

ORIGINAL

NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

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Arizona Corporation Commission

DOCKETED

FEB 28 2017

DOCKETED BY

DOCKET NO. W-01539A-17-_____

W-01539A-17-0060

APPLICATION

IN THE MATTER OF THE APPLICATION OF
ROSE VALLEY WATER COMPANY, AN
ARIZONA PUBLIC SERVICE
CORPORATION, FOR A DETERMINATION
OF THE FAIR VALUE OF ITS UTILITY
PLANT AND PROPERTY, AND FOR
INCREASES IN ITS RATES AND CHARGES
FOR WATER SERVICE TO THE PUBLIC.

LAWRENCE V. ROBERTSON, JR.
ATTORNEY AT LAW
210 W. Continental Road, Suite 216A
Green Valley, AZ 85622

Rose Valley Water Company ("Rose Valley"), an Arizona public service corporation, submits this Application for an order of the Commission determining the "fair value" of its plant and property used in the provision of water service to the public, and establishing "just and reasonable" rates and charges for the provision of such service. In support of its request, Rose Valley submits the following information

I. INTRODUCTION.

Rose Valley is an Arizona public service corporation engaged in the provision of water service in a certificated service area in Maricopa County, Arizona. Rose Valley's current rates and charges for water service were approved by the Commission in 1993 in Decision No. 58167.

Rose Valley served approximately 2,377 average service connections during the calendar 2015 test year.

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Rose Valley's service area is located within the Phoenix Active Management Area. Rose Valley is current in the payment of all property taxes; and, it is in compliance with all applicable regulations of the Arizona Department of Environmental Quality and the Arizona Department of Revenue.

II. DETERMINATION OF FAIR VALUE AND INCREASE IN RATES AND CHARGES.

Through this Application, Rose Valley seeks a determination of the "fair value" of its property devoted to providing water service to the public, and the establishment of "just and reasonable" rates and charges for the provision of such service. In support of this Application, Rose Valley is contemporaneously filing (i) the prepared Direct Testimony of its President, Gary Brasher, (ii) the prepared Direct Testimony of its rate consultant, Sonn Ahlbrecht, and (iii) applicable schedules for a Class "C" water utility pursuant to the Commission's rules and regulations.

The prepared Direct Testimony and supporting schedules sponsored by Ms. Ahlbrecht demonstrate that during the 2015 test year Rose Valley had a negative rate base. Accordingly, with the objective of restoring the company to a position of financial stability, Rose Valley is requesting that "just and reasonable" rates and charges for water service provided by it be established by the Commission using the "operating margin" ratemaking methodology.

III. COMMUNICATION.

All communications, correspondence and pre-hearing discovery regarding this Application, as well as communications from and pleadings filed by other parties, should be served on the following representative of Rose Valley:

1 Lawrence V. Robertson, Jr.
2 Of Counsel, Munger Chadwick, PLC
3 210 West Continental Road, Suite 216A
4 Green Valley, Arizona 85622
5 Phone: (520) 398-0411
6 Fax: (520) 398-0412
7 Email: tubaclawyer@aol.com

8 **IV. PRAYER FOR RELIEF.**

9 In connection with the foregoing, Rose Valley hereby requests the following relief:

10 1) That the Commission at the earliest possible time following the filing of this Application
11 and the related prepared Direct Testimony and supporting Schedules conduct an evidentiary
12 hearing thereon and determine the "fair value" of Rose Valley's utility plant and property devoted
13 to providing water service to the public.

14 2) That concurrent with such "fair value" determination, the Commission establish "just
15 and reasonable" rates and charges for Rose Valley using the "operating margin" ratemaking
16 methodology, given that Rose Valley had a negative rate base at the end of the calendar 2015 test
17 year.

18 3) That the Commission authorize such other and further relief as may be necessary or
19 appropriate to insure that Rose Valley is restored to a position of financial stability, and thus able
20 to continue its provision of safe, adequate and reliable water service.

21 Dated this 22nd day of February, 2017.

22
23 Respectfully submitted,

24 *Lawrence V. Robertson, Jr.*

25 Lawrence V. Robertson, Jr.
26 Of Counsel, Munger Chadwick P.L.C.
27 Attorney for Rose Valley Water Company
28

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1 ORIGINAL and thirteen (13) copies
2 of the above application were filed
3 with The Commission's Docket
4 Control on February 28, 2017.

5 A copy of the above Application was
6 hand-delivered on February 28, 2017,
7 to:

8 Tim LaSota
9 Legal Division
10 1200 West Washington
11 Phoenix Arizona 85007

12 Elijah Abinah
13 Utilities Division
14 1200 West Washington
15 Phoenix, Arizona 85007

16 Dwight Nodes
17 Hearing Division
18 1200 West Washington
19 Phoenix, Arizona 85007

20 By 

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DIRECT TESTIMONY
OF
GARY BRASHER
FOR
ROSE VALLEY WATER COMPANY

DOCKET NO. W-01539A-17-_____

Q.1 Please state your name and relationship(s) with Rose Valley Water Company ("Rose Valley" or "Company").

A.1 My name is Gary Brasher. I am President, a Director and an owner of the Company.

Q.2 Please describe the history of Rose Valley and the relationship of you and other members of your family in connection with that history.

A.2 Rose Valley was started by our grandparents, Lyle and Ethel Patrick, in the early 1950s on property that was originally the family citrus farm. Our grandparents also leased some of their land to Jackson/Perkins who grew roses on the property. People then began to call the area "Rose Valley" which became the name our grandparents used for the Water Company.

As time went by, and portions of our grandparents farm were sold off, various owners asked our family to provide water for their homes. Our family obliged and began installing infrastructure when and where needed. When my brother, sister and I became more actively involved in the Company in 1991, our grandmother was in her mid-80s and was still reading meters by herself! We have always enjoyed fulfilling their dream of seeing the area developed and seeing people make their homes out of what used to be the family farm.

Q.3 When were the Company's current rates and charges for water service placed into effect?

A.3 1993 pursuant to the Commission's Decision No. 58167.

Q.4 How many customer connections did the Company have in 1993 and how many did it have as of the end of the 2015 test year?

A.4 There were approximately 240 customers in March of 1993 and approximately 2373 in December of 2015.

Q.5 Needless to say, that is a very substantial increase in customers. When did the increase occur, and what were the circumstances that occasioned such a significant increase?

A.5 As many of you may remember, the Phoenix metropolitan area experienced explosive growth in the years from 1997 into the early 2000's. During that time frame, much of the undeveloped land, which is a part of our CC & N, was purchased by homebuilders who began development immediately. In 1997, we had approximately 305 connections. By 1999, that number had grown to 1249 connections, or by 409%, and by 2002, we had 2311 connections or an increase of 757% over a 5-year period! As you can see, we went from a very small water company started and operated for years by our grandparents and then, suddenly, became a substantially larger system. This explosion in growth was the primary reason for our dependence on Line Extension Agreements with the developers, without which we would not have been able

to install the infrastructure necessary to handle the dramatic increase in demand for water service in our service area.

Q.6 You have previously indicated that the Company has not had an increase in its rates and charges for water service since 1993. Did its costs of ownership, operation and maintenance increase since its rates were last set?

A.6 Yes, substantially, and the existing rates and charges have not allowed the Company to fully recover its costs of operation and provide a positive return on the owners' investment.

Q.7 Given that circumstance, please explain why the Company has not previously filed for an increase in its rates and charges for water service.

A.7 When my brother, sister and I purchased the Company from our parents and our grandmother, Ethel Patrick, she had been having trouble handling all of the responsibilities of running the Company and had allowed herself to fall behind in property tax payments. The payments, as well as the interest thereon, had created quite a financial burden. When my brother, sister, and I started operating the company we went to the Commission and were helped in working through some of the other challenges with the system, but the property taxes were one area we had not been able to solve given our cash-flow situation at that time. In 1993 when we were given our last rate increase, we were ordered to have the taxes brought current before we came back again for further rate relief. Given the large amount of tax debt, (over \$150,000) we subsequently spent several years working with the County Treasurer trying to come up with a payment plan of some sort and, if possible, to get the interest on the Company's tax debt abated long enough for us to get caught up.

The Treasurer, as well as others in the Department, spent considerable time investigating this issue to see how it might be resolved. In that process the Treasurer's Office found that they could not single out Rose Valley to provide assistance without helping the numerous other small water companies in the same situation. As a result, the Treasurer's Office worked cooperatively with the Commission and the Legislature to pass Legislation which would allow a small window of opportunity for small water companies to pay the original tax which was owed to the County. The utility companies which took advantage of this opportunity were forgiven the interest charges that had accrued on the original tax owed. Although this took significant time, RVWC was finally able to pay off the property taxes owed by the system in April of 2005 by using this modified tax program. Essentially this entire process took from 1993 until 2005 when it was finally resolved. As you can see, there were 12 years where we could not formally go back to the Commission due to the Order that was issued in 1993 when we had our last rate case approved.

Shortly before resolving the aforementioned matter, the Company was involved in a tragedy that took place in our service area when two young children passed away as the result of a rare microorganism call *Naegleria fowleri*. This event occurred in October of 2002. As the result of this tragedy and the ensuing events, it took Rose Valley over 10 years to get through the

litigation and bring resolution to the many issues which faced us during this time. From 2005 (when we resolved the County tax issue) and 2012 (when we were struggling to address the issues related to the deaths of the two children) we did have meetings with Commission Staff and specifically Steve Olea on a few occasions, to discuss possible rate relief. Each time we were counseled not to come in with a rate application during this "emotionally charged" time and it would be better to come back when things "smoothed out". It has only been in the last few years that events began to "smooth out" enough for us to consider approaching the Commission with a standardized test year.

Q.8 It has been observed that small, private water utility companies often face numerous short- and long-term challenges in maintaining the physical integrity of their water systems while continuing to provide safe, adequate and reliable water service to their customers. In that regard, it has also been noted that frequently these challenges, in turn, place strain upon the financial resources of such small utilities. Has Rose Valley experienced similar challenges over the years since its last rate case?

A.8 Yes, without question; and, these challenges have been in addition to the extreme challenges I have just described related to unpaid property taxes, and the tragic deaths of the two boys related to the extremely rare microorganism.

Q.9 Please summarize the nature of some of these relatively speaking "lesser" challenges that Rose Valley has encountered and to which it has responded.

A.9 These challenges have included the following: (i) government-mandated transmission and distribution facilities relocation and lowering at Rose Valley's expense; (ii) repair and replacement of aging transmission and distribution lines, sometimes on an "emergency" basis when a line break occurs, in order to promptly restore service; and (iii) well rehabilitation and pump replacement, in part necessitated by declining groundwater aquifer levels over which the Company has no effective control.

Q.10 Has the Company identified any system upgrades or improvements that it would like to undertake, once its financial circumstances allow it to do so?

A.10 Yes. The owners of Rose Valley and its Certified Operator have identified several activities we would like to pursue, once the Company is financially in a position to do so. In that regard, our pending request for an increase in our rates and charges for water service is intended in part to allow us to undertake those upgrades and improvements.

Q.11 Please summarize some of those upgrades and improvements.

A.11 They include the following activities: (i) an upgrade of our existing system operating software, which would provide real-time monitoring and remote control operation, resulting in cost-saving efficiencies; (ii) a five-year cycle of storage reservoir inspection and cleaning,

thereby enabling the Company to proactively identify and address any potential or impending structural problems; (iii) installation of water level controllers on the Company's three (3) storage reservoirs; (iv) upgrades to the electrical control panels on Rose Valley's wells, thereby reducing the potential for well pump motor failure and resulting interruptions in service; (v) scheduled replacement of older water meters, depending upon age and performance accuracy; and, (vi) selective installation of additional valves to improve overall operational efficiency of the water system.

Q.12 During the extended period when Rose Valley's circumstances precluded it from filing for rate relief, were there occasions where the owners had to draw upon their own personal financial resources in order for the Company to be able to continue to provide water service of that quality, quantity and reliability that the owners believed the Company's customers were entitled to continue receiving?

A.12 During the period of 2005 until 2014, the owners personally funded over \$675,000 to Rose Valley to ensure safe, adequate and reliable water service was provided to our customers and to ensure the company remained financially capable of meeting our responsibilities.

Q.13 Both the Company's rate request and Ms. Ahlbrecht's supporting schedules and prepared Direct Testimony indicate that the Company is requesting a large increase in its rates and charges for water service. Has the Company undertaken or will it be undertaking any customer "outreach" efforts to explain the reasons why such an increase is being sought, and to answer questions that its customers may have?

A.13 Yes.

Q.14 Please describe the nature and timing of those "outreach" efforts.

A.14 First, we engaged a water utility consultant to assist us with the volume of calls and correspondence from our customer base so we could be more responsive. Second, we updated our website to provide information on our rate increase application and formulated a "Q and A" sheet for commonly asked questions. Third, we have planned a public comment meeting in the service area in March for the purpose of hearing input from the community. Fourth, we established a special phone line for calls regarding the rate case so as to differentiate these calls from the normal calls we get concerning operations. Finally, we established a specific e-mail address to be able to more quickly address questions and concerns on this issue.

In that regard, we will continue to update these various technologies so we can keep our customers abreast of the process and timeline for the application moving forward.

Q.15 Do you have any final comments at this time?

A.15 Yes. The owners of Rose Valley are proud of a company that our grandfather and grandmother started more than 60 years ago, and that my sister, brother, and I have continued to operate for approximately the past 20 years. We are committed to continuing to provide excellent service to our customers. Given that our service area is almost completely built-out, neither we, nor the Commission, can assume that our current and future financial stability can be assured through future customer growth. Rather, such stability must come from the existing customer base, our prudent operation of the Company, and periodic “just and reasonable” rate relief. Accordingly, against that background, we believe it is important that the Commission approve both (i) the increase in rates and charges for water service that we are requesting, and (ii) the changes in rate design that we have proposed, as discussed in Ms. Ahlbrecht's prepared Direct Testimony.

Q.16 Does that complete your Direct Testimony?

A.16 Yes, it does.

DIRECT TESTIMONY
OF
SONN AHLBRECHT
FOR
ROSE VALLEY WATER COMPANY

DOCKET NO. W-01539A-17-_____

Background and Introduction

Q.1 Please state your name, business address and the nature of your business.

A.1 My name is Sonn S Ahlbrecht. My business address is PO Box 51628, Phoenix, AZ 85076. I am a Certified Public Accountant and Regulatory Consultant. I am also the managing member of Facilitation PLLC.

Q.2 Please summarize your educational and professional experience, including particularly your experience with water utility rate cases in proceedings before the Arizona Corporation Commission.

A.2 I hold a Bachelor of Science Degree in Accounting from Arizona State University, as well as my CPA certification from the Arizona State Board of Accountancy. I have worked for many years in the practice of small business public accounting and regulatory consulting, and have held part-time accountancy teaching positions at Mesa Community College. After employment with the Accounting and Rates Section of the Utilities Division at the Arizona Corporation Commission ("Commission") for four years, I worked as a public accountant and then formed Desert Mountain Analytical Services, PLLC to address the regulatory accounting and consulting needs of small water companies. In 2014, I formed Facilitation PLLC and continue to specialize in regulatory accounting and consulting for small water companies, as well as accounting work for other non-regulated utilities.

Q.3 You are appearing as an expert witness on behalf of Rose Valley Water Company ("Rose Valley" or "Company" in this proceeding. Please describe the nature

and scope of your assignment from Rose Valley, as well as the various activities in connection with your performance of that assignment.

A.3 I reviewed the prior rate case findings and determined the plant, depreciation, AIAC, and CIAC and the associated amortization balances since the last rate case. In addition, I verified the test year revenue and adjusted operating expenses for known and measureable changes. Finally, I designed the proposed rates based upon the test year billing distribution that would generate the revenue necessary to pay the operating expenses and satisfy other financial obligations.

Q.4 Did you prepare, and are you the sponsoring witness for the schedules which Rose Valley has filed in support of its request for an increase in its rates and charges for water service?

A.4 Yes. Those schedules were prepared by me, and provide the information required by the Commission's applicable rules and regulations governing rate cases for water utilities the size of Rose Valley. In that regard, the following portions of my prepared Direct Testimony are organized to discuss some of the principle subjects addressed in those rules and regulations.

Summary of Requested Rate Increase

Q.5 When did Rose Valley's current rates become effective?

A.5 The current rates and charges were authorized by Decision No. 58167 dated February 4, 1993, with rates effective on March 1, 1993. During the 1991 Test Year,

rate base was a negative \$31,885 and Rose Valley had 210 customers that generated \$78,436 of revenue that year.

Q.6 Please describe the rates that were established in the prior rate proceeding

A.6 At the time, 87 percent of Rose Valley's customers were residential and received service through a $\frac{3}{4}$ -inch meter. These customers were using an average of 16,080 gallons per month and had median usage of 10,901 gallons per month. Based on this usage, the monthly minimum charge was set at \$5.25 per month and included the first 1,000 gallons. The next 8,000 gallons (or from 1,001 to 9,000 gallons) was set at \$1.65 per thousand gallons, and the commodity rate for all gallons after that per thousand gallons was \$2.30. Under the rates set by Decision 58167, $\frac{3}{4}$ - inch residential customers with an average monthly usage of 16,080 gallons would pay \$35.68 and a customer with median usage of 10,901 gallons per month would pay \$23.47

Q.7 How does the customer composition and usage during the 2015 test year differ from that of the 1991 test year?

A.7 Rose Valley has experienced substantial growth (over 1,000%) since its last rate case. During 2015, there was an average of 2,377 active connections, with the largest class being the $\frac{5}{8} \times \frac{3}{4}$ -inch residential customer at an average of 2,075 connections.

Q.8 Does Rose Valley still have customers receiving service via $\frac{3}{4}$ -inch meters?

A.8 No. There are a combination of residential, commercial and landscape meters that are 5/8 x 3/4-inch, 1-inch, 1 1/2-inch and 2-inch. The Company also serves the Peoria School District with six 2-inch meters.

Q.9 What was the average and median usage for the largest residential class during the 2015 test year?

A.9 The 2,075 5/8 x 3/4-inch residential customers had average usage of 10,632 gallons per month, and median usage of 8,507 gallons per month, for total demand during the test year for this class of approximately 264,742,374 gallons.

Q.10 Is Rose Valley proposing to change its current rate design in the case?

A.10 Yes

Q.11 Please explain why Rose Valley believes the proposed new rate design is the most important aspect of this case.

A.11 Although consumption has declined since the prior rate case, there is still substantial opportunity for both the average and median customer to conserve. Under the current rate structure, about 18% of the annual revenue comes from the monthly minimum charge and 82% comes from the commodity rates. This unstable ratio is due to a combination of (i) the low monthly minimum charges and (ii) the fact that there are a few classes of bigger commercial and landscape metered customers that use a large amount of water. This source of revenue mix is only slightly improved for the large residential class (5/8 x 3/4-inch), with 21.5% of test year revenue coming from the

monthly minimum and 78.5% from the commodity rates. I characterize these rates or “mix” as “unstable”, because any substantial increase to the commodity rates in this case would severely inhibit Rose Valley’s opportunity to realize the allowed revenue requirement once consumers begin to conserve, which has been proven historically to occur on Arizona water utility systems when commodity rates increase by a large amount.

Q.12 Please summarize the proposed rate increase by customer class and meter size, based on monthly average and median usage.

A.12 The tables below represent average and median usage by meter size and class, the bill under the current rates, the bill amount under proposed rates, and the increase amount and percent.

Meter Size/Class	Average Usage	Current Bill	Proposed Bill	Increase Amount	Increase %
5/8 x 3/4-inch Residential	10,632	\$22.20	\$32.34	\$10.14	45.67%
5/8 x 3/4-inch Commercial	500	\$5.25	\$17.28	\$12.03	229.05%
5/8 x 3/4-inch Landscape	21,662	\$47.57	\$71.06	\$23.49	49.38%
1-inch Residential	18,306	\$41.60	\$68.79	\$27.19	65.36%
1-inch Commercial	14,035	\$31.78	\$62.60	\$30.82	96.98%
1-inch Landscape	28,338	\$64.68	\$113.10	\$48.42	74.86%
1 1/2-inch Commercial	8,556	\$30.47	\$96.91	\$66.44	218.05%
1 1/2-inch Landscape	117,908	\$281.69	\$379.27	\$97.58	34.64%
2-inch Residential	17,650	\$61.10	\$160.79	\$99.69	163.16%
2-inch Commercial	70,830	\$183.41	\$243.43	\$60.02	32.72%
2-inch Landscape	268,053	\$637.02	\$805.33	\$168.31	26.42%
2-inch School	163,187	\$395.83	\$543.17	\$147.34	37.22%

Table 1

Meter Size/Class	Median Usage	Current Bill	Proposed Bill	Increase Amount	Increase %
5/8 x 3/4-inch Residential	8,507	\$17.64	\$27.55	\$9.91	56.18%
5/8 x 3/4-inch Commercial	500	\$5.25	\$17.28	\$12.03	229.05%
5/8 x 3/4-inch Landscape	250	\$5.25	\$17.53	\$12.28	233.90%
1-inch Residential	13,091	\$29.61	\$61.23	\$31.62	106.79%
1-inch Commercial	5,583	\$14.56	\$50.35	\$35.79	245.81%
1-inch Landscape	12,400	\$28.02	\$73.25	\$45.23	161.42%
1 1/2-inch Commercial	6,500	\$27.08	\$93.93	\$66.80	246.86%
1 1/2-inch Landscape	48,571	\$122.21	\$205.93	\$83.72	68.51%
2-inch Residential	10,667	\$45.03	\$150.67	\$105.64	234.60%
2-inch Commercial	9,600	\$42.58	\$149.12	\$106.54	250.21%
2-inch Landscape	157,121	\$381.88	\$528.00	\$146.12	38.26%
2-inch School	93,333	\$235.17	\$368.53	\$133.36	56.71%

Table 2

Plant in Service

Q.13 Please explain the Company's recommended amount for Test Year End 2015

Utility Plant In Service.

A.13 Schedule E-5 depicts Total Plant in Service at the end of 2014 of \$3,668,543 plus 2015 test year net additions of \$185,766 that total \$3,854,309 at December 31, 2015. Accumulated depreciation was \$3,049,136 at the end of the test year resulting in Net Plant In Service at the end of the test year of \$805,173. This is the amount of net plant that transfers to Schedule B-2 since there is no property held for future use or construction work in progress at the end of the test year.

Q.14 Please describe the 2015 plant net addition amount of \$185,766.

A.14 Table 3 below depicts the 2015 additions: \$91,252 was reclassified from Materials and Supplies, \$54,148 was paid during 2016 and added to plant in 2015, and \$40,366 of meters was recorded to plant during 2015.

Account	Amount	Comment
307	\$ 15,248	Reclassified from Material and Supplies
307	49,882	Paid in 2016 for work done and placed in service for well #2 during 2015
311	31,400	Reclassified from Material and Supplies
331	25,972	Reclassified from Material and Supplies
331	4,266	Paid in 2016 for work done on mains and placed in service during 2015
333	18,632	Reclassified from Material and Supplies
334	40,366	On 2015 annual report
Total	\$185,766	

Table 3

Q.15 How did Rose Valley account for the accumulated depreciation for the plant reclassifications shown on Table 3?

A.15 All test year plant additions, whether originally recorded as plant or reclassified from expense from another year, use a half-year convention for depreciation expense for the year the assets are placed in service. Schedule B-2 depicts the \$145,400 of plant reclassifications for the test year as well as the half year adjustment of \$3,635 to accumulated depreciation related to those reclassifications. Line 3 is the net plant in service amount of \$805,173 that ties to Schedule E-5.

Contributions in Aid of Construction (CIAC) and Amortization

Q.16 Please explain why the ACC Annual Report for 2015 does not reflect CIAC or CIAC amortization, yet Schedule B-2a shows almost \$2.3 million of CIAC and \$822,524 of CIAC amortization.

A.16 Rose Valley has been keeping its books on a combination of tax and cash basis, with the elements of deposits and receivables kept on an accrual basis. The items that appear on Schedule B-2a as CIAC are the result of several developer funded and other line extension agreements from the late 1990's. Since the 10 and 15-year repayment periods expired several years ago, these advances for line extension agreements have all converted to CIAC. Since advanced funds, refundable or not, cannot be deducted for tax purposes, neither the advances nor the related assets have appeared on the tax returns or the annual reports of the Company filed with the ACC.

Q.17 Please explain Schedule B-2b.

A.17 Schedule B-2b details the advances Rose Valley received from developers when its service area experienced substantial growth during the late 1990's and early 2000's, as well the repayments made by the Company on those line extension agreements. As previously noted, since these line extension agreements have since expired, the un-refunded balances were all transferred to CIAC years ago. Schedule B-2b also details the history of CIAC from the last rate case to and all of the transfers from AIAC, as well as the history of the annual and cumulative CIAC amortization.

Q.18 Were the developer advances a source of funding infrastructure for the tremendous growth experienced by Rose Valley since the 1991 test year?

A.18 Yes. That was the only funding source as the area subject to development was desert prior to that. Rose Valley was a very small water company until the development explosion that occurred in the Phoenix metro area during the 90's which impacted the CC&N of Rose Valley in the late 90's. The vast majority of plant was installed by developers who conveyed it to Rose Valley ownership to manage and maintain. In a few years, the utility gradually increased from 229 connections during 1994 to 305 during 1997, and then exploded to 1,249 connections by 1999 and 2,311 by the end of 2002, the period of rapid growth ceased. As of the end of the 2015 test period, Rose Valley had 2,377 connections and the CC&N area is now essentially built out.

Q.19 Did this sudden, rapid development have any impacts on Rose Valley and its customers?

A.19 Yes. Sudden amounts of development driven growth can be very challenging to a small water company. In addition to the sudden responsibility of maintaining, repairing and replacing or upgrading from time-to-time the developer advanced assets, there is the ongoing need for future business and system planning as growth continues. There are also unforeseen occurrences that need to be planned for in the event of a water shortage, catastrophic asset failure, or other serious financial problems arising from system operations.

Q.20 Did Rose Valley experience any of those problems?

A.20 Yes, in many ways all of them since the last rate case. However, the scope of my testimony is limited to the current financial condition of the company, taking into account historical occurrences that have had an impact in it. The testimony of Gary Brasher, President of Rose Valley, will provide a historical overview of the company, its operations and financial challenges it has encountered over the years since 1993.

Q.21 Please summarize the adjustments to CIAC and the related amortization on Schedule B-2a.

A.21 By the end of 2013, terms of the last of the developer line extension agreements had expired and unrefunded balances were transferred from AIAC to CIAC, resulting in the current \$2,294,308 test year-end balance. This amount is also reflected as Adjustment D on Schedule B-2a since CIAC did not appear on the annual report. Adjustment E on Schedule B-2a for \$822,524 is the corresponding amount of amortization through the end of the test year related to the CIAC in Adjustment D. Both of these adjustment amounts are supported by the detail on Schedule B-2b.

Rate Base

Q.22 Please summarize Rose Valley's proposed rate base.

A.22 As illustrated on Schedule B-1, the Company has a proposed rate base of (\$918,728). Rose Valley's rate base is comprised of \$622,669 of net utility plant in service, \$2,294,308 of CIAC, and \$822,524 of CIAC amortization previously discussed. Adjustment C increases security deposits received from customers by \$69,613 to include the amount included at year end in the Company's billing program.

Q.23 What impact does this have on the revenue requirement and proposed rate design?

A.23 Since a negative rate base cannot have a rate of return applied to it and result in a meaningful number, the standard rate of return on rate base model of determining the revenue requirement does not apply. Therefore, the utility must determine the proposed revenue requirement by another accepted method. Accordingly, Rose Valley did not use the rate of return method to calculate a revenue requirement, but instead used the operating margin methodology to support its rate increase request.

Q. 24 Is the operating margin method the optimal way to determine the revenue requirement for a water utility?

A.24 No. The rate of return on rate base method is the NARUC industry standard for setting rates for utilities. However, negative rate base is common in smaller utilities in Arizona, so an alternative method (such as “operating margin”) must be used to determine the revenue requirement in lieu of the rate base method contemplated in the NARUC guidelines.

Q.25 How does a negative rate base affect a water utility?

A.25 A negative rate base is extremely detrimental to any utility, but water companies, especially smaller ones funded by line extensions resulting from development, experience this problem more often than other types of utility. Rose Valley is an extreme example of how AIAC related to developer line extensions (that subsequently

becomes CAIC) continues to cause problems to this day. With such a large amount of CIAC, it is unlikely Rose Valley will have a positive rate base anytime in the next ten years, if ever.

Q.26 Please expand on this.

A.26 Back in the early 90's, when Rose Valley was a very small, rural water company, they were under obligation to serve not only any individual customer within the CC&N, but any multi-housing or subdivision developer with a line extension agreement. The result is that Rose Valley went from being a 250 connection system to over 2,200 by the beginning of this century, or in approximately 10 years.

Q.27 Why is this significant?

A.27 As an Arizona public service corporation, Rose Valley is obligated to not only serve individual customers in its CC&N, but also to enter into line extension agreements with various developers to provide service to future homes located in its service area. Although it would seem this "free plant" would be good for the utility, years of rate cases for companies that were built by either developer advances or contributions have proven many of those companies are in financial trouble today due to the lack of positive rate base. The amount of developer funds that move from AIAC to CIAC after 10, 15 or 20 years is far in excess of the amount of depreciation that has been taken on those assets resulting from developer AIAC.

Q.28 So are you saying that when a developer has advanced (AIAC) or contributed (CIAC) actual physical plant or the funds to build it to a water company, this may have caused lasting effects?

A.28 Absolutely. The developer AIAC and CIAC from the rapid growth that occurred during the late 90's left Rose Valley in a position where it did not have effective financial control of its own water system destiny moving forward. Thus, today the Company is in the position of having to maintain and upgrade assets it was not responsible for installing and has never had the cash flow to maintain. This is due partly because the line extension agreement repayment burden each year was very high as most every connection on the system since the late 1990's had a repayment obligation related to it. This is to be contrasted with other utilities where (i) line extension agreements may have been discretionary for the utility as to contiguous development occurring outside their CC&N, and (ii) the fact that the majority of this company's CC&N was built-out by developers, as opposed to just one part of it.

Q.29 Is the bottom line that rate base is irrelevant as a practical matter for ratemaking purposes in many small water company cases, including this one?

A.29 Yes. Negative rate base complicates rate case proceedings before the Commission and stifles owner investment, in addition to a litany of other problems.

Q.30 What do you mean?

A.30 If the Commission sets rates based on a return on investment methodology and the investment measure is rate base, and that negative in nature due to reductions, then

that negative measure of investment will never earn a positive return for the owner.

Under those circumstances, the owner would have to invest substantially more capital than the amount of the negative rate base to reach a positive rate base in order to earn a positive rate of return.

Q.31 Are you saying that a utility's owners can reinvest operating income or capital in a system, but if the plant was built or funded by developer line extensions, and the repayments to those developers did not keep pace with the amount of depreciation expense on the assets advanced, not only will rate base be negative, but at times even substantial investment in the utility will not make rate base sufficiently positive to set rates upon it?

A.31 Correct. If a utility has a negative rate base of \$200,000 and the company/owner invests \$100,000 or even \$199,999 in plant, the rate base will still be negative.

Although those assets are part of the commitment to provide safe and reliable service to its customers, the investment gets lost in negative rate base and makes other options for investment that do generate a return more attractive. While setting rates based upon operating margin is not ideal or preferred, in the case of negative rate base, it represents an accepted ratemaking alternative, and a means for avoiding what otherwise could be a financial "death spiral."

Q.32 Did Rose Valley use the operating margin methodology to determine the requested revenue requirement in this case?

A.32 Yes. Schedule B-1 reflects the final derived rate base after adjustments in the amount of (\$918,728). Due to the negative rate base, the rate of return method was not appropriate for purposes of determining a revenue requirement for the Company consistent with financial stability.

Income Statement

Q.33 Please explain adjustments A1 through A4 on Schedule C-1.

A.33 Adjustments A1 through A4 reflected on Schedule C-1 are detailed on Schedule C-2a.

- Adjustment A1 removes other water revenues from total revenue and decreases revenue to match the accrual basis metered water revenue for 2015 from the billing program.
- Adjustment A2 increases other water revenue with reclassifications from total revenue based on 2015 year end totals from the billing program.
- Adjustment A3 increases bad debt expense based on 2015 year end totals from the billing program.
- Adjustment A4 increases security deposit interest based on 2015 year end totals from the billing program.

As a result of the above adjustments, total operating revenue for the test year decreased by \$24,194, from \$987,849 to \$963,655.

Q.34 Why was purchased water adjusted?

A.34 Adjustment B to purchased water expense is calculated on Schedule C-2b.

Rose Valley needed to supplement its water supply during the summer of 2015 and purchased water from the City of Peoria through the established interconnection. The total amount of expense incurred during the test year for this purpose was \$70,801; however, the Company is only looking to recover 25% of this amount or \$17,700. Rose Valley has to pay the City of Peoria substantially more for the water it purchases than it can charge its customers per the tariff, so the interconnection is only used when there is not another option to provide water to customers.

Q.35 Is Adjustment C related in part to plant adjustment A from Schedule B-2a?

A.35 Yes. Adjustment C to the Income Statement in the amount of \$91,252 is the reclassification of plant assets from Materials and Supplies to Plant in Service as reflected on Schedule B-2a.

Q.36 Please explain Adjustments D1 to D4.

A.36 The management company charges \$38,000 per month for a variety of services; however, the utility makes payments consistent with managing its cash flow. At the end of 2015, \$3,000 was outstanding from the December invoice, due to the limited cash flow. The cost of the management agreement across all expense categories should be \$456,000 annually.

Q.37 Please explain how the \$456,000 per year should be recognized by expense category.

A.37 As reflected on Schedule C-2d, the amount in Contractual Services – Billing for \$456,000 (after the \$3,000 increase) should be reclassified as follows:

- Adjustment D1 reclassifies \$63,900 annually to Materials and Supplies for contract services related to system maintenance and operations.
- Adjustment D2 reclassifies \$30,000 to Office Supplies related to the cost of postage, billing/termination forms, printing costs and postage for the monthly billings on an annual basis.
- Adjustment D3 represents the amount reclassified from Contractual Services – Billing to other expense categories (including the \$3,000 increase).
- Adjustment D4 reclassifies \$149,100 to Contractual Services – Professional for contract services related to customer service, report preparation, emergency operations, and other miscellaneous operations and complaint responses.

Q.38 Why did Rose Valley make adjustments to Contractual Services – Testing, and Regulatory expenses?

A.38 Adjustment E as reflected on Schedule C-2e increases water testing expense by \$1,881 to remove a refund received during the test year for ADEQ MAP testing costs.

Adjustment F on Schedule C-2f decreases Regulatory Expenses to remove the cost of the ACC and RUCO annual assessments. The Company intends to begin billing

customers for these mandatory surcharges in a manner similar to sales tax; therefore the expense has been removed from the income statement. The assessments have not previously been billed to customers so they were never included in revenue.

Q.39 What is the Company requesting for rate case expense?

A.39 Rose Valley has projected total rate case expense for the duration of this proceeding at \$125,000. Adjustment G on Schedule C-2g spreads this total cost over four years, resulting in \$31,250 per year in recovery in rates.

Q.40 Please explain current and proposed depreciation expense and adjustments H1 and H2 from Schedule C-2h.

A.40 Schedule C-2h details depreciation expense and CIAC amortization for the adjusted test year and at proposed rates. The adjusted test year end plant is segregated between non-depreciable or fully depreciated and has been calculated at the approved depreciation rate from the late rate case of 5.00% across all plant categories totaling \$171,709. CIAC is amortized at the same 5.00% rate as plant and results in \$104,789 for test year CIAC amortization. As a result, Adjustment H1 increases net depreciation expense by \$5,701 from the actual test year amount of \$61,219 to \$66,920 for the adjusted test year.

Q.41 Is the utility requesting a change in the depreciation rates?

A.41 Yes. The Company proposes to cease using the across-the-board depreciation rate of 5.00% in lieu of the customarily Staff approved rates that vary by category.

Q.42 What impact does this have on proposed depreciation expense and the related CIAC amortization?

A.42 Most importantly, the depreciation rates currently recommended by Staff better approximate the actual useful life of the assets, which can vary widely in Arizona. Clearly, regardless of the geographic location, all utility plant assets cannot have a 20-year useful life. Moving forward, the new depreciation rates reduce gross depreciation expense by \$47,662, from \$171,709 to \$124,047.

Q.43 Does this change in depreciation rate effect CIAC amortization?

A.43 Yes it does. The CIAC amortization rate through the end of the test year matched the general depreciation rate of 5.00% used for plant. By changing the depreciation rates to be plant category specific, the CIAC amortization rate also changes. Due to the fact that most of CIAC balance is comprised of developer line extension agreements that have expired and been transferred from AIAC, Rose Valley has calculated a composite rate based upon the proposed gross depreciation expense (\$124,047) divided by depreciable plant at the test year end (\$3,551,986). The resulting 3.49% is what the Company proposes for the CIAC amortization rate.

Q.44 Please summarize the components of proposed depreciation expense as reflected on Schedule C-2h.

A.44 At the proposed depreciation rates, gross depreciation expense will be \$124,047. At the revised CIAC amortization rate, proposed CIAC amortization will be \$73,191, resulting in \$50,855 of proposed net depreciation.

Q.45 Please explain Adjustment I.

A.45 Adjustment I on Schedule C-2i increases Taxes Other Than Income by \$1,485 to remove the impact of a refund of workers compensation insurance received during the test year.

Q.46 Has Rose Valley calculated a composite property tax rate?

A.46 Yes, Schedule C-2j, lines 23 through 25 contain the calculation for the composite property tax rate based upon the assessed value on the 2016 property tax notices and the resultant tax due. As a result, the composite rate is 12.0498%, and proposed property tax expense is \$47,948. Adjustments J1 and J2 adjust test year and proposed property taxes at the calculated composite rate.

Q.47 Does the utility have a tax structure that is other than a C-Corp?

A.47 Yes, Rose Valley is taxed as an S-Corp. Schedule C-2k contains the calculation based on the tax status of the owners. The utility is owned by three individuals that all have equal ownership interest, and one files as an individual and the other two owners are married filing joint.

Q.48 How did Rose Valley arrive at the weighted Arizona and Federal income tax rates reflected on Schedule C-2k?

A.48 The weighted Arizona tax rate of 2.90% was determined by calculating the Arizona taxable income and the associated tax for each owner. This resulted in an Arizona tax rate for each individual owner that was then weighted by their ownership interest percent.

The weighted Federal rate of 14.31% was determined by subtracting the Arizona tax amount from the income before tax for each owner to determine the Federal taxable income, and then the associated Federal income tax. This resulted in a Federal tax rate for each individual owner that was then weighted by their ownership interest percent.

Q.49 What does Rose Valley propose for income tax expense at the proposed rates?

A.49 Income tax expense at the proposed rates is estimated to be \$54,890.

Q.50 Please summarize the changes in operating expenses from the actual test year to the proposed year.

A.50 During the actual test year as reported on the 2015 ACC annual report, total operating expenses were \$1,167,020. As delineated on Schedule C-1, adjusted test year operating expenses decreased by \$123,102 to \$1,043,918. The Company is proposing operating expenses of \$1,107,027, which is an increase of \$63,109 due mainly to Adjustments J2 and K2 to property and income taxes at the proposed revenue requirement.

Q.51 Does Rose Valley have any Other Income or Expense items “below-the-line”?

A.51 Yes, \$9,622 of interest expense was incurred during the test year related to the line of credit the utility has had to use for cash flow purposes.

Revenue Requirement and Operating Income

Q.52 How much of a revenue increase is the Company requesting?

A.52 During the adjusted test year, Rose Valley had \$943,980 of metered water revenue. If the proposed rate increase is granted, metered water revenue will increase to \$1,368,980, by \$425,000 or 44.1%. In addition to the Other Water Revenue of \$19,675, total proposed operating revenue is \$1,388,655.

Q.53 What would be the resulting operating income and net income?

A.53 During the actual test year, Rose Valley had an operating loss of (\$179,171) and a net loss of (\$188,793). After the test year adjustments, the operating loss decreases to (\$80,263) and the net loss to (\$89,885). At the Company-proposed revenue requirement and operating expenses, Rose Valley should realize an operating income of \$281,628 and net income of \$272,006.

Q.54 Is the revenue requirement based upon a rate of return on rate base using the gross revenue conversion factor?

A.54 No, it is not. As previously discussed, Rose Valley’s rate base is substantially in the negative, so the rate of return on rate base method of determining the operating

income would not produce meaningful results. The revenue increase amount was determined so Rose Valley's resulting operating margin would be about 20%.

Q.55 How does that operating margin compare with other small water companies for which the Commission has used that methodology?

A.55 That operating margin percentage is in line with what the ACC has approved for other small water companies with negative rate base.

Q.56 What is the amount of annual cash flow?

A.56 The cash flow could approximate \$322,862 per year, which is the proposed net income amount of \$272,006 plus proposed depreciation expense of \$50,855. This cash flow amount does not include the amount of principal repayments on the line of credit, which varies based on available funds after operations.

Q.57 Does Rose Valley use Schedule C-3 to calculate the gross revenue conversion factor?

A.57 No. This schedule has not been completed since the rate of return method on rate base does not apply.

Q.58 Does this also apply to Schedule D-1?

A.58 Yes. Since the composite cost amounts cannot be applied to a negative rate base, they are not meaningful.

Rate Design and the H Schedules

Q.59 Please explain the H Schedules.

A.59 The H-5 Schedules contain the bill count information for the twelve different meter sizes and classes of Rose Valley's customers. These are the billing distributions used for the proof of revenue for the test year and the proposed rate design.

The H-4 Schedules contain the comparison of the present and Company proposed rates at varying monthly consumption amounts.

As reflected on Schedule H-1, Rose Valley has residential, commercial and landscape customers in different meter sizes. It also serves the Peoria School district through six 2-inch meters. Line 20 reflects the adjusted test year amount on Schedule C-1 separated by meter size and customer class, as well as the increase amount of \$425,000 and the total proposed revenue requirement of \$1,388,655.

Q.60 Please describe Rose Valley's current rate structure.

A.60 As mentioned above, the current rate structure has been in place since March of 1993. The monthly minimum for the 5/8 by 3/4-inch meter is \$5.25 and includes 1,000 gallons. As illustrated on Schedule H-3, the other monthly minimums the Company is authorized to charge for the 1-inch, 1 1/2-inch and 2-inch meters range from \$7.00 per month to \$28.00. There are no customers with meters larger than 2-inch. There are currently two tiers of commodity rates, the first for 1,001 through 9,000 gallons is \$1.65

per thousand, and the second tier is \$2.30 per thousand for all gallons in excess of 9,000.

Q.61 Has the Company calculated the current customer bills at average and median consumption for the largest class of users?

A.61 Yes. During the test year, the 5/8 by 3/4-inch residential meters generated approximately 74% of the total revenue and consumed about 76% of the total water sold. There was an average of 2,075 customers in this meter size and class during the test year that used an average of 10,632 gallons per month, and had median monthly usage of 8,507 gallons. Under the current rates, the average usage customer would pay \$22.20 per month and the median usage customer would pay \$17.64.

Q.62 Is there a problem with the current rate design?

A.62 Yes. During the test year, the present rates generated \$943,979 of metered water revenue, but less than 18% of the total annual test year metered water revenue came from the monthly minimum. Meanwhile, the commodity rates generated over 82% of the revenue. As previously discussed, this is conducive to the company not recovering its authorized revenue requirement, and thus revenue instability, when construction occurs on its system.

Q.63 What changes to the rate structure is Rose Valley proposing?

A.63 The Company is proposing to increase the monthly minimum amounts so the monthly minimum charges will generate 45.52% of the total annual metered water

revenue and the other 54.48% will come from the commodity rates. This rate design will provide the utility with a better opportunity for a more stable revenue source as well as to earn the allowed revenue requirement in anticipation of customer conservation.

Q.64 Does Rose Valley propose uniform commodity rates across all classes and meter sizes?

A.64 No. As has been ACC standard practice for quite some time, the residential class on the smallest meter sizes has a very low rate for the first 3,000 gallons of usage. In addition, in an effort to keep the proposed revenue by meter size and class approximately the same proportion as the water demand during the test year, the landscape and Peoria school meters have a single commodity rate. When a customer uses a large amount of water, less expensive tiers for the first 10,000 gallons or so has little impact on the total bill or the revenue. The Company attempted to compensate for that by applying the meter multipliers not only to the monthly minimum amounts, but the tier breaks as well.

Q.65 Please explain what that means.

A.65 The meter multipliers are factors that are applied to the 5/8 by 3/4-inch meter as the size increases. For example, the monthly minimum for the 1-inch meters of \$42.25 was determined by applying the meter multiplier of 2.5 for the 1-inch meter to the proposed monthly minimum for the 5/8 by 3/4-inch meter amount of \$16.90. Further, that same meter multiplier was applied to the 8,000 gallon tier amount for the 5/8 by 3/4-inch meter to arrive at the 20,000 gallons tier break for the 1-inch meter. With the exception

of the commodity rate for the landscape and school meters, all the commodity rates were developed this way.

Q.66 What is the rationale upon which “meter multipliers” are based?

A.66 The rationale for meter multipliers is that the larger meter sizes monthly minimums are based upon applying a factor to the monthly minimum for the 5/8 x 3/4-inch meter. The factor represents the amount of potential water demand for a larger meter versus the small meter. In other words, if the larger meter size can deliver five times as much water as the 5/8 x 3/4-inch meter, then the monthly minimum should be five times as much.

Q.67 What are the average and median usage bills for the residential class with the small meters at the Company proposed rates?

A.67 The residential users on a 5/8 by 3/4-inch meter using an average of 10,632 gallons per month would see an increase of \$10.14, or 45.7%, from \$22.20 to \$32.34. The customer using a median of 8,507 gallons per month would see their bill increase 56.2%, from \$17.64 to \$27.55, or \$9.91.

Q.68 Does Rose Valley view this increase request as necessary?

A.68 Absolutely, although an overall increase request of just over 44% seems high, the current rates in this instance will have been in effect for almost 25 years before new rates would become effective. This increase is necessary in order for the Company to

meet constantly increasing prices for safe, adequate and reliable system operations, together with upgrades and maintenance to the aging developer installed plant.

Q.69 Please provide price comparisons for the 5/8 by 3/4-inch residential meter customer with average and median usage amounts to other water utilities in the areas near Rose Valley as well as water utilities that serve the same size population.

A.69 Table 4 depicted below compares the Company current and proposed rates for average and median customer usage to that of other water utility rates located in the vicinity of Rose Valley's CC&N, in addition to other utilities that serve the same size population.

Utility	10,632 average usage	8,507 median usage
Rose Valley current rates	\$ 22.20	\$ 17.64
Rose Valley proposed rates	32.34	27.55
Water Utilities in Close Proximity to Rose Valley		
City of Peoria (municipality) ¹	\$ 40.96	\$ 34.12
Percent Over/(Under) Rose Valley Proposed Rates	26.64%	23.87%
EPCOR Water Company-Sun City (Private-Canada) ²	\$ 26.18	\$ 22.22
Percent Over/(Under) Rose Valley Proposed Rates	-19.05%	-19.34%
EPCOR Water Company-Sun City West (Private-Canada) ²	\$ 44.00	\$ 37.74
Percent Over/(Under) Rose Valley Proposed Rates	36.05%	37.01%
City of Glendale (municipality-inside city limits)	\$ 34.95	\$ 29.26
Percent Over/(Under) Rose Valley Proposed Rates	8.07%	6.22%
City of Glendale (municipality-outside city limits)	\$ 45.52	\$ 38.10

Percent Over/(Under) Rose Valley Proposed Rates	40.72%	38.32%
Water Utilities Similar in Population Size Served		
Farmers Water Company, Inc. (Private-Pima County)	\$ 27.49	\$ 23.01
Percent Over/(Under) Rose Valley Proposed Rates	-15.00%	-16.45%
Arizona Water Company-White Tank (Private-California)	\$ 48.88	\$ 42.52
Percent Over/(Under) Rose Valley Proposed Rates	51.13%	54.37%
Valley Pioneers Water Company, Inc. (Private-Non-Profit)	\$ 51.09	\$ 42.38
Percent Over/(Under) Rose Valley Proposed Rates	57.96%	53.85%

Table 4

¹ Based on 11,000 average and 9,000 median gallons.

² Utility currently before the ACC requesting an increase in rates.

Q.70 So, although the 44% increase to revenue requested seems high, the resulting rates are lower or at minimum comparable to other utilities in the area, is that correct?

A.70 Correct. This long overdue increase, which needs to be larger than Rose Valley prefers, is not as ominous as it initially might seem due to the low starting point of the current rates. In addition, other utilities in the area, including municipalities which customarily have lower rates, have higher rates for the average and median consumer than what Rose Valley is proposing. One of the utilities above that has lower rates than what Rose Valley is proposing is EPCOR-Sun City Water. That utility has a much larger population than Rose Valley and a very active community of organized ratepayers that are involved in every rate case. However, as noted above, many of the EPCOR owned utilities, including the Sun City Water and Sun City West Water systems, are in the process of obtaining a rate increase from the ACC, in addition to possible state-wide rate consolidation across all systems.

Q.71 Could you please identify the schedules you did not refer to above?

A.71 The schedules not referred to in the above testimony are either summary, redundant, or unrelated information required by the application that do not impact proposed rates.

Q.72 Does this complete your prepared Direct Testimony in support of Rose Valley's proposed increase in rates?

A.72 Yes, it does.

SUPPORTING SCHEDULES TO
DIRECT TESTIMONY
OF
SONN AHLBRECHT
FOR
ROSE VALLEY WATER COMPANY
DOCKET NO. W-01539A-17-_____

Rose Valley Water Company
Listing of Rate Application Schedules Filed

Schedule	Description
A-1	Computation of Increase in Gross Revenue Requirements
A-2	Summary Results of Operations
A-4	Construction Expenditures and Gross Utility Plant in Service
B-1	Summary of Original Cost and RCND Base Elements
B-2a	Original Cost Rate Base Proforma Adjustments
B-2b	Detail of AIAC, CIAC and CIAC Amortization
B-5	Computation of Working Capital
C-1	Adjusted Test Year Income Statement
C-2a	Detail of Test Year Revenue Adjustments A1 to A4
C-2b	Detail of Purchased Water Expense Adjustment B
C-2c	Detail of Materials and Supplies Adjustment C
C-2d	Detail of Contractual Services-Professional Adjustment D
C-2e	Detail of Contractual Services-Testing Expenses Adjustment E
C-2f	Detail of Regulatory Expense Adjustment F
C-2g	Detail of Rate Case Expense Adjustment G
C-2h	Detail of Depreciation Expense Adjustment H
C-2i	Detail of Taxes Other Than Income Adjustment I
C-2j	Detail of Property Tax Adjustments J1 and J2
C-2k	Calculation of Income Tax Adjustments K1 and K2
C-2l	Detail of Proposed Metered Water Adjustment L
C-3	Computation of Gross Revenue Conversion Factor
D-1	Summary Cost of Capital
E-1	Comparative Balance Sheet
E-2	Comparative Income Statement
E-5	Detail of Utility Plant
E-7	Operating Statistics
E-8	Taxes Charges to Operations
E-9	Notes to Financial Statements
F-1	Projected Income Statements - Present and Proposed Rates
F-3	Projected Construction Requirements
F-4	Assumptions Used in Developing Projections
H-1	Summary of Revenues by Customer Class - Present and Proposed Rates
H-3	Changes In Representative Rate Schedules - (2 pages)
H-4 P1	Typical Bill Analysis - 5/8 x 3/4-inch and 3/4-inch Meters - Residential and Commercial
H-4 P2	Typical Bill Analysis - 5/8 x 3/4-inch and 3/4-inch Meters - Landscape
H-4 P3	Typical Bill Analysis - 1-inch Meter - Residential and Commercial
H-4 P4	Typical Bill Analysis - 1-inch Meter - Landscape
H-4 P5	Typical Bill Analysis - 1 1/2-inch Meter - Residential and Commercial
H-4 P6	Typical Bill Analysis - 1 1/2-inch Meter - Landscape
H-4 P7	Typical Bill Analysis - 2-inch Meter - Residential and Commercial
H-4 P8	Typical Bill Analysis - 2-inch Meter - Landscape and Peoria Schools
H-5 P1	Bill Count - 5/8 x 3/4-inch Residential
H-5 P2	Bill Count - 5/8 x 3/4-inch Commercial
H-5 P3	Bill Count - 5/8 x 3/4-inch Landscape
H-5 P4	Bill Count - 1-inch Residential
H-5 P5	Bill Count - 1-inch Commercial
H-5 P6	Bill Count - 1-inch Landscape
H-5 P7	Bill Count - 1 1/2-inch Commercial
H-5 P8	Bill Count - 1 1/2-inch Landscape
H-5 P9	Bill Count - 2-inch Residential
H-5 P10	Bill Count - 2-inch Commercial
H-5 P11	Bill Count - 2-inch Landscape
H-5 P12	Bill Count - 2-inch Peoria School District

Explanation: Schedule showing computation of increase in gross revenue requirements and spread of revenue increase by customer classification.	Required for: All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Special Reqmt	

<u>Line</u>	<u>Original Cost</u>	<u>RCND</u>
1 Adjusted Rate Base	\$ (918,728) (a)	(a)
2 Adjusted Operating Income	\$ (80,263) (b)	(b)
3 Current Rate of Return	Not Meaningful	
4 Required Operating Income	\$ 281,628	
5 Operating Income Deficiency (4 - 2)	\$ 361,891	
6 Required Operating Margin	20.28%	
7 Proposed Revenue Requirement	\$ 1,388,655	
8 Adjusted Test Year Revenue	963,655	
9 Increase in Gross Revenue Requirements (6 x 7)	<u>\$ 425,000</u>	

10 *Note: The proposed revenue and the amount of the increase were determined by an operating margin of 20.28% as Rose Valley has negative rate base.*

<u>Customer Classification</u>	<u>Adjusted Revenue at Present Rates</u>	<u>Revenue at Proposed Rates</u>	<u>Projected Revenue Increase Due to Rates</u>	<u>% Dollar Increase</u>	
11	<hr/>				
12 Residential	\$ 701,850	\$ 1,042,567	\$ 340,717	48.55%	(d)
13 Commercial	28,175	45,787	17,612	62.51%	
14 Landscaping	185,388	241,518	56,130	30.28%	
15 Peoria Schools	28,567	39,108	10,541	36.90%	
16 Other	19,675	19,675	-	0.00%	
17 Total	<u>\$ 963,655</u>	<u>\$ 1,388,655</u>	<u>\$ 425,000</u>	<u>44.10%</u>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:
(a) B-1
(b) C-1 (d) H-1

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule A-2
Title: Summary Results of Operations

Required for:	All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Specl Reqmt	

Explanation:
Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Line	Description	Prior Years		Test Year		Projected Year	
		Year End	Year End	Actual	Adjusted	Present	Proposed
		31-Dec-13	31-Dec-14	Rates	Rates	Rates	Rates
		(a)	(a)	(a)	(b)	(c)	(c)
1	Gross Revenues	\$ 1,062,177	\$ 962,491	\$ 987,849	\$ 963,655	\$ 963,655	\$ 1,388,655
2	Revenue Deductions & Operating Expenses	(1,087,761)	(1,094,592)	(1,167,020)	(1,043,918)	(1,107,027)	(1,107,027)
3	Operating Income	\$ (25,584)	\$ (132,101)	\$ (179,171)	\$ (80,263)	\$ (143,372)	\$ 281,628
4	Other Income and Deductions	-	-	-	-	-	-
5	Interest Expense	(3,699)	(6,379)	(9,622)	(9,622)	(9,622)	(9,622)
6	Net Income	\$ (29,283)	\$ (138,480)	\$ (188,793)	\$ (89,885)	\$ (152,994)	\$ 272,006
7	Earned Per Average Common Share*	\$ (1.46)	\$ (865.50)	\$ (1,179.96)	\$ (561.78)		
8	Dividends Per Common Share*	-	-	-	-		
9	Payout Ratio*	0.00%	0.00%	0.00%	0.00%		
10	Return on Average Invested Capital	-3.31%	-15.64%	-20.77%	-9.89%	-16.83%	29.92%
11	Return on Year End Capital	-3.31%	-15.64%	-20.24%	-9.64%	-16.40%	29.16%
12	Return on Average Common Equity	Not Meaningful					
13	Return on Year End Common Equity	Not Meaningful					
14	Times Bond Interest Earned - Before Inc Tax	-691.65%	-2070.87%	-1862.10%	-1022.67%	-1490.04%	3497.38%
15	Times Total Interest and Preferred Dividends						
16	Earned - After Income Taxes	-691.65%	-2070.87%	-1862.10%	-834.16%	-1490.04%	2926.92%

Supporting Schedules:

- (a) E-2
- (b) C-1
- (c) F-1

*Optional for projected year

Rose Valley Water Company, Inc.
 Docket No. W-01539A-17-
 Test Year Ended December 31, 2015

Schedule A-4
Title: Construction Expenditures and
Gross Utility Plant in Service

Explanation:
 Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for:	All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

Line	Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1	Prior Year 1 - 2013	\$ 13,879	\$ 13,879	\$ 3,650,193
2	Prior Year 2 - 2014	18,350	18,350	3,668,543
3	Test Year - 2015	185,766	185,766	3,854,309
4	Projected Year 1	17,900	17,900	3,872,209
5	Projected *			
6	Projected *			

* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

Rose Valley Water Company, Inc.
 Docket No. W-01539A-17-
 Test Year Ended December 31, 2015

Schedule B-1
Title: Summary of Original Cost
and RCND

Explanation:
 Schedule showing elements of adjusted original cost
 and RCND rate bases.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specl Reqmt	

Line Description	Original Cost Rate Base*	RCND Rate Base*
1 Gross Utility Plant in Service	\$ 3,671,805	
2 Less: Accumulated Depreciation	<u>(3,049,136)</u>	
3 Net Utility Plant in Service	\$ 622,669 (a)	(b)
4 Less:		
5 Customer Security Deposits	\$ (69,613)	
6 Advances in Aid of Construction	- (c)	(c)
7 Contributions in Aid of Construction	(2,294,308) (c)	(c)
8 Add:		
9 Amortization of Contributions	\$ 822,524	
10 Allowance for Working Capital	<u>- (d)</u>	(d)
11 Total Rate Base	<u>\$ (918,728) (e)</u>	(e)

* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) B-2 (d) B-5
- (b) N/A
- (c) E-1

Recap Schedules:

- (e) A-1

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule B-2a
Title: Original Cost Rate Base
Proforma Adjustments

Explanation:
Schedule showing pro forma adjustments to gross plant
in service and accumulated depreciation for the original
cost rate base.

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

Line Description	Actual at End Of Test Year (a)	Pro forma Adjustment	Adjusted at End Of Test Year (b)
1 Gross Utility Plant in Service	\$ 3,708,909	\$ (37,104) A	\$ 3,671,805
2 Less: Accumulated Depreciation	(3,045,501)	(3,635) B	(3,049,136)
3 Net Utility Plant in Service	\$ 663,408	\$ (40,739)	\$ 622,669
4 Less:			
5 Customer Security Deposits	\$ -	\$ (69,613) C	\$ (69,613)
6 Advances in Aid of Construction	-	-	-
7 Contributions in Aid of Construction	-	(2,294,308) D	(2,294,308)
8 Plus:			
9 Amortization of Contributions	\$ -	\$ 822,524 E	\$ 822,524
10 Allowance for Working Capital	-	-	-
11 Total Rate Base	\$ 663,408	\$ (1,582,136)	\$ (918,728)
12 A - Reclassify from Materials and Supplies (Schedule C-2c)			
13 Account 307	\$ (15,248)		
14 Account 311	(31,400)		
15 Account 331	(25,972)		
16 Account 333	(18,632)	\$ (91,252)	
17 Account 331 accrual conversion for invoice 14287		4,266	
18 Account 307 amounts for well 2 paid during 2016		49,882	
19 Total Increase to Gross Utility Plant in Service	Adjustment A	\$ (37,104)	
20 Depreciation expense (half year convention) related to test year reclassifications to plant in service	Adjustment B	\$ (3,635)	
21 Adjustment to include test year end customer security deposits from RVS billing program	Adjustment C	\$ (69,613)	
22 See Schedule B-2b	Adjustment D	\$ (2,294,308)	
23 See Schedule B-2b	Adjustment E	\$ 822,524	
Total Adjustments to Rate Base		\$ (1,582,136)	

All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) E-1

Recap Schedules:
(b) B-1

Line	Year	Line Extension Advance Agreements (AIAC)			Year	Contributions in Aid of Construction (CIAC)			Cumulative Amortization		
		Additions	Repayments	To CIAC		Balance	Additions	Balance		Amortization	
1				Per Decision 58167	\$ 183,321			Per Decision 58167	\$ 27,575	5.00%	\$ 8,274
2	1992				183,321			1992	27,575	\$ 1,379	9,653
3	1993				183,321			1993	27,575	1,379	11,032
4	1994		\$ (4,560)		178,761			1994	27,575	1,379	12,410
5	1995		(5,558)		173,203			1995	27,575	1,379	13,789
6	1996		(2,249)	\$ (170,954)	-			1996	170,954	5,653	19,442
7	1997	\$ 909,852			909,852			1997	198,529	9,926	29,368
8	1998	174,500	(7,049)		1,077,303			1998	198,529	9,926	39,295
9	1999	1,172,555	(12,245)		2,237,613			1999	198,529	9,926	49,221
10	2000	585,203	(54,272)		2,768,544			2000	21,904	10,474	59,695
11	2001	293,357	(48,112)		3,013,789			2001	220,433	11,022	70,717
12	2002		(62,266)		2,951,523			2002	220,433	11,022	81,738
13	2003		(131,993)		2,819,530			2003	220,433	11,022	92,760
14	2004		(94,423)		2,725,107			2004	220,433	11,022	103,782
15	2005		(144,614)		2,580,493			2005	220,433	11,020	114,801
16	2006		(152,890)		2,427,603			2006	220,433	9,643	124,444
17	2007		(100,253)		2,327,350			2007	220,433	9,643	134,087
18	2008		(76,695)		2,250,655			2008	220,433	9,643	143,730
19	2009		(114,378)	(1,760,296)	375,981			2009	1,760,296	53,650	197,380
20	2010		(13,118)		362,863			2010	1,980,729	97,658	295,038
21	2011		(15,683)		347,180			2011	1,980,729	97,658	392,696
22	2012		(16,664)		330,516			2012	1,980,729	97,658	490,353
23	2013		(16,937)	(313,579)	-			2013	313,579	105,497	595,851
24	2014				-			2014	2,294,308	113,337	709,187
25	2015				-			2015	2,294,308	113,337	822,524
26	Totals	\$3,135,467	\$(1,073,959)	\$(2,244,829)					\$ 2,266,733		

Rose Valley Water Company, Inc.
 Docket No. W-01539A-17-
 Test Year Ended December 31, 2015

Schedule B-5
Title: Computation of Working Capital

Explanation:
 Schedule showing computation of working capital allowance.

Required for:	All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

Line	Description	Amount
1	Cash working capital	\$ -
2	Materials and Supplies Inventories	- (a)
3	Prepayments	- (a)
4	Total Working Capital Allowance	\$ - (b)

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:
 (a) E-1

Recap Schedules:
 (b) B-1

Required for:	All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

Explanation:
Schedule showing statement of income for the test year,
including pro forma adjustments.

Line	Acct	Description	Actual for Test Year Ended (a) 31-Dec-15	Ref	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Ref	Proposed Rate Increase	Adjusted Test Year With Rate Increase
Operating Revenues:									
1	461	Metered Water Revenue	\$ 987,849	A1	\$ (43,869)	\$ 943,980	L	\$ 425,000	\$ 1,368,980
2	474	Other Water Revenue		A2	19,675	19,675			19,675
3		Total Operating Revenue	\$ 987,849		\$ (24,194)	\$ 963,655		\$ 425,000	\$ 1,388,655
Operating Expenses:									
5	601	Salaries and Wages	\$ 83,525			\$ 83,525			\$ 83,525
6	610	Purchased Water	70,801	B	(53,101)	17,700			17,700
7	615	Purchased Power	197,966			197,966			197,966
8	618	Chemicals	13,682			13,682			13,682
9	620	Materials & Supplies	121,003	C, D1	(27,352)	93,651			93,651
10	621	Office Supplies and Expense	37,001	D2	30,000	67,001			67,001
11	630	Contractual Services - Billing	453,000	D3	(240,000)	213,000			213,000
12	631	Contractual Services - Professional		D4	149,100	149,100			149,100
13	632	Contractual Services - Accounting	4,845			4,845			4,845
14	633	Contractual Services - Legal	5,659			5,659			5,659
15	635	Contractual Services - Water Testing	6,089	E	1,881	7,970			7,970
16	636	Contractual Services - Other	11,795			11,795			11,795
17	640	Rents	18,871			18,871			18,871
18	650	Transportation Expense	17,562			17,562			17,562
19	657	Insurance	4,488			4,488			4,488
20	665	Regulatory Expense	9,616	F	(2,473)	7,143			7,143
21	666	Rate Case Expense	-	G	31,250	31,250			31,250
22	670	Bad Debt Expense	-	A3	419	419			419
23	675	Miscellaneous Expense	673			673			673
24	403	Depreciation Expense	61,219	H1	5,701	66,920	H2	(16,065)	50,855
25	408	Taxes Other Than Income	5,528	I	1,485	7,013			7,013
26	408.11	Property Tax	43,697	J1	(1,894)	41,803	J2	6,145	47,948
27	409	Income Taxes	-	K1	(18,138)	(18,138)	K2	73,028	54,890
28	427.4	Interest Expense - Customer Deposits		A4	20	20			20
29		Total Operating Expenses	\$ 1,167,020		\$ (123,102)	\$ 1,043,918		\$ 63,109	\$ 1,107,027
28		OPERATING INCOME/(LOSS)	\$ (179,171)		\$ 98,908	\$ (80,263)	(c)	\$ 361,891	\$ 281,628
Other Income/(Expense):									
30	419	Interest Income	\$ -			\$ -			\$ -
31	421	Non-Utility Income				-			-
32	426	Miscellaneous Non-Utility Expenses				-			-
33	427	Interest Expense	(9,622)			(9,622)			(9,622)
34		Total Other Income/(Expense)	\$ (9,622)		\$ -	\$ (9,622)		\$ -	\$ (9,622)
35		NET INCOME/(LOSS)	\$ (188,793)		\$ 98,908	\$ (89,885)		\$ 361,891	\$ 272,006

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) E-2
(b) C-2a to C-2l

Recap Schedules:
(c) A-1

DETAIL OF TEST YEAR REVENUE ADJUSTMENTS A1 to A4

Line	Description	Amount
1	Accrual basis test year metered water revenue per billing program	\$ 943,980
2	Test Year metered water revenue	987,849
3	Total Adjustment A1 to Metered Water Revenue	<u>(43,869)</u>
4	Test Year Establishment Fees	\$ 2,205
5	Test Year NSF Fees	528
6	Test Year Transfer Fees	2,951
7	Test Year Meter Rental	3,466
8	Test Year Re-Establishment Fees	5,725
9	Test Year Other Charges	4,801
10	Adjusted Test Year Other Water Revenue	\$ 19,675
11	Test Year Other Water Revenue	-
12	Total Adjustment A2 to Other Water Revenue	<u>\$ 19,675</u>
13	Test Year Bad Debt Expense from billing program	\$ 419
14	Test Year Bad Debt Expense per books	-
15	Total Adjustment A3 to Bad Debt Expense	<u>\$ 419</u>
16	Test Year Security Deposit Interest from billing program	\$ 20
17	Test Year Security Deposit Interest per books	-
18	Total Adjustment A4 to Security Deposit Interest	<u>\$ 20</u>

19 The objective of the above entries is to adjust the books to match the accrual basis numbers from the billing program.

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule C-2b
Title: Income Statement Proforma
Adjustments

DETAIL OF PURCHASED WATER EXPENSE ADJUSTMENT B

<u>Line</u>	<u>Description</u>	<u>Amount</u>
1	Test Year Purchased Water Expense	\$ 70,801
2	Years to recover expense	4
3	Annual Recovery	<u>\$ 17,700</u>
4	Test Year Purchased Water Expense	\$ 70,801
5	Annual Recovery	<u>17,700</u>
6	Total Adjustment B	<u>\$ (53,101)</u>

DETAIL OF MATERIALS AND SUPPLIES ADJUSTMENT C

Line	Description				Amount
1	Proposed Materials and Supplies				\$ 93,651
2	Test Year Materials and Supplies				<u>121,003</u>
3	Total Adjustment C				\$ (27,352)
4	Invoices reclassified to Plant in Service:				
5	Date	Vendor	Total Amount	By Plant Account	Amount
6	03-Jul-15	14343 Willing Service Corp	\$ 15,248	307	\$ (15,248)
7	03-Jul-15	14343 Willing Service Corp	31,400	311	(31,400)
8	03-Aug-15	18629 B & F Contracting	6,985	331	
9	30-Apr-15	13815 Auza Contracting	959	331	
10	30-Apr-15	13814 Auza Contracting	2,334	331	
11	25-Sep-15	14286 Auza Contracting	1,695	331	
12	25-Sep-15	14287 Auza Contracting	14,000	331	(25,972)
13	30-Apr-15	13812 Auza Contracting	2,071	333	
14	25-Sep-15	14288 Auza Contracting	<u>16,561</u>	333	<u>(18,632)</u>
15	Total Amount Reclassified to Plant		<u>\$ 91,252</u>		\$ (91,252)
16	Total Amount Reclassified From Contractual Services Adjustment D1				<u>63,900</u>
17	Total Adjustment C				\$ (27,352)

DETAIL OF CONTRACTUAL SERVICES-PROFESSIONAL ADJUSTMENT D

Line	Description	Indirect Costs	Amount	Account
1	Monthly Contract Amount for Management		\$ 38,000	
2	Monthly Postage (Direct)		\$ 1,500	621
3	Monthly Office supplies (Direct)		1,000	621
4	Monthly Billing Operation Totals	35.00%	12,425	630
5	Monthly Shut-off Operation Totals	5.00%	1,775	630
6	Monthly Lockbox & ACH Operation Totals	10.00%	3,550	630
7	Monthly Customer Service Operation Totals	15.00%	5,325	631
8	System Maintenance Operation Totals	15.00%	5,325	620
9	Annual Report Preparation Operation Totals	5.00%	1,775	631
10	Emergency Operation Totals	5.00%	1,775	631
11	Miscellaneous Operation & Complaints Totals	10.00%	3,550	631
12			<u>\$ 38,000</u>	
		Summary by		
13		Account	Monthly	Annualized
14		620	\$ 5,325	\$ 63,900
15		621	2,500	30,000
16		630	17,750	213,000
17		631	12,425	149,100
18			<u>\$ 38,000</u>	<u>\$ 456,000</u>
19	Total Annual Management Contract Amount		\$ 456,000	
20	Test Year Contractual Services - Billing		<u>453,000</u>	
21	Increase annual amount to match contract	Total Adjustment D	\$ 3,000	
22	Reclassification to Material and Supplies	Adjustment D1	\$ 63,900	
23	Reclassification to Office Supplies	Adjustment D2	30,000	
24	Reclassification from Contractual Services - Billing	Adjustment D3	(240,000)	
25	Reclassification to Contractual Services - Professional	Adjustment D4	<u>149,100</u>	
26		Total Adjustment D (with reclassifications)	\$ 3,000	

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule C-2e
Title: **Income Statement Proforma
Adjustments**

DETAIL OF CONTRACTUAL SERVICES-TESTING EXPENSE ADJUSTMENT E

Line	Description	Amount
1	Adjusted Test Year Contractual Services - Testing	\$ 7,970
2	Test Year Contractual Services - Testing	<u>6,089</u>
3	Total Adjustment E	<u><u>\$ 1,881</u></u>

4 Increase expense for ADEQ MAP invoice refund received during the test year.

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule C-2f
Title: Income Statement Proforma
Adjustments

DETAIL OF REGULATORY EXPENSE ADJUSTMENT F

Line	Description	Amount
1	Proposed Regulatory Expense	\$ 7,143
2	Test Year Regulatory Expense	9,616
3	Total Adjustment F	\$ (2,473)
4	Adjust proposed regulatory expense for regulatory assessments:	
5	ACC annual assessment	\$ 2,201
6	RUCO annual assessment	272
7	Total adjustment	<u>\$ 2,473</u>

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule C-2g
Title: Income Statement Proforma
Adjustments

DETAIL OF RATE CASE EXPENSE ADJUSTMENT G

<u>Line</u>	<u>Description</u>	<u>Amount</u>
1	Estimated Rate Case Expenses	\$ 125,000
2	Recovery Period in years	<u>4</u>
3	Total Adjustment G	\$ <u>31,250</u>

DETAIL OF DEPRECIATION EXPENSE CALCULATIONS - ADJUSTMENTS H1 and H2

Line	Account Number	Description	Plant @ End of Test Year 31-Dec-15	Fully Depr or Non-Depr Plant	Depreciable Plant as of 31-Dec-15	Current Depreciation Rate	Test Year Depreciation Expense	Proposed Depreciation Rate	Proposed Depreciation Expense
1	301	Intangibles	\$ -		\$ -	0.00%	-	0.00%	\$ -
2	303	Land & Land Rights	-		-	0.00%	-	0.00%	-
3	304	Structures & Improvements	22,997	4,597	18,400	5.00%	920	3.33%	613
4	307	Wells & Springs	96,197		96,197	5.00%	1,935	3.33%	3,203
5	311	Pumping Equipment	348,169	63,669	284,500	5.00%	13,440	12.50%	35,562
6	320	Water Treatment Equipment	-		-	5.00%	-	0.00%	-
7	320.1	Water Treatment Plants	85,000		85,000	5.00%	4,250	3.33%	2,831
8	320.2	Solution Chemical Feeders	-		-	5.00%	-	20.00%	-
9	330	Distribution Reservoirs & Standpipes	39,772	39,772	0	5.00%	0	0.00%	-
10	330.1	Storage Tanks	335,500		335,500	5.00%	16,775	2.22%	7,448
11	330.2	Pressure Tanks	-		-	5.00%	-	5.00%	-
12	331	Transmission & Distribution Mains	1,916,613	184,315	1,732,298	5.00%	85,859	2.00%	34,646
13	333	Services	632,131		632,131	5.00%	31,141	3.33%	21,050
14	334	Meters & Meter Installations	101,069	7,812	93,257	5.00%	3,654	8.33%	7,768
15	335	Hydrants	239,820		239,820	5.00%	11,991	2.00%	4,796
16	336	Backflow Prevention	1,000		1,000	5.00%	50	6.67%	67
17	339	Other Plant and Misc Equipment	-		-	5.00%	-	6.67%	-
18	340	Office Furniture & Equipment	7,517	2,159	5,358	5.00%	268	6.67%	357
19	340.1	Computers and Software	7,208		7,208	5.00%	360	20.00%	1,442
20	341	Transportation Equipment	21,316		21,316	5.00%	1,066	20.00%	4,263
21	343	Tools, Shop, and Garage Equipment	-		-	5.00%	-	5.00%	-
22	346	Communication Equipment	-		-	5.00%	-	5.00%	-
23	348	Other Tangible Plant	-		-	5.00%	-	5.00%	-
24		Totals	\$ 3,854,309	\$ 302,323	\$ 3,551,986		\$ 171,709		\$ 124,047
25					CIAC Amortization		(104,789)		(73,191)
26					Adjusted Depreciation Expense		\$ 66,920		\$ 50,855
27					Test Year Depreciation Expense		61,219		66,920
28					Adjustment H1		\$ 5,701	Adjustment H2	\$ (16,065)

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule C-2i
Title: Income Statement Proforma
Adjustments

DETAIL OF TAXES OTHER THAN INCOME ADJUSTMENT I

Line	Description	Amount
1	Adjusted Test Year Contractual Services - Testing	\$ 7,013
2	Test Year Taxes Other Than Income	5,528
3	Total Adjustment I	<u>\$ 1,485</u>

4 Adjustment for Workers Compensation Insurance refund received during the Test Year

DETAIL OF PROPERTY TAX EXPENSE ADJUSTMENTS J1 AND J2

<u>Line</u>	<u>Test Year as Adjusted</u>	<u>Company at Proposed Rates</u>
1 Adjusted 2015 Test Year Revenue	\$ 963,655	\$ 963,655
2 Weight Factor	2	2
3 Subtotal	\$ 1,927,310	\$ 1,927,310
4 Company Recommended Revenue	963,655	1,388,655
5 Subtotal	\$ 2,890,965	\$ 3,315,965
6 Number of Years	3	3
7 Three Year Revenue Average	\$ 963,655	\$ 1,105,322
8 AZ Department of Revenue Multiplier	2	2
9 Revenue Base Value	\$ 1,927,310	\$ 2,210,644
10 Plus 10% of CWIP	-	-
11 Less: Net Book Value of Licensed Vehicles	-	-
12 Full Cash Value	\$ 1,927,310	\$ 2,210,644
13 Assessment Ratio	18.00%	18.00%
14 Assessment Value	\$ 346,916	\$ 397,916
15 Composite Property Tax Rate *	12.0498%	12.0498%
16 Adjusted Test Year Property Tax Expense	\$ 41,803	
17 Actual Test Year Property Tax Expense	43,697	
18 Total Adjustment J1	\$ (1,894)	
19 Projected Property Tax Expense		\$ 47,948
20 Adjusted Test Year Property Tax Expense		41,803
21 Total Adjustment J2		\$ 6,145
22 * <i>Property tax composite rate calculation:</i>		
23 Assessed Value per 2016 Property Tax Notices	\$ 373,065	
24 Property Tax due per 2016 Notices	44,954	
25 Composite Property Tax Rate	12.0498%	
26 <i>For Gross Revenue Conversion Factor:</i>		
27 Change in Property Tax Expense	\$ 6,145	
28 Change in Revenue Requirement	425,000	
29 Change in Property Tax per Dollar Increase in Revenue	1.4460%	

DETAIL OF INCOME TAX EXPENSE ADJUSTMENTS K1 AND K2

- 1 **Names of all the owners.**
- 2 Rose Valley Water Company, Inc. has three owners: Gary Brasher, Jacque Brasher and Hoyt Pinaire.
- 3 **The percentage of profit/(loss) assigned to each owner.**
- 4 See table below.
- 5 **The owners' personal federal and state income tax filing status (i.e. single, married filing**
- 6 **jointly, etc.).**

7	Owner	Percent Owned	Filing Status	Arizona Tax Rate	Weighted AZ Tax Rate	Federal Tax Rate	Weighted Federal Tax Rate
8	1	33.33%	MFS	3.41%	1.14%	18.64%	6.21%
9	2	33.33%	MFJ	2.64%	0.88%	12.15%	4.05%
10	3	33.33%	MFJ	2.64%	0.88%	12.15%	4.05%
11		<u>100.00%</u>			<u>2.90%</u>		<u>14.31%</u>

- If any of the owners are a pass-through or potential pass-through entity such as an S-Corporation or a Trust, then the ownership breakdown of the entity/trust will also be required including all the information listed above.**
- 12
 - 13 N/A

14	Calculation of Income Tax:	Test Year	Total Test Year	Company Proposed	Total Proposed
15	Revenue	\$ 963,655		\$ 1,388,655	
16	Operating Expenses Excluding Income Taxes	(1,062,056)		(1,052,137)	
17	Other Income/(Expense)	(9,622)		(9,622)	
18	Arizona Taxable Income	\$ (108,023)		\$ 326,896	
19	Weighted Arizona Tax Rate	2.8955%		2.8955%	
20	Arizona Income Tax		\$ (3,128)		\$ 9,465
21	Federal Taxable Income	\$ (104,895)		\$ 317,431	
22	Weighted Federal Tax Rate	14.31%		14.31%	
23	Federal Income Tax		(15,011)		45,424
24	Total Test Year Income Taxes		\$ (18,138)		
25	Income Tax at Proposed Revenue				\$ 54,890
26	Actual Test Year Income Tax Expense	\$ -			
27	Adjusted Test Year Income Tax Expense	(18,138)			
28	Adj K1 to Test Year Income Tax Expense	(18,138)			
29	Adjusted Test Year Income Tax Expense	\$ (18,138)			
30	Income Tax at Proposed Revenue	54,890			
31	Adj K2 to Proposed Income Tax Expense	\$ 73,028			

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule C-21
Title: **Income Statement Proforma
Adjustments**

DETAIL OF PROPOSED METERED WATER REVENUE ADJUSTMENT L

Line	Description	Amount
1	Proposed Metered Water Revenue per Schedule C-1	\$ 1,368,980
2	Adjusted Test Year Metered Water Revenue	<u>943,980</u>
3	Total Adjustment L to Metered Water Revenue	<u><u>\$ 425,000</u></u>

Rose Valley Water Company, Inc.
 Docket No. W-01539A-17-
 Test Year Ended December 31, 2015

Schedule C-3
Title: Computation of Gross Revenue
Conversion Factor

Explanation:
 Schedule showing incremental taxes on gross revenues and
 the development of a gross revenue conversion factor.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Line	Description	Rate	Calculation
1	Revenues		1.0000
2	Property Taxes		-
3	Arizona Taxable Income		1.0000
4	Arizona Income Tax		-
5	Federal Taxable Income		1.0000
6	Federal Income Tax		-
7	Operating Income		1.0000
8	Gross Revenue Conversion Factor (Line 1 / Line 7)		1.0000

Rose Valley Water Company, Inc.
 Docket No. W-01539A-17-
 Test Year Ended December 31, 2015

Schedule D-1
Title: Summary Cost of Capital

Explanation:
 Schedule showing elements of capital structure
 and the related cost.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Line	Invested Capital	End of Test Year				End of Projected Year			
		Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
1	Long-Term Debt (a)	\$ -				\$ -			
2	Preferred Stock (b)	-				-			
3	Common Equity (c)	(946,495)	131.37%	12.00%	15.76%	(946,495)	122.85%	12.00%	14.74%
4	Deferrals (d)	-				-			
5	Short-Term Debt	226,038	-31.37%	6.00%	-1.88%	176,038	-22.85%	6.00%	-1.37%
6	Totals	\$ (720,457)	100.00%		13.88%	\$ (770,457)	100.00%		13.37%

Supporting Schedules:

- (a) N/A
- (b) N/A
- (c) N/A
- (d) E-1

Recap Schedules:

- (e) N/A

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule E-1
Title: Comparative Balance Sheet

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Explanation:
Schedule showing comparative balance sheets at the end of the test year and the 2 fiscal years ended prior to the test year.

Line	Acct #	ASSETS	Test Year At 31-Dec-15	Prior Year 31-Dec-14	Prior Year 31-Dec-13
1		Property, Plant & Equipment: (a)			
2	101	Utility Plant In Service	\$ 3,854,309	\$ 3,668,543	\$ 3,650,193
3	103	Property Held for Future Use			
4	105	Construction Work in Process			
5	108	Accumulated Depreciation	(3,049,136)	(2,876,181)	(2,708,329)
6		Total Property Plant & Equipment	\$ 805,172	\$ 792,362	\$ 941,864
7		Current Assets:			
8	131	Cash	\$ 15,527	\$ 34,893	\$ 75,553
9	135	Temporary Cash Investments			
10	141	Customer Accounts Receivable	19,954	41,160	
11	146	Notes/Receivables from Associated Companies			
12	151	Plant Material and Supplies			
13	162	Prepayments			
14	174	Miscellaneous Current and Accrued Assets			
15		Total Current Assets	\$ 35,481	\$ 76,053	\$ 75,553
16		TOTAL ASSETS	\$ 840,653	\$ 868,415	\$ 1,017,417
17		LIABILITIES and CAPITAL			
18		Capitalization: (b)			
19	201	Common Stock Issued	\$ 20,000	\$ 20,000	\$ 20,000
20	211	Paid in Capital in Excess of Par Value	912,676	865,510	865,510
21	215	Retained Earnings	(1,879,171)	(1,800,991)	(1,622,384)
22	218	Proprietary Capital	-	-	-
23		Total Capital	\$ (946,495)	\$ (915,481)	\$ (736,874)
24		Current Liabilities:			
25	231	Accounts Payable	\$ 13,266	\$ 8,439	\$ -
26	232	Notes Payable (Current Portion)			
27	234	Notes/Accounts Payable to Associated Companies			
28	235	Customer Deposits	69,613	67,700	
29	236	Accrued Taxes	6,447	7,630	6,538
30	237	Accrued Interest			
31	241	Miscellaneous Current and Accrued Liabilities	226,038	115,006	49,295
32		Total Current Liabilities	\$ 315,364	\$ 198,775	\$ 55,833
33	224	Long-Term Debt (Over 12 Months)		\$ -	\$ -
34		Deferred Credits:			
35	252	Advances In Aid Of Construction			
36	255	Accumulated Deferred Investment Tax Credits			
37	271	Contributions In Aid Of Construction	2,294,308	2,294,308	2,294,308
38	272	Less: Amortization of Contributions	(822,524)	(709,187)	(595,851)
39	281	Accumulated Deferred Income Tax	-	-	-
40		Total Deferred Credits	\$ 1,471,784	\$ 1,585,121	\$ 1,698,457
41		Total Liabilities	\$ 1,787,148	\$ 1,783,896	\$ 1,754,290
42		TOTAL LIABILITIES and CAPITAL	\$ 840,653	\$ 868,415	\$ 1,017,416

Supporting Schedules:
(a) E-5

Recap Schedules:
(b) A-3

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule E-2
Title: Comparative Income
Statements

Explanation:
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Line	Acct #		Test Year Ended 31-Dec-15	Prior Year Ended 31-Dec-14	Prior Year Ended 31-Dec-13
		Revenues: (a)			
1	461	Metered Water Revenue	\$ 987,849	\$ 962,491	\$ 1,062,177
2	460	Unmetered Water Revenue			
3	474	Other Water Revenue			
4		Total Revenues	\$ 987,849	\$ 962,491	\$ 1,062,177
5		Operating Expenses (a)			
6	601	Salaries and Wages	\$ 83,525	\$ 82,850	\$ 79,725
7	610	Purchased Water	70,801		
8	615	Purchased Power	197,966	204,308	208,141
9	618	Chemicals	13,682	16,294	16,060
10	620	Materials & Supplies	121,003	163,143	85,900
11	621	Office Supplies and Expense	37,001	44,621	48,741
12	630	Contractual Services - Billing	453,000		
13	631	Contractual Services - Professional	-	439,663	501,584
14	632	Contractual Services - Accounting	4,845		
15	633	Contractual Services - Legal	5,659		
16	635	Contractual Services - Water Testing	6,089	2,418	10,174
17	636	Contractual Services - Other	11,795		
18	640	Rents	18,871	18,864	18,871
19	650	Transportation Expense	17,562	17,466	16,283
20	657	Insurance	4,488	6,096	5,806
21	665	Regulatory Expenses	9,616		
22	666	Rate Case Expense	-		
23	670	Bad Debt Expense	-		
24	675	Miscellaneous Expense	673		
25	403	Depreciation Expense	61,219	49,367	45,997
26	408	Taxes Other Than Income	5,528	7,122	8,092
27	408.11	Property Tax	43,697	42,380	42,387
28	409	Income Taxes	-		
29	427.4	Interest Expense - Customer Deposits	-		
30		Total Operating Expenses	\$ 1,167,020	\$ 1,094,592	\$ 1,087,761
28		OPERATING INCOME/(LOSS)	\$ (179,171)	\$ (132,101)	\$ (25,584)
29		Other Income/(Expense)			
30	419	Interest and Dividend Income	\$ -		
31	421	Non-Utility Income	-		
32	426	Miscellaneous Non-Utility Expense	-		
33	427	Interest Expense	(9,622)	(6,379)	(3,699)
34		Total Other Income/(Expense)	\$ (9,622)	\$ (6,379)	\$ (3,699)
35		NET INCOME/(LOSS)	\$ (188,793)	\$ (138,480)	\$ (29,283)

Supporting Schedules:
(a) E-6

Recap Schedules:
A-2

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule E-5
Title: Detail of Utility Plant

Explanation:
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specl Reqmt	<input type="checkbox"/>

Line	Account Number	Description	End of Prior Year at 31-Dec-14	Net Additions	End of Test Year at 31-Dec-15
1	302	Franchises	\$ -		\$ -
2	303	Land & Land Rights			-
3	304	Structures & Improvements	22,997		22,997
4	307	Wells & Springs	31,067	65,130	96,197
5	311	Pumping Equipment	316,769	31,400	348,169
6	320	Water Treatment Equipment			-
7	320.1	Water Treatment Plants	85,000		85,000
8	320.2	Solution Chemical Feeders			-
9	330	Distribution Reservoirs & Standpipes	39,772		39,772
10	330.1	Storage Tanks	335,500		335,500
11	330.2	Pressure Tanks.			-
12	331	Transmission & Distribution Mains	1,886,375	30,238	1,916,613
13	333	Services	613,499	18,632	632,131
14	334	Meters & Meter Installations	60,703	40,366	101,069
15	335	Hydrants	239,820		239,820
16	336	Backflow Prevention	1,000		1,000
17	339	Other Plant and Misc Equipment			-
18	340	Office Furniture & Equipment	7,517		7,517
19	340.1	Computers and Software	7,208		7,208
20	341	Transportation Equipment	21,316		21,316
21	343	Tools, Shop, and Garage Equipment			-
22	346	Communications Equipment			-
23	348	Other Tangible Plant			-
24		Total Plant In Service	\$ 3,668,543	\$ 185,766	\$ 3,854,309
25	108	Accumulated Depreciation	(2,876,181)	(172,955)	(3,049,136)
26		Net Plant In Service	\$ 792,362	\$ 12,811	\$ 805,173
27	103	Property Held for Future Use	-	-	-
28	105	Construction Work in Process	-	-	-
29		Total Net Plant	\$ 792,362	\$ 12,811	\$ 805,173

Supporting Schedules:

Recap Schedules:
E-1 A-4

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule E-7
Title: Operating Statistics

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Explanation:
Schedule showing key operating statistics in comparative format,
for the test year and the 2 fiscal years ended prior to the test year.

Line	Water Statistics:	Test Year Ended 31-Dec-15	Prior Year Ended 31-Dec-14	Prior Year Ended 31-Dec-13
1	Gallons Sold - By Class of Service:			
2	Residential	345,672,380	348,918,513	361,420,663
3	Commercial	71,568,620	69,783,487	72,284,337
4	Average Number of Customers - By Class of Service:			
5	Residential	1,975	1,977	1,960
6	Commercial	409	395	392
7	Average Annual Gallons Per Residential Customer	175,005	176,463	184,398
8	Average Annual Revenue Per Residential Customer	\$ 405.06	\$ 407.32	\$ 419.62
9	Pumping Cost Per 1,000 Gallons	\$ 0.4745	\$ 0.4880	\$ 0.4799

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule E-8
Title: Taxes Charged to
Operations

Explanation:
Schedule showing all significant taxes charged to operations for
the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Line	Description	Test Year Ended 31-Dec-15	Prior Year Ended 31-Dec-14	Prior Year Ended 31-Dec-13
1	Federal Taxes:			
2	Income	\$ -	\$ -	\$ -
3	Payroll	6,614	6,739	7,656
4	Total Federal Taxes	\$ 6,614	\$ 6,739	\$ 7,656
5	State Taxes:			
6	Income	\$ -	\$ -	\$ -
7	Payroll	399	383	436
8	Total State Taxes	\$ 399	\$ 383	\$ 436
9	Local Taxes:			
10	Property	\$ 43,697	\$ 42,380	\$ 42,387
11	Rental Tax		-	-
12	Total Local Taxes	43,697	42,380	42,387
13	Total Taxes	\$ 50,710	\$ 49,502	\$ 50,479

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Test Year Ended December 31, 2015

Schedule E-9
Title: Notes to Financial
Statements

Explanation:
Disclosure of important facts pertaining to the understanding
of the financial statements.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

- 1 Accounting Method.
Rose Valley uses a combination of accrual and tax basis to keep the books, however, the application has been converted to NARUC accrual basis.
- 2 Depreciation lives and methods employed by major classification of utility property.
Per Decision 58167, the depreciation rate for utility plant was 5% across all asset categories. Rose Valley is requesting the standard set of rates that are normally approved by the ACC currently.
- 3 Income tax treatment - normalization or flow through.
Rose Valley is an S-Corp.
- 4 Interest rate used to charge interest during construction, if applicable.
N/A

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule showing an income statement for the projected year,
compared with actual test year results, at present and proposed
rates.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

Line		Actual Test Year Ended (a) 31-Dec-15	Projected Year	
			At Present Rates Year Ended (b) 31-Dec-16	At Proposed Rates Year Ended (b) 31-Dec-16
Operating Revenues:				
1	461 Metered Water Revenue	\$ 987,849	\$ 943,980	\$ 1,368,980
2	474 Other Water Revenue	-	19,675	19,675
3	Total Operating Revenue	\$ 987,849	\$ 963,655	\$ 1,388,655
Operating Expenses:				
4	601 Salaries and Wages	\$ 83,525	\$ 83,525	\$ 83,525
5	610 Purchased Water	70,801	17,700	17,700
6	615 Purchased Power	197,966	197,966	197,966
7	618 Chemicals	13,682	13,682	13,682
8	620 Materials & Supplies	121,003	93,651	93,651
9	621 Office Supplies and Expense	37,001	67,001	67,001
10	630 Contractual Services - Billing	453,000	213,000	213,000
11	631 Contractual Services - Professional	-	149,100	149,100
12	632 Contractual Services - Accounting	4,845	4,845	4,845
13	633 Contractual Services - Legal	5,659	5,659	5,659
14	635 Contractual Services - Water Testing	6,089	7,970	7,970
15	636 Contractual Services - Other	11,795	11,795	11,795
16	640 Rents	18,871	18,871	18,871
17	650 Transportation Expense	17,562	17,562	17,562
18	657 Insurance	4,488	4,488	4,488
19	665 Regulatory Expenses	9,616	7,143	7,143
20	666 Rate Case Expense	-	31,250	31,250
21	670 Bad Debt Expense	-	419	419
22	675 Miscellaneous Expense	673	673	673
23	403 Depreciation Expense	61,219	66,920	50,855
24	408 Taxes Other Than Income	5,528	7,013	7,013
25	408.1 Property Tax	43,697	41,803	47,948
26	409 Income Taxes	-	(18,138)	54,890
27	427.4 Interest Expense - Customer Deposits	-	20	20
28	Total Operating Expenses	\$ 1,167,020	\$ 1,043,918	\$ 1,107,027
29	OPERATING INCOME/(LOSS)	\$ (179,171)	\$ (80,263)	\$ 281,628
Other Income/(Expense):				
30	419 Interest Income	\$ -	\$ -	\$ -
31	421 Non-Utility Income	-	-	-
32	426 Miscellaneous Non-Utility Expenses	-	-	-
33	427 Interest Expense	(9,622)	(9,622)	(9,622)
34	Total Other Income/(Expense)	\$ (9,622)	\$ (9,622)	\$ (9,622)
35	NET INCOME/(LOSS)	\$ (188,793)	\$ (89,885)	\$ 272,006
Earnings per share of average Common Stock Outstanding				
36		\$ (9.44)	\$ (4.49)	\$ 13.60
37	% Return on Common Equity	Not Meaningful		

Supporting Schedules:
(a) E-2

Recap Schedules:
(b) A-2

Rose Valley Water Company, Inc.
 Docket No. W-01539A-17-
 Test Year Ended December 31, 2015

Schedule F-3
Title: Projected Construction
Requirements

Explanation:
 Schedule showing projected annual construction requirements, by property classification, for 1 to 3 years subsequent to the test year compared with the test year.

Required for: All Utilities		
Class A	X	} 3 yrs projected
Class B	X	
Class C	X	
Class D	X	} 1 yrs projected
Spec'l Reqmt		

Line	Property Classification	Actual Test Year Ended 12/31/2015	End of Projected Year 1
1	Production Plant	\$ 96,529	\$ -
2	Transmission Plant	48,870	11,900
3	Other Plant	40,366	6,000
4	Total Plant	\$ 185,766	\$ 17,900

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:
 (a) F-2 & A-4

Explanation:
Documentation of important assumptions used in preparing
forecasts and projections

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

As the service territory is nearly built out, no material growth is anticipated.

2 Growth in consumption and customer demand

Increases in growth and demand are not expected. In fact, as a result of this rate case, it is expected that the average residential customer usage, which is currently in excess of 10,000 gallons per month, will substantially decrease.

3 Changes in expenses

Rose Valley expects the expenses to increase as a result of this rate increase as there will be additional cash flow available to spend on items that have been deferred. As a result of the net losses over the years, the company has been forced to spend only where necessary.

4 Construction requirements including production reserves and changes in plant capacity

Much of the plant was developer built in the late 90's and is in need of improvements and upgrades in order to provide reliable service.

5 Capital structure changes

Rose Valley is entertaining borrowing money to make plant improvements.

6 Financing costs, interest rates

Rose Valley currently only has a line of credit it uses for operations.

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule comparing revenues by customer classification for
the Test Year, at present and proposed rates.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Line	Customer Classification	Revenues in the Test Year (a)			Proposed Increase (b)		
		Present Rates	Adjustments ¹	Adjusted Present Rates	Proposed Rates	Amount	%
<i>Residential</i>							
1	5/8 by 3/4-inch Meters	\$ 584,737		\$ 584,737	\$ 836,970	\$ 252,233	43.14%
2	1-inch Meters	113,350		113,350	195,924	82,574	72.85%
3	2-inch Meters	3,763		3,763	9,673	5,910	157.06%
4	<i>Total Residential</i>	\$ 701,850	\$ -	\$ 701,850	\$ 1,042,567	\$ 340,717	48.55%
<i>Commercial</i>							
6	5/8 by 3/4-inch Meters	\$ 63		\$ 63	\$ 207	\$ 144	229.05%
7	1-inch Meters	3,993		3,993	7,759	3,766	94.32%
8	1 1/2-inch Meters	1,157		1,157	3,489	2,331	201.49%
9	2-inch Meters	22,962		22,962	34,332	11,370	49.52%
10	<i>Total Commercial</i>	\$ 28,175	\$ -	\$ 28,175	\$ 45,787	\$ 17,612	62.51%
<i>Landscape</i>							
12	5/8 by 3/4-inch Meters	\$ 1,869		\$ 1,869	\$ 2,558	\$ 689	36.86%
13	1-inch Meters	12,082		12,082	20,357	8,275	68.49%
14	1 1/2-inch Meters	24,817		24,817	33,376	8,558	34.49%
15	2-inch Meters	146,619		146,619	185,227	38,607	26.33%
16	<i>Total Landscape</i>	\$ 185,388	\$ -	\$ 185,388	\$ 241,518	\$ 56,130	30.28%
17	Peoria School District - 2-inch	28,567		28,567	39,108	10,541	36.90%
18	Total Metered Water Revenue	\$ 943,980	\$ -	\$ 943,980	\$ 1,368,980	\$ 425,000	45.02%
19	Other Revenue	19,675		19,675	19,675	-	0.00%
20	Total Revenue	\$ 963,655	\$ -	\$ 963,655	\$ 1,388,655	\$ 425,000	44.10%

21 ¹ Test year revenue adjustments were related to income statement reporting not adjustments to billing data or amounts.

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) N/A

Recap Schedules:
(b) A-1

Explanation:
Schedule comparing present rate schedules with proposed
rate schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Description	Present Rate	Proposed Rate	% change
<u>MONTHLY USAGE CHARGE:</u>			
5/8" x 3/4" Meter	\$ 5.25	\$ 16.90	221.90%
3/4" Meter	5.25	25.35	382.86%
1" Meter	7.00	42.25	503.57%
1-1/2" Meter	18.00	84.50	369.44%
2" Meter	28.00	135.20	382.86%
3" Meter	225.00	270.40	20.18%
4" Meter	375.00	422.50	12.67%
5" Meter	562.50	N/A	
6" Meter	750.00	845.00	12.67%

Description	Present Rate	Proposed Rate
<u>COMMODITY CHARGES - PRESENT RATES - ALL CLASSES</u>		
Gallons Included in minimum	1,000	
Excess of Minimum - per 1,000 gallons		
For the next 8,000 gallons	\$ 1.65	
For 9,001 gallons and up	2.30	
<u>COMMODITY CHARGES - PROPOSED RATES</u>		
Gallons Included in minimum		-
<u>Residential and Commercial:</u>		
<u>5/8 x 3/4-inch and 3/4-inch Meters</u>		<u>Proposed Rate</u>
1 - 3,000 Gallons		\$ 0.75
3,001 to 8,000 Gallons		1.45
Over 8,001 Gallons		2.26
<u>1-Inch Meters</u>		
1 - 20,000 Gallons		\$ 1.45
Over 20,000 Gallons		2.26
<u>1 1/2-Inch Meters</u>		
1 - 40,000 Gallons		\$ 1.45
Over 40,000 Gallons		2.26
<u>2-inch Meters</u>		
1 - 64,000 Gallons		\$ 1.45
Over 64,000 Gallons		2.26
<u>3-inch Meters</u>		
1 - 128,000 Gallons		\$ 1.45
Over 128,000 Gallons		2.26
<u>4-inch Meters</u>		
1 - 200,000 Gallons		\$ 1.45
Over 200,000 Gallons		2.26

<u>6-inch Meters</u>	<u>Proposed Rate</u>
1 - 400,000 Gallons	\$ 1.45
Over 400,000 Gallons	2.26

<u>Landscape and School Meters</u>	
All gallons, Per 1,000 gallons	\$ 2.50

<u>Description</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>% change</u>
<u>SERVICE CHARGES</u>			
Establishment	\$ 15.00	\$ 25.00	66.67%
Establishment (After Hours)	25.00	N/A	
Reconnection (Delinquent)	25.00	35.00	40.00%
Meter Test (If Correct)	N/A	25.00	
Deposit	*	*	0.00%
Deposit Interest	*	*	0.00%
Reestablishment (Within 12 Months)	**	**	0.00%
NSF Check	\$ 12.00	\$ 20.00	66.67%
Deferred Payment	1.50%	1.50%	0.00%
Meter Re-read (If Correct)	\$ 15.00	\$ 25.00	66.67%
Late Payment Fee	N/A	***	
After Hours Charge	N/A	\$ 35.00	

* Per Commission Rule A.A.C. R14-2-403(B).

** Months off system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D).

*** \$5.00 or 1.50 percent per month of unpaid balance, whichever is greater.

SERVICE LINE AND METER INSTALLATION CHARGES:

<u>Description</u>	<u>Present Rate</u>	<u>Proposed Rates</u>			<u>% change</u>
		<u>Service Line</u>	<u>Meter Charge</u>	<u>Total Charge</u>	
Refundable Pursuant to A.A.C. R14-2-405					
5/8" x 3/4" Meter	\$ 280.00	\$ 490.00	\$ 132.00	\$ 622.00	122.14%
3/4" Meter	310.00	490.00	233.00	723.00	133.23%
1" Meter	360.00	547.00	293.00	840.00	133.33%
1-1/2" Meter	552.00	610.00	506.00	1,116.00	102.17%
2" Meter - Turbine	779.00	927.00	1,031.00	1,958.00	151.35%
2" Meter - Compound	N/A	927.00	1,884.00	2,811.00	
3" Meter - Turbine	1,010.00	1,171.00	1,662.00	2,833.00	180.50%
3" Meter - Compound	N/A	1,308.00	2,546.00	3,854.00	
4" Meter - Turbine	1,703.00	1,661.00	2,647.00	4,308.00	152.97%
4" Meter - Compound	N/A	1,866.00	3,632.00	5,498.00	
5" Meter	2,736.00	N/A	N/A	N/A	
6" Meter - Turbine	3,769.00	2,479.00	5,026.00	7,505.00	99.12%
6" Meter - Compound	N/A	2,615.00	6,939.00	9,554.00	

NOTES:

Supporting Schedules:

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Required for: All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

5/8 x 3/4-inch Meters and 3/4-inch Meters - Residential and Commerical

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	5.25 \$	16.90	221.90%
1,000	5.25	17.65	236.19%
2,000	6.90	18.40	166.67%
3,000	8.55	19.15	123.98%
4,000	10.20	20.60	101.96%
5,000	11.85	22.05	86.08%
6,000	13.50	23.50	74.07%
7,000	15.15	24.95	64.69%
8,000	16.80	26.40	57.14%
9,000	18.45	28.66	55.33%
10,000	20.75	30.92	49.00%
15,000	32.25	42.21	30.88%
20,000	43.75	53.50	22.29%
25,000	55.25	64.80	17.28%
50,000	112.75	121.26	7.55%
75,000	170.25	177.73	4.39%
100,000	227.75	234.19	2.83%
125,000	285.25	290.66	1.90%
150,000	342.75	347.12	1.28%
175,000	400.25	403.59	0.83%
200,000	457.75	460.05	0.50%

Supporting Schedules:

<p>Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.</p>	<p>Required for: All Utilities Class A Class B Class C Class D Spec'l Reqmt</p>	<table border="1"> <tr><td>X</td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> </table>	X					
X								

5/8 x 3/4-inch Meters and 3/4-inch Meters - Landscaping

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	5.25 \$	16.90	221.90%
1,000	5.25	19.40	269.52%
2,000	6.90	21.90	217.39%
3,000	8.55	24.40	185.38%
4,000	10.20	26.90	163.73%
5,000	11.85	29.40	148.10%
6,000	13.50	31.90	136.30%
7,000	15.15	34.40	127.06%
8,000	16.80	36.90	119.64%
9,000	18.45	39.40	113.55%
10,000	20.75	41.90	101.93%
15,000	32.25	54.40	68.68%
20,000	43.75	66.90	52.91%
25,000	55.25	79.40	43.71%
50,000	112.75	141.90	25.85%
75,000	170.25	204.40	20.06%
100,000	227.75	266.90	17.19%
125,000	285.25	329.40	15.48%
150,000	342.75	391.90	14.34%
175,000	400.25	454.40	13.53%
200,000	457.75	516.90	12.92%

Supporting Schedules:

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Required for: All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

1-inch Meters - Residential and Commerical

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	7.00 \$	42.25	503.57%
1,000	7.00	43.90	527.14%
2,000	8.65	45.55	426.59%
3,000	10.30	47.20	358.25%
4,000	11.95	48.85	308.79%
5,000	13.60	50.50	271.32%
6,000	15.25	52.15	241.97%
7,000	16.90	53.80	218.34%
8,000	18.55	55.45	198.92%
9,000	20.20	57.10	182.67%
10,000	22.50	58.75	161.11%
15,000	34.00	67.00	97.06%
20,000	45.50	75.25	65.38%
25,000	57.00	82.54	44.81%
50,000	114.50	139.01	21.40%
75,000	172.00	195.47	13.65%
100,000	229.50	251.94	9.78%
125,000	287.00	308.40	7.46%
150,000	344.50	364.87	5.91%
175,000	402.00	421.33	4.81%
200,000	459.50	477.80	3.98%

Supporting Schedules:

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Required for: All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

1-inch Meters - Landscaping

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	7.00 \$	16.90	141.43%
1,000	7.00	19.40	177.14%
2,000	8.65	21.90	153.18%
3,000	10.30	24.40	136.89%
4,000	11.95	26.90	125.10%
5,000	13.60	29.40	116.18%
6,000	15.25	31.90	109.18%
7,000	16.90	34.40	103.55%
8,000	18.55	36.90	98.92%
9,000	20.20	39.40	95.05%
10,000	22.50	41.90	86.22%
15,000	34.00	54.40	60.00%
20,000	45.50	66.90	47.03%
25,000	57.00	79.40	39.30%
50,000	114.50	141.90	23.93%
75,000	172.00	204.40	18.84%
100,000	229.50	266.90	16.30%
125,000	287.00	329.40	14.77%
150,000	344.50	391.90	13.76%
175,000	402.00	454.40	13.03%
200,000	459.50	516.90	12.49%

Supporting Schedules:

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Required for: All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

1 1/2-inch Meters - Residential and Commerical

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	18.00 \$	84.50	369.44%
1,000	18.00	85.95	377.50%
2,000	19.65	87.40	344.78%
3,000	21.30	88.85	317.14%
4,000	22.95	90.30	293.46%
5,000	24.60	91.75	272.97%
6,000	26.25	93.20	255.05%
7,000	27.90	94.65	239.25%
8,000	29.55	96.10	225.21%
9,000	31.20	97.55	212.66%
10,000	33.50	99.00	195.52%
15,000	45.00	106.25	136.11%
20,000	56.50	113.50	100.88%
25,000	68.00	120.75	77.57%
50,000	125.50	165.09	31.54%
75,000	183.00	221.55	21.07%
100,000	240.50	278.02	15.60%
125,000	298.00	334.48	12.24%
150,000	355.50	390.95	9.97%
175,000	413.00	447.41	8.33%
200,000	470.50	503.88	7.09%

Supporting Schedules:

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Required for: All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

1 1/2-inch Meters - Landscaping

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	18.00 \$	84.50	369.44%
1,000	18.00	87.00	383.33%
2,000	19.65	89.50	355.47%
3,000	21.30	92.00	331.92%
4,000	22.95	94.50	311.76%
5,000	24.60	97.00	294.31%
6,000	26.25	99.50	279.05%
7,000	27.90	102.00	265.59%
8,000	29.55	104.50	253.64%
9,000	31.20	107.00	242.95%
10,000	33.50	109.50	226.87%
15,000	45.00	122.00	171.11%
20,000	56.50	134.50	138.05%
25,000	68.00	147.00	116.18%
50,000	125.50	209.50	66.93%
75,000	183.00	272.00	48.63%
100,000	240.50	334.50	39.09%
125,000	298.00	397.00	33.22%
150,000	355.50	459.50	29.25%
175,000	413.00	522.00	26.39%
200,000	470.50	584.50	24.23%

Supporting Schedules:

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Required for: All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

2-inch Meters - Residential and Commerical

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	28.00 \$	135.20	382.86%
1,000	28.00	136.65	388.04%
2,000	29.65	138.10	365.77%
3,000	31.30	139.55	345.85%
4,000	32.95	141.00	327.92%
5,000	34.60	142.45	311.71%
6,000	36.25	143.90	296.97%
7,000	37.90	145.35	283.51%
8,000	39.55	146.80	271.18%
9,000	41.20	148.25	259.83%
10,000	43.50	149.70	244.14%
15,000	55.00	156.95	185.36%
20,000	66.50	164.20	146.92%
25,000	78.00	171.45	119.81%
50,000	135.50	207.70	53.28%
75,000	193.00	252.84	31.01%
100,000	250.50	309.31	23.48%
125,000	308.00	365.77	18.76%
150,000	365.50	422.24	15.52%
175,000	423.00	478.70	13.17%
200,000	480.50	535.17	11.38%

Supporting Schedules:

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Required for: All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

2-inch Meters - Landscaping and School District

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	28.00 \$	135.20	382.86%
1,000	28.00	137.70	391.79%
2,000	29.65	140.20	372.85%
3,000	31.30	142.70	355.91%
4,000	32.95	145.20	340.67%
5,000	34.60	147.70	326.88%
6,000	36.25	150.20	314.34%
7,000	37.90	152.70	302.90%
8,000	39.55	155.20	292.41%
9,000	41.20	157.70	282.77%
10,000	43.50	160.20	268.28%
15,000	55.00	172.70	214.00%
20,000	66.50	185.20	178.50%
25,000	78.00	197.70	153.46%
50,000	135.50	260.20	92.03%
75,000	193.00	322.70	67.20%
100,000	250.50	385.20	53.77%
125,000	308.00	447.70	45.36%
150,000	365.50	510.20	39.59%
175,000	423.00	572.70	35.39%
200,000	480.50	635.20	32.20%

Supporting Schedules:

Explanation:
 Schedule(s) showing billing activity by block for each rate
 schedule.

Required for: All Utilities
 Class A
 Class B
 Class C
 Class D
 Spec'l Reqmt

5/8 x 3/4-Inch Meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0	28	-	28	0.11%	-	0.00%
1 to 1,000	275	137,500	303	1.22%	137,500	0.05%
1,001 to 2,000	652	978,000	955	3.84%	1,115,500	0.42%
2,001 to 3,000	1,230	3,075,000	2,185	8.77%	4,190,500	1.58%
3,001 to 4,000	1,689	5,911,500	3,874	15.56%	10,102,000	3.82%
4,001 to 5,000	2,044	9,198,000	5,918	23.77%	19,300,000	7.29%
5,001 to 6,000	2,078	11,429,000	7,996	32.11%	30,729,000	11.61%
6,001 to 7,000	1,906	12,389,000	9,902	39.77%	43,118,000	16.29%
7,001 to 8,000	1,739	13,042,500	11,641	46.75%	56,160,500	21.21%
8,001 to 9,000	1,598	13,583,000	13,239	53.17%	69,743,500	26.34%
9,001 to 10,000	1,483	14,088,500	14,722	59.12%	83,832,000	31.67%
10,001 to 12,000	2,438	26,818,000	17,160	68.91%	110,650,000	41.80%
12,001 to 14,000	1,870	24,310,000	19,030	76.42%	134,960,000	50.98%
14,001 to 16,000	1,446	21,690,000	20,476	82.23%	156,650,000	59.17%
16,001 to 18,000	1,049	17,833,000	21,525	86.44%	174,483,000	65.91%
18,001 to 20,000	815	15,485,000	22,340	89.72%	189,968,000	71.76%
20,001 to 25,000	1,183	26,617,500	23,523	94.47%	216,585,500	81.81%
25,001 to 30,000	649	17,847,500	24,172	97.07%	234,433,000	88.55%
30,001 to 35,000	301	9,782,500	24,473	98.28%	244,215,500	92.25%
35,001 to 40,000	157	5,887,500	24,630	98.91%	250,103,000	94.47%
40,001 to 50,000	157	7,065,000	24,787	99.54%	257,168,000	97.14%
50,001 to 60,000	60	3,300,000	24,847	99.78%	260,468,000	98.39%
60,001 to 70,000	30	1,950,000	24,877	99.90%	262,418,000	99.12%
70,001 to 80,000	9	675,000	24,886	99.94%	263,093,000	99.38%
80,001 to 90,000	4	340,000	24,890	99.96%	263,433,000	99.51%
90,001 to 100,000	2	190,000	24,892	99.96%	263,623,000	99.58%
148,480	1	148,480	24,893	99.97%	263,771,480	99.63%
106,250	1	106,250	24,894	99.97%	263,877,730	99.67%
114,140	1	114,140	24,895	99.98%	263,991,870	99.72%
118,832	1	118,832	24,896	99.98%	264,110,702	99.76%
127,127	1	127,127	24,897	99.98%	264,237,829	99.81%
102,318	1	102,318	24,898	99.99%	264,340,147	99.85%
102,787	1	102,787	24,899	99.99%	264,442,934	99.89%
146,200	1	146,200	24,900	100.00%	264,589,134	99.94%
153,240	1	153,240	24,901	100.00%	264,742,374	100.00%
	24,901	264,742,374				

Average Number of Customers 2,075
 Average Consumption 10,632
 Median Consumption 8,507

Supporting Schedules:

Recap Schedules:

Required for: All Utilities

X

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4-Inch Meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0		-	-	0.00%	-	0.00%
1 to 1,000	12	6,000	12	100.00%	6,000	100.00%
1,001 to 2,000		-	12	100.00%	6,000	100.00%
2,001 to 3,000		-	12	100.00%	6,000	100.00%
3,001 to 4,000		-	12	100.00%	6,000	100.00%
4,001 to 5,000		-	12	100.00%	6,000	100.00%
5,001 to 6,000		-	12	100.00%	6,000	100.00%
6,001 to 7,000		-	12	100.00%	6,000	100.00%
7,001 to 8,000		-	12	100.00%	6,000	100.00%
8,001 to 9,000		-	12	100.00%	6,000	100.00%
9,001 to 10,000		-	12	100.00%	6,000	100.00%
10,001 to 12,000		-	12	100.00%	6,000	100.00%
12,001 to 14,000		-	12	100.00%	6,000	100.00%
14,001 to 16,000		-	12	100.00%	6,000	100.00%
16,001 to 18,000		-	12	100.00%	6,000	100.00%
18,001 to 20,000		-	12	100.00%	6,000	100.00%
20,001 to 25,000		-	12	100.00%	6,000	100.00%
25,001 to 30,000		-	12	100.00%	6,000	100.00%
30,001 to 35,000		-	12	100.00%	6,000	100.00%
35,001 to 40,000		-	12	100.00%	6,000	100.00%
40,001 to 50,000		-	12	100.00%	6,000	100.00%
50,001 to 60,000		-	12	100.00%	6,000	100.00%
60,001 to 70,000		-	12	100.00%	6,000	100.00%
70,001 to 80,000		-	12	100.00%	6,000	100.00%
80,001 to 90,000		-	12	100.00%	6,000	100.00%
90,001 to 100,000		-	12	100.00%	6,000	100.00%
	<u>12</u>	<u>6,000</u>				

Average Number of Customers 1
 Average Consumption 500
 Median Consumption 500

Supporting Schedules:

Recap Schedules:

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4-Inch Meter - Landscape

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0	17	-	17	47.22%	-	0.00%
1 to 1,000	4	2,000	21	58.33%	2,000	0.26%
1,001 to 2,000		-	21	58.33%	2,000	0.26%
2,001 to 3,000		-	21	58.33%	2,000	0.26%
3,001 to 4,000		-	21	58.33%	2,000	0.26%
4,001 to 5,000		-	21	58.33%	2,000	0.26%
5,001 to 6,000	2	11,000	23	63.89%	13,000	1.67%
6,001 to 7,000		-	23	63.89%	13,000	1.67%
7,001 to 8,000		-	23	63.89%	13,000	1.67%
8,001 to 9,000	1	8,500	24	66.67%	21,500	2.76%
9,001 to 10,000		-	24	66.67%	21,500	2.76%
10,001 to 12,000		-	24	66.67%	21,500	2.76%
12,001 to 14,000		-	24	66.67%	21,500	2.76%
14,001 to 16,000		-	24	66.67%	21,500	2.76%
16,001 to 18,000		-	24	66.67%	21,500	2.76%
18,001 to 20,000		-	24	66.67%	21,500	2.76%
20,001 to 25,000	1	22,500	25	69.44%	44,000	5.64%
25,001 to 30,000	1	27,500	26	72.22%	71,500	9.17%
30,001 to 35,000	5	162,500	31	86.11%	234,000	30.01%
35,001 to 40,000		-	31	86.11%	234,000	30.01%
40,001 to 50,000	2	90,000	33	91.67%	324,000	41.55%
50,001 to 60,000		-	33	91.67%	324,000	41.55%
60,001 to 70,000		-	33	91.67%	324,000	41.55%
70,001 to 80,000		-	33	91.67%	324,000	41.55%
80,001 to 90,000		-	33	91.67%	324,000	41.55%
90,001 to 100,000	1	95,000	34	94.44%	419,000	53.73%
111,760	1	111,760	35	97.22%	530,760	68.06%
249,070	1	249,070	36	100.00%	779,830	100.00%
	36	779,830				

Average Number of Customers	3
Average Consumption	21,662
Median Consumption	250

Supporting Schedules:

Recap Schedules:

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1-Inch Meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0	8	-	8	0.30%	-	0.00%
1 to 1,000	48	24,000	56	2.10%	24,000	0.05%
1,001 to 2,000	38	57,000	94	3.52%	81,000	0.17%
2,001 to 3,000	78	195,000	172	6.43%	276,000	0.56%
3,001 to 4,000	114	399,000	286	10.70%	675,000	1.38%
4,001 to 5,000	142	639,000	428	16.01%	1,314,000	2.69%
5,001 to 6,000	140	770,000	568	21.25%	2,084,000	4.26%
6,001 to 7,000	147	955,500	715	26.75%	3,039,500	6.21%
7,001 to 8,000	116	870,000	831	31.09%	3,909,500	7.99%
8,001 to 9,000	100	850,000	931	34.83%	4,759,500	9.73%
9,001 to 10,000	113	1,073,500	1,044	39.06%	5,833,000	11.92%
10,001 to 12,000	197	2,167,000	1,241	46.43%	8,000,000	16.35%
12,001 to 14,000	175	2,275,000	1,416	52.97%	10,275,000	21.00%
14,001 to 16,000	169	2,535,000	1,585	59.30%	12,810,000	26.18%
16,001 to 18,000	133	2,261,000	1,718	64.27%	15,071,000	30.80%
18,001 to 20,000	122	2,318,000	1,840	68.84%	17,389,000	35.54%
20,001 to 25,000	226	5,085,000	2,066	77.29%	22,474,000	45.93%
25,001 to 30,000	127	3,492,500	2,193	82.04%	25,966,500	53.07%
30,001 to 35,000	113	3,672,500	2,306	86.27%	29,639,000	60.57%
35,001 to 40,000	108	4,050,000	2,414	90.31%	33,689,000	68.85%
40,001 to 50,000	115	5,175,000	2,529	94.61%	38,864,000	79.42%
50,001 to 60,000	54	2,970,000	2,583	96.63%	41,834,000	85.49%
60,001 to 70,000	38	2,470,000	2,621	98.05%	44,304,000	90.54%
70,001 to 80,000	26	1,950,000	2,647	99.03%	46,254,000	94.53%
80,001 to 90,000	12	1,020,000	2,659	99.48%	47,274,000	96.61%
90,001 to 100,000	2	190,000	2,661	99.55%	47,464,000	97.00%
107,105	1	107,105	2,662	99.59%	47,571,105	97.22%
111,100	1	111,100	2,663	99.63%	47,682,205	97.44%
111,396	1	111,396	2,664	99.66%	47,793,601	97.67%
111,550	1	111,550	2,665	99.70%	47,905,151	97.90%
111,910	1	111,910	2,666	99.74%	48,017,061	98.13%
112,000	1	112,000	2,667	99.78%	48,129,061	98.36%
112,150	1	112,150	2,668	99.81%	48,241,211	98.59%
114,078	1	114,078	2,669	99.85%	48,355,289	98.82%
131,410	1	131,410	2,670	99.89%	48,486,699	99.09%
143,740	1	143,740	2,671	99.93%	48,630,439	99.38%
145,360	1	145,360	2,672	99.96%	48,775,799	99.68%
156,910	1	156,910	2,673	100.00%	48,932,709	100.00%
	2,673	48,932,709				

Average Number of Customers	223
Average Consumption	18,306
Median Consumption	13,091

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

1-inch Meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0	3	-	3	2.61%	-	0.00%
1 to 1,000	15	7,500	18	15.65%	7,500	0.46%
1,001 to 2,000	24	36,000	42	36.52%	43,500	2.70%
2,001 to 3,000	9	22,500	51	44.35%	66,000	4.09%
3,001 to 4,000	2	7,000	53	46.09%	73,000	4.52%
4,001 to 5,000	1	4,500	54	46.96%	77,500	4.80%
5,001 to 6,000	6	33,000	60	52.17%	110,500	6.85%
6,001 to 7,000	8	52,000	68	59.13%	162,500	10.07%
7,001 to 8,000	6	45,000	74	64.35%	207,500	12.86%
8,001 to 9,000	1	8,500	75	65.22%	216,000	13.38%
9,001 to 10,000	5	47,500	80	69.57%	263,500	16.33%
10,001 to 12,000	2	22,000	82	71.30%	285,500	17.69%
12,001 to 14,000	3	39,000	85	73.91%	324,500	20.11%
14,001 to 16,000		-	85	73.91%	324,500	20.11%
16,001 to 18,000	1	17,000	86	74.78%	341,500	21.16%
18,001 to 20,000		-	86	74.78%	341,500	21.16%
20,001 to 25,000	4	90,000	90	78.26%	431,500	26.73%
25,001 to 30,000	6	165,000	96	83.48%	596,500	36.96%
30,001 to 35,000	6	195,000	102	88.70%	791,500	49.04%
35,001 to 40,000	3	112,500	105	91.30%	904,000	56.01%
40,001 to 50,000		-	105	91.30%	904,000	56.01%
50,001 to 60,000	3	165,000	108	93.91%	1,069,000	66.23%
60,001 to 70,000	1	65,000	109	94.78%	1,134,000	70.26%
70,001 to 80,000	3	225,000	112	97.39%	1,359,000	84.20%
80,001 to 90,000	3	255,000	115	100.00%	1,614,000	100.00%
90,001 to 100,000		-	115	100.00%	1,614,000	100.00%
	115	1,614,000				

Average Number of Customers 10
Average Consumption 14,035
Median Consumption 5,583

Supporting Schedules:

Recap Schedules:

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1-inch Meter - Landscape

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0	22	-	22	12.22%	-	0.00%
1 to 1,000	26	13,000	48	26.67%	13,000	0.25%
1,001 to 2,000	13	19,500	61	33.89%	32,500	0.64%
2,001 to 3,000	8	20,000	69	38.33%	52,500	1.03%
3,001 to 4,000	1	3,500	70	38.89%	56,000	1.10%
4,001 to 5,000	1	4,500	71	39.44%	60,500	1.19%
5,001 to 6,000	6	33,000	77	42.78%	93,500	1.83%
6,001 to 7,000	3	19,500	80	44.44%	113,000	2.22%
7,001 to 8,000	3	22,500	83	46.11%	135,500	2.66%
8,001 to 9,000		-	83	46.11%	135,500	2.66%
9,001 to 10,000	2	19,000	85	47.22%	154,500	3.03%
10,001 to 12,000	4	44,000	89	49.44%	198,500	3.89%
12,001 to 14,000	5	65,000	94	52.22%	263,500	5.17%
14,001 to 16,000	6	90,000	100	55.56%	353,500	6.93%
16,001 to 18,000	4	68,000	104	57.78%	421,500	8.26%
18,001 to 20,000	2	38,000	106	58.89%	459,500	9.01%
20,001 to 25,000	12	270,000	118	65.56%	729,500	14.30%
25,001 to 30,000	13	357,500	131	72.78%	1,087,000	21.31%
30,001 to 35,000	5	162,500	136	75.56%	1,249,500	24.50%
35,001 to 40,000	5	187,500	141	78.33%	1,437,000	28.17%
40,001 to 50,000	6	270,000	147	81.67%	1,707,000	33.46%
50,001 to 60,000	6	330,000	153	85.00%	2,037,000	39.93%
60,001 to 70,000	4	260,000	157	87.22%	2,297,000	45.03%
70,001 to 80,000	6	450,000	163	90.56%	2,747,000	53.85%
80,001 to 90,000	2	170,000	165	91.67%	2,917,000	57.19%
90,001 to 100,000	4	380,000	169	93.89%	3,297,000	64.64%
101940	1	101,940	170	94.44%	3,398,940	66.63%
117900	1	117,900	171	95.00%	3,516,840	68.95%
128030	1	128,030	172	95.56%	3,644,870	71.46%
129980	1	129,980	173	96.11%	3,774,850	74.00%
138610	1	138,610	174	96.67%	3,913,460	76.72%
145790	1	145,790	175	97.22%	4,059,250	79.58%
160500	1	160,500	176	97.78%	4,219,750	82.73%
160640	1	160,640	177	98.33%	4,380,390	85.87%
164460	1	164,460	178	98.89%	4,544,850	89.10%
201680	1	201,680	179	99.44%	4,746,530	93.05%
354370	1	354,370	180	100.00%	5,100,900	100.00%
	180	5,100,900				

Average Number of Customers	15
Average Consumption	28,338
Median Consumption	12,400

Supporting Schedules:

Recap Schedules:

Required for: All Utilities

X

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

1 1/2-inch Meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
0		-	-	0.00%	-	0.00%
1 to 1,000	1	500	1	2.78%	500	0.16%
1,001 to 2,000	8	12,000	9	25.00%	12,500	4.06%
2,001 to 3,000	5	12,500	14	38.89%	25,000	8.12%
3,001 to 4,000	1	3,500	15	41.67%	28,500	9.25%
4,001 to 5,000	1	4,500	16	44.44%	33,000	10.71%
5,001 to 6,000	1	5,500	17	47.22%	38,500	12.50%
6,001 to 7,000	2	13,000	19	52.78%	51,500	16.72%
7,001 to 8,000	4	30,000	23	63.89%	81,500	26.46%
8,001 to 9,000	3	25,500	26	72.22%	107,000	34.74%
9,001 to 10,000	1	9,500	27	75.00%	116,500	37.82%
10,001 to 12,000	1	11,000	28	77.78%	127,500	41.40%
12,001 to 14,000	2	26,000	30	83.33%	153,500	49.84%
14,001 to 16,000		-	30	83.33%	153,500	49.84%
16,001 to 18,000	1	17,000	31	86.11%	170,500	55.36%
18,001 to 20,000		-	31	86.11%	170,500	55.36%
20,001 to 25,000	2	45,000	33	91.67%	215,500	69.97%
25,001 to 30,000	1	27,500	34	94.44%	243,000	78.90%
30,001 to 35,000	2	65,000	36	100.00%	308,000	100.00%
35,001 to 40,000		-	36	100.00%	308,000	100.00%
40,001 to 50,000		-	36	100.00%	308,000	100.00%
50,001 to 60,000		-	36	100.00%	308,000	100.00%
60,001 to 70,000		-	36	100.00%	308,000	100.00%
70,001 to 80,000		-	36	100.00%	308,000	100.00%
80,001 to 90,000		-	36	100.00%	308,000	100.00%
90,001 to 100,000		-	36	100.00%	308,000	100.00%
	<u>36</u>	<u>308,000</u>				

Average Number of Customers 3
Average Consumption 8,556
Median Consumption 6,500

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

1 1/2-inch Meter - Landscape

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0		-	-	0.00%	-	0.00%
1 to 1,000	2	1,000	2	2.27%	1,000	0.01%
1,001 to 2,000		-	2	2.27%	1,000	0.01%
2,001 to 3,000	2	5,000	4	4.55%	6,000	0.06%
3,001 to 4,000	1	3,500	5	5.68%	9,500	0.09%
4,001 to 5,000	1	4,500	6	6.82%	14,000	0.13%
5,001 to 6,000	2	11,000	8	9.09%	25,000	0.24%
6,001 to 7,000	2	13,000	10	11.36%	38,000	0.37%
7,001 to 8,000	1	7,500	11	12.50%	45,500	0.44%
8,001 to 9,000		-	11	12.50%	45,500	0.44%
9,001 to 10,000		-	11	12.50%	45,500	0.44%
10,001 to 12,000		-	11	12.50%	45,500	0.44%
12,001 to 14,000	1	13,000	12	13.64%	58,500	0.56%
14,001 to 16,000		-	12	13.64%	58,500	0.56%
16,001 to 18,000	1	17,000	13	14.77%	75,500	0.73%
18,001 to 20,000	3	57,000	16	18.18%	132,500	1.28%
20,001 to 25,000	10	225,000	26	29.55%	357,500	3.45%
25,001 to 30,000	5	137,500	31	35.23%	495,000	4.77%
30,001 to 35,000		-	31	35.23%	495,000	4.77%
35,001 to 40,000	7	262,500	38	43.18%	757,500	7.30%
40,001 to 50,000	7	315,000	45	51.14%	1,072,500	10.34%
50,001 to 60,000	5	275,000	50	56.82%	1,347,500	12.99%
60,001 to 70,000	6	390,000	56	63.64%	1,737,500	16.75%
70,001 to 80,000	2	150,000	58	65.91%	1,887,500	18.19%
80,001 to 90,000	3	255,000	61	69.32%	2,142,500	20.65%
90,001 to 100,000	1	95,000	62	70.45%	2,237,500	21.56%
115506	1	115,506	63	71.59%	2,353,006	22.68%
121193	1	121,193	64	72.73%	2,474,199	23.85%
140025	1	140,025	65	73.86%	2,614,224	25.20%
166254	1	166,254	66	75.00%	2,780,478	26.80%
174849	1	174,849	67	76.14%	2,955,327	28.48%
189051	1	189,051	68	77.27%	3,144,378	30.30%
201471	1	201,471	69	78.41%	3,345,849	32.25%
205892	1	205,892	70	79.55%	3,551,741	34.23%
241800	1	241,800	71	80.68%	3,793,541	36.56%
268100	1	268,100	72	81.82%	4,061,641	39.15%
301924	1	301,924	73	82.95%	4,363,565	42.05%
323931	1	323,931	74	84.09%	4,687,496	45.18%
325088	1	325,088	75	85.23%	5,012,584	48.31%
332861	1	332,861	76	86.36%	5,345,445	51.52%
337358	1	337,358	77	87.50%	5,682,803	54.77%
351325	1	351,325	78	88.64%	6,034,128	58.16%
361970	1	361,970	79	89.77%	6,396,098	61.64%
369583	1	369,583	80	90.91%	6,765,681	65.21%
369676	1	369,676	81	92.05%	7,135,357	68.77%
376938	1	376,938	82	93.18%	7,512,295	72.40%
383875	1	383,875	83	94.32%	7,896,170	76.10%
391671	1	391,671	84	95.45%	8,287,841	79.88%
464881	1	464,881	85	96.59%	8,752,722	84.36%
510615	1	510,615	86	97.73%	9,263,337	89.28%
528892	1	528,892	87	98.86%	9,792,229	94.37%
583656	1	583,656	88	100.00%	10,375,885	100.00%
	88	10,375,885				

Average Number of Customers	7
Average Consumption	117,908
Median Consumption	48,571

Supporting Schedules:

Recap Schedules:

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

Explanation:
 Schedule(s) showing billing activity by block for each rate schedule.

2-Inch Meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0		-	-	0.00%	-	0.00%
1 to 1,000		-	-	0.00%	-	0.00%
1,001 to 2,000	8	12,000	8	13.33%	12,000	1.13%
2,001 to 3,000	4	10,000	12	20.00%	22,000	2.08%
3,001 to 4,000	6	21,000	18	30.00%	43,000	4.06%
4,001 to 5,000	3	13,500	21	35.00%	56,500	5.34%
5,001 to 6,000	1	5,500	22	36.67%	62,000	5.85%
6,001 to 7,000	1	6,500	23	38.33%	68,500	6.47%
7,001 to 8,000		-	23	38.33%	68,500	6.47%
8,001 to 9,000	5	42,500	28	46.67%	111,000	10.48%
9,001 to 10,000	1	9,500	29	48.33%	120,500	11.38%
10,001 to 12,000	3	33,000	32	53.33%	153,500	14.49%
12,001 to 14,000	4	52,000	36	60.00%	205,500	19.41%
14,001 to 16,000	1	15,000	37	61.67%	220,500	20.82%
16,001 to 18,000	2	34,000	39	65.00%	254,500	24.03%
18,001 to 20,000	3	57,000	42	70.00%	311,500	29.41%
20,001 to 25,000	2	45,000	44	73.33%	356,500	33.66%
25,001 to 30,000	2	55,000	46	76.67%	411,500	38.86%
30,001 to 35,000	3	97,500	49	81.67%	509,000	48.06%
35,001 to 40,000	2	75,000	51	85.00%	584,000	55.15%
40,001 to 50,000	7	315,000	58	96.67%	899,000	84.89%
50,001 to 60,000		-	58	96.67%	899,000	84.89%
60,001 to 70,000		-	58	96.67%	899,000	84.89%
70,001 to 80,000	1	75,000	59	98.33%	974,000	91.97%
80,001 to 90,000	1	85,000	60	100.00%	1,059,000	100.00%
90,001 to 100,000		-	60	100.00%	1,059,000	100.00%
	60	1,059,000				

Average Number of Customers	5
Average Consumption	17,650
Median Consumption	10,667

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

2-inch Meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0	2	-	2	1.61%	-	0.00%
1 to 1,000	2	1,000	4	3.23%	1,000	0.01%
1,001 to 2,000	24	36,000	28	22.58%	37,000	0.42%
2,001 to 3,000	8	20,000	36	29.03%	57,000	0.65%
3,001 to 4,000	5	17,500	41	33.06%	74,500	0.85%
4,001 to 5,000	2	9,000	43	34.68%	83,500	0.95%
5,001 to 6,000	4	22,000	47	37.90%	105,500	1.20%
6,001 to 7,000	6	39,000	53	42.74%	144,500	1.65%
7,001 to 8,000	7	52,500	60	48.39%	197,000	2.24%
8,001 to 9,000	1	8,500	61	49.19%	205,500	2.34%
9,001 to 10,000		-	61	49.19%	205,500	2.34%
10,001 to 12,000	5	55,000	66	53.23%	260,500	2.97%
12,001 to 14,000	4	52,000	70	56.45%	312,500	3.56%
14,001 to 16,000		-	70	56.45%	312,500	3.56%
16,001 to 18,000	3	51,000	73	58.87%	363,500	4.14%
18,001 to 20,000	2	38,000	75	60.48%	401,500	4.57%
20,001 to 25,000	5	112,500	80	64.52%	514,000	5.85%
25,001 to 30,000	11	302,500	91	73.39%	816,500	9.30%
30,001 to 35,000	3	97,500	94	75.81%	914,000	10.41%
35,001 to 40,000	1	37,500	95	76.61%	951,500	10.83%
40,001 to 50,000		-	95	76.61%	951,500	10.83%
50,001 to 60,000		-	95	76.61%	951,500	10.83%
60,001 to 70,000	1	65,000	96	77.42%	1,016,500	11.57%
70,001 to 80,000		-	96	77.42%	1,016,500	11.57%
80,001 to 90,000	2	170,000	98	79.03%	1,186,500	13.51%
90,001 to 100,000		-	98	79.03%	1,186,500	13.51%
111600	1	111,600	99	79.84%	1,298,100	14.78%
111800	1	111,800	100	80.65%	1,409,900	16.05%
112200	1	112,200	101	81.45%	1,522,100	17.33%
128370	1	128,370	102	82.26%	1,650,470	18.79%
131900	1	131,900	103	83.06%	1,782,370	20.29%
140800	1	140,800	104	83.87%	1,923,170	21.90%
152000	1	152,000	105	84.68%	2,075,170	23.63%
155100	1	155,100	106	85.48%	2,230,270	25.39%
163700	1	163,700	107	86.29%	2,393,970	27.26%
165000	1	165,000	108	87.10%	2,558,970	29.14%
165800	1	165,800	109	87.90%	2,724,770	31.02%
170600	1	170,600	110	88.71%	2,895,370	32.97%
171200	1	171,200	111	89.52%	3,066,570	34.92%
176000	1	176,000	112	90.32%	3,242,570	36.92%
186500	1	186,500	113	91.13%	3,429,070	39.04%
191500	1	191,500	114	91.94%	3,620,570	41.22%
193500	1	193,500	115	92.74%	3,814,070	43.43%
310300	1	310,300	116	93.55%	4,124,370	46.96%
319000	1	319,000	117	94.35%	4,443,370	50.59%
325300	1	325,300	118	95.16%	4,768,670	54.30%
404600	1	404,600	119	95.97%	5,173,270	58.90%
458600	1	458,600	120	96.77%	5,631,870	64.12%
709300	1	709,300	121	97.58%	6,341,170	72.20%
785700	1	785,700	122	98.39%	7,126,870	81.15%
802700	1	802,700	123	99.19%	7,929,570	90.28%
853300	1	853,300	124	100.00%	8,782,870	100.00%
	124	8,782,870				

Average Number of Customers	10
Average Consumption	70,830
Median Consumption	9,600

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

2-inch Meter - Landscape

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0	9	-	9	3.91%	-	0.00%
1 to 1,000		-	9	3.91%	-	0.00%
1,001 to 2,000	1	1,500	10	4.35%	1,500	0.00%
2,001 to 3,000		-	10	4.35%	1,500	0.00%
3,001 to 4,000	3	10,500	13	5.65%	12,000	0.02%
4,001 to 5,000		-	13	5.65%	12,000	0.02%
5,001 to 6,000	2	11,000	15	6.52%	23,000	0.04%
6,001 to 7,000	3	19,500	18	7.83%	42,500	0.07%
7,001 to 8,000	2	15,000	20	8.70%	57,500	0.09%
8,001 to 9,000	5	42,500	25	10.87%	100,000	0.16%
9,001 to 10,000	2	19,000	27	11.74%	119,000	0.19%
10,001 to 12,000		-	27	11.74%	119,000	0.19%
12,001 to 14,000		-	27	11.74%	119,000	0.19%
14,001 to 16,000	3	45,000	30	13.04%	164,000	0.27%
16,001 to 18,000	2	34,000	32	13.91%	198,000	0.32%
18,001 to 20,000	3	57,000	35	15.22%	255,000	0.41%
20,001 to 25,000	3	67,500	38	16.52%	322,500	0.52%
25,001 to 30,000	4	110,000	42	18.26%	432,500	0.70%
30,001 to 35,000	4	130,000	46	20.00%	562,500	0.91%
35,001 to 40,000	5	187,500	51	22.17%	750,000	1.22%
40,001 to 50,000	7	315,000	58	25.22%	1,065,000	1.73%
50,001 to 60,000	7	385,000	65	28.26%	1,450,000	2.35%
60,001 to 70,000	5	325,000	70	30.43%	1,775,000	2.88%
70,001 to 80,000	6	450,000	76	33.04%	2,225,000	3.61%
80,001 to 90,000	4	340,000	80	34.78%	2,565,000	4.16%
90,001 to 100,000	4	380,000	84	36.52%	2,945,000	4.78%
101300	1	101,300	85	36.96%	3,046,300	4.94%
103200	1	103,200	86	37.39%	3,149,500	5.11%
104900	1	104,900	87	37.83%	3,254,400	5.28%
105321	1	105,321	88	38.26%	3,359,721	5.45%
105600	1	105,600	89	38.70%	3,465,321	5.62%
106100	1	106,100	90	39.13%	3,571,421	5.79%
109800	1	109,800	91	39.57%	3,681,221	5.97%
110900	1	110,900	92	40.00%	3,792,121	6.15%
111575	1	111,575	93	40.43%	3,903,696	6.33%
113000	1	113,000	94	40.87%	4,016,696	6.52%
114100	1	114,100	95	41.30%	4,130,796	6.70%
115400	1	115,400	96	41.74%	4,246,196	6.89%
117200	1	117,200	97	42.17%	4,363,396	7.08%
117900	1	117,900	98	42.61%	4,481,296	7.27%
119900	1	119,900	99	43.04%	4,601,196	7.46%
122140	1	122,140	100	43.48%	4,723,336	7.66%
133700	1	133,700	101	43.91%	4,857,036	7.88%
135700	1	135,700	102	44.35%	4,992,736	8.10%
137200	1	137,200	103	44.78%	5,129,936	8.32%
137673	1	137,673	104	45.22%	5,267,609	8.54%
138100	1	138,100	105	45.65%	5,405,709	8.77%

2-inch Meter - Landscape (cont.)

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
138400	1	138,400	106	46.09%	5,544,109	8.99%
143454	1	143,454	107	46.52%	5,687,563	9.23%
144600	1	144,600	108	46.96%	5,832,163	9.46%
146500	1	146,500	109	47.39%	5,978,663	9.70%
146600	1	146,600	110	47.83%	6,125,263	9.94%
146800	1	146,800	111	48.26%	6,272,063	10.17%
147857	1	147,857	112	48.70%	6,419,920	10.41%
150500	1	150,500	113	49.13%	6,570,420	10.66%
155700	1	155,700	114	49.57%	6,726,120	10.91%
156953	1	156,953	115	50.00%	6,883,073	11.16%
157288	1	157,288	116	50.43%	7,040,361	11.42%
158000	1	158,000	117	50.87%	7,198,361	11.68%
165436	1	165,436	118	51.30%	7,363,797	11.94%
165800	1	165,800	119	51.74%	7,529,597	12.21%
166000	1	166,000	120	52.17%	7,695,597	12.48%
171800	1	171,800	121	52.61%	7,867,397	12.76%
172300	1	172,300	122	53.04%	8,039,697	13.04%
173600	1	173,600	123	53.48%	8,213,297	13.32%
173600	1	173,600	124	53.91%	8,386,897	13.60%
174409	1	174,409	125	54.35%	8,561,306	13.89%
175367	1	175,367	126	54.78%	8,736,673	14.17%
176900	1	176,900	127	55.22%	8,913,573	14.46%
180344	1	180,344	128	55.65%	9,093,917	14.75%
181675	1	181,675	129	56.09%	9,275,592	15.05%
183924	1	183,924	130	56.52%	9,459,516	15.34%
186300	1	186,300	131	56.96%	9,645,816	15.65%
187200	1	187,200	132	57.39%	9,833,016	15.95%
188300	1	188,300	133	57.83%	10,021,316	16.25%
198000	1	198,000	134	58.26%	10,219,316	16.58%
198900	1	198,900	135	58.70%	10,418,216	16.90%
204400	1	204,400	136	59.13%	10,622,616	17.23%
208300	1	208,300	137	59.57%	10,830,916	17.57%
215053	1	215,053	138	60.00%	11,045,969	17.92%
216940	1	216,940	139	60.43%	11,262,909	18.27%
229366	1	229,366	140	60.87%	11,492,275	18.64%
233167	1	233,167	141	61.30%	11,725,442	19.02%
238600	1	238,600	142	61.74%	11,964,042	19.41%
246400	1	246,400	143	62.17%	12,210,442	19.81%
251400	1	251,400	144	62.61%	12,461,842	20.21%
253128	1	253,128	145	63.04%	12,714,970	20.62%
253400	1	253,400	146	63.48%	12,968,370	21.03%
254709	1	254,709	147	63.91%	13,223,079	21.45%
255600	1	255,600	148	64.35%	13,478,679	21.86%
264998	1	264,998	149	64.78%	13,743,677	22.29%
265400	1	265,400	150	65.22%	14,009,077	22.72%
267773	1	267,773	151	65.65%	14,276,850	23.16%
272101	1	272,101	152	66.09%	14,548,951	23.60%
272502	1	272,502	153	66.52%	14,821,453	24.04%
274200	1	274,200	154	66.96%	15,095,653	24.49%
275456	1	275,456	155	67.39%	15,371,109	24.93%
287400	1	287,400	156	67.83%	15,658,509	25.40%
287474	1	287,474	157	68.26%	15,945,983	25.86%
293682	1	293,682	158	68.70%	16,239,665	26.34%

2-inch Meter - Landscape (cont.)

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
294619	1	294,619	159	69.13%	16,534,284	26.82%
294800	1	294,800	160	69.57%	16,829,084	27.30%
297800	1	297,800	161	70.00%	17,126,884	27.78%
303600	1	303,600	162	70.43%	17,430,484	28.27%
307600	1	307,600	163	70.87%	17,738,084	28.77%
312500	1	312,500	164	71.30%	18,050,584	29.28%
315400	1	315,400	165	71.74%	18,365,984	29.79%
328612	1	328,612	166	72.17%	18,694,596	30.32%
331085	1	331,085	167	72.61%	19,025,681	30.86%
336900	1	336,900	168	73.04%	19,362,581	31.41%
341000	1	341,000	169	73.48%	19,703,581	31.96%
341310	1	341,310	170	73.91%	20,044,891	32.51%
372013	1	372,013	171	74.35%	20,416,904	33.12%
376616	1	376,616	172	74.78%	20,793,520	33.73%
381533	1	381,533	173	75.22%	21,175,053	34.35%
385400	1	385,400	174	75.65%	21,560,453	34.97%
388500	1	388,500	175	76.09%	21,948,953	35.60%
389000	1	389,000	176	76.52%	22,337,953	36.23%
389460	1	389,460	177	76.96%	22,727,413	36.86%
393369	1	393,369	178	77.39%	23,120,782	37.50%
402656	1	402,656	179	77.83%	23,523,438	38.16%
415100	1	415,100	180	78.26%	23,938,538	38.83%
424900	1	424,900	181	78.70%	24,363,438	39.52%
425582	1	425,582	182	79.13%	24,789,020	40.21%
431300	1	431,300	183	79.57%	25,220,320	40.91%
435700	1	435,700	184	80.00%	25,656,020	41.61%
437500	1	437,500	185	80.43%	26,093,520	42.32%
452001	1	452,001	186	80.87%	26,545,521	43.06%
459246	1	459,246	187	81.30%	27,004,767	43.80%
471013	1	471,013	188	81.74%	27,475,780	44.57%
471199	1	471,199	189	82.17%	27,946,979	45.33%
475100	1	475,100	190	82.61%	28,422,079	46.10%
484400	1	484,400	191	83.04%	28,906,479	46.89%
494300	1	494,300	192	83.48%	29,400,779	47.69%
512000	1	512,000	193	83.91%	29,912,779	48.52%
542501	1	542,501	194	84.35%	30,455,280	49.40%
564836	1	564,836	195	84.78%	31,020,116	50.31%
568464	1	568,464	196	85.22%	31,588,580	51.24%
580840	1	580,840	197	85.65%	32,169,420	52.18%
596291	1	596,291	198	86.09%	32,765,711	53.15%
601468	1	601,468	199	86.52%	33,367,179	54.12%
606036	1	606,036	200	86.96%	33,973,215	55.10%
608600	1	608,600	201	87.39%	34,581,815	56.09%
609845	1	609,845	202	87.83%	35,191,660	57.08%
611826	1	611,826	203	88.26%	35,803,486	58.07%
640961	1	640,961	204	88.70%	36,444,447	59.11%
653246	1	653,246	205	89.13%	37,097,693	60.17%
672709	1	672,709	206	89.57%	37,770,402	61.26%
718000	1	718,000	207	90.00%	38,488,402	62.43%
718029	1	718,029	208	90.43%	39,206,431	63.59%
720777	1	720,777	209	90.87%	39,927,208	64.76%
736256	1	736,256	210	91.30%	40,663,464	65.96%

2-inch Meter - Landscape (cont.)

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
739623	1	739,623	211	91.74%	41,403,087	67.16%
743200	1	743,200	212	92.17%	42,146,287	68.36%
754943	1	754,943	213	92.61%	42,901,230	69.59%
787076	1	787,076	214	93.04%	43,688,306	70.86%
789000	1	789,000	215	93.48%	44,477,306	72.14%
831826	1	831,826	216	93.91%	45,309,132	73.49%
847572	1	847,572	217	94.35%	46,156,704	74.87%
954288	1	954,288	218	94.78%	47,110,992	76.41%
1033000	1	1,033,000	219	95.22%	48,143,992	78.09%
1048862	1	1,048,862	220	95.65%	49,192,854	79.79%
1052004	1	1,052,004	221	96.09%	50,244,858	81.50%
1065834	1	1,065,834	222	96.52%	51,310,692	83.23%
1090659	1	1,090,659	223	96.96%	52,401,351	85.00%
1095726	1	1,095,726	224	97.39%	53,497,077	86.77%
1157268	1	1,157,268	225	97.83%	54,654,345	88.65%
1182356	1	1,182,356	226	98.26%	55,836,701	90.57%
1212992	1	1,212,992	227	98.70%	57,049,693	92.53%
1450800	1	1,450,800	228	99.13%	58,500,493	94.89%
1551964	1	1,551,964	229	99.57%	60,052,457	97.41%
1599806	1	1,599,806	230	100.00%	61,652,263	100.00%
	230	61,652,263				

Average Number of Customers	19
Average Consumption	268,053
Median Consumption	157,121

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

2-inch Meter - Peoria School District

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
0		-	-	0.00%	-	0.00%
1 to 1,000	2	1,000	2	2.78%	1,000	0.01%
1,001 to 2,000	2	3,000	4	5.56%	4,000	0.03%
2,001 to 3,000	1	2,500	5	6.94%	6,500	0.06%
3,001 to 4,000	6	21,000	11	15.28%	27,500	0.23%
4,001 to 5,000	3	13,500	14	19.44%	41,000	0.35%
5,001 to 6,000	3	16,500	17	23.61%	57,500	0.49%
6,001 to 7,000	1	6,500	18	25.00%	64,000	0.54%
7,001 to 8,000		-	18	25.00%	64,000	0.54%
8,001 to 9,000	1	8,500	19	26.39%	72,500	0.62%
9,001 to 10,000	1	9,500	20	27.78%	82,000	0.70%
10,001 to 12,000		-	20	27.78%	82,000	0.70%
12,001 to 14,000	2	26,000	22	30.56%	108,000	0.92%
14,001 to 16,000	2	30,000	24	33.33%	138,000	1.17%
16,001 to 18,000		-	24	33.33%	138,000	1.17%
18,001 to 20,000	3	57,000	27	37.50%	195,000	1.66%
20,001 to 25,000	1	22,500	28	38.89%	217,500	1.85%
25,001 to 30,000		-	28	38.89%	217,500	1.85%
30,001 to 35,000	2	65,000	30	41.67%	282,500	2.40%
35,001 to 40,000		-	30	41.67%	282,500	2.40%
40,001 to 50,000		-	30	41.67%	282,500	2.40%
50,001 to 60,000	2	110,000	32	44.44%	392,500	3.34%
60,001 to 70,000	1	65,000	33	45.83%	457,500	3.89%
70,001 to 80,000	1	75,000	34	47.22%	532,500	4.53%
80,001 to 90,000	1	85,000	35	48.61%	617,500	5.26%
90,001 to 100,000	3	285,000	38	52.78%	902,500	7.68%
104961	1	104,961	39	54.17%	1,007,461	8.57%
111395	1	111,395	40	55.56%	1,118,856	9.52%
114847	1	114,847	41	56.94%	1,233,703	10.50%
129169	1	129,169	42	58.33%	1,362,872	11.60%
157296	1	157,296	43	59.72%	1,520,168	12.94%
160177	1	160,177	44	61.11%	1,680,345	14.30%
169653	1	169,653	45	62.50%	1,849,998	15.75%
170772	1	170,772	46	63.89%	2,020,770	17.20%
171809	1	171,809	47	65.28%	2,192,579	18.66%
176161	1	176,161	48	66.67%	2,368,740	20.16%
177438	1	177,438	49	68.06%	2,546,178	21.67%

2-inch Meter - Peoria School District (cont.)

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
184462	1	184,462	50	69.44%	2,730,640	23.24%
189201	1	189,201	51	70.83%	2,919,841	24.85%
191934	1	191,934	52	72.22%	3,111,775	26.48%
203937	1	203,937	53	73.61%	3,315,712	28.22%
211186	1	211,186	54	75.00%	3,526,898	30.02%
219039	1	219,039	55	76.39%	3,745,937	31.88%
236870	1	236,870	56	77.78%	3,982,807	33.90%
282235	1	282,235	57	79.17%	4,265,042	36.30%
313821	1	313,821	58	80.56%	4,578,863	38.97%
328759	1	328,759	59	81.94%	4,907,622	41.77%
367566	1	367,566	60	83.33%	5,275,188	44.90%
374550	1	374,550	61	84.72%	5,649,738	48.09%
387062	1	387,062	62	86.11%	6,036,800	51.38%
412146	1	412,146	63	87.50%	6,448,946	54.89%
423716	1	423,716	64	88.89%	6,872,662	58.49%
440140	1	440,140	65	90.28%	7,312,802	62.24%
447387	1	447,387	66	91.67%	7,760,189	66.05%
452765	1	452,765	67	93.06%	8,212,954	69.90%
530716	1	530,716	68	94.44%	8,743,670	74.42%
613689	1	613,689	69	95.83%	9,357,359	79.64%
681468	1	681,468	70	97.22%	10,038,827	85.44%
805495	1	805,495	71	98.61%	10,844,322	92.30%
905134	1	905,134	72	100.00%	11,749,456	100.00%
	72	11,749,456				

Average Number of Customers 6
Average Consumption 163,187
Median Consumption 93,333

Supporting Schedules:

Recap Schedules:

SUPPLEMENTAL MISCELLANEOUS INFORMATION

ROSE VALLEY WATER COMPANY

DOCKET NO. W-01539A-17-_____

Rose Valley Water Company, Inc.
Docket No. W-01539A-17-
Miscellaneous Supplementary Information

The supplementary information required to be filed with the application follows in the order below:

- Item 1** – Rose Valley’s most recent ADEQ annual sampling fee invoice for it Monitoring Assistance Program
- Item 2** – Water Use Data Sheet for the 12 months of the Test Year.
- Item 3** – The Water Company Plant Description for Rose Valley.
- Item 4** – Rose Valley filed a Cross-Connection Tariff under Docket No. W-01539A-17-022 and a Curtailment Tariff under Docket No. W-01539A-17-023 on January 26, 2017.



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street Phoenix, Arizona 85007
(602) 771-2300 www.azdeq.gov



Misael Cabrera
Director

Customer ID: 7707S

ROSE VALLEY WATER CO
PO BOX 1444
GREEN VALLEY, AZ 85622

Billing Period: November 21, 2016 - December 20, 2016
Payment Due Date: January 31, 2017

ACCOUNT SUMMARY

Account ID	Fee Code	Balance Carried Forward	Current Amount	Payments / Credits	Total Amount
B2012840	MAP Monitoring Assistance Program	\$6,266.37	\$0.00	-\$6,266.37	\$0.00
TOTAL:		\$6,266.37	\$0.00	-\$6,266.37	\$0.00

AGING SUMMARY

Current Charges	(1-30 days)	(31-60 days)	(61-90 days)	(91-120 days)	(Over 120 days)	Balance
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

* All payments received and not specifically allocated on the REMITTANCE ADVICE will be applied to the oldest amount due until fees are paid and then applied to interest.

Retain for your record

If you have submitted your payment after the 20th of the month and before the due date, please disregard this Bill.

To pay your bill by credit card or ACH please visit www.azdeq.gov and go to 'QuickPay'.

This paragraph applies to current charges only. For all ADEQ final decisions, you have a right to request a hearing and file an appeal under A.R.S. § 41-1092.03(B) within 30 days of the ADEQ decision. Depending upon the service you are invoiced for, you may have additional options to request an informal review of your bill. Go to <http://azdeq.gov/FeeReview> for more information on how to request a review of your invoice.



Account Details for Account ID: B2012840

Customer ID: 7707S

Fee Code	MAP Monitoring Assistance Program	
PWS ID	07065 - ROSE VALLEY WATER COMPANY	
Charges Since 11/21/2016		\$0.00
Interest Charges Since 11/21/2016		\$0.00
Balance Carried Forward		\$6,266.37
Payments		-\$6,266.37
Other Credits		\$0.00
TOTAL:		\$0.00

Program Contact:
 Name: Mary Kaye Black
 Phone: (602) 771-4518 or (800) 234-5677
 E-mail: mb13@azdeq.gov

AGING SUMMARY

Current Charges	(1-30 days)	(31-60 days)	(61-90 days)	(91-120 days)	(Over 120 days)	Balance
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

INVOICE DETAIL

Invoice Period	2017	Invoice Number	0000245183X
		LTF No.	
		Date	11/02/2016
Item Code	Description		
MAP	Base Charge		\$250.00
MAP	Annual Fee Per Connection		\$6,016.37
Original Invoice Total Carried Forward:			\$6,266.37

Retain for your record

**If you have submitted your payment after the 20th of the month and before the due date, please disregard this Bill.
 To pay your bill by credit card or ACH please visit www.azdeq.gov and go to 'QuickPay'.**



WATER USE DATA SHEET

NAME OF COMPANY	Rose Valley Water Company, Inc.
ADEQ Public Water System Number:	07-065

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
January	2376	19,848	24,174
February	2377	22,130	26,537
March	2381	20,534	25,916
April	2383	28,355	33,454
May	2386	32,275	36,692
June *	2384	39,346	42,187
July*	2385	41,239	36,785
August	2387	54,033	55,451
September	2388	49,529	60,066
October	2387	37,926	42,963
November	2387	42,287	47,214
December	2389	29,739	36,987
TOTAL	N/A	417,241	** 468,426

Is the water utility located in an ADWR Active Management Area ("AMA")?

YES NO

Does the Company have an ADWR gallons per capita day ("GPCD") requirement?

YES NO

If Yes, please provide the GPCD amount: 175

*Note: If you are filling for more than one system, please provide separate data sheets for each system.
For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.*

** Rose Valley purchased 15,711 gallons (in thousands) during the June/July billing period.*

*** Gallons pumped cannot equal or be less than the gallons sold.*

Company Name: Rose Valley Water Company, Inc.	Test Year Ended: 12/31/2015
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WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-802980	200	700	720	20	8	1958
55-571749	200	1200	1193	16	8	1999

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
City of Peoria Interconnection	for emergencies	15,711

BOOSTER PUMPS

Horsepower	Quantity
15.0	4
125.0	2

FIRE HYDRANTS

Quantity Standard	Quantity Other
245	

STORAGE TANKS

Capacity	Quantity
400,000 gallon	3

PRESSURE TANKS

Capacity	Quantity
10,000 gallon	1

Company Name: Rose Valley Water Company, Inc.	Test Year Ended: 12/31/2015
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WATER COMPANY PLANT DESCRIPTION CONTINUED

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	2,490
3		
4	PVC	10,374
5		
6	PVC	14,503
8	PVC	76,134
10	PVC	2,095
12	PVC	4,520
14	PVC	1,118

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	2,084
3/4	
1	252
1 1/2	11
2	44
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

Chlorination System

STRUCTURES:

OTHER:
