
35,000	\$ 152.75	\$ 230.75	51.06%	\$ 230.75	51.06%	\$ 226.65	48.38%
40,000	\$ 174.00	\$ 263.45	51.41%	\$ 263.45	51.41%	\$ 258.80	48.74%
45,000	\$ 195.25	\$ 296.15	51.68%	\$ 296.15	51.68%	\$ 290.95	49.01%
50,000	\$ 216.50	\$ 328.85	51.89%	\$ 328.85	51.89%	\$ 323.10	49.24%
75,000	\$ 322.75	\$ 492.35	52.55%	\$ 492.35	52.55%	\$ 483.85	49.91%
100,000	\$ 429.00	\$ 655.85	52.88%	\$ 655.85	52.88%	\$ 644.60	50.26%
200,000	\$ 854.00	\$ 1,309.85	53.38%	\$ 1,309.85	53.38%	\$ 1,287.60	50.77%
500,000	\$ 2,129.00	\$ 3,271.85	53.68%	\$ 3,271.85	53.68%	\$ 3,216.60	51.09%
1,000,000	\$ 4,254.00	\$ 6,541.85	53.78%	\$ 6,541.85	53.78%	\$ 6,431.60	51.19%
2,000,000	\$ 8,504.00	\$ 13,081.85	53.83%	\$ 13,081.85	53.83%	\$ 12,861.60	51.24%