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W-01539A-22-0065

NEW APPLICATION

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

LEA MARQUEZ PETERSON – Chairwoman
SANDRA D. KENNEDY
JUSTIN OLSON
ANNA TOVAR
JIM O'CONNOR

IN THE MATTER OF THE APPLICATION OF ROSE VALLEY WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR AN INCREASE IN ITS RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.	DOCKET NO. W-01539A-22-____ **APPLICATION**

OSBORN MALEDON
A PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW

Rose Valley Water Company ("Rose Valley") submits this Application ("Application") for an order determining the fair value of its utility plant and property used for the provision of public water utility service and, based on such finding, approving permanent rates and charges for utility service designed to produce a fair return thereon. In support thereof, Rose Valley states as follows:

1. Rose Valley is a Class "C" water utility. Rose Valley provides water utility service to approximately 2,398 customers residing within the boundaries of the City of Peoria located in Maricopa County, Arizona pursuant to multiple Certificates of Convenience and Necessity issued by the Arizona Corporation Commission.

2. Rose Valley's business address is PO Box 1444, Green Valley, AZ 85622-1444. Rose Valley's mailing address, phone number, and e-mail contact for Mr. Gary Brasher, the Company's President and primary management contact, is:

Rose Valley Water Company
Mr. Gary Brasher
PO Box 1444
Green Valley, AZ 85622-1444
Telephone: 623-889-2275
E-mail: info@rosevalleywaterco.com

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3. Mr. Gary Brasher is the person responsible for overseeing and directing the conduct of this Application, in conjunction with outside legal counsel, Meghan Grabel. Ms. Grabel's contact information is as follows:

Ms. Meghan H. Grabel
Osborn Maledon, P.A.
2929 N. Central Avenue, 21st Floor
Phoenix, AZ 85012
Phone: 602-640-9399
E-mail: mgrabel@omlaw.com

All parties should please direct copies of all notices, filings, discovery, data requests and similar requests, and other papers related to this Application to Mr. Brasher and Ms. Grabel.

4. In this Application, Rose Valley seeks adjustments to its rates and charges for utility service for Rose Valley's water system.

5. As shown in the testimony filed with this Application, a significant portion of Rose Valley's need to file this Application and Rose Valley's rising cost of service results from ongoing replacement of Rose Valley's aging infrastructure and the need to keep water loss to a minimum. Rose Valley's cost of service has also increased from amplified operational costs and maintenance expenses, such as system control software upgrades and storage tank maintenance. As a result, Rose Valley's continuous infrastructure investment and revenue requirement needs have increased substantially.

6. Rose Valley served approximately 2,398 customers at the end of the September 2020 through August 2021 test year ("Test Year") used in this Application.

7. Rose Valley filed its last rate case in 2017 using a Test Year ending December 31, 2015 (Docket No. W-01539A-17-0060). The Commission approved new rates in that proceeding in Decision No. 76514 (January 2, 2018). The approved rates went into effect on January 1, 2018.

8. The rates approved in Docket No. W-01539A-17-0060 for Rose Valley's system are presently inadequate to allow Rose Valley the opportunity to recover its cost of service, including the cost of its capital deployed in the provision of such service.

9. During the Test Year, Rose Valley had adjusted gross revenues of approximately $1,352,061, and adjusted operating loss of $(8,680). Rose Valley's adjusted original cost rate base for the water system is negative $(292,817) and its adjusted fair value rate base for the water system is also negative $(292,817).

10. Accordingly, Rose Valley requests that the Commission approve adjustments to its rates and charges for utility service. Rose Valley requests an increase in base rate revenues for the systems of $481,500, an increase of 35.61%.

11. 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. Rose Valley is requesting a 19% operating margin, as described in the Direct Testimony of Sonn S. Ahlbrecht, attached to this Application.

12. Rose Valley's other requests for relief are set forth in the direct testimony of its witnesses. The Direct testimony of Rose Valley's witnesses, Mr. Gary Brasher and Ms. Sonn S. Ahlbrecht, filed concurrently with and in support of this Application are attached as **Exhibit 1** and **Exhibit 2**, respectively.

13. The schedules required by A.A.C. R14-2-103 for Class C water utility rate applications are attached to this Application as **Exhibit 3**. To prepare its schedules, Rose Valley used a Test Year consisting of the 12-month period ending August 2021. Rose Valley requests that the Commission use this Test Year in connection with this Application.

14. Attached as **Exhibit 4** to this Application is the additional information required for Class C utilities pursuant to A.A.C. R14-2-103(B)(5). This information consists of Arizona Department of Environmental Quality Monitoring Assistance Program ("MAP") invoices, a list of major plant in service, and the amount of water pumped and sold during the Test Year.

WHEREFORE, Rose Valley requests the following relief:

A. That the Commission, upon proper notice and at the earliest possible time, approve Rose Valley's requests herein and as set forth in the exhibits, schedules, and testimony of its witnesses as they relate to Rose Valley's service areas;

B. That the Commission authorize such other and further relief as may be appropriate to ensure that Rose Valley has an opportunity to recover its prudently incurred cost of service, including the cost of its capital deployed in the provision of such service; and

C. That the Commission authorize such other and further relief as may be necessary or appropriate to ensure that Rose Valley is in a position of financial stability, and thus able to continue its provision of safe, adequate and reliable water service.

RESPECTFULLY SUBMITTED this 8th day of March, 2022.

OSBORN MALEDON, P.A.

By _____

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2022, with:

https://efiling.azcc.gov
ARIZONA CORPORATION COMMISSION
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Copy of the foregoing emailed
This 8th day of March 2022 to:

Elijah Abinah
Director, Utilities Division
ARIZONA CORPORATION COMMISSION

1200 W. Washington
Phoenix, Arizona 85007

Robin Mitchell
Director and Chief Counsel, Legal Division
ARIZONA CORPORATION COMMISSION
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Patricia D. Palmer

Exhibit 1

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Direct Testimony of

Gary Brasher

I. Introduction and Qualifications

Q. PLEASE STATE YOUR NAME, EMPLOYER, AND OCCUPATION.

A. My name is Gary Brasher. I am employed by Rose Valley Water Company ("Rose Valley" or "Company") as its President, Director, and Owner. As such, I am responsible for the management and operations of the Company.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.

A. I graduated in 1984 with a Bachelors of Science degree from Arizona State University in Phoenix, Arizona.

Q. PLEASE DESCRIBE YOUR WORK EXPERIENCE.

A. Starting in 1977 through 1985, I worked for the Federal Bureau of Investigation. In 1985, I began my career with Russ Lyon Real Estate and for the past 25 years have been the President of Brasher Real Estate in Tubac, Arizona. In 1992, I began my role as President of Rose Valley where I oversee the day-to-day utility operations and management.

In that time, I have served on the Governor's Groundwater Advisory Board for the State of Arizona and as Chair of the Governor's Real Estate Advisory Board. I currently serve as the Vice Chair of the Governor's Groundwater Advisory Board for the Santa Cruz County Active Management Area.

Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE ARIZONA CORPORATION COMMISSION ("COMMISSION")?

A. Yes. I have testified in general rate case proceedings, financing applications, and Certificate of Convenience and Necessity ("CCN") hearings before the Commission.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. My testimony gives a general overview of Rose Valley and of the Company's rate application. My testimony then summarizes the significant challenges facing the water utility industry generally and Rose Valley specifically, including the need to fund utility plant projects required to replace aging and failing water utility infrastructure and to mitigate water loss as directed by the Commission. My testimony also addresses the need for adequate rate relief and additional regulatory support to ensure that the Company can attract the capital it will need to fund these extraordinary construction costs. Finally, my testimony discusses the Company's compliance with previous Commission orders.

II. General Background of Rose Valley and its Application

Q. PLEASE PROVIDE A BRIEF OVERVIEW OF ROSE VALLEY.

A. 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. PLEASE SUMMARIZE ROSE VALLEY'S GENERAL RATE CASE APPLICATION.

A. Rose Valley is seeking an increase in annual utility operating revenues of $481,500, or 35.61%, for its water system. This requested increase is primarily driven by increased operating expenses driven by both direct and indirect labor cost that have not been offset by an increase to revenue. These costs have dramatically risen in recent years and have a material impact on Rose Valley's capital needs.

The proposed rates that would increase the typical monthly 5/8 x 3/4-inch meter residential bill with median usage of 8,468 gallons from $27.39to $37.07, for an increase of $9.68, or 35.34 percent. The Company's overall request produces a 19.01% operating margin.

Rose Valley is proposing to maintain the current rate design structure that is in place, which consists of three tiers for residential 5/8" X 3/4" and 3/4" customers, two tiers for the remaining residential meter sized customers and commercial and construction customers, and a flat rate for landscape and school meters.

Q. WHEN WERE THE COMPANY'S CURRENT RATES AND CHARGES FOR WATER SERVICE PLACED INTO EFFECT?

A. Rose Valley's current rates were placed into effect on January 18, 2018, pursuant to Decision No. 76514 (January 2, 2018) – Rose Valley's first increase in 25 years.

As part of the Company's last rate case, at the Commission's suggestion, Rose Valley committed not to permit too much time to pass without coming in for another rate case. This filing honors our commitment to file a rate case every five or so years.

Q. HAS THE COMPANY EXPERIENCED ANY CUSTOMER GROWTH SINCE THE LAST RATE CASE?

A. The Company has not experienced significant growth since its last rate case and does not expect to experience growth in the foreseeable future.

Q. PLEASE DESCRIBE THE IMPROVEMENTS THE COMPANY HAS MADE SINCE ITS LAST RATE CASE.

A. Since January 2018, Rose Valley has invested $127,000 in new meters to replace meters that have been found to be outside the proper accurate measurement parameters or have failed. Rose Valley has been on a rigorous meter testing program since 2018 and has implemented a separate analytical analysis program each month to verify meter accuracy and conducts monthly testing of suspect meters for accuracy. Also in 2018, Rose Valley had to complete a major line repair due to hazardous tree roots in the area. Throughout 2019, Rose Valley went through a major renovation of all main booster pumps for the system; rebuilt Well #2 motor; replaced and renovated all A/C units for the electrical and chlorine panels for cooling; and replaced a soft start motor controller for Well #3.

Starting in 2020 through the present day, Rose Valley pulled and renovated Well #2, including most of the column pipe. Rose Valley has rebuilt fire booster pump #5 – one of two 200HP fire pumps that Rose Valley uses to keep up with major demand times and fire usage for the service area. Additionally, Rose Valley implemented a new billing program that allows

customers improved awareness of their water usage, and allows customers additional options to receive, pay and managing their billing account. Rose Valley began a revised meter replacement program using new "Master" meters for eventual radio read system to be installed. Finally, Rose Valley performed maintenance and repairs to the main pressure tank for the service area.

Q. IS ROSE VALLEY OPERATING IN COMPLIANCE WITH ALL FEDERAL, STATE, AND COUNTY AND/OR LOCAL REGULATIONS?

A. Yes.

III. Challenges Facing the Water Utility Industry

Q. WHAT CHALLENGES FACE THE WATER UTILITY INDUSTRY TODAY?

A. As described above, Rose Valley has incurred and will continue to incur significant costs to replace aging and failing infrastructure, rehabilitate wells, replace pumps, and build and relocate transmission and distribution facilities. These challenges are not unique to the Company. 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, these challenges place strain upon the financial resources of such small utilities.

Indeed, the American Water Works Association has found that water utility investments nationwide will increase from approximately $13 billion per year in 2010 to more than $50 billion per year in 2040 to replace needed infrastructure and keep up with growth. Stated differently, the water utility industry will have to invest more than $1 trillion over the next 25 years to

continue to provide safe and reliable water to customers.[1] These are truly extraordinary times for the industry. As Black and Veatch recently concluded,

> Across the nation, we [the water utility industry] have reached a point where much of our most critical infrastructure is old, frail and unable to keep up with changing water needs. One could argue that the industry has done such a good job of hiding the water infrastructure and delivering service to customers that people seldom see or think about how water impacts their community and their quality of life—until pressed to spend on updating infrastructure. [2]

Locally, the American Society of Civil Engineers reported in a "2015 Report Card for Arizona's Infrastructure" that Arizona will need over $7.4 billion worth of investment over the next 20 years if Arizona water utilities are to be able to continue to provide safe drinking water to Arizona residents.[3] These capital needs consist of the following:

- $5 billion to replace or rehabilitate deteriorating water distribution and transmission lines;
- $1.4 billion to construct, expand, and rehabilitate treatment infrastructure;
- $684 million to construct or rehabilitate water storage reservoirs; and

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[1] AWWA Report, *Buried No Longer: Confronting America's Water Infrastructure Challenge,* http://www.climateneeds.umd.edu/reports/American-Water-Works.pdf.

[2] *See* Black & Veatch Perspective, *The Price of Water, October 29, 2018,* https://www.bv.com/insights/expert-perspectives/price-water.

[3] *See* Arizona Society of Civil Engineer, *2015 Report Card or Arizona's Infrastructure*, https://www.infrastructurereportcard.org/wp-content/uploads/2016/10/AZ-Report-Card-5.13.15-FINALWEB2.pdf.

- $334 million to construct or rehabilitate wells or surface water intake structures.[4]

The Report Card aptly concludes that:

> [p]roactive programs must be put into place to systematically upgrade and replace Arizona's water infrastructure. Delaying the investment in rehabilitating and replacing aging infrastructure will result in a decreased level of water service and an increased cost for emergency repairs. Ultimately, by deferring the investment in Arizona's water infrastructure today, the cost to make improvements in the future will only increase. By investing in the rehabilitation of Arizona's water infrastructure, Arizona's water systems will be able to continue to deliver high quality, clean, and safe drinking water.[5]

These are precisely the challenges facing Rose Valley and other Arizona water utilities today.

IV. Challenges Facing Rose Valley

Q. EARLIER, YOU DISCUSSED ROSE VALLEY'S CAPITAL NEEDS. PLEASE SUMMARIZE THE NATURE OF SOME OF THE CHALLENGES THAT ROSE VALLEY HAS ENCOUNTERED.

A. These challenges have included the following: (i) keeping water loss to a minimum, preferably under 10%; (ii) government-mandated transmission and distribution facilities relocation and lowering at Rose Valley's expense, (iii) 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 (iv) well rehabilitation and pump replacement, in part necessitated by declining groundwater aquifer levels over which the Company has no effective control.

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[4] *See id.*

[5] *See id.*

Q. HAS ROSE VALLEY IDENTIFIED ANY SYSTEM UPGRADES OR IMPROVEMENTS THAT IT WOULD LIKE TO UNDERTAKE? PLEASE SUMMARIZE THOSE UPGRADES AND IMPROVEMENTS.

A. 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.

Primarily, Rose Valley must update old and faulty meters – likely responsible for the majority of the water loss experienced the system. Other activities include: (i) investing in a mobile meter reading system, which will save time and expense related to monthly meter reading as well as give customers access to information; (ii) upgrading existing system operating software to provide real-time monitoring, remote control and operation capabilities, and more efficient pump control; (iii) inspecting/cleaning/painting of the storage tanks would help identify and address any potential structural problems proactively and potentially prevent a catastrophic failure that could result in reduced water service or even an outage; (iv) installing a soft-start motor controller on this well will put less stress on the motor at each start-up, thereby reducing the chance for the motor to fail; and (v) installing additional and replacement valves throughout the water distribution system would allow for better operation and control of the system, resulting in fewer customers being affected by planned outages or unplanned water line repairs.

Q. DO YOU HAVE ANY FINAL COMMENTS AT THIS TIME?

A. 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. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.

Exhibit 2

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ROSE VALLEY WATER COMPANY

Direct Testimony of

Sonn S Ahlbrecht, CPA

I. Introduction and Background

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND THE NATURE OF YOUR BUSINESS.

A. My name is Sonn S. Ahlbrecht. My business address is 4802 E. Ray Road, Suite 23-535, Phoenix, AZ 85044. I am a Certified Public Accountant and Regulatory Consultant. I am also the managing member of Pinkerton PLLC and Facilitation PLLC.

Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL EXPERIENCE, INCLUDING PARTICULARLY YOUR EXPERIENCE WITH WATER UTILITY RATE CASES IN PROCEEDINGS BEFORE THE ARIZONA CORPORATION COMMISSION.

A. 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 and sewer companies. In 2014, I formed Facilitation PLLC and continue to

specialize in regulatory accounting and consulting for small utilities, as well as accounting work for other non-regulated utilities. In 2019, I formed Pinkerton Utility Solutions PLLC to separate accounting work from rate case work. I currently retain sole ownership of both Pinkerton Utility Solutions and Facilitation.

Q. 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. Using a September 2020 through August 2021 test year ("Test Year"), I reviewed the prior rate case findings and interim transactions to determine the plant, depreciation, AIAC, CIAC and the associated CIAC amortization balances since the last rate case. In addition, I verified the Test Year revenue with the bill count and adjusted operating expenses for known and measurable 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 result in a 19% operating margin to satisfy other financial obligations.

Q. DID YOU PREPARE, AND ARE YOU THE SPONSORING WITNESS FOR, THE SCHEDULES THAT ROSE VALLEY HAS FILED IN SUPPORT OF ITS REQUEST FOR AN INCREASE IN ITS RATES AND CHARGES FOR WATER SERVICE?

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

II. History and Summary of Requested Rate Increase

Q. WHEN DID ROSE VALLEY'S CURRENT RATES BECOME EFFECTIVE?

A. The current rates and charges were authorized by Decision No. 76514 dated January 2, 2018, with rates effective on January 1, 2018. Notably, this Decision was the result of one of only two rate cases that Rose Valley had filed in 28 years.

Q. WERE THE RATES AND CHARGES APPROVED BY DECISION NO. 76514 THE SAME RATES THAT HAVE BEEN IN EFFECT FOR ROSE VALLEY CUSTOMERS SINCE JANUARY 1, 2018?

A. No. Based on a Commission initiative, the rates and charges approved by Decision No. 76514 were superseded by the rates in Decision 76969. This Decision reduced and then finally removed income tax cost recovery from rates in connection with the 2018 Tax Cuts and Jobs Recovery Act, and set an amount for Rose Valley to refund to its customers. The rates and charges from Decision No. 76969 became effective in December of 2018.

Q. ARE ROSE VALLEY'S CURRENT RATES THOSE ORDERED IN DECISION NO. 76969?

A. No. Once Rose Valley revoked its S-Corp status and reverted to a C-Corp, it petitioned the ACC to have the rates that included income tax recovery from Decision 76514 reinstated. Decision No. 77170 accomplished the requested change to rates and the rates from Decision No. 76514 became effective again during the May 2019 billing cycle.

Q. WHAT WAS THE RATE BASE AND AUTHORIZED REVENUE REQUIREMENT FROM THE PRIOR FULL RATE PROCEEDING?

A. According to Decision No. 76514, rate base was negative $731,224 and the proposed operating revenue was $1,311,655 based on a 2015 adjusted test year.

Q. WHAT ARE THE PROPOSED RATE BASE AND REVENUE REQUIREMENT FOR THIS RATE CASE PROCEEDING?

A. As depicted on Schedule A-1, Rose Valley is proposing a negative rate base of $292,817 and a revenue requirement of $1,833,561. The proposed revenue requirement is an increase of $481,500 over Test Year revenue of $1,352,061.

Q. PLEASE DESCRIBE THE RATES THAT WERE ESTABLISHED IN DECISION NO. 76514.

A. For the largest class, the 5/8 x 3/4-inch residential meter, the monthly minimum charge authorized was $16.80 per month with no gallons included. The first 3,000 gallons are $0.85 per thousand gallons, the next 5,000 gallons (or from 3,001 to 8,000 gallons) are $1.42 per thousand gallons, and the commodity rate for all gallons above 8,000 is $2.00 per thousand. Under Rose Valley's current rates, 5/8 x 3/4-inch residential customers with an average

monthly usage of 10,851 gallons pay $32.15 and customers with median usage of 8,468 gallons per month pay $27.39.

Q. HOW DOES THE CUSTOMER COMPOSITION DURING THE TEST YEAR USE IN THE PRIOR FULL RATE PROCEEDING DIFFER FROM THAT OF THE CURRENT SEPTEMBER 2020 THROUGH AUGUST 2021 TEST YEAR?

A. During the 2015 test year used in the Company's last full rate case, there was an average of 2,377 active connections. The largest class was the 5/8 x ¾-inch residential customer with an average of 2,075 connections. During the current Test Year, the largest class of 5/8 x ¾-inch residential customers had an average of 2,065 active connections and total average active connections across all classes and meter sizes was 2,398. This results in an increase of 22 meters overall since the last rate case, most of which are commercial or irrigation. Table 1 below illustrates the various meter sizes and customer classes Rose Valley served during the Test Year.

Table 1

Meter Size	Customer Class	Number of Connections
5/8 x ¾-inch	Residential	2,065
5/8 x ¾-inch	Commercial	1
5/8 x ¾-inch	Irrigation	3
¾-inch	Residential	7
1-inch	Residential	245
1-inch	Commercial	8
1-inch	Irrigation	18
1 ½-inch	Commercial	3
1 ½-inch	Irrigation	9
2-inch	Residential	5
2-inch	Commercial	10
2-inch	Irrigation	24
Total Average Customers		2,398

Q. IS ROSE VALLEY PROPOSING TO CHANGE ITS CURRENT RATE DESIGN IN THIS CASE?

A. No. The tier breaks for all meter sizes and customer classes are proposed to remain the same at proposed rates.

Q. PLEASE SUMMARIZE THE PROPOSED RATE INCREASE BY CUSTOMER CLASS AND METER SIZE, BASED ON MONTHLY AVERAGE AND MEDIAN USAGE.

A. The increase has been designed to be spread evenly among the meter sizes and customer classes. Tables 2 and 3 below represent average and median usage by meter size and class and compares the cost under the current rates and the cost under proposed rates. The increase amount and percentage increase are also calculated.

Table 2

Meter Size/Class	Average Usage	Current Rates	Proposed Rates	Increase Amount	Increase %
5/8 x ¾-inch Residential	10,851	$32.15	$43.65	$11.50	35.77%
5/8 x ¾-inch Commercial	400	$17.14	$23.22	$6.08	35.47%
5/8 x ¾-inch Irrigation	22,744	$62.29	$85.56	$23.27	37.36%
¾-inch Residential	13,524	$45.90	$62.42	$16.52	35.99%
1-inch Residential	22,858	$76.12	$103.64	$27.52	36.15%
1-inch Commercial	9,578	$55.60	$75.54	$19.94	35.86%
1-inch Irrigation	44,149	$130.30	$178.81	$48.51	37.23%
1 ½-inch Commercial	15,318	$105.75	$143.63	$37.88	35.82%
1 ½-inch Irrigation	104,298	$292.60	$401.77	$109.17	37.31%
2-inch Residential	20,283	$163.20	$221.61	$58.41	35.79%
2-inch Commercial	65,670	$228.62	$311.03	$82.41	36.05%
2-inch Irrigation	211,520	$557.44	$766.06	$208.62	37.42%

Table 3

Meter Size/Class	Median Usage	Current Rates	Proposed Rates	Increase Amount	Increase %
5/8 x ¾-inch Residential	8,468	$27.39	$37.07	$9.68	35.34%
5/8 x ¾-inch Commercial	400	$17.14	$23.22	$6.08	35.47%
5/8 x ¾-inch Irrigation	14,500	$45.80	$62.80	$17.00	37.12%
¾-inch Residential	13,429	$45.71	$62.16	$16.45	35.99%
1-inch Residential	15,411	$63.88	$86.85	$22.97	35.96%
1-inch Commercial	4,900	$48.96	$66.46	$17.50	35.74%
1-inch Irrigation	28,654	$99.31	$136.04	$36.73	36.99%
1 ½-inch Commercial	11,286	$100.03	$135.81	$35.78	35.77%
1 ½-inch Irrigation	62,000	$208.00	$285.03	$77.03	37.03%
2-inch Residential	5,600	$142.35	$193.12	$50.77	35.67%
2-inch Commercial	13,222	$153.18	$207.91	$54.73	35.73%
2-inch Irrigation	143,122	$420.64	$577.28	$156.64	37.24%

Schedule H-4, pages 1 through 9 contain more detailed increase amounts at varying consumption levels for each of the rate classes.

III. Plant in Service

Q. PLEASE EXPLAIN THE COMPANY'S RECOMMENDED AMOUNT FOR TEST YEAR END UTILITY PLANT IN SERVICE AND THE ASSOCIATED ACCUMULATED DEPRECIATION.

A. Schedule E-5 depicts Total Plant in Service as of August 31, 2020 in the amount of $4,360,723. Test year net additions of $98,935 result in $4,459,658 of utility plant in service on August 31, 2021. Accumulated depreciation is $3,635,825 at the end of the Test Year, resulting in Net Plant in Service on August 31, 2021 of $823,833. These are the utility plant in service amounts that transfer to Schedule B-2 for rate base, since there is no property held for future use or construction work in progress at the end of the Test Year.

Q. PLEASE IDENTIFY THE TEST YEAR PLANT ADDITIONS THAT TOTAL $98,935.

A. Table 4 below depicts the Test Year additions and the purpose:

Table 4

Account	Amount	Comment
311	$4,181	New pumping equipment
333	$22,268	New services
334	$40,042	New meters installed
335	$6,450	New hydrant installed
340.1	$5,950	Software upgrade
341	$20,044	Purchase vehicle from lease
Total	$98,935	

IV. Contributions in Aid of Construction (CIAC) and Amortization

Q. WERE DEVELOPER ADVANCES IN AID OF CONSTRUCTION ("AIAC") AN INFRASTRUCTURE FUNDING SOURCE FOR THE TREMENDOUS GROWTH EXPERIENCED BY ROSE VALLEY DURING THE 1990S AND EARLY 2000S?

A. Yes. AIAC was the primary funding source for new infrastructure as most of the Company's Certificate of Convenience and Necessity ("CC&N") area was desert prior to development. Rose Valley was a very small water company until the development explosion that occurred in the Phoenix metro area during the mid-to-late 1990s. During that time, the vast majority of plant was installed by developers who then conveyed it to Rose Valley. The number of customers for the utility gradually increased from 229 connections in 1994 to 305 in 1997. The connections then exploded to 1,249 by 1999 and 2,311 by the end of 2002, at which time the period of rapid growth slowed. As of the end of the 2015 test year in the Company's last rate case, Rose Valley had

2,377 connections and the CC&N area was essentially built out. All developer contributed AIAC was transferred to a Contribution in Aid of Construction ("CIAC") account prior to the last rate case.

Q. DID THIS RAPID DEVELOPMENT HAVE ANY IMPACTS ON ROSE VALLEY AND ITS CUSTOMERS?

A. Yes. The sudden amount of rapid, development-driven growth has been very challenging in terms of how the system was built. Over the years, the "piecemeal" construction of the water system has caused several problems including different sized pipes and materials, a lack of redundancy, and missing valves that, were the valves in place, would enable Rose Valley to isolate areas of the system during repairs or maintenance. These issues are addressed in the associated financing application intended to be consolidated with this rate proceeding. Mr. Gary Brasher, President of Rose Valley, will further elaborate on the system issues in his testimony.

Q. PLEASE SUMMARIZE THE CHANGES TO CIAC AND THE RELATED AMORTIZATION SINCE THE LAST RATE CASE.

A. The prior test year-end balance of $2,294,308 for CIAC remained unchanged from 2015 until the Test Year. During the Test Year, CIAC increased by $12,910. Since the Company's last rate case, CIAC amortization increased by $422,005, from $822,524 to $1,244,529. The CIAC has been amortized at 3.5155% during the interim years per the prior Decision. See Table 5 below for detail of CIAC amortization since the last rate case.

Table 5

Year	Total CIAC	Amortizable CIAC	CIAC Rate	Annual Amortization	Cumulative Amortization
12/31/2015					$ 822,524
12/31/2016	$2,294,308	$2,095,779	3.5155%	$77,951	900,475

12/31/2017	2,294,308	2,095,779	3.5155%	73,677	974,152
12/31/2018	2,294,308	2,095,779	3.5155%	73,677	1,047,829
12/31/2019	2,294,308	2,095,779	3.5155%	73,677	1,121,506
08/31/2020	2,294,308	2,095,779	2.3437%	49,119	1,170,625
08/31/2021	2,307,218	2,108,689	3.5155%	73,904	1,244,529

Q. WHY IS THE ANNUAL AMORTIZATION DIFFERENT FOR THE PERIODS ENDED DECEMBER 31, 2016, AUGUST 31, 2020, AND TEST YEAR END AUGUST 31, 2021 ON TABLE 5 ABOVE?

A. During 2016, a CIAC amount of $170,594 became fully amortized, so only half a year of amortization is reflected during 2016, but not 2017. The balance as of August 31, 2020 is different because it is a partial period, which is recognized by using 8 out of months of the annual rate. The annual amortization for the Test Year is higher because it includes a half year of amortization on the new CIAC added during the Test Year.

Q. EXPLAIN WHY THE TEST YEAR AMORTIZATION OF $73,904 IS LESS THAN THE PROPOSED CIAC AMORTIZATION OF $73,926.

A. The $22 increase to CIAC amortization is the result of two changes illustrated in Table 6 below:

1. During the Test Year, $12,910 was added to CIAC, resulting in a half year of amortization for this "group" in an amount equaling $227. Projected annual CIAC amortization therefore must be increased by another $227 to account for a full year of amortization.

2. The proposed CIAC amortization is also reduced by $205 to account for the final balance remaining to be amortized on a CIAC amount of $21,904.

Table 6

2017-2019 amortization	$73,677
Add amortization for test year CIAC of $2,910	454
Subtract excess on final year of amortization of CIAC amount of $21,904	-$205
Proposed CIAC Amortization	$73,926

V. Rate Base – B Schedules

Q. PLEASE SUMMARIZE ROSE VALLEY'S PROPOSED RATE BASE.

A. As illustrated on Schedule B-1; the Company has a proposed negative rate base of ($292,817). Rose Valley's rate base is comprised of $823,833 of net utility plant in service, less: $39,886 of security deposits, $14,075 of AIAC, and $2,307,218 of CIAC; plus $1,244,529 of CIAC amortization.

Q. IS THE AIAC BALANCE NEW SINCE THE PRIOR RATE CASE?

A. Yes. The test year end AIAC balance of $14,075 is comprised of:

- 2016 line extension $12,395
- 2020 meter deposits 1,680
- Total $14,075

Q. WHAT IMPACT DOES A NEGATIVE RATE BASE HAVE ON THE REVENUE REQUIREMENT AND PROPOSED RATE DESIGN?

A. 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 cannot meaningfully apply. Therefore, the utility must determine the proposed revenue requirement by another accepted method, the operating margin method. Accordingly, Rose Valley did

not use the rate of return method to calculate a revenue requirement, but instead used the operating margin method to support its rate increase request.

Q. IS THE OPERATING MARGIN METHOD THE OPTIMAL WAY TO DETERMINE THE REVENUE REQUIREMENT FOR A UTILITY?

A. No. The NARUC industry standard is the rate of return on rate base method to set rates for utilities. However, negative rate base due to developer-funded AIAC and CIAC is common for smaller utilities in Arizona, so an alternative method, such as the operating margin, must be used to determine the revenue requirement in lieu of the rate base method contemplated in the NARUC guidelines.

Q. HOW DOES A NEGATIVE RATE BASE AFFECT A UTILITY?

A. A negative rate base is 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 utilities in Arizona. Rose Valley is an extreme example of how AIAC (later accounted for as CIAC)-related developer contributions continue to not only cause negative rate base with each passing year, but also lower depreciation expense due to the large amount of attendant CIAC amortization, which subsequently impacts cash flow.

Q. PLEASE ELABORATE. WATER INFRASTRUCTURE FOR A DEVELOPMENT FUNDED BY AIAC OR CIAC HAS LASTING FINANCIAL EFFECTS?

A. Yes. The developer-funded AIAC and CIAC from the rapid growth that occurred during the late 1990s left Rose Valley in a position where it did not

have control of its own water system design and construction. The Company has been required maintain and upgrade assets it was not responsible for constructing. Had it had the financial means to construct these assets independently and in consideration of its entire system, it would have done so differently.

Q. IS IT REASONABLE TO CONCLUDE, AS A PRACTICAL MATTER FOR RATEMAKING PURPOSES, THAT RATE BASE SHOULD NOT BE THE PRIMARY DRIVER FOR MANY SMALL WATER COMPANY CASES, INCLUDING THIS ONE?

A. Yes. Negative rate base complicates rate case proceedings before the Commission and stifles owner investment, in addition to a litany of other problems. The key is to determine what rates will be just and reasonable such that the utility can run the system at rates that produce a reasonable profit while providing safe, adequate and reliable water service for the utility's customers.

Q. PLEASE ELABORATE.

A. If a utility has a negative rate base of $300,000 and invests $200,000 in utility plant, rate base will still be negative. This is due to the large amount of CIAC that is still being amortized and other subtractions from rate base. Although plant additions are part of the commitment to provide safe and reliable service to its customers, the new investment is absorbed by the negative rate base effects and makes other options for investment more attractive. Why would prudent ownership continue to invest money in a water system that is financially underperforming, when their investment capital could be put to more productive work elsewhere?

Q. DOES ROSE VALLEY HAVE AN AIAC OR A CIAC PROBLEM THAT CAUSES THE NEGATIVE RATE BASE?

A. Yes, it has both. Back in the 1990s, the Rose Valley system was built pursuant to series of main extension agreements with developers. These developer funds were recorded as AIAC as the rule-based 10-year repayment period progressed. After 10 years, the balance remaining in the developer AIAC accounts was transferred to CIAC and began to amortize. The problem with AIAC and CIAC is that most of the associated assets become fully depreciated before the full amortization period of the related CIAC has passed, creating a mismatch that results in negative rate base for many years.

Q. HOW DOES A UTILITY WITH NEGATIVE RATE BASE REMEDY THE SITUATION?

A. In many cases, small water companies have been able to obtain financing to replace or upgrade the utility plant, resulting in a large increase to plant that normally exceeds the remaining CIAC balance.

Q. DID ROSE VALLEY USE THE OPERATING MARGIN METHOD TO DETERMINE THE REQUESTED REVENUE REQUIREMENT IN THIS CASE?

A. Yes. Schedule B-1 reflects negative rate base of $292,817. As I previously discussed, because the Company has a negative rate base, the rate of return method would not be appropriate for the purposes of determining a revenue requirement for Rose Valley.

VI. Income Statement – C Schedules

Q. TURNING TO THE ADJUSTED TEST YEAR INCOME STATEMENT ON SCHEDULE C-1, PLEASE EXPLAIN ADJUSTMENTS 1 THROUGH 13B.

A. Adjustments 1 through 13b are summarized on Schedule C-1 and detailed on Schedules C-2a through C-2m. As a result of these adjustments, total operating income for the Test Year decreased by $93,148, from $84,468 to negative $8,680.

Q. BEGIN YOUR EXPLANATIONS WITH ADJUSTMENT 1 TO SALARIES AND WAGES ON SCHEDULE C-2A.

A. Schedule C-2a details adjustment 1 for salary and wage costs. Salaries increased by $37,301 to account for Test Year wage increases in addition to including costs related to a position that could not be kept filled during the Test Year, which has not yet been filled.

Q. CONTINUE YOUR EXPLANATION WITH SCHEDULE C-2B AND ADJUSTMENT 2.

A. Chemical expenses have been increased by $3,481 to account for a post-Test Year known and measurable cost increase of 19.51 percent for necessary chemicals by Hills Brothers Chemical.

Q. PLEASE EXPLAIN ADJUSTMENT 3.

A. Adjustment 3 as depicted on Schedule C-2c increases office supplies and expense by $5,800 to annualize computer-related expenses for cost increases during the Test Year from two vendors that provide computer services to Rose Valley. Please note that the other two increases to office

supplies are part of adjustment 4 to management fees. Adjustment 3 only includes the $5,800 increase to computer expenses.

Q. SCHEDULE C-2D DETAILS SEVERAL ADJUSTMENTS RELATED TO MANAGEMENT FEES. PLEASE EXPLAIN THEM.

A. Adjustment **C-2d** to the Schedule C-1 Income Statement for $20,000 increases the various expense categories related to the management agreement. The management agreement covers many items including printing and postage, as well as other services that apply to many expense categories. The management agreement was renewed during the Test Year and, as a result, the management fees increased from $52,333 per month to $54,000 per month due to additional management demands and increased labor costs.

Q. WERE CONTRACTUAL SERVICES – OTHER TEST YEAR EXPENSES ADJUSTED?

A. Yes. As reflected on Schedule C-2e, the amount of other contractual services was first increased by part of adjustment 4, and then was increased by $18,900 by adjustment 5 to include costs related to a new meter reading contractor that began during the Test Year. Additional demands on the current employees do not allow for this work to continue either in house or under the current management agreement, so another contractor was retained to provide this service.

Q. EXPLAIN ADJUSTMENT 6 TO RENT EXPENSE.

A. Schedule C-2f Schedule C-2f increases rent expense by $1,200 to account for a $300 increase that went into effect four months into the Test Year. The old rent amount of $1,860 per month was charged from September

2020 through December of 2020. On January 1, 2021, rent increased by $300, to $2,160 per month thus necessitating a $300 pro forma increase for the 4 months of 2020, or a $1,200 adjustment to reflect the cost of rent going forward.

Q. WHY WAS TRANSPORTATION EXPENSE DECREASED BY $1,715 FROM TEST YEAR EXPENSE OF $13,198?

A. Rose Valley had been paying a monthly lease for its service truck and decided to buy out the lease instead continuing it. As a result, the lease payments have been removed from expense as they are no longer recurring. In addition, the amount paid to purchase the truck was capitalized during the Test Year to transportation equipment account 341.

Q. WHAT IS THE COMPANY REQUESTING FOR RATE CASE EXPENSE?

A. Rose Valley has projected the total costs for rate case and the related financing application for the duration of this proceeding will be about $125,000. Adjustment 8 on Schedule C-2h spreads this total cost over five years, resulting in $25,000 per year recovery in rates.

Q. PLEASE EXPLAIN CURRENT AND PROPOSED DEPRECIATION EXPENSE AND ADJUSTMENT 9 FROM SCHEDULE C-2i.

A. Schedule C-2i details depreciation expense and CIAC amortization for the adjusted Test Year and at proposed rates. The adjusted Test Year end plant is distinguished between non-depreciable/fully depreciated and plant that remains depreciable. The depreciation rates approved by Decision 76514 are applied to depreciable plant to arrive at Test Year gross depreciation expense

of $105,041. Once CIAC amortization of $73,904 for the Test Year is subtracted from gross depreciation expense, the net depreciation expense reflected on the income statement for the Test Year is $31,137.

For the adjusted Test Year, gross depreciation expense increased to $106,787 and CIAC amortization increases to $73,926, resulting in adjusted test year net depreciation expense of $32,861— a $1,724 increase over the test year.

Q. WHY DOES GROSS DEPRECIATION EXPENSE AND CIAC AMORTIZATION ON SCHEDULE C-2h CHANGE BETWEEN THE TEST YEAR AND ADJUSTED TEST YEAR?

A. Gross depreciation expense increased by $3,727 to account for the half-year convention[1] on Test Year plant additions and decreased by $1,981 to remove depreciation expense related to assets that became fully depreciated during the Test Year. These changes resulted in gross depreciation expense increasing by $1,746, from $105,041 during the Test Year to $106,787 for the adjusted Test Year.

CIAC amortization increased by $22, from $73,904 during the Test Year to $73,926 for the adjusted Test Year. This change is due to a CIAC amount having less amortization left than the annual amount included in Test Year amortization. At the end of the Test Year, a CIAC amount of $21,904 had $21,339 of associated CIAC amortization, leaving only $565 left to amortize. During the Test Year, CIAC amortization related to this $21,904 of CIAC was $770. As a result, CIAC amortization for that group was reduced from $770 to $565, or by $205 at proposed rates. Gross depreciation of $106,787 less CIAC

[1] The half-year convention means that only a half year of depreciation expense is an expense in the year the asset is put into service, resulting in the need to annualize that amount going forward.

amortization of $73,926 results in $32,861 of net depreciation expense for the adjusted Test Year.

Q. IS THE COMPANY REQUESTING A CHANGE TO THE AUTHORIZED DEPRECIATION RATES FROM DECISION 76514?

A. No.

Q. IS ROSE VALLEY REQUESTING A CHANGE TO THE 3.5155% CIAC AMORTIZATION RATE AUTHORIZED BY DECISION 76514?

A. No. For consistency purposes, we propose the CIAC amortization rate not change from 3.5155%.

Q. WHAT IS THE PURPOSE OF ADJUSTMENT 10 ON SCHEDULE C-2j?

A. Adjustment 10 is the companion adjustment to adjustment 1 on Schedule C-2a that increases salaries and wages expense. Since wages expense increased over the Test Year amount, the associated payroll taxes required increasing as well. As a result, taxes other than income increased $3,499 to $16,492 from the Test Year amount of $12,993.

Q. PLEASE EXPLAIN ADJUSTMENTS 11A AND 11B THAT APPEAR ON SCHEDULE C-1 RELATED TO PROPERTY TAXES.

A. Adjustments 11a and 11b are detailed on Schedule C-2k and calculate the Test Year property tax expense, as well as property taxes at proposed rates based upon an Arizona Department of Revenue ("ADOR") formula for water companies that uses mainly revenue to arrive at a full cash value. To that amount, an 18% assessment ratio is applied to arrive at the assessed value for

the utility, both at the adjusted Test Year amount and property taxes at proposed rates.

Q. HAS ROSE VALLEY CALCULATED A COMPOSITE PROPERTY TAX RATE?

A. Yes, Schedule C-2k, lines 23 through 25 contain the calculation for the composite property tax rate based upon the assessed value from the 2021 property tax notices and the resultant tax due. The calculated composite rate is 9.8343%, and proposed property tax expense is $53,230. Adjustments 11a and 11b adjust Test Year and proposed property taxes at the calculated composite rate based on the ADOR formula.

Q. DOES THE UTILITY HAVE A TAX STRUCTURE THAT IS OTHER THAN A C-CORP?

A. No. Rose Valley is a C-Corp, as acknowledged by Decision 77170.

Q. IS INCOME TAX EXPENSE FOR ROSE VALLEY CALCULATED BASED ON THE CURRENT CORPORATE INCOME TAX RATES OF 4.9% FOR ARIZONA AND 21% FOR FEDERAL?

A. Yes. Schedule C-2l calculates income tax expense and the associated adjustments 12a and 12b to Schedule C-1 for Rose Valley based on the adjusted test year and at proposed rates.

Q. WHAT DOES ROSE VALLEY PROPOSE FOR INCOME TAX EXPENSE AT THE PROPOSED RATES?

A. Income tax expense at proposed rates is estimated to be $113,570 at proposed revenue of $1,833,561.

Q. PLEASE SUMMARIZE THE CHANGES IN OPERATING EXPENSES FROM THE ACTUAL TEST YEAR TO THE ADJUSTED TEST YEAR.

A. During the actual Test Year, total operating expenses were $1,267,593. As delineated on Schedule C-1, adjusted Test Year operating expenses increased by a net of $93,148 to $1,360,741. The Company is proposing operating expenses of $1,484,900, which is an increase of $124,159 due mainly to Adjustments 11b and 12b to property and income taxes at the proposed revenue requirement.

Q. DOES ROSE VALLEY HAVE ANY NOTABLE OTHER INCOME OR EXPENSE ITEMS?

A. Yes. $5,595 of interest expense was incurred during the Test Year related to the line of credit the utility continues to require use of for cash flow purposes.

VII. Revenue Requirement and Operating Income

Q. WHAT AMOUNT OF REVENUE INCREASE IS THE COMPANY REQUESTING?

A. Rose Valley is requesting a 35.61% increase to its Test Year revenue, from $1,352,061 during the test year to $1,833,561, or a $481,500 increase. In addition, the Company is requesting a 17.14% increase to actual Test Year operating expenses, from $1,267,593 to $1,484,900, or $217,307.

Q. WHAT IS ROSE VALLEY'S OPERATING INCOME AND NET INCOME FOR THE ADJUSTED TEST YEAR COMPARED TO THE TEST YEAR?

A. During the actual Test Year, Rose Valley realized operating income of $84,468 and net income of $78,873. After Test Year adjustments, the operating income decreased by $93,148 resulting in an operating loss of ($8,680). The net income decreased to a net loss of ($14,275). At the Company-proposed revenue requirement and operating expenses, Rose Valley should realize operating income of $348,661 and net income of $343,066. Please note that these results do not include the impacts from the financing application that is being filed contemporaneously with this rate case.

Q. IS THE REVENUE REQUIREMENT BASED UPON A RATE OF RETURN ON RATE BASE USING THE GROSS REVENUE CONVERSION FACTOR?

A. No, it is not. As previously discussed, Rose Valley's rate base is 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 operating margin would be about 19%.

Q. WHY IS A 19% OPERATING MARGIN APPROPRIATE HERE?

A. Rose Valley was granted a 17% operating margin in the last rate case and with increases to costs, especially labor, at least a 2% increase to the operating margin from that granted in the last case is reasonable and appropriate.

Q. HAVE YOU CALCULATED THE AMOUNT OF ANNUAL CASH FLOW?

A. Yes. Not including any surcharge associated with the simultaneously filed financing application, cash flow could approximate $326,000 per year,

which is the proposed net income amount of $343,066 plus proposed depreciation expense of $32,861. This cash flow amount subtracts $50,000 for principal repayments on the line of credit, which vary month to month based on available funds after operations.

Q. DOES ROSE VALLEY USE SCHEDULE C-3 AND THE GROSS REVENUE CONVERSION FACTOR TO DETERMINE THE REVENUE REQUIREMENT?

A. No. The operating margin was used to determine the revenue requirement. Schedule C-3 serves to detail the increase amounts on lines 39 through 53.

VIII. Schedule D-1

Q. WAS SCHEDULE D-1 USED TO DETERMINE THE REVENUE REQUIREMENT?

A. No. Composite cost amounts applied to negative equity do not produce results that are meaningful for a cost of capital percent. Also, since equity is negative, the standard rate of return on rate base method of determining the revenue requirement cannot be applicable. Schedule D-1 did not produce meaningful results due to the negative numbers involved, so it is not used in any calculations to determine the revenue requirement. In addition, there is not positive rate base to apply a cost rate that would result in meaningful amounts.

IX. E Series Schedules

Q. WHICH E SCHEDULES HAVE BEEN COMPLETED FOR SUBMISSION WITH THIS APPLICATION PER THE RULES?

A. Select E Schedules have been completed and are detailed below.

E-1 – Comparative Balance Sheets as of December 31, 2019, December 31, 2020, and Test Year end August 31, 2021.

E-2 – Comparative Income Statements for years ending December 31, 2019, December 31, 2020, and Test Year end August 31, 2021.

E-3 – Not required for Class C utilities.

E-4 – Not required for Class C utilities.

E-5 – Detail of Utility Plant from the beginning of the Test Year as of September 1, 2020, to the end of the Test Year on August 31, 2021.

E-6 – Not required for Class C utilities.

E-7 – Operating Statistics for years ending December 31, 2019, December 31, 2020, and Test Year end August 31, 2021 regarding gallons sold and customer count.

E-8 – Taxes Charges to Operations detailing both federal, Arizona and local taxes based on tax type for years ended December 31, 2019, December 31, 2020, and test year end August 31, 2021

E-9 – Notes to the financial statements regarding certain accounting disclosures.

Q. DOES SCHEDULE E-7 SHOW AN INCREASE IN WATER USAGE OVER THE LAST THREE YEARS?

A. Yes. Not only has the average annual gallons per residential customer been increasing for the last three years, but overall usage between 2019 and the Test Year increased from 393,393,768 in 2019 to 405,822,666 in 2020, and to 429,060,813 for the Test Year. This increase in usage has occurred with very little change in the overall number of customers during those three years.

X. F Series Schedules

Q. WHICH F SERIES SCHEDULES HAVE BEEN COMPLETED?

A. Schedules F-1, F-3 and F-4 are included with the application. Schedule F-1 provides comparative income statements of the actual Test Year with the adjusted Test Year at current rates and the projected year at proposed rates. Schedule F-3 provides plant construction amounts for the Test Year and the projected year and Schedule F-4 provides details of the assumptions used developing the projections used in the application.

XI. G Series Schedules

Q. HAS ROSE VALLEY COMPLETED AND SUBMITTED THE G SERIES SCHEDULES RELATED TO A COST OF SERVICE ANALYSIS?

A. No. Consistent with practice for smaller water utilities, the G Series schedules have not been completed by Rose Valley for this rate case.

XII. Rate Design and the H Schedules

Q. PLEASE EXPLAIN THE INFORMATION CONTAINED WITHIN THE H SERIES SCHEDULES.

A. Schedule H-1 contains the summary of revenue by customer class and meter size at present and proposed rates. Schedule H-2 is not required. Schedule H-3 detailed the present and proposed rates and charges. Bill costs for usage at varying consumptions levels appears on Schedules H-4, Pages 1 through 9. Finally, Schedules H-5, pages 1 through 12d contain bill count detail for the twelve different meter sizes and customer classes Rose Valley served during the Test Year.

Q. PLEASE EXPLAIN SCHEDULE H-1

A. Schedule H-1 details revenue by meter size and class at the present rates and the proposed rates. The amount of increase and the percent of increase are also detailed on this schedule. Based on Schedule H-1, Rose Valley is requesting an overall increase of $481,500, or 36.32%. This increase has been spread among the twelve meter sizes and customer classes as equally as possible.

Rose Valley has residential, commercial and irrigation customers in different meter sizes. Metered water revenue of $1,325,771 for the Test Year is separated by meter size and customer class, as well as the increase amount of $481,500 and total proposed metered water revenue of $1,807,271.

Just over 80% of the total metered water revenue is derived from the residential class, while the 5/8 x ¾-inch residential meter alone is almost 62% of metered water revenue. The commercial and irrigation customers contribute 3.04% and 16.42% of the total metered water revenue as shown on Schedule H-1.

Q. PLEASE DESCRIBE ROSE VALLEY'S CURRENT RATE STRUCTURE.

A. As mentioned previously, the current rate structure was authorized by Decision 76514. The monthly minimum for residential and commercial 5/8 by ¾-inch meters is $16.80 and the 3/4-inch meter is $25.20 and does not include any gallons in the minimum monthly amount. The commodity rates for these smaller meters are $0.85 per thousand gallons for the first 3,000, and the second tier is $1.42 per thousand for the next 5,000 gallons, or up to 8,000 gallons of usage. All gallons above 8,000 are charged $2.00 per thousand gallons.

As illustrated on Schedule H-3, the other monthly minimums the Company is authorized to charge for the 1-inch, 1 ½-inch and 2-inch meters range from $42.00 for a 1-inch meter per month to $134.40 per month for a 2-inch meter. There are no customers with meters larger than 2-inch. The larger meter sizes have two tiers of commodity rates, with the tier break point increasing as the meter size does. The first tier for the larger meters is $1.42 per thousand and the second tier is $2.00 per thousand after the break point.

XIII. Summary

Q. HAS THE COMPANY CALCULATED THE CURRENT AND PROPOSED CUSTOMER BILLS AT AVERAGE AND MEDIAN CONSUMPTION FOR EACH CLASS OF USERS?

A. Yes. These calculations are contained within Tables 2 and 3 above and include the proposed rates and percent of increase for each meter size and class of user as a comparison.

Q. WHAT CHANGES TO THE RATE STRUCTURE IS ROSE VALLEY PROPOSING?

A. None. As mentioned previously, Rose Valley is not proposing a change in the structure of the rates, just the monthly minimum amounts and tiers.

Q. HOW WERE THE MONTHLY MINIMUM AMOUNTS DETERMINED FOR EACH CATEGORY?

A. The monthly minimum for the 5/8 x 3/4-inch meter was calculated by grossing up the current monthly minimum of $16.80 by 35.61% to arrive at the proposed amount of $22.78. Since meter multipliers were used in the prior rate case to determine the monthly minimums beyond the 5/8 x 3/4-inch meters,

these same multipliers were used again to determine the monthly minimums based upon the $22.78 base amount calculated for the 5/8 x 3/4-inch meters.

Q. WHAT IS THE RATIONALE UPON WHICH "METER MULTIPLIERS" ARE BASED?

A. 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 a larger meter size can deliver five times as much water as a 5/8 x 3/4-inch meter, then the monthly minimum should be five times as much.

Q. HOW WERE THE PROPOSED COMMODITY RATES DETERMINED?

A. Following the lead for the monthly minimum charges, Rose Valley has attempted to keep increases for the various water rates near 35.61% to evenly spread the cost of the rate increase across all meter sizes and customer classes.

Q. DOES ROSE VALLEY VIEW THIS INCREASE REQUEST AS NECESSARY?

A. Yes. This increase is necessary for the Company to keep up with constantly increasing prices for safe, adequate and reliable system operations, together with upgrades and maintenance to the aging developer installed plant.

Q. WILL ROSE VALLEY BE FILING A FINANCING APPLICATION AND SEEK ITS CONSOLIDATION WITH THIS RATE APPLICATION?

A. Yes. Rose Valley intends to seek approval for a loan for some major system improvements and upgrades. Rose Valley requests approval of a surcharge in an amount sufficient to service the loan at issue in the financing application.

Q. WHAT IS ROSE VALLEY REQUESTING BE APPROVED?

A. That the rates and charges set forth on Schedule H-3 be approved, in addition to a Water Augmentation Tariff for times of emergency when the interconnection with the City of Peoria ("City") must be used.

Q. ARE THERE INSTANCES WHEN ROSE VALLEY MUST PURCHASE WATER FROM THE CITY ON AN EMERGENCY BASIS THROUGH THE INTERCONNECTION AND CANNOT CHARGE CUSTOMERS WHAT THE CITY CHARGES ROSE VALLEY?

A. Yes. In those cases, the interconnection with the City must be used and Rose Valley is presently unable to charge consumers as much for the water as it pays to the City, putting the Company in a loss position. The water augmentation tariff will allow Rose Valley to recover the delta between what it pays to the City and what it collects from its customers through the tariff.

Q. PLEASE IDENTIFY THE SCHEDULES YOU DID NOT REFER TO ABOVE.

A. 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, or are not required for Class C utilities.

Q. DOES THIS COMPLETE YOUR PRE-FILED DIRECT TESTIMONY IN SUPPORT OF ROSE VALLEY'S PROPOSED INCREASE IN RATES?

A. Yes, it does.

Exhibit 3

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-2	Original Cost Rate Base Proforma Adjustments
B-5	Computation of Working Capital
C-1	Adjusted Test Year Income Statement
C-2a	Detail of Test Year Salaries and Wages Adjustment 1
C-2b	Detail of Chemicals Expense Adjustment 2
C-2c	Detail of Office Supplies Expense Adjustment 3
C-2d	Detail of Contractual Services-Management Fees Adjustment 4
C-2e	Detail of Contractual Services-Other Adjustment 5
C-2f	Detail of Rent Expense Adjustment 6
C-2g	Detail of Transportation Expense Adjustment 7
C-2h	Detail of Rate Case Expense Adjustment 8
C-2i	Detail of Depreciation Expense Adjustment 9
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H-4 P8	Typical Bill Analysis - 2-inch Meter - Irrigation
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 Irrigation
H-5 P4	Bill Count - 3/4-inch Residential
H-5 P5	Bill Count - 1-inch Residential
H-5 P6	Bill Count - 1-inch Commercial
H-5 P7	Bill Count - 1-inch Irrigation
H-5 P8	Bill Count - 1 1/2-inch Commercial
H-5 P9	Bill Count - 1 1/2-inch Irrigation
H-5 P10	Bill Count - 2-inch Residential
H-5 P11	Bill Count - 2-inch Commercial
H-5 P12	Bill Count - 2-inch Irrigation

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule A-1
Title: Computation of Increase in Gross Revenue Requirements

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

Explanation:
Schedule showing computation of increase in gross revenue requirements and spread of revenue increase by customer classification.

Line		Original Cost	RCND
1	Adjusted Rate Base	$ (292,817) (a)	(a)
2	Adjusted Operating Income	$ (8,680) (b)	(b)
3	Current Rate of Return	0.00%	
4	Required Operating Income (6 x 7)	$ 348,661	
5	Operating Income Deficiency (4 - 2)	$ 357,341	
6	Required Operating Margin	19.02%	
7	Proposed Revenue Requirement	$ 1,833,561	
8	Adjusted Test Year Revenue	1,352,061	
9	Increase in Gross Revenue Requirements (7 - 8)	**$ 481,500**	
10	*Note: The proposed increase to the Gross Revenue requirement was calculated by determining the required operating income and operating margin at proposed rates. Therefore, the revenue requirement and amount of increase are a result of that 19.00% operating margin since Rose Valley has negative rate base. The Gross Revenue Conversion Factor was not used.*		

11	Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Projected Revenue Increase Due to Rates	% Dollar Increase	
12	Residential	$ 1,067,756	$ 1,453,033	$ 385,277	36.08%	
13	Commercial	40,279	54,811	14,532	36.08%	
14	Irrigation	217,736	299,427	81,691	37.52%	
15	**Total**	**$ 1,325,771**	**$ 1,807,271**	**$ 481,500**	**36.32%**	(d)

Supporting Schedules:
(a) B-1 (c) C-3
(b) C-1 (d) H-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

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.

		Prior Years		**Test Year**		**Projected Year**	
		Year End	Year End	Actual	Adjusted	Present	Proposed
		31-Dec-19	31-Dec-20	Rates	Rates	Rates	Rates
Line	Description	(a)	(a)	(a)	(b)	(c)	(c)
1	Gross Revenues	$ 1,247,121	$ 1,352,301	$ 1,352,061	$ 1,352,061	$ 1,352,061	$ 1,833,561
2	Revenue Deductions & Operating Expenses	(1,212,552)	(1,298,699)	(1,267,593)	(1,360,741)	(1,484,900)	(1,484,900)
3	Operating Income	$ 34,569	$ 53,602	$ 84,468	$ (8,680)	$ (132,839)	$ 348,661
4	Other Income and Deductions	(7,464)	-	-	-	-	-
5	Interest Expense	(12,295)	(7,663)	(5,595)	(5,595)	(5,595)	(5,595)
6	**Net Income**	**$ 14,810**	**$ 45,939**	**$ 78,873**	**$ (14,275)**	**$ (138,434)**	**$ 343,066**
7	Earned Per Average Common Share*	$ 0.74	$ 2.30	$ 3.94	$ (0.71)	$ (6.92)	$ 17.15
8	Dividends Per Common Share*	-	-	-	-	-	-
9	Payout Ratio*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Return on Average Invested Capital	1.35%	4.17%	7.15%	-1.29%	-12.54%	31.08%
11	Return on Year End Capital	1.35%	4.16%	7.15%	-1.29%	-12.54%	31.08%
12	Return on Average Common Equity	Not Meaningful Due to Negative Equity					
13	Return on Year End Common Equity						
14	Times Bond Interest Earned - Before Inc Tax	N/A	N/A	N/A	N/A	N/A	N/A
15	Times Total Interest and Preferred Dividends Earned - After Income Taxes	3.13	7.90	16.39	0.00%	0.00%	82.61

Supporting Schedules:
(a) E-2
(b) C-1
(c) F-1

*Optional for projected year

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

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

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

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.

Line	Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1	Prior Year 1 - 2019	$ 122,689	$ 101,374	$ 4,210,736
2	Prior Year 2 - 2020 (Jan to Aug)	149,987	149,987	4,360,723
3	Test Year Ended 8/31/21	98,935	98,935	4,459,658
4	Projected Year 1 [1]	1,445,010	1,430,560	5,890,218
5	Projected *			
6	Projected *			

[1] Includes plant installed with proceeds of proposed financing.

* Required only for Class A and B Utilities

Supporting Schedules:
(a) F-3
(b) E-5

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

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

Required for:

All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specl Reqmt	

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

Line	Description	Original Cost Rate Base*		RCND Rate Base*	
1	Gross Utility Plant in Service	$ 4,459,658			
2	Less: Accumulated Depreciation	(3,635,825)			
3	Net Utility Plant in Service	$ 823,833	(a)		(b)
4	**Less:**				
5	Customer Security Deposits	$ (39,886)			
6	Advances in Aid of Construction	(14,075)	(c)		(c)
7	Contributions in Aid of Construction	(2,307,218)	(c)		(c)
8	**Add:**				
9	Amortization of Contributions	$ 1,244,529			
10	Allowance for Working Capital	-	(d)		(d)
11	**Total Rate Base**	**$ (292,817)**	(e)	not used	(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
Test Year Ended August 31, 2021

Schedule B-2
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	X
Class A	
Class B	
Class C	
Class D	
Specl 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	$ 4,459,658		$ 4,459,658
2	Less: Accumulated Depreciation	(3,635,825)		(3,635,825)
3	Net Utility Plant in Service	$ 823,833	$ -	$ 823,833
4	Less:			
5	Customer Security Deposits	$ (39,886)		$ (39,886)
6	Advances in Aid of Construction	(14,075)		(14,075)
7	Contributions in Aid of Construction	(2,307,218)		(2,307,218)
8	Plus:			
9	Amortization of Contributions	$ 1,244,529		$ 1,244,529
10	**Total Rate Base**	**$ (292,817)**	**$ -**	**$ (292,817)**

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

Supporting Schedules:
(a) N/A

Recap Schedules:
(b) B-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule B-5
Title: Computation of Working Capital

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

Explanation:
Schedule showing computation of working capital allowance.

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

No working capital is requested.

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

Rose Valley Water Company, Inc. **Schedule C-1**
Docket No. W-01539A **Title: Adjusted Test Year Income Statement**
Test Year Ended August 31, 2021

Required for:	
All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specl 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-Aug-21	Adj #	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Adj #	Proposed Rate Increase	Adjusted Test Year With Rate Increase
		Operating Revenues:							
1	461	Metered Water Revenue	$ 1,325,771			$ 1,325,771	13a	$ 481,500	$ 1,807,271
2	460	Unmetered Water Revenue	-			-			-
3	469	Guaranteed Revenues (Surcharges)	-			-			-
4	474	Other Water Revenue	26,290			26,290			26,290
5		**Total Operating Revenue**	$ 1,352,061		$ -	$ 1,352,061		$ 481,500	$ 1,833,561
6		**Operating Expenses:**							
7	601	Salaries and Wages	$ 161,377	1	$ 37,301	$ 198,678			$ 198,678
8	610	Purchased Water	-			-			-
9	615	Purchased Power	185,494			185,494			185,494
10	618	Chemicals	17,840	2	3,481	21,321			21,321
11	620.1	Materials & Supplies	-			-			-
12	620.2	Repairs and Maintenance	50,112			50,112			50,112
13	621	Office Supplies and Expense	47,691	3/4	7,727	55,418			55,418
14	630	Contractual Services	93,472	4	1,807	95,279			95,279
15	631	Contractual Services - Engineering	-			-			-
16	632	Contractual Services - Accounting	81,998	4	2,711	84,709			84,709
17	633	Contractual Services - Legal	-			-			-
18	634	Contract Services - Management Fees	395,413	4	5,664	401,077			401,077
19	635	Contractual Services - Water Testing	3,232			3,232			3,232
20	636	Contractual Services - Other	64,051	4/5	20,346	84,397			84,397
21	640	Rents	25,262	6	1,200	26,462			26,462
22	650	Transportation Expense	13,198	7	(1,715)	11,483			11,483
23	657	Insurance	10,376			10,376			10,376
24	665	Regulatory Expense	7,482	4	6,445	13,927			13,927
25	666	Rate Case Expense	16,145	8	8,855	25,000			25,000
26	670	Bad Debt Expense	520			520	13b	181	701
27	675	Miscellaneous Expense	600			600			600
28	403	Depreciation Expense	31,137	9	1,724	32,861			32,861
29	408	Taxes Other Than Income	12,993	10	3,499	16,492			16,492
30	408.11	Property Tax	41,500	11a	6,048	47,548	11b	5,682	53,230
31	409	Income Taxes	7,219	12a	(11,945)	(4,726)	12b	118,296	113,570
32	427.4	Customer Security Deposit Interest	481			481			481
33		**Total Operating Expenses**	$ 1,267,593		$ 93,148	$ 1,360,741		$ 124,159	$ 1,484,900
34		**OPERATING INCOME/(LOSS)**	$ 84,468		$ (93,148)	$ (8,680)	(c)	$ 357,341	$ 348,661
35		**Other Income/(Expense):**							
36	419	Interest Income	$ -			$ -			$ -
37	421	Other Income				-			-
38	426	Miscellaneous Non-Utility Expenses	-			-			-
39	427	Interest Expense	(5,595)			(5,595)			(5,595)
40		**Total Other Income/(Expense)**	$ (5,595)		$ -	$ (5,595)		$ -	$ (5,595)
41		**NET INCOME/(LOSS)**	**$ 78,873**		**$ (93,148)**	**$ (14,275)**		**$ 357,341**	**$ 343,066**

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

Recap Schedules:
(c) A-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule C-2a
Title: Income Statement Proforma Adjustments

DETAIL OF SALARIES AND WAGES EXPENSE ADJUSTMENT 1

Line		Test Year	Proforma Adjustment	Adjusted Year
1	**Salaries and Wages:**			
2	Employee 1	$ 33,480	$ 3,380	$ 36,860
3	Employee 2	5,540	27,210	32,750
4	Employee 3	54,333	6,250	60,583
5	Overtime	2,290	195	2,485
6	Officers	64,000	2,000	66,000
7	Subtotal	$ 159,643	$ 39,035	$ 198,678
8	Adjust accrual	1,734	$ -	
9	Test Year Salaries and Wages	$ 161,377	$ 39,035	$ 198,678
10		**Proposed Salaries and Wages**		$ 198,678
11		**Test Year Salaries and Wages**		161,377
12		**Total Adjustment 1**		**$ 37,301**

Supporting Schedules:

Recap Schedules:
(a) C-1

DETAIL OF CHEMICALS ADJUSTMENT 2

Line	Description	Amount
1	Proposed Chemicals	$ 21,321
2	Test Year Chemicals	17,840
3		**$ 3,481**

4 Adjustment 2 increases Chemicals for a known and measurable 19.51% cost increase.

5 ***Detail of Test Year Chemicals:***

	Description	Test Year Amount	19.51% Increase	Proposed Amount
7	**Total Chemicals**	**$ 17,840**	**$ 3,481**	**$ 21,321**

Supporting Schedules:

Recap Schedules:
(a) C-1

DETAIL OF OFFICE SUPPLIES AND EXPENSE ADJUSTMENT 3

Line	Description	Amount
1	Proposed Office Supplies and Expense - Computer	$ 16,384
2	Test Year Office Supplies and Expense - Computer	10,584
3	**Total Adjustment 3**	**$ 5,800**

4 Adjustment 3 increases computer related expenses for mid-year change as follows:

5 ***Detail of Test Year Office Expense:***

6 Sub Account	Test Year Amount	Adjustment	Proposed Amount	
7 General	$ 6,885	*$ 1,052*	$ 7,937	Part of Adjustment 4
8 PR Fees	1,276		1,276	
9 Computer	10,584	**5,800**	16,384	Detail Below
10 Dues	909		909	
11 Postage	13,810	*875*	14,685	Part of Adjustment 4
12 Telephone	10,289		10,289	
13 Bank	3,939		3,939	
14 Total Office Expense	$ 47,692	$ 7,727	$ 55,419	

15 Detail of Computer Expense:

16 Vendor	Monthly Cost	Test Year	Amount to Annualize Expense	Cost Increase	Adjusted Test Year
17 TCR	$ 400	$ 3,313	$ 1,600	$ 1,200	$ 6,113
18 Travis	300	2,400	1,200	1,800	5,400
19 All Others		4,871			4,871
20 Totals		$ 10,584	**$ 2,800**	**$ 3,000**	$ 16,384

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule C-2d
Title: Income Statement Proforma Adjustments

DETAIL OF MANAGEMENT FEES ADJUSTMENT 4

Line	Description	% of Indirect Costs	Test Year	% of Indirect Costs	Amount	Account
1	Monthly Postage (Direct)		$ 1,127		$ 1,200	621
2	Monthly Printing Costs (Direct)		512		600	621
3	Monthly Billing Services	28.00%	14,194	28.00%	14,616	634
4	Monthly Late Payment/Shut-off Operations	8.00%	4,056	8.00%	4,176	634
5	Monthly Lockbox & ACH Operations	15.00%	7,604	15.00%	7,830	632
6	Monthly Customer Service Operations	15.00%	7,604	15.00%	7,830	634
7	System Maintenance and Operations	10.00%	5,069	10.00%	5,220	630
8	Annual Financial and Regulatory Reporting	8.00%	4,056	8.00%	4,176	636
9	BMPs and ACC Matters	1.00%	507	2.00%	1,044	665
10	Emergency Operations	5.00%	2,535	5.00%	2,610	634
11	Miscellaneous Operations & Complaints	10.00%	5,069	9.00%	4,698	634
12	**Total Monthly Management Fees**		$ 52,333		$ 54,000	

13	Summary by Account	Test Year	Adjusted Year	Difference - Adjustment 3
14	621	$ 1,639	$ 1,800	$ 161
15	630	5,069	5,220	151
16	632	7,604	7,830	226
17	634	33,458	33,930	472
18	636	4,056	4,176	120
19	665	507	1,044	537
20	**Monthly Management Fees by Category**	$ 52,333	$ 54,000	$ 1,667
21	**Annual Management Fees**	$ 628,000	$ 648,000	$ 20,000

22	Test Year Total Management Fees	$ 628,000
23	Proposed Annual Management Fees	648,000
24	**Total Adjustment 4**	**$ 20,000**
25	***Detail of Adjustment 4:***	
26	Account 621	$ 1,927
27	Account 630	1,807
28	Account 632	2,711
29	Account 634	5,664
30	Account 636	1,446
31	Account 665	6,445
32	**Total Adjustment 4**	**$ 20,000**

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc. | **Schedule C-2e**
Docket No. W-01539A | **Title: Income Statement Proforma Adjustments**
Test Year Ended August 31, 2021

DETAIL OF CONTRACTUAL SERVICES - OTHER ADJUSTMENT 5

Line	Description		Amount
1	Proposed Contractual Services - Meter Reading	$	25,200
2	Test Year Contractual Services - Meter Reading		6,300
3	**Total Adjustment 5**	**$**	**18,900**

4 Adjustment 5 increases Contractual Services - Other for mid-year change as follows:

5 ***Detail of Test Year Contractual Services Other:***

6 Description	Test Year Amount	Adjustment	Proposed Amount	
7 Certified Operator	$ 10,500		$ 10,500	
8 Meter Reading	6,300	**18,900**	25,200	Detail Below
9 Other	48,666	*1,446*	50,112	Part of Adj 4
10 Total Office Expense	$ 65,466	$ 20,346	$ 85,812	

11 Detail of Meter Reading Expense:

12 Monthly Cost	Test Year	Amount to Annualize Expense	Adjusted Test Year
13 $ 2,100	$ 6,300	**$ 18,900**	$ 25,200

Supporting Schedules:

Recap Schedules:
(a) C-1

DETAIL OF RENTS ADJUSTMENT 6

Line	Description		Amount
1	Proposed Rents	$	26,462
2	Test Year Rents		25,262
3	**Total Adjustment 6**	**$**	**1,200**

4 Adjustment 6 increases monthly rent for a mid-year change from $1,860 to $2,160 for four months of the test year.

Supporting Schedules:

Recap Schedules:
(a) C-1

DETAIL OF TRANSPORTATION EXPENSE ADJUSTMENT 7

Line	Description		Amount
1	Test Year Transportation Expense	$	13,198
2	Adjusted Test Year Transportation Expense		11,483
3	**Total Adjustment 7**	**$**	**(1,715)**

4 Adjustment 7 removes the costs related to a vehicle lease that ended.

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule C-2h
Title: Income Statement Proforma Adjustments

DETAIL OF RATE CASE EXPENSE ADJUSTMENT 8

Line	Description		Amount
1	Estimated Rate Case Expenses	$	125,000
2	Recovery Period in years		5
3	Annual Projected Rate Case Expense	$	25,000
4	Test Year Rate Case Expense		16,145
5	**Total Adjustment 8**	**$**	**8,855**

6 Adjustment 8 spreads estimated rate case costs over five years.

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule C-2i
Title: Income Statement Proforma Adjustments

DETAIL OF DEPRECIATION EXPENSE CALCULATIONS - ADJUSTMENT 9

Line	Account Number	Description	Plant @ Beg of Test Year 31-Aug-20	Test Year Additions	Plant @ End of Test Year 31-Aug-21	Fully Depr or Non-Depr Plant	Depreciable Plant as of 31-Aug-21	Curr/Propose Depreciation Rate	Test Year Depreciation Expense	Proposed Depreciation Expense
1	302	Franchises	$ -	$ -	$ -		$ -	0.00%	$ -	$ -
2	303	Land & Land Rights	-	-	-		-	0.00%	-	-
3	304	Structures & Improvements	26,003	-	26,003	22,997	3,006	3.33%	100	100
4	307	Wells & Springs	241,841	-	241,841		241,841	3.33%	8,053	8,053
5	311	Pumping Equipment	415,364	4,181	419,545	316,769	102,776	12.50%	12,586	12,847
6	320	Water Treatment Equipment	-	-	-		-	0.00%	-	-
7	320.1	Water Treatment Plants	85,000	-	85,000		85,000	3.33%	2,831	2,831
8	320.2	Solution Chemical Feeders	-	-	-		-	20.00%	-	-
9	330	Distribution Res. & Standpipes	39,772	-	39,772	39,772	-	0.00%	-	-
10	330.1	Storage Tanks	350,249	-	350,249	335,500	14,749	2.22%	327	327
11	330.2	Pressure Tanks	-	-	-		-	5.00%	-	-
12	331	Transmission & Distrib Mains	1,947,695	-	1,947,695	184,315	1,763,380	2.00%	35,268	35,268
13	333	Services	710,478	22,268	732,746	373,530	359,216	3.33%	13,860	11,962
14	334	Meters & Meter Installations	260,348	40,042	300,390	11,546	288,844	8.33%	22,566	24,061
15	335	Hydrants	253,300	6,450	259,750		259,750	2.00%	5,131	5,195
16	336	Backflow Prevention	1,000	-	1,000	1,000	-	6.67%	-	-
17	339	Other Plant and Misc Equip	-	-	-		-	6.67%	-	-
18	340	Office Furniture & Equipment	7,517	-	7,517	5,759	1,758	6.67%	166	83
19	340.1	Computers and Software	12,208	5,950	18,158	12,208	5,950	20.00%	928	1,190
20	341	Transportation Equipment	-	20,044	20,044		20,044	20.00%	2,363	4,008
21	343	Tools, Shop, and Garage Equip	-	-	-		-	5.00%	-	-
22	345	Power Operated Equipment	2,650	-	2,650		2,650	5.00%	133	133
23	346	Communication Equipment	4,144	-	4,144		4,144	10.00%	414	414
24	347	Miscellaneous Equipment	3,154	-	3,154		3,154	10.00%	315	315
25	348	Other Tangible Plant	-	-	-		-	5.00%	-	-
26		**Totals**	**$ 4,360,723**	**$ 98,935**	**$ 4,459,658**	**$ 1,303,396**	**$ 3,156,262**		**$ 105,041**	**$ 106,787**
27								CIAC Amortization	(73,904)	(73,926)
28								Proposed Depr Expense		$ 32,861
29								**Test Year Depreciation Expense**	**$ 31,137**	31,137
30									**Adjustment 9**	**$ 1,724**

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule C-2j
Title: Income Statement Proforma Adjustments

DETAIL OF TAXES OTHER THAN INCOME ADJUSTMENT 10

Line		Test Year	Proforma Adjustment	Adjusted Year
1	**Proposed Taxes Other Than Income:**			
2	Projected Salaries and wages	$ 198,678		
3		Base	Rate	Tax
4	FICA	$ 198,678	7.65%	$ 15,199
5	Federal Unemployment (FUTA)	42,000	0.60%	252
6	State Unemployment Ins (SUI)	42,000	2.48%	1,042
7	Total Taxes			$ 16,492
8		Proposed Taxes Other Than Income		$ 16,492
9		Test Year Taxes Other Than Income		12,993
10		**Total Adjustment 10**		**$ 3,499**

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule C-2k
Title: Income Statement Proforma Adjustments

DETAIL OF PROPERTY TAX EXPENSE ADJUSTMENTS 11A AND 11B

Line		Test Year as Adjusted	Company at Proposed Rates
1	Adjusted Test Year Revenues	$ 1,352,061	$ 1,352,061
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	$ 2,704,122	$ 2,704,122
4	Company Recommended Revenue	1,352,061	1,833,561
5	Subtotal (Line 3 + 4)	$ 4,056,183	$ 4,537,683
6	Number of Years	3	3
7	Three Year Revenue Average (Line 5 / Line 6)	$ 1,352,061	$ 1,512,561
8	AZ Department of Revenue Multiplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	$ 2,704,122	$ 3,025,122
10	Plus: 10% of CWIP	-	-
11	Less: Net Book Value of Licensed Vehicles	(18,040)	(18,040)
12	**Full Cash Value (Lines 9 + 10 - 11)**	**$ 2,686,082**	**$ 3,007,082**
13	Assessment Ratio	18.00%	18.00%
14	**Assessment Value (Line 12 * Line 13)**	**$ 483,495**	**$ 541,275**
15	**Composite Property Tax Rate** *	9.8343%	9.8343%
16	Adjusted Test Year Property Tax Expense	$ 47,548	
17	Actual Test Year Property Tax Expense	41,500	
18	**Total Adjustment 11a**	**$ 6,048**	
19	Projected Property Tax Expense		$ 53,230
20	Adjusted Test Year Property Tax Expense		47,548
21	**Total Adjustment 11b**		**$ 5,682**
22	* *Property tax composite rate calculation:*		
23	Assessed Value per 2021 Property Tax Notices	$ 420,120	
24	Property Tax due per 2021 Notices	41,316	
25	Composite Property Tax Rate	9.8343%	
26	*For Gross Revenue Conversion Factor:*		
27	Change in Property Tax Expense	$ 5,682	
28	Change in Revenue Requirement	481,500	
29	Change in Property Tax per Dollar Increase in Revenue	1.1801%	

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule C-2l
Title: Income Statement Proforma Adjustments

CALCULATION OF INCOME TAX ADJUSTMENTS 12A AND 12B

Line	Description	Test Year	Company Proposed
1	Revenue	$ 1,352,061	$ 1,833,561
2	Operating Expenses Excluding Income Taxes	(1,365,467)	(1,371,331)
3	Other Income/Expense	(5,595)	(5,595)
4	Arizona Taxable Income	$ (19,001)	$ 456,635
5	Arizona Income Tax Rate	4.9000%	4.9000%
6	Arizona Income Tax Expense	$ (931)	$ 22,375
7	Federal Taxable Income	$ (18,070)	$ 434,260
8	Federal Income Tax Rate	21.0000%	21.0000%
9	Federal Income Tax Expense	$ (3,795)	$ 91,195
10	Combined Federal and AZ Income Tax	$ (4,726)	$ 113,570
11	Test Year Income Tax Expense	$ 7,219	
12	Calculated Income Tax Expense from above	(4,726)	
13	**Total Adjustment 12a to Income Tax Expense**	**$ (11,945)**	
14	Company Proposed Income Tax from above		$ 113,570
15	Adjusted Test Year Income Tax Expense		(4,726)
16	**Total Adjustment 12b to Income Tax Expense**		**$ 118,296**
17	*Calculation of Interest Synchronization:*		
18	Rate Base	$ (292,817)	
19	Weighted Average Cost of Debt	Not meaningful	
20	Synchronized Interest	Not meaningful	

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule C-2m
Title: Income Statement Proforma Adjustments

DETAIL OF PROPOSED METERED WATER REVENUE ADJUSTMENTS 13A AND 13B

Line	Description		Amount
1	Proposed Metered Water Revenue per Schedule C-1	$	1,807,271
2	Adjusted Test Year Metered Water Revenue		1,325,771
3	**Total Adjustment 13a to Metered Water Revenue**	**$**	**481,500**
4	Adjustment 13a reflects the proposed increase to Metered Water Revenue.		
5	Proposed Total Water Revenue per Schedule C-1	$ 1,833,561	
6	Uncollectible Rate per Schedule C-3, Line 45	0.03824%	
7	Proposed Bad Debt Expense	$	701
8	Test Year Bad Debt Expense		520
9	**Total Adjustment 13b to Bad Debt Expense**	**$**	**181**
10	Adjustment 13b adjusts bad debt expense based on proposed revenue.		

Supporting Schedules:

Recap Schedules:
(a) C-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

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

Required for:

All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specl Reqmt	

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

Line	Description	Rate	Calculation	Total
1	Revenues		1.0000	
2	Property Tax Factor (Line 35)	1.1801%	(0.0118)	
3	Arizona Taxable Income (Line 1 - Line 2)		0.9882	
4	Arizona Income Tax	4.9000%	(0.0484)	
5	Federal Taxable Income (Line 3 - Line 4)		0.9398	
6	Federal Income Tax	21.000%	(0.1974)	
7	Revenue After Taxes (Line 5 - line 6)		0.7424	
8	Uncollectible Factor (Line 23)	0.0287%	(0.0003)	
9	Operating Income (Line 7 - Line 8)		0.7421	
10	**Gross Revenue Conversion Factor (Line 1 / Line 9)**		**1.3475**	
11	***Calculation of Gross Revenue Conversion Factor:***			
12	Revenue		100.0000%	
13	Uncollectible Factor (Line 23)		0.0287%	
14	Revenue (Line 12 - Line 13)		99.9713%	
15	Combined Federal and State Tax Rate + Property Tax Factor (Line 37)		25.7576%	
16	Subtotal (Line 14 - Line 15)		74.2137%	
17	Gross Revenue Conversion Factor			1.3475
18	***Calculation of Uncollectible Factor:***			
19	Unity		100.0000%	
20	Combined Federal and State Tax Rate (Line 29)		24.8710%	
21	One Minus Combined Income Tax Rate (Line 18 - Line 19)		75.1290%	
22	Uncollectible Rate ($520 / $1,359,725)		0.0382%	
23	Uncollectible Factor (Line 20 * Line 21)			0.0287%
24	***Calculation of Effective Tax Rate:***			
25	Operating Income Before Taxes (AZ Taxable Income)		100.0000%	
26	Arizona State Income Tax Rate		4.9000%	
27	Federal Taxable Income (Line 25 - Line 26)		95.1000%	
28	Applicable Federal Income Tax Rate		21.0000%	
29	Effective Federal Income Tax Rate (Line 27 * Line 28)		19.9710%	
30	Combined Federal and State Income Tax Rate (Line 26 + Line 29)			24.8710%
31	***Calculation of Effective Property Tax Factor:***			
32	Unity		100.0000%	
33	Combined Federal and State Tax Rate (Line 30)		24.8710%	
34	One Minus Combined Income Tax Rate		75.1290%	
35	Property Tax Factor from Schedule C-2k, Line 29		1.1801%	
36	Effective Property Tax Factor (Line 34 * Line 35)		0.8866%	
37	Combined Federal and State Tax and Property Tax Rate (Line 30 + Line 36)			25.7576%
38	***Calculation of Required Increase in Revenue:***			
39	Required Operating Income From Schedule C-1, Line 34		$ 348,661	
40	Adjusted Test Year Operating Income/(Loss) From Schedule C-1, Line 34		(8,680)	
41	Required Increase in Operating Income/(Loss) (Line 39 - Line 40)			$ 357,341
42	Income Taxes on Recommended Revenue From Schedule C-2l, Line 10		$ 113,570	
43	Income Taxes on Test Year Revenue From Schedule C-2l, Line 10		(4,726)	
44	Required Increase in Revenue to Provide for Income Taxes (Line 42 - Line 43)			$ 118,296
45	Recommended Revenue Requirement From Schedule C-1, Line 5		$ 1,833,561	
46	Uncollectible Rate		0.0382%	
47	Uncollectible Expense on Recommended Revenue (Line 45 * Line 46)		$ 701	
48	Adjusted Test Year Uncollectible Expense from Schedule C-1, Line 26		520	
49	Required Increase in Revenue to Provide for Uncollectible Exp (Line 47 - Line 48)			$ 181
50	Property Tax with Recommended Revenue From Schedule C-2k, Line 19		$ 53,230	
51	Property Tax on Test Year Revenue From Schedule C-2k, Line 20		47,548	
52	Increase in Property Tax Due to Increase in Revenue (Line 50 - Line 51)			$ 5,682
53	**Total Required Increase in Revenue (Line 41 + Line 44 + Line 49 + Line 52)**			**$ 481,500**

Supporting Schedules:

Recap Schedules:
A-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule D-1
Title: Summary Cost of Capital

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

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

		End of Test Year				End of Projected Year			
Line	**Invested Capital**	**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)	(384,870)	137.42%	Not Meaningful		(384,870)	116.61%	Not Meaningful	
4	Short-Term Debt (a)	104,810	-37.42%	Not Meaningful		54,810	-16.61%	Not Meaningful	
5	Deferrals (d)								
6	Totals	$ (280,060)	100.00%		0.00%	$ (330,060)	100.00%		0.00%

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
Test Year Ended August 31, 2021

Schedule E-1
Title: Comparative Balance Sheet

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

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 #		Test Year At 31-Aug-21	Prior Year 31-Aug-20	Prior Year 31-Dec-19
		ASSETS			
1		Property, Plant & Equipment: (a)			
2	101	Utility Plant In Service	$ 4,459,658	$ 4,360,723	$ 4,210,736
3	103	Property Held for Future Use			
4	105	Construction Work in Process			
5	108	Accumulated Depreciation	(3,635,825)	(3,530,784)	(3,455,056)
6		Total Property Plant & Equipment	$ 823,833	$ 829,939	$ 755,680
7		Current Assets:			
8	131	Cash	$ 75,192	$ 71,492	$ 86,664
9	135	Temporary Cash Investments			
10	141	Customer Accounts Receivable	35,524	41,097	29,957
11	146	Notes/Receivables from Associated Companies			
12	151	Plant Material and Supplies			
13	162	Prepayments	-	2,000	
14	174	Miscellaneous Current and Accrued Assets			9,705
15		Total Current Assets	$ 110,716	$ 114,589	$ 126,326
16		**TOTAL ASSETS**	**$ 934,549**	**$ 944,528**	**$ 882,006**
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	1,101,676	1,080,676	1,080,676
21	215	Retained Earnings	(1,506,546)	(1,541,237)	(1,685,531)
22	218	Proprietary Capital	-	-	-
23		Total Capital	$ (384,870)	$ (440,561)	$ (584,855)
24		Current Liabilities:			
25	231	Accounts Payable	$ 86,429	$ 50,771	$ 78,819
26	232	Notes Payable (Current Portion)			
27	234	Notes/Accounts Payable to Associated Companies			
28	235	Customer Deposits	39,886	31,816	22,418
29	236	Accrued Taxes	11,530	9,360	13,297
30	237	Accrued Interest			
31	241	Miscellaneous Current and Accrued Liabilities	104,810	156,987	166,987
32		Total Current Liabilities	$ 242,655	$ 248,934	$ 281,521
33	224	Long-Term Debt (Over 12 Months)	$ -	$ -	$ -
34		Deferred Credits:			
35	252	Advances In Aid Of Construction	$ 14,075	$ 12,472	$ 12,539
36	255	Accumulated Deferred Investment Tax Credits			
37	271	Contributions In Aid Of Construction	2,307,218	2,294,308	2,294,308
38	272	Less: Amortization of Contributions	(1,244,529)	(1,170,625)	(1,121,507)
39	281	Accumulated Deferred Income Tax	-	-	
40		Total Deferred Credits	$ 1,076,764	$ 1,136,155	$ 1,185,340
41		Total Liabilities	$ 1,319,419	$ 1,385,089	$ 1,466,861
42		**TOTAL LIABILITIES and CAPITAL**	**$ 934,549**	**$ 944,528**	**$ 882,006**

Supporting Schedules:
(a) E-5

Recap Schedules:
(b) A-3

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule E-2
Title: Comparative Income Statements

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

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

Line		Test Year Ended 31-Aug-21	Prior Year Ended 31-Dec-20	Prior Year Ended 31-Dec-19
1	Metered Water Revenue	$ 1,325,771	$ 1,338,553	$ 1,247,121
2	Unmetered Water Revenue	-	-	-
3	Guaranteed Revenues (Surcharges)	-	-	-
4	Other Water Revenue	26,290	13,748	-
5	Revenues: (a)	$ 1,352,061	$ 1,352,301	$ 1,247,121
6	Operating Expenses (a)			
7	Salaries and Wages	$ 161,377	$ 164,255	$ 149,772
8	Purchased Water	-	746	175
9	Purchased Power	185,494	175,558	176,999
10	Chemicals	17,840	13,821	14,564
11	Materials & Supplies	-	-	-
12	Repairs and Maintenance	50,112	179,562	118,405
13	Office Supplies and Expense	47,691	76,188	37,136
14	Contractual Services	93,472	112,532	-
15	Contractual Services - Engineering	-	-	-
16	Contractual Services - Accounting	81,998	60,848	6,000
17	Contractual Services - Legal	-	-	-
18	Contractual Services - Management Fees	395,413	353,579	540,000
19	Contractual Services - Water Testing	3,232	3,110	6,888
20	Contractual Services - Other	64,051	40,340	14,225
21	Rents	25,262	27,466	27,105
22	Transportation Expense	13,198	5,583	16,681
23	Insurance - General Liability	10,376	9,619	9,358
24	Regulatory Expenses	7,482	-	-
25	Rate Case Expense	16,145	-	-
26	Bad Debt Expense	520	-	-
27	Miscellaneous Expense	600	3,382	2,998
28	Depreciation Expense	31,137	11,775	37,389
29	Taxes Other Than Income	12,993	13,241	11,848
30	Property Tax	41,500	40,175	39,072
31	Income Taxes	7,219	6,919	3,937
32	Customer Security Deposit Interest	481	-	-
33	Operating Expenses (a)	$ 1,267,593	$ 1,298,699	$ 1,212,552
34	**OPERATING INCOME/(LOSS) (a)**	**$ 84,468**	**$ 53,602**	**$ 34,569**
35	Other Income/(Expense)			
36	Interest and Dividend Income	$ -	$ -	$ -
37	Non-Utility Income	-	-	-
38	Miscellaneous Non-Utility Expense	-	-	(7,464)
39	Interest Expense	(5,595)	(7,663)	(12,295)
40	Other Income and Deductions:	$ (5,595)	$ (7,663)	$ (19,759)
41	**NET INCOME/(LOSS)**	**$ 78,873**	**$ 45,939**	**$ 14,810**
42	Preferred Dividends	-	-	-
43	Earnings Available for Common Stock	$ 78,873	$ 45,939	$ 14,810
44	Earnings Per Share of Average Common Stock Outstanding	$ 3.94	$ 2.30	$ 0.74

Supporting Schedules:
(a) E-6

Recap Schedules:
A-2

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

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	X
Class A	
Class B	
Class C	
Class D	
Specl Reqmt	

Line	Account Number	Description	End of Prior Year at 31-Aug-20	Net Additions	End of Test Year at 31-Aug-21
1	302	Franchises	$ -		$ -
2	303	Land & Land Rights			-
3	304	Structures & Improvements	26,003		26,003
4	307	Wells & Springs	241,841		241,841
5	311	Pumping Equipment	415,364	4,181	419,545
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	350,249		350,249
11	330.2	Pressure Tanks			-
12	331	Transmission &Distribution Mains	1,947,695		1,947,695
13	333	Services	710,478	22,268	732,746
14	334	Meters & Meter Installations	260,348	40,042	300,390
15	335	Hydrants	253,300	6,450	259,750
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	12,208	5,950	18,158
20	341	Transportation Equipment		20,044	20,044
21	343	Tools, Shop, and Garage Equipment			-
22	345	Power Operated Equipment	2,650		2,650
23	346	Communications Equipment	4,144		4,144
24	347	Miscellaneous Equipment	3,154		3,154
25	348	Other Tangible Plant			-
26		**Total Plant In Service**	**$ 4,360,723**	**$ 98,935**	**$ 4,459,658**
27	108	Accumulated Depreciation	(3,530,784)	(105,041)	(3,635,825)
28		Net Plant In Service	$ 829,939	$ (6,106)	$ 823,833
29	103	Property Held for Future Use	-	-	-
30	105	Construction Work in Process	-	-	-
31		**Total Net Plant**	**$ 829,939**	**$ (6,106)**	**$ 823,833**

Supporting Schedules:

Recap Schedules:
E-1 A-4

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule E-7
Title: Operating Statistics

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

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

Line	**Water Statistics:**	**Test Year Ended 31-Aug-21**	**Prior Year Ended 31-Dec-20**	**Prior Year Ended 31-Dec-19**
1	Gallons Sold - By Class of Service:			
2	Residential	338,479,884	323,495,555	313,588,042
3	Commercial	9,574,592	10,692,778	10,365,296
4	Irrigation	81,006,337	71,634,333	69,440,430
5	Average Number of Customers - By Class of Service:			
6	Residential	2,322	2,324	2,316
7	Commercial	22	29	30
8	Irrigation	54	46	49
9	Average Annual Gallons Per Residential Customer	145,771	139,198	135,401
10	Average Annual Revenue Per Residential Customer	$ 459.42	$ 466.54	$ 436.48
11	Pumping Cost Per 1,000 Gallons	$ 0.4323	$ 0.5253	$ 0.5464

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule E-8
Title: Taxes Charged to Operations

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

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

Line	Description	Test Year Ended 31-Aug-21	Prior Year Ended 31-Dec-20	Prior Year Ended 31-Dec-19
1	Federal Taxes:			
2	Income	$ 3,632	$ 4,622	$ 2,630
3	Payroll	12,248	12,492	11,177
4	Total Federal Taxes	$ 15,880	$ 17,114	$ 13,807
5	State Taxes:			
6	Income	$ 3,587	$ 2,297	$ 1,307
7	Payroll	745	749	671
8	Total State Taxes	$ 4,332	$ 3,046	$ 1,978
9	Local Taxes:			
10	Property	$ 41,500	$ 40,175	$ 39,072
11	Rental Tax	-	-	-
12	Total Local Taxes	41,500	40,175	39,072
13	**Total Taxes**	**$ 61,712**	**$ 60,335**	**$ 54,857**

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
Test Year Ended August 31, 2021

Schedule E-9
Title: Notes to Financial Statements

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

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

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

1 Accounting Method.
Rose Valley uses the NARUC accrual method of accounting.

2 Depreciation lives and methods employed by major classification of utility property.
Depreciation rates used were authorized by prior Decision No. 76514.

3 Income tax treatment - normalization or flow through.
Income tax adjustments are illustrated on Schedule C-2l.

4 Interest rate used to charge interest during construction, if applicable.
Current line of credit interest rate is 5.00%.

Supporting Schedules:

Recap Schedules:

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule F-1
Title: Projected Income Statements - Present and Proposed Rates

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

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

Line			Actual Test Year Ended (a) 31-Aug-21	Projected Year At Present Rates Year Ended (b) 31-Aug-22	Projected Year At Proposed Rates Year Ended (b) 31-Aug-22
		Operating Revenues:			
1	461	Metered Water Revenue	$ 1,325,771	$ 1,325,771	$ 1,807,271
2	460	Unmetered Water Revenue	-	-	-
3	469	Guaranteed Revenues (Surcharges)	-	-	-
4	474	Other Water Revenue	26,290	26,290	26,290
5		**Total Operating Revenue**	$ 1,352,061	$ 1,352,061	$ 1,833,561
6		**Operating Expenses:**			
7	601	Salaries and Wages	$ 161,377	$ 198,678	$ 198,678
8	610	Purchased Water	-	-	-
9	615	Purchased Power	185,494	185,494	185,494
10	618	Chemicals	17,840	21,321	21,321
11	620.1	Materials & Supplies	-	-	-
12	620.2	Repairs and Maintenance	50,112	50,112	50,112
13	621	Office Supplies and Expense	47,691	55,418	55,418
14	630	Contractual Services	93,472	95,279	95,279
15	631	Contractual Services - Engineering	-	-	-
16	632	Contractual Services - Accounting	81,998	84,709	84,709
17	633	Contractual Services - Legal	-	-	-
18	634	Contractual Services - Management Fees	395,413	401,077	401,077
19	635	Contractual Services - Water Testing	3,232	3,232	3,232
20	636	Contractual Services - Other	64,051	84,397	84,397
21	640	Rents	25,262	26,462	26,462
22	650	Transportation Expense	13,198	11,483	11,483
23	657	Insurance	10,376	10,376	10,376
24	665	Regulatory Expenses	7,482	13,927	13,927
25	666	Rate Case Expense	16,145	25,000	25,000
26	670	Bad Debt Expense	520	701	701
27	675	Miscellaneous Expense	600	600	600
28	403	Depreciation Expense	31,137	32,861	32,861
29	408	Taxes Other Than Income	12,993	16,492	16,492
30	408.1	Property Tax	41,500	53,230	53,230
31	409	Income Taxes	7,219	113,570	113,570
32	427.4	Customer Security Deposit Interest	481	481	481
33		**Total Operating Expenses**	$ 1,267,593	$ 1,484,900	$ 1,484,900
34		**OPERATING INCOME/(LOSS)**	**$ 84,468**	**$ (132,839)**	**$ 348,661**
35		**Other Income/(Expense):**			
36	419	Interest Income	$ -	$ -	$ -
37	421	Non-Utility Income	-	-	-
38	426	Miscellaneous Non-Utility Expenses	-	-	-
39	427	Interest Expense	(5,595)	(5,595)	(5,595)
40		**Total Other Income/(Expense)**	$ (5,595)	$ (5,595)	$ (5,595)
41		**NET INCOME/(LOSS)**	**$ 78,873**	**$ (138,434)**	**$ 343,066**
42		Earnings per share of average			
43		Common Stock Outstanding	$ 3.94	$ (6.92)	$ 17.15
44		% Return on Common Equity		Not Meaningful Due to Negative Equity	

Supporting Schedules:
(a) E-2

Recap Schedules:
(b) A-2

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

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	1 yrs projected
Class D	X	
Specl Reqmt		

Line	Property Classification	Actual Test Year Ended 8/31/2021	End of Projected Year 1
1	Production Plant	$ 4,181	$ 55,468
2	Transmission Plant	28,718	94,642
3	Other Plant	66,036	1,280,450
4	**Total Plant**	**$ 98,935**	**$ 1,430,560**

Supporting Schedules:

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

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule F-4
Title: Assumptions Used in Developing Projection

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

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

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

No material growth is anticipated as the service area is mostly built out.

2 Growth in consumption and customer demand

Consumption varies as the monthly number of average customers in each class fluctuates.

3 Changes in expenses

Expenses, especially for labor, have steadily increased since the prior rate case.

4 Construction requirements including production reserves and changes in plant capacity

Rose Valley is filing a financing application which will detail the construction requirements including meter replacement, a radio read mobile drive by system, upgrades to the system control software, refurbishing tanks, well control panel upgrades, valve installation, and a remote monitoring system.

5 Capital structure changes

Once the loan has been obtained to upgrade the plant, the structure will change from 100% equity to a debt-equity structure.

6 Financing costs, interest rates

The costs and other details related to the proposed loan are detailed in the financing request filed by Rose Valley.

Supporting Schedules:

Recap Schedules:

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule H-1
Title: Summary of Revenues by Customer Classification - Present and Proposed Rates

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	
Specl Reqmt	

		Revenues in the Test Year (a)		Proposed Increase (b)	
Line	Customer Classification	Present Rates	Proposed Rates	Amount	%
	Residential				
1	5/8 by 3/4-inch Meters	$ 819,361	$ 1,114,267	$ 294,906	35.99%
2	3/4-inch Meters	3,900	$ 5,305	1,404	36.01%
3	1-inch Meters	234,669	320,126	85,457	36.42%
4	2-inch Meters	9,825	13,335	3,510	35.72%
5	*Total Residential*	$ 1,067,756	$ 1,453,033	$ 385,277	36.08%
6	*Percent of Revenue*	80.54%	80.40%	80.02%	
7	*Commercial*				
8	5/8 by 3/4-inch Meters	$ 172	$ 232	$ 61	35.24%
9	1-inch Meters	5,487	7,461	1,974	35.98%
10	1 1/2-inch Meters	3,475	4,744	1,269	36.52%
11	2-inch Meters	31,146	42,374	11,228	36.05%
12	*Total Commercial*	$ 40,279	$ 54,811	$ 14,532	36.08%
13	*Percent of Revenue*	3.04%	3.03%	3.02%	
14	*Irrigation*				
15	5/8 by 3/4-inch Meters	$ 2,421	$ 3,337	$ 916	37.83%
16	1-inch Meters	27,229	37,550	10,321	37.90%
17	1 1/2-inch Meters	29,887	40,981	11,094	37.12%
18	2-inch Meters	158,200	217,560	59,360	37.52%
19	*Total Irrigation*	$ 217,736	$ 299,427	$ 81,691	37.52%
20	*Percent of Revenue*	16.42%	16.57%	16.97%	
21	***Total Metered Water Revenue***	**$ 1,325,771**	**$ 1,807,271**	**$ 481,500**	**36.32%**

Supporting Schedules:
(a) N/A

Recap Schedules:
(b) A-1

Rose Valley Water Company, Inc.
Docket No. W-01539A
Test Year Ended August 31, 2021

Schedule H-3
Title: Changes in Representative Rate Schedules - Page 1 of 2

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

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

Description	Present Rates	Proposed Rate	% change
MONTHLY USAGE CHARGE:			
5/8" x 3/4" Meter	$ 16.80	$ 22.78	35.61%
3/4" Meter	25.20	34.17	35.61%
1" Meter	42.00	56.96	35.61%
1-1/2" Meter	84.00	113.91	35.61%
2" Meter	134.40	182.26	35.61%
3" Meter	268.80	364.52	35.61%
4" Meter	420.00	569.56	35.61%
6" Meter	840.00	1,139.12	35.61%
8" Meter	N/A	1,822.60	100.00%
10" Meter	N/A	2,619.99	100.00%

COMMODITY CHARGES - Per 1,000 Gallons	**Present Rates**	**Proposed Rates**
Gallons Included in Minimum	0	0
Residential and Commercial Customers:		
5/8 x 3/4-inch and 3/4-inch Meters		
First 3,000 Gallons	$ 0.85	$ 1.10
3,001 to 8,000 Gallons	1.42	1.94
Over 8,000 Gallons	2.00	2.76
1-Inch Meters		
First 20,000 Gallons	$ 1.42	$ 1.94
Over 20,000 Gallons	2.00	2.76
1 1/2-Inch Meters		
First 40,000 Gallons	$ 1.42	$ 1.94
Over 40,000 Gallons	2.00	2.76
2-inch Meters		
First 64,000 Gallons	$ 1.42	$ 1.94
Over 64,000 Gallons	2.00	2.76
3-inch Meters		
First 128,000 Gallons	$ 1.42	$ 1.94
Over 128,000 Gallons	2.00	2.76
4-inch Meters		
First 200,000 Gallons	$ 1.42	$ 1.94
Over 200,000 Gallons	2.00	2.76
6-inch Meters		
First 400,000 Gallons	$ 1.42	$ 1.94
Over 400,000 Gallons	2.00	2.76
8-inch Meters		
First 800,000 Gallons	N/A	$ 1.94
Over 800,000 Gallons	N/A	2.76

	Present Rates	Proposed Rates
10-inch Meters		
First 1,600,000 Gallons	N/A	$ 1.94
Over 1,600,000 Gallons	N/A	2.76
Landscape and School Meters		
All Usage (per 1,000 gallons)	$ 2.00	$ 2.76

SERVICE LINE AND METER INSTALLATION CHARGES:

Refundable Pursuant to A.A.C. R14-2-405

	Present Rates			Proposed Rates			
Meter Size	**Service Line**	**Meter Charge**	**Total Charge**	**Service Line**	**Meter Charge**	**Total Charge**	**% change**
5/8" x 3/4" Meter	$ 490.00	$ 132.00	$ 622.00	$ 620.00	$ 170.00	$ 790.00	27.01%
3/4" Meter	490.00	233.00	723.00	620.00	280.00	900.00	24.48%
1" Meter	547.00	293.00	840.00	690.00	350.00	1,040.00	23.81%
1-1/2" Meter	610.00	506.00	1,116.00	760.00	590.00	1,350.00	20.97%
2" Meter - Turbine	927.00	1,031.00	1,958.00	1,150.00	1,170.00	2,320.00	18.49%
2" Meter - Compound	927.00	1,884.00	2,811.00	1,150.00	2,120.00	3,270.00	16.33%
3" Meter - Turbine	1,171.00	1,662.00	2,833.00	1,460.00	1,870.00	3,330.00	17.54%
3" Meter - Compound	1,308.00	2,546.00	3,854.00	1,630.00	2,860.00	4,490.00	16.50%
4" Meter - Turbine	1,661.00	2,647.00	4,308.00	2,080.00	3,000.00	5,080.00	17.92%
4" Meter - Compound	1,866.00	3,632.00	5,498.00	2,330.00	4,090.00	6,420.00	16.77%
6" Meter - Turbine	2,479.00	5,026.00	7,505.00	3,090.00	5,640.00	8,730.00	16.32%
6" Meter - Compound	2,615.00	6,939.00	9,554.00	3,260.00	7,770.00	11,030.00	15.45%
8" Meter - Turbine	N/A	N/A	N/A	At Cost	At Cost	At Cost	100.00%
10" Meter - Turbine	N/A	N/A	N/A	At Cost	At Cost	At Cost	100.00%
Road Cut (If Needed)	N/A	N/A	N/A	At Cost	N/A	At Cost	100.00%

	Present Rate	Proposed Rate	% change
SERVICE CHARGES			
Establishment	$ 25.00	$ 30.00	20.00%
Reconnection/Delinquent	30.00	35.00	16.67%
NSF Check	20.00	25.00	25.00%
Meter Re-Read (If Correct)	20.00	$ 25.00	25.00%
Meter Test (If Correct)	25.00	$ 30.00	20.00%
Deferred Payment Interest	1.50%	1.50%	0.00%
Deposit Interest	*	*	0.00%
Deposit	*	*	0.00%
Reestablishment (Within 12 Months)	**	**	0.00%
Late Payment Fee	***	***	0.00%
After Hours (Per Hour)	$ 35.00	$ 45.00	28.57%

* Per A.A.C. R14-2-403(B).
** Months off the system times the monthly minimum per A.A.C. R14-2-403(D).
*** 1.50% or $5.00 per month, whichever is greater, if payment is not received within 15 days from the date the bill is rendered.

In addition to collecting its regular rates and charges, the Company shall collect from its customers a proportionate share of any privilege, sales, or use tax per A.A.C. R14-2-409(D).

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	
Specl Reqmt	

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

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 16.80	$ 22.78	35.61%
1,000	17.65	23.88	35.31%
2,000	18.50	24.98	35.03%
3,000	19.35	26.08	34.78%
4,000	20.77	28.02	34.91%
5,000	22.19	29.96	35.02%
6,000	23.61	31.90	35.11%
7,000	25.03	33.84	35.20%
8,000	26.45	35.78	35.27%
9,000	28.45	38.54	35.47%
10,000	30.45	41.30	35.63%
15,000	40.45	55.10	36.22%
20,000	50.45	68.90	36.57%
25,000	60.45	82.70	36.81%
50,000	110.45	151.70	37.35%
75,000	160.45	220.70	37.55%
100,000	210.45	289.70	37.66%
125,000	260.45	358.70	37.72%
150,000	310.45	427.70	37.77%
175,000	360.45	496.70	37.80%
200,000	410.45	565.70	37.82%

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	
Specl Reqmt	

5/8 x 3/4-inch Meters - Irrigation

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 16.80	$ 22.78	35.61%
1,000	18.80	25.54	35.86%
2,000	20.80	28.30	36.07%
3,000	22.80	31.06	36.24%
4,000	24.80	33.82	36.38%
5,000	26.80	36.58	36.50%
6,000	28.80	39.34	36.61%
7,000	30.80	42.10	36.70%
8,000	32.80	44.86	36.78%
9,000	34.80	47.62	36.85%
10,000	36.80	50.38	36.91%
15,000	46.80	64.18	37.14%
20,000	56.80	77.98	37.29%
25,000	66.80	91.78	37.40%
50,000	116.80	160.78	37.66%
75,000	166.80	229.78	37.76%
100,000	216.80	298.78	37.81%
125,000	266.80	367.78	37.85%
150,000	316.80	436.78	37.87%
175,000	366.80	505.78	37.89%
200,000	416.80	574.78	37.90%

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	
Specl Reqmt	

3/4-inch Meters - Residential

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 25.20	$ 34.17	35.61%
1,000	26.05	35.27	35.40%
2,000	26.90	36.37	35.21%
3,000	27.75	37.47	35.03%
4,000	29.17	39.41	35.11%
5,000	30.59	41.35	35.18%
6,000	32.01	43.29	35.24%
7,000	33.43	45.23	35.30%
8,000	34.85	47.17	35.35%
9,000	36.85	49.93	35.50%
10,000	38.85	52.69	35.63%
15,000	48.85	66.49	36.11%
20,000	58.85	80.29	36.43%
25,000	68.85	94.09	36.66%
50,000	118.85	163.09	37.22%
75,000	168.85	232.09	37.45%
100,000	218.85	301.09	37.58%
125,000	268.85	370.09	37.66%
150,000	318.85	439.09	37.71%
175,000	368.85	508.09	37.75%
200,000	418.85	577.09	37.78%

Supporting Schedules:

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

Explanation:
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.

1-inch Meters - Residential and Commerical

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 42.00	$ 56.96	35.61%
1,000	43.42	58.90	35.64%
2,000	44.84	60.84	35.67%
3,000	46.26	62.78	35.70%
4,000	47.68	64.72	35.73%
5,000	49.10	66.66	35.76%
6,000	50.52	68.60	35.78%
7,000	51.94	70.54	35.80%
8,000	53.36	72.48	35.82%
9,000	54.78	74.42	35.85%
10,000	56.20	76.36	35.87%
15,000	63.30	86.06	35.95%
20,000	70.40	95.76	36.02%
25,000	80.40	109.56	36.26%
50,000	130.40	178.56	36.93%
75,000	180.40	247.56	37.23%
100,000	230.40	316.56	37.39%
125,000	280.40	385.56	37.50%
150,000	330.40	454.56	37.58%
175,000	380.40	523.56	37.63%
200,000	430.40	592.56	37.68%

Supporting Schedules:

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

Explanation:
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.

1-inch Meters - Irrigation

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 42.00	$ 56.96	35.61%
1,000	44.00	59.72	35.72%
2,000	46.00	62.48	35.82%
3,000	48.00	65.24	35.91%
4,000	50.00	68.00	35.99%
5,000	52.00	70.76	36.07%
6,000	54.00	73.52	36.14%
7,000	56.00	76.28	36.21%
8,000	58.00	79.04	36.27%
9,000	60.00	81.80	36.33%
10,000	62.00	84.56	36.38%
15,000	72.00	98.36	36.61%
20,000	82.00	112.16	36.78%
25,000	92.00	125.96	36.91%
50,000	142.00	194.96	37.29%
75,000	192.00	263.96	37.48%
100,000	242.00	332.96	37.59%
125,000	292.00	401.96	37.66%
150,000	342.00	470.96	37.71%
175,000	392.00	539.96	37.74%
200,000	442.00	608.96	37.77%

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	
Specl Reqmt	

1 1/2-inch Meters - Commerical

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 84.00	$ 113.91	35.61%
1,000	85.42	115.85	35.63%
2,000	86.84	117.79	35.64%
3,000	88.26	119.73	35.66%
4,000	89.68	121.67	35.67%
5,000	91.10	123.61	35.69%
6,000	92.52	125.55	35.70%
7,000	93.94	127.49	35.72%
8,000	95.36	129.43	35.73%
9,000	96.78	131.37	35.74%
10,000	98.20	133.31	35.76%
15,000	105.30	143.01	35.81%
20,000	112.40	152.71	35.87%
25,000	119.50	162.41	35.91%
50,000	160.80	219.11	36.26%
75,000	210.80	288.11	36.68%
100,000	260.80	357.11	36.93%
125,000	310.80	426.11	37.10%
150,000	360.80	495.11	37.23%
175,000	410.80	564.11	37.32%
200,000	460.80	633.11	37.39%

Supporting Schedules:

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

Explanation:
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.

1 1/2-inch Meters - Irrigation

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 84.00	$ 113.91	35.61%
1,000	86.00	116.67	35.67%
2,000	88.00	119.43	35.72%
3,000	90.00	122.19	35.77%
4,000	92.00	124.95	35.82%
5,000	94.00	127.71	35.86%
6,000	96.00	130.47	35.91%
7,000	98.00	133.23	35.95%
8,000	100.00	135.99	35.99%
9,000	102.00	138.75	36.03%
10,000	104.00	141.51	36.07%
15,000	114.00	155.31	36.24%
20,000	124.00	169.11	36.38%
25,000	134.00	182.91	36.50%
50,000	184.00	251.91	36.91%
75,000	234.00	320.91	37.14%
100,000	284.00	389.91	37.29%
125,000	334.00	458.91	37.40%
150,000	384.00	527.91	37.48%
175,000	434.00	596.91	37.54%
200,000	484.00	665.91	37.59%

Supporting Schedules:

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

Explanation:
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.

2-inch Meters - Residential and Commerical

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 134.40	$ 182.26	35.61%
1,000	135.82	184.20	35.62%
2,000	137.24	186.14	35.63%
3,000	138.66	188.08	35.64%
4,000	140.08	190.02	35.65%
5,000	141.50	191.96	35.66%
6,000	142.92	193.90	35.67%
7,000	144.34	195.84	35.68%
8,000	145.76	197.78	35.69%
9,000	147.18	199.72	35.70%
10,000	148.60	201.66	35.71%
15,000	155.70	211.36	35.75%
20,000	162.80	221.06	35.79%
25,000	169.90	230.76	35.82%
50,000	205.40	279.26	35.96%
75,000	247.28	336.78	36.19%
100,000	297.28	405.78	36.50%
125,000	347.28	474.78	36.71%
150,000	397.28	543.78	36.88%
175,000	447.28	612.78	37.00%
200,000	497.28	681.78	37.10%

Supporting Schedules:

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

Explanation:
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.

2-inch Meters - Irrigation

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	$ 134.40	$ 182.26	35.61%
1,000	136.40	185.02	35.65%
2,000	138.40	187.78	35.68%
3,000	140.40	190.54	35.71%
4,000	142.40	193.30	35.74%
5,000	144.40	196.06	35.78%
6,000	146.40	198.82	35.81%
7,000	148.40	201.58	35.84%
8,000	150.40	204.34	35.86%
9,000	152.40	207.10	35.89%
10,000	154.40	209.86	35.92%
15,000	164.40	223.66	36.05%
20,000	174.40	237.46	36.16%
25,000	184.40	251.26	36.26%
50,000	234.40	320.26	36.63%
75,000	284.40	389.26	36.87%
100,000	334.40	458.26	37.04%
125,000	384.40	527.26	37.16%
150,000	434.40	596.26	37.26%
175,000	484.40	665.26	37.34%
200,000	534.40	734.26	37.40%

Supporting 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	
Specl Reqmt	

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

	Number of	Consumption	Cumulative Bills		Cumulative Consumption	
Block	**Bills by Block**	**By Blocks**	**No.**	**% of Total**	**Amount**	**% of Total**
0	11	-	11	0.04%	-	0.00%
1 to 1,000	277	138,500	288	1.16%	138,500	0.05%
1,001 to 2,000	790	1,185,000	1,078	4.35%	1,323,500	0.49%
2,001 to 3,000	1,174	2,935,000	2,252	9.09%	4,258,500	1.58%
3,001 to 4,000	1,613	5,645,500	3,865	15.59%	9,904,000	3.68%
4,001 to 5,000	1,998	8,991,000	5,863	23.66%	18,895,000	7.03%
5,001 to 6,000	2,063	11,346,500	7,926	31.98%	30,241,500	11.24%
6,001 to 7,000	1,950	12,675,000	9,876	39.85%	42,916,500	15.96%
7,001 to 8,000	1,762	13,215,000	11,638	46.96%	56,131,500	20.87%
8,001 to 9,000	1,610	13,685,000	13,248	53.45%	69,816,500	25.96%
9,001 to 10,000	1,364	12,958,000	14,612	58.96%	82,774,500	30.78%
10,001 to 12,000	2,298	25,278,000	16,910	68.23%	108,052,500	40.18%
12,001 to 14,000	1,793	23,309,000	18,703	75.46%	131,361,500	48.84%
14,001 to 16,000	1,413	21,195,000	20,116	81.17%	152,556,500	56.72%
16,001 to 18,000	1,033	17,561,000	21,149	85.33%	170,117,500	63.25%
18,001 to 20,000	803	15,257,000	21,952	88.57%	185,374,500	68.93%
20,001 to 25,000	1,202	27,045,000	23,154	93.42%	212,419,500	78.98%
25,001 to 30,000	730	20,075,000	23,884	96.37%	232,494,500	86.45%
30,001 to 35,000	373	12,122,500	24,257	97.87%	244,617,000	90.95%
35,001 to 40,000	220	8,250,000	24,477	98.76%	252,867,000	94.02%
40,001 to 50,000	182	8,190,000	24,659	99.50%	261,057,000	97.07%
50,001 to 60,000	78	4,290,000	24,737	99.81%	265,347,000	98.66%
60,001 to 70,000	20	1,300,000	24,757	99.89%	266,647,000	99.15%
70,001 to 80,000	14	1,050,000	24,771	99.95%	267,697,000	99.54%
80,001 to 90,000	7	595,000	24,778	99.98%	268,292,000	99.76%
90,001 to 100,000	4	380,000	24,782	99.99%	268,672,000	99.90%
111,330	1	111,330	24,783	100.00%	268,783,330	99.94%
159,765	1	159,765	24,784	100.00%	268,943,095	100.00%
	24,784	268,943,095				

Average Number of Customers	2,065
Average Consumption	10,851
Median Consumption	8,468

Supporting Schedules:

Recap Schedules:

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

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 No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0	2	-	2	20.00%	-	0.00%
1 to 1,000	8	4,000	10	100.00%	4,000	100.00%
1,001 to 2,000		-	10	100.00%	4,000	100.00%
2,001 to 3,000		-	10	100.00%	4,000	100.00%
3,001 to 4,000		-	10	100.00%	4,000	100.00%
4,001 to 5,000		-	10	100.00%	4,000	100.00%
5,001 to 6,000		-	10	100.00%	4,000	100.00%
6,001 to 7,000		-	10	100.00%	4,000	100.00%
7,001 to 8,000		-	10	100.00%	4,000	100.00%
8,001 to 9,000		-	10	100.00%	4,000	100.00%
9,001 to 10,000		-	10	100.00%	4,000	100.00%
10,001 to 12,000		-	10	100.00%	4,000	100.00%
12,001 to 14,000		-	10	100.00%	4,000	100.00%
14,001 to 16,000		-	10	100.00%	4,000	100.00%
16,001 to 18,000		-	10	100.00%	4,000	100.00%
18,001 to 20,000		-	10	100.00%	4,000	100.00%
20,001 to 25,000		-	10	100.00%	4,000	100.00%
25,001 to 30,000		-	10	100.00%	4,000	100.00%
30,001 to 35,000		-	10	100.00%	4,000	100.00%
35,001 to 40,000		-	10	100.00%	4,000	100.00%
40,001 to 50,000		-	10	100.00%	4,000	100.00%
50,001 to 60,000		-	10	100.00%	4,000	100.00%
60,001 to 70,000		-	10	100.00%	4,000	100.00%
70,001 to 80,000		-	10	100.00%	4,000	100.00%
80,001 to 90,000		-	10	100.00%	4,000	100.00%
90,001 to 100,000		-	10	100.00%	4,000	100.00%
	10	4,000				

Average Number of Customers	1
Average Consumption	400
Median Consumption	400

Supporting Schedules:

Recap Schedules:

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

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

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

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0		-	-	0.00%	-	0.00%
1 to 1,000		-	-	0.00%	-	0.00%
1,001 to 2,000	3	4,500	3	7.69%	4,500	0.51%
2,001 to 3,000	1	2,500	4	10.26%	7,000	0.79%
3,001 to 4,000		-	4	10.26%	7,000	0.79%
4,001 to 5,000		-	4	10.26%	7,000	0.79%
5,001 to 6,000		-	4	10.26%	7,000	0.79%
6,001 to 7,000		-	4	10.26%	7,000	0.79%
7,001 to 8,000	2	15,000	6	15.38%	22,000	2.48%
8,001 to 9,000	5	42,500	11	28.21%	64,500	7.27%
9,001 to 10,000	5	47,500	16	41.03%	112,000	12.63%
10,001 to 12,000	2	22,000	18	46.15%	134,000	15.11%
12,001 to 14,000	1	13,000	19	48.72%	147,000	16.57%
14,001 to 16,000	2	30,000	21	53.85%	177,000	19.95%
16,001 to 18,000		-	21	53.85%	177,000	19.95%
18,001 to 20,000		-	21	53.85%	177,000	19.95%
20,001 to 25,000	2	45,000	23	58.97%	222,000	25.03%
25,001 to 30,000	2	55,000	25	64.10%	277,000	31.23%
30,001 to 35,000	2	65,000	27	69.23%	342,000	38.56%
35,001 to 40,000	2	75,000	29	74.36%	417,000	47.01%
40,001 to 50,000	8	360,000	37	94.87%	777,000	87.60%
50,001 to 60,000	2	110,000	39	100.00%	887,000	100.00%
60,001 to 70,000		-	39	100.00%	887,000	100.00%
70,001 to 80,000		-	39	100.00%	887,000	100.00%
80,001 to 90,000		-	39	100.00%	887,000	100.00%
90,001 to 100,000		-	39	100.00%	887,000	100.00%
	39	887,000				

Average Number of Customers	3
Average Consumption	22,744
Median Consumption	14,500

Supporting Schedules:

Recap Schedules:

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

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

3/4-Inch Meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0		-	-	0.00%	-	0.00%
1 to 1,000		-	-	0.00%	-	0.00%
1,001 to 2,000	1	1,500	1	1.19%	1,500	0.13%
2,001 to 3,000	-	-	1	1.19%	1,500	0.13%
3,001 to 4,000	3	10,500	4	4.76%	12,000	1.06%
4,001 to 5,000	6	27,000	10	11.90%	39,000	3.43%
5,001 to 6,000	7	38,500	17	20.24%	77,500	6.82%
6,001 to 7,000	9	58,500	26	30.95%	136,000	11.97%
7,001 to 8,000	3	22,500	29	34.52%	158,500	13.95%
8,001 to 9,000	-	-	29	34.52%	158,500	13.95%
9,001 to 10,000	3	28,500	32	38.10%	187,000	16.46%
10,001 to 12,000	5	55,000	37	44.05%	242,000	21.30%
12,001 to 14,000	7	91,000	44	52.38%	333,000	29.31%
14,001 to 16,000	10	150,000	54	64.29%	483,000	42.52%
16,001 to 18,000	8	136,000	62	73.81%	619,000	54.49%
18,001 to 20,000	8	152,000	70	83.33%	771,000	67.87%
20,001 to 25,000	7	157,500	77	91.67%	928,500	81.73%
25,001 to 30,000	4	110,000	81	96.43%	1,038,500	91.42%
30,001 to 35,000	3	97,500	84	100.00%	1,136,000	100.00%
35,001 to 40,000		-	84	100.00%	1,136,000	100.00%
40,001 to 50,000		-	84	100.00%	1,136,000	100.00%
50,001 to 60,000		-	84	100.00%	1,136,000	100.00%
60,001 to 70,000		-	84	100.00%	1,136,000	100.00%
70,001 to 80,000		-	84	100.00%	1,136,000	100.00%
80,001 to 90,000		-	84	100.00%	1,136,000	100.00%
90,001 to 100,000		-	84	100.00%	1,136,000	100.00%
	84	1,136,000				

Average Number of Customers	7
Average Consumption	13,524
Median Consumption	13,429

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	
Specl Reqmt	

1-Inch Meter - Residential

	Number of	Consumption	Cumulative Bills		Cumulative Consumption	
Block	**Bills by Block**	**By Blocks**	**No.**	**% of Total**	**Amount**	**% of Total**
0	18	-	18	0.61%	-	0.00%
1 to 1,000	20	10,000	38	1.29%	10,000	0.01%
1,001 to 2,000	46	69,000	84	2.85%	79,000	0.12%
2,001 to 3,000	82	205,000	166	5.64%	284,000	0.42%
3,001 to 4,000	83	290,500	249	8.46%	574,500	0.85%
4,001 to 5,000	112	504,000	361	12.26%	1,078,500	1.60%
5,001 to 6,000	104	572,000	465	15.79%	1,650,500	2.45%
6,001 to 7,000	116	754,000	581	19.73%	2,404,500	3.57%
7,001 to 8,000	122	915,000	703	23.87%	3,319,500	4.93%
8,001 to 9,000	139	1,181,500	842	28.59%	4,501,000	6.69%
9,001 to 10,000	125	1,187,500	967	32.84%	5,688,500	8.45%
10,001 to 12,000	202	2,222,000	1,169	39.69%	7,910,500	11.75%
12,001 to 14,000	197	2,561,000	1,366	46.38%	10,471,500	15.56%
14,001 to 16,000	151	2,265,000	1,517	51.51%	12,736,500	18.92%
16,001 to 18,000	139	2,363,000	1,656	56.23%	15,099,500	22.43%
18,001 to 20,000	136	2,584,000	1,792	60.85%	17,683,500	26.27%
20,001 to 25,000	249	5,602,500	2,041	69.30%	23,286,000	34.59%
25,001 to 30,000	193	5,307,500	2,234	75.86%	28,593,500	42.48%
30,001 to 35,000	164	5,330,000	2,398	81.43%	33,923,500	50.39%
35,001 to 40,000	110	4,125,000	2,508	85.16%	38,048,500	56.52%
40,001 to 50,000	162	7,290,000	2,670	90.66%	45,338,500	67.35%
50,001 to 60,000	87	4,785,000	2,757	93.62%	50,123,500	74.46%
60,001 to 70,000	66	4,290,000	2,823	95.86%	54,413,500	80.83%
70,001 to 80,000	32	2,400,000	2,855	96.94%	56,813,500	84.40%
80,001 to 90,000	24	2,040,000	2,879	97.76%	58,853,500	87.43%
90,001 to 100,000	12	1,140,000	2,891	98.17%	59,993,500	89.12%
100,157	1	100,157	2,892	98.20%	60,093,657	89.27%
100,867	1	100,867	2,893	98.23%	60,194,524	89.42%
102,000	1	102,000	2,894	98.27%	60,296,524	89.57%
102,780	1	102,780	2,895	98.30%	60,399,304	89.72%
103,852	1	103,852	2,896	98.34%	60,503,156	89.88%
104,285	1	104,285	2,897	98.37%	60,607,441	90.03%
105,592	1	105,592	2,898	98.40%	60,713,033	90.19%
106,206	1	106,206	2,899	98.44%	60,819,239	90.35%
106,480	1	106,480	2,900	98.47%	60,925,719	90.51%
106,728	1	106,728	2,901	98.51%	61,032,447	90.66%
106,934	1	106,934	2,902	98.54%	61,139,381	90.82%
107,599	1	107,599	2,903	98.57%	61,246,980	90.98%
108,064	1	108,064	2,904	98.61%	61,355,044	91.14%
109,480	1	109,480	2,905	98.64%	61,464,524	91.31%
109,640	1	109,640	2,906	98.68%	61,574,164	91.47%

1-Inch Meter - Residential (cont)

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
111,810	1	111,810	2,907	98.71%	61,685,974	91.63%
113,479	1	113,479	2,908	98.74%	61,799,453	91.80%
114,035	1	114,035	2,909	98.78%	61,913,488	91.97%
114,090	1	114,090	2,910	98.81%	62,027,578	92.14%
115,904	1	115,904	2,911	98.85%	62,143,482	92.31%
116,340	1	116,340	2,912	98.88%	62,259,822	92.49%
117,850	1	117,850	2,913	98.91%	62,377,672	92.66%
117,950	1	117,950	2,914	98.95%	62,495,622	92.84%
118,710	1	118,710	2,915	98.98%	62,614,332	93.01%
119,340	1	119,340	2,916	99.02%	62,733,672	93.19%
121,280	1	121,280	2,917	99.05%	62,854,952	93.37%
123,940	1	123,940	2,918	99.08%	62,978,892	93.56%
124,030	1	124,030	2,919	99.12%	63,102,922	93.74%
125,910	1	125,910	2,920	99.15%	63,228,832	93.93%
126,450	1	126,450	2,921	99.19%	63,355,282	94.11%
127,000	1	127,000	2,922	99.22%	63,482,282	94.30%
131,795	1	131,795	2,923	99.25%	63,614,077	94.50%
136,537	1	136,537	2,924	99.29%	63,750,614	94.70%
137,670	1	137,670	2,925	99.32%	63,888,284	94.91%
138,290	1	138,290	2,926	99.35%	64,026,574	95.11%
143,220	1	143,220	2,927	99.39%	64,169,794	95.32%
143,580	1	143,580	2,928	99.42%	64,313,374	95.54%
147,490	1	147,490	2,929	99.46%	64,460,864	95.76%
149,802	1	149,802	2,930	99.49%	64,610,666	95.98%
150,840	1	150,840	2,931	99.52%	64,761,506	96.20%
151,007	1	151,007	2,932	99.56%	64,912,513	96.43%
154,680	1	154,680	2,933	99.59%	65,067,193	96.66%
159,380	1	159,380	2,934	99.63%	65,226,573	96.89%
160,860	1	160,860	2,935	99.66%	65,387,433	97.13%
161,360	1	161,360	2,936	99.69%	65,548,793	97.37%
164,780	1	164,780	2,937	99.73%	65,713,573	97.62%
166,420	1	166,420	2,938	99.76%	65,879,993	97.86%
173,510	1	173,510	2,939	99.80%	66,053,503	98.12%
178,289	1	178,289	2,940	99.83%	66,231,792	98.39%
183,420	1	183,420	2,941	99.86%	66,415,212	98.66%
194,103	1	194,103	2,942	99.90%	66,609,315	98.95%
219,330	1	219,330	2,943	99.93%	66,828,645	99.27%
238,760	1	238,760	2,944	99.97%	67,067,405	99.63%
250,040	1	250,040	2,945	100.00%	67,317,445	100.00%
	2,945	67,317,445				

Average Number of Customers	245
Average Consumption	22,858
Median Consumption	15,411

Supporting Schedules:

Recap Schedules:

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

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

1-inch Meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0		-	-	0.00%	-	0.00%
1 to 1,000	7	3,500	7	7.29%	3,500	0.38%
1,001 to 2,000	19	28,500	26	27.08%	32,000	3.48%
2,001 to 3,000	6	15,000	32	33.33%	47,000	5.11%
3,001 to 4,000	7	24,500	39	40.63%	71,500	7.78%
4,001 to 5,000	10	45,000	49	51.04%	116,500	12.67%
5,001 to 6,000	3	16,500	52	54.17%	133,000	14.46%
6,001 to 7,000	9	58,500	61	63.54%	191,500	20.83%
7,001 to 8,000	6	45,000	67	69.79%	236,500	25.72%
8,001 to 9,000	6	51,000	73	76.04%	287,500	31.27%
9,001 to 10,000	2	19,000	75	78.13%	306,500	33.33%
10,001 to 12,000	4	44,000	79	82.29%	350,500	38.12%
12,001 to 14,000	2	26,000	81	84.38%	376,500	40.95%
14,001 to 16,000	2	30,000	83	86.46%	406,500	44.21%
16,001 to 18,000	-	-	83	86.46%	406,500	44.21%
18,001 to 20,000	2	38,000	85	88.54%	444,500	48.34%
20,001 to 25,000	-	-	85	88.54%	444,500	48.34%
25,001 to 30,000	-	-	85	88.54%	444,500	48.34%
30,001 to 35,000	2	65,000	87	90.63%	509,500	55.41%
35,001 to 40,000	2	75,000	89	92.71%	584,500	63.57%
40,001 to 50,000	5	225,000	94	97.92%	809,500	88.04%
50,001 to 60,000	2	110,000	96	100.00%	919,500	100.00%
60,001 to 70,000		-	96	100.00%	919,500	100.00%
70,001 to 80,000		-	96	100.00%	919,500	100.00%
80,001 to 90,000		-	96	100.00%	919,500	100.00%
90,001 to 100,000		-	96	100.00%	919,500	100.00%
	96	919,500				

Average Number of Customers	8
Average Consumption	9,578
Median Consumption	4,900

Supporting Schedules:

Recap Schedules:

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

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

1-inch Meter - Irrigation

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0	6	-	6	2.86%	-	0.00%
1 to 1,000	13	6,500	19	9.05%	6,500	0.07%
1,001 to 2,000	13	19,500	32	15.24%	26,000	0.28%
2,001 to 3,000	6	15,000	38	18.10%	41,000	0.44%
3,001 to 4,000	5	17,500	43	20.48%	58,500	0.63%
4,001 to 5,000	-	-	43	20.48%	58,500	0.63%
5,001 to 6,000	5	27,500	48	22.86%	86,000	0.93%
6,001 to 7,000	3	19,500	51	24.29%	105,500	1.14%
7,001 to 8,000	1	7,500	52	24.76%	113,000	1.22%
8,001 to 9,000	-	-	52	24.76%	113,000	1.22%
9,001 to 10,000	4	38,000	56	26.67%	151,000	1.63%
10,001 to 12,000	3	33,000	59	28.10%	184,000	1.98%
12,001 to 14,000	6	78,000	65	30.95%	262,000	2.83%
14,001 to 16,000	8	120,000	73	34.76%	382,000	4.12%
16,001 to 18,000	8	136,000	81	38.57%	518,000	5.59%
18,001 to 20,000	5	95,000	86	40.95%	613,000	6.61%
20,001 to 25,000	10	225,000	96	45.71%	838,000	9.04%
25,001 to 30,000	16	440,000	112	53.33%	1,278,000	13.78%
30,001 to 35,000	17	552,500	129	61.43%	1,830,500	19.74%
35,001 to 40,000	10	375,000	139	66.19%	2,205,500	23.79%
40,001 to 50,000	17	765,000	156	74.29%	2,970,500	32.04%
50,001 to 60,000	8	440,000	164	78.10%	3,410,500	36.79%
60,001 to 70,000	5	325,000	169	80.48%	3,735,500	40.29%
70,001 to 80,000	8	600,000	177	84.29%	4,335,500	46.76%
80,001 to 90,000	8	680,000	185	88.10%	5,015,500	54.10%
90,001 to 100,000	5	475,000	190	90.48%	5,490,500	59.22%
100,980	1	100,980	191	90.95%	5,591,480	60.31%
102,560	1	102,560	192	91.43%	5,694,040	61.42%
105,864	1	105,864	193	91.90%	5,799,904	62.56%
112,570	1	112,570	194	92.38%	5,912,474	63.77%
114,420	1	114,420	195	92.86%	6,026,894	65.01%
120,540	1	120,540	196	93.33%	6,147,434	66.31%
121,200	1	121,200	197	93.81%	6,268,634	67.61%
124,630	1	124,630	198	94.29%	6,393,264	68.96%
126,550	1	126,550	199	94.76%	6,519,814	70.32%
153,520	1	153,520	200	95.24%	6,673,334	71.98%
177,250	1	177,250	201	95.71%	6,850,584	73.89%
183,250	1	183,250	202	96.19%	7,033,834	75.87%
188,360	1	188,360	203	96.67%	7,222,194	77.90%
191,700	1	191,700	204	97.14%	7,413,894	79.97%
199,540	1	199,540	205	97.62%	7,613,434	82.12%
201,680	1	201,680	206	98.10%	7,815,114	84.29%
231,730	1	231,730	207	98.57%	8,046,844	86.79%
274,883	1	274,883	208	99.05%	8,321,727	89.76%
297,246	1	297,246	209	99.52%	8,618,973	92.97%
652,213	1	652,213	210	100.00%	9,271,186	100.00%
	210	9,271,186				

Average Number of Customers	18
Average Consumption	44,149
Median Consumption	28,654

Supporting Schedules:

Recap Schedules:

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

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.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0		-	-	0.00%	-	0.00%
1 to 1,000		-	-	0.00%	-	0.00%
1,001 to 2,000	1	1,500	1	3.03%	1,500	0.30%
2,001 to 3,000	1	2,500	2	6.06%	4,000	0.79%
3,001 to 4,000	1	3,500	3	9.09%	7,500	1.48%
4,001 to 5,000	1	4,500	4	12.12%	12,000	2.37%
5,001 to 6,000		-	4	12.12%	12,000	2.37%
6,001 to 7,000	1	6,500	5	15.15%	18,500	3.66%
7,001 to 8,000	2	15,000	7	21.21%	33,500	6.63%
8,001 to 9,000	5	42,500	12	36.36%	76,000	15.03%
9,001 to 10,000		-	12	36.36%	76,000	15.03%
10,001 to 12,000	7	77,000	19	57.58%	153,000	30.27%
12,001 to 14,000	1	13,000	20	60.61%	166,000	32.84%
14,001 to 16,000		-	20	60.61%	166,000	32.84%
16,001 to 18,000	1	17,000	21	63.64%	183,000	36.20%
18,001 to 20,000		-	21	63.64%	183,000	36.20%
20,001 to 25,000	6	135,000	27	81.82%	318,000	62.91%
25,001 to 30,000	4	110,000	31	93.94%	428,000	84.67%
30,001 to 35,000	1	32,500	32	96.97%	460,500	91.10%
35,001 to 40,000		-	32	96.97%	460,500	91.10%
40,001 to 50,000	1	45,000	33	100.00%	505,500	100.00%
50,001 to 60,000		-	33	100.00%	505,500	100.00%
60,001 to 70,000		-	33	100.00%	505,500	100.00%
70,001 to 80,000		-	33	100.00%	505,500	100.00%
80,001 to 90,000		-	33	100.00%	505,500	100.00%
90,001 to 100,000		-	33	100.00%	505,500	100.00%
	33	505,500				

Average Number of Customers	3
Average Consumption	15,318
Median Consumption	11,286

Supporting Schedules:

Recap Schedules:

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

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

1 1/2-inch Meter - Irrigation

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0	9	-	9	8.82%	-	0.00%
1 to 1,000	1	500	10	9.80%	500	0.00%
1,001 to 2,000		-	10	9.80%	500	0.00%
2,001 to 3,000	1	2,500	11	10.78%	3,000	0.03%
3,001 to 4,000		-	11	10.78%	3,000	0.03%
4,001 to 5,000		-	11	10.78%	3,000	0.03%
5,001 to 6,000		-	11	10.78%	3,000	0.03%
6,001 to 7,000	1	6,500	12	11.76%	9,500	0.09%
7,001 to 8,000		-	12	11.76%	9,500	0.09%
8,001 to 9,000		-	12	11.76%	9,500	0.09%
9,001 to 10,000	1	9,500	13	12.75%	19,000	0.18%
10,001 to 12,000	2	22,000	15	14.71%	41,000	0.39%
12,001 to 14,000	2	26,000	17	16.67%	67,000	0.63%
14,001 to 16,000	3	45,000	20	19.61%	112,000	1.05%
16,001 to 18,000	3	51,000	23	22.55%	163,000	1.53%
18,001 to 20,000	3	57,000	26	25.49%	220,000	2.07%
20,001 to 25,000	1	22,500	27	26.47%	242,500	2.28%
25,001 to 30,000	2	55,000	29	28.43%	297,500	2.80%
30,001 to 35,000	5	162,500	34	33.33%	460,000	4.32%
35,001 to 40,000	3	112,500	37	36.27%	572,500	5.38%
40,001 to 50,000	4	180,000	41	40.20%	752,500	7.07%
50,001 to 60,000	9	495,000	50	49.02%	1,247,500	11.73%
60,001 to 70,000	5	325,000	55	53.92%	1,572,500	14.78%
70,001 to 80,000	8	600,000	63	61.76%	2,172,500	20.42%
80,001 to 90,000	6	510,000	69	67.65%	2,682,500	25.22%
90,001 to 100,000	4	380,000	73	71.57%	3,062,500	28.79%
100,176	1	100,176	74	72.55%	3,162,676	29.73%
112,232	1	112,232	75	73.53%	3,274,908	30.78%
120,552	1	120,552	76	74.51%	3,395,460	31.92%
159,187	1	159,187	77	75.49%	3,554,647	33.41%
178,096	1	178,096	78	76.47%	3,732,743	35.09%
180,424	1	180,424	79	77.45%	3,913,167	36.78%
190,350	1	190,350	80	78.43%	4,103,517	38.57%
197,147	1	197,147	81	79.41%	4,300,664	40.43%
198,863	1	198,863	82	80.39%	4,499,527	42.30%
199,908	1	199,908	83	81.37%	4,699,435	44.17%
203,047	1	203,047	84	82.35%	4,902,482	46.08%
206,426	1	206,426	85	83.33%	5,108,908	48.02%
223,582	1	223,582	86	84.31%	5,332,490	50.12%
231,638	1	231,638	87	85.29%	5,564,128	52.30%
233,594	1	233,594	88	86.27%	5,797,722	54.50%
252,454	1	252,454	89	87.25%	6,050,176	56.87%
252,760	1	252,760	90	88.24%	6,302,936	59.25%
270,370	1	270,370	91	89.22%	6,573,306	61.79%
299,644	1	299,644	92	90.20%	6,872,950	64.61%
310,182	1	310,182	93	91.18%	7,183,132	67.52%
317,538	1	317,538	94	92.16%	7,500,670	70.51%
330,548	1	330,548	95	93.14%	7,831,218	73.61%
350,674	1	350,674	96	94.12%	8,181,892	76.91%
356,628	1	356,628	97	95.10%	8,538,520	80.26%
384,510	1	384,510	98	96.08%	8,923,030	83.88%
404,482	1	404,482	99	97.06%	9,327,512	87.68%
414,643	1	414,643	100	98.04%	9,742,155	91.58%
433,028	1	433,028	101	99.02%	10,175,183	95.65%
463,226	1	463,226	102	100.00%	10,638,409	100.00%
	102	10,638,409				

Average Number of Customers	9
Average Consumption	104,298
Median Consumption	62,000

Supporting Schedules:

Recap Schedules:

Required for:	
All Utilities	X
Class A	
Class B	
Class C	
Class D	
Specl 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 No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0		-	-	0.00%	-	0.00%
1 to 1,000		-	-	0.00%	-	0.00%
1,001 to 2,000	7	10,500	7	11.67%	10,500	0.86%
2,001 to 3,000	5	12,500	12	20.00%	23,000	1.89%
3,001 to 4,000	5	17,500	17	28.33%	40,500	3.33%
4,001 to 5,000	10	45,000	27	45.00%	85,500	7.03%
5,001 to 6,000	5	27,500	32	53.33%	113,000	9.29%
6,001 to 7,000	2	13,000	34	56.67%	126,000	10.35%
7,001 to 8,000	-	-	34	56.67%	126,000	10.35%
8,001 to 9,000	-	-	34	56.67%	126,000	10.35%
9,001 to 10,000	1	9,500	35	58.33%	135,500	11.13%
10,001 to 12,000	-	-	35	58.33%	135,500	11.13%
12,001 to 14,000	-	-	35	58.33%	135,500	11.13%
14,001 to 16,000	1	15,000	36	60.00%	150,500	12.37%
16,001 to 18,000	1	17,000	37	61.67%	167,500	13.76%
18,001 to 20,000	3	57,000	40	66.67%	224,500	18.45%
20,001 to 25,000	4	90,000	44	73.33%	314,500	25.84%
25,001 to 30,000	1	27,500	45	75.00%	342,000	28.10%
30,001 to 35,000	1	32,500	46	76.67%	374,500	30.77%
35,001 to 40,000	1	37,500	47	78.33%	412,000	33.85%
40,001 to 50,000	2	90,000	49	81.67%	502,000	41.25%
50,001 to 60,000	4	220,000	53	88.33%	722,000	59.33%
60,001 to 70,000	4	260,000	57	95.00%	982,000	80.69%
70,001 to 80,000	2	150,000	59	98.33%	1,132,000	93.02%
80,001 to 90,000	1	85,000	60	100.00%	1,217,000	100.00%
90,001 to 100,000		-	60	100.00%	1,217,000	100.00%
	60	1,217,000				

Average Number of Customers	5
Average Consumption	20,283
Median Consumption	5,600

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	
Specl Reqmt	

2-inch Meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
0	15	-	15	12.20%	-	0.00%
1 to 1,000	9	4,500	24	19.51%	4,500	0.06%
1,001 to 2,000	3	4,500	27	21.95%	9,000	0.11%
2,001 to 3,000	2	5,000	29	23.58%	14,000	0.17%
3,001 to 4,000	2	7,000	31	25.20%	21,000	0.26%
4,001 to 5,000	3	13,500	34	27.64%	34,500	0.43%
5,001 to 6,000	3	16,500	37	30.08%	51,000	0.63%
6,001 to 7,000	5	32,500	42	34.15%	83,500	1.03%
7,001 to 8,000	4	30,000	46	37.40%	113,500	1.41%
8,001 to 9,000	4	34,000	50	40.65%	147,500	1.83%
9,001 to 10,000	3	28,500	53	43.09%	176,000	2.18%
10,001 to 12,000	3	33,000	56	45.53%	209,000	2.59%
12,001 to 14,000	9	117,000	65	52.85%	326,000	4.04%
14,001 to 16,000	7	105,000	72	58.54%	431,000	5.34%
16,001 to 18,000	4	68,000	76	61.79%	499,000	6.18%
18,001 to 20,000	3	57,000	79	64.23%	556,000	6.88%
20,001 to 25,000	5	112,500	84	68.29%	668,500	8.28%
25,001 to 30,000	1	27,500	85	69.11%	696,000	8.62%
30,001 to 35,000	2	65,000	87	70.73%	761,000	9.42%
35,001 to 40,000	2	75,000	89	72.36%	836,000	10.35%
40,001 to 50,000	8	360,000	97	78.86%	1,196,000	14.81%
50,001 to 60,000	1	55,000	98	79.67%	1,251,000	15.49%
60,001 to 70,000	1	65,000	99	80.49%	1,316,000	16.29%
70,001 to 80,000	-	-	99	80.49%	1,316,000	16.29%
80,001 to 90,000	1	85,000	100	81.30%	1,401,000	17.34%
90,001 to 100,000	2	190,000	102	82.93%	1,591,000	19.70%
102,297	1	102,297	103	83.74%	1,693,297	20.96%
114,560	1	114,560	104	84.55%	1,807,857	22.38%
117,903	1	117,903	105	85.37%	1,925,760	23.84%
121,291	1	121,291	106	86.18%	2,047,051	25.34%
121,478	1	121,478	107	86.99%	2,168,529	26.85%
134,509	1	134,509	108	87.80%	2,303,038	28.51%
136,312	1	136,312	109	88.62%	2,439,350	30.20%
137,546	1	137,546	110	89.43%	2,576,896	31.90%
153,231	1	153,231	111	90.24%	2,730,127	33.80%
159,133	1	159,133	112	91.06%	2,889,260	35.77%
167,788	1	167,788	113	91.87%	3,057,048	37.85%
170,007	1	170,007	114	92.68%	3,227,055	39.95%
174,854	1	174,854	115	93.50%	3,401,909	42.12%
189,821	1	189,821	116	94.31%	3,591,730	44.47%
255,235	1	255,235	117	95.12%	3,846,965	47.63%
262,262	1	262,262	118	95.93%	4,109,227	50.87%
367,818	1	367,818	119	96.75%	4,477,045	55.43%
593,531	1	593,531	120	97.56%	5,070,576	62.77%
821,003	1	821,003	121	98.37%	5,891,579	72.94%
1,012,864	1	1,012,864	122	99.19%	6,904,443	85.48%
1,172,962	1	1,172,962	123	100.00%	8,077,405	100.00%
	123	8,077,405				

Average Number of Customers	10
Average Consumption	65,670
Median Consumption	13,222

Supporting Schedules:

Recap Schedules:

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

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

2-inch Meter - Irrigation

	Number of	Consumption	Cumulative Bills		Cumulative Consumption	
Block	**Bills by Block**	**By Blocks**	**No.**	**% of Total**	**Amount**	**% of Total**
0	-	-	-	0.00%	-	0.00%
1 to 1,000	1	500	1	0.35%	500	0.00%
1,001 to 2,000	2	3,000	3	1.06%	3,500	0.01%
2,001 to 3,000	5	12,500	8	2.82%	16,000	0.03%
3,001 to 4,000	6	21,000	14	4.93%	37,000	0.06%
4,001 to 5,000	7	31,500	21	7.39%	68,500	0.11%
5,001 to 6,000	4	22,000	25	8.80%	90,500	0.15%
6,001 to 7,000	2	13,000	27	9.51%	103,500	0.17%
7,001 to 8,000	1	7,500	28	9.86%	111,000	0.18%
8,001 to 9,000	-	-	28	9.86%	111,000	0.18%
9,001 to 10,000	-	-	28	9.86%	111,000	0.18%
10,001 to 12,000	1	11,000	29	10.21%	122,000	0.20%
12,001 to 14,000	2	26,000	31	10.92%	148,000	0.25%
14,001 to 16,000	3	45,000	34	11.97%	193,000	0.32%
16,001 to 18,000	6	102,000	40	14.08%	295,000	0.49%
18,001 to 20,000	4	76,000	44	15.49%	371,000	0.62%
20,001 to 25,000	9	202,500	53	18.66%	573,500	0.95%
25,001 to 30,000	4	110,000	57	20.07%	683,500	1.14%
30,001 to 35,000	3	97,500	60	21.13%	781,000	1.30%
35,001 to 40,000	10	375,000	70	24.65%	1,156,000	1.92%
40,001 to 50,000	19	855,000	89	31.34%	2,011,000	3.35%
50,001 to 60,000	14	770,000	103	36.27%	2,781,000	4.63%
60,001 to 70,000	6	390,000	109	38.38%	3,171,000	5.28%
70,001 to 80,000	3	225,000	112	39.44%	3,396,000	5.65%
80,001 to 90,000	6	510,000	118	41.55%	3,906,000	6.50%
90,001 to 100,000	5	475,000	123	43.31%	4,381,000	7.29%
100,430	1	100,430	124	43.66%	4,481,430	7.46%
100,858	1	100,858	125	44.01%	4,582,288	7.63%
104,334	1	104,334	126	44.37%	4,686,622	7.80%
105,740	1	105,740	127	44.72%	4,792,362	7.98%
106,604	1	106,604	128	45.07%	4,898,966	8.16%
112,077	1	112,077	129	45.42%	5,011,043	8.34%
114,274	1	114,274	130	45.77%	5,125,317	8.53%
116,126	1	116,126	131	46.13%	5,241,443	8.73%
117,462	1	117,462	132	46.48%	5,358,905	8.92%
117,968	1	117,968	133	46.83%	5,476,873	9.12%
124,298	1	124,298	134	47.18%	5,601,171	9.32%
134,214	1	134,214	135	47.54%	5,735,385	9.55%
135,994	1	135,994	136	47.89%	5,871,379	9.77%
137,229	1	137,229	137	48.24%	6,008,608	10.00%
139,333	1	139,333	138	48.59%	6,147,941	10.23%
139,674	1	139,674	139	48.94%	6,287,615	10.47%
141,240	1	141,240	140	49.30%	6,428,855	10.70%
142,907	1	142,907	141	49.65%	6,571,762	10.94%
143,046	1	143,046	142	50.00%	6,714,808	11.18%
143,336	1	143,336	143	50.35%	6,858,144	11.42%
144,101	1	144,101	144	50.70%	7,002,245	11.66%

2-inch Meter - Irrigation (cont.)

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	Cumulative Bills % of Total	Cumulative Consumption Amount	Cumulative Consumption % of Total
146,658	1	146,658	145	51.06%	7,148,903	11.90%
147,008	1	147,008	146	51.41%	7,295,911	12.15%
150,022	1	150,022	147	51.76%	7,445,933	12.40%
151,556	1	151,556	148	52.11%	7,597,489	12.65%
152,640	1	152,640	149	52.46%	7,750,129	12.90%
154,174	1	154,174	150	52.82%	7,904,303	13.16%
154,516	1	154,516	151	53.17%	8,058,819	13.42%
157,736	1	157,736	152	53.52%	8,216,555	13.68%
157,988	1	157,988	153	53.87%	8,374,543	13.94%
161,464	1	161,464	154	54.23%	8,536,007	14.21%
162,108	1	162,108	155	54.58%	8,698,115	14.48%
162,278	1	162,278	156	54.93%	8,860,393	14.75%
162,804	1	162,804	157	55.28%	9,023,197	15.02%
165,044	1	165,044	158	55.63%	9,188,241	15.30%
171,623	1	171,623	159	55.99%	9,359,864	15.58%
171,949	1	171,949	160	56.34%	9,531,813	15.87%
172,860	1	172,860	161	56.69%	9,704,673	16.16%
174,852	1	174,852	162	57.04%	9,879,525	16.45%
175,371	1	175,371	163	57.39%	10,054,896	16.74%
175,562	1	175,562	164	57.75%	10,230,458	17.03%
176,398	1	176,398	165	58.10%	10,406,856	17.32%
177,800	1	177,800	166	58.45%	10,584,656	17.62%
182,514	1	182,514	167	58.80%	10,767,170	17.92%
186,396	1	186,396	168	59.15%	10,953,566	18.23%
191,621	1	191,621	169	59.51%	11,145,187	18.55%
192,092	1	192,092	170	59.86%	11,337,279	18.87%
193,670	1	193,670	171	60.21%	11,530,949	19.20%
194,538	1	194,538	172	60.56%	11,725,487	19.52%
199,068	1	199,068	173	60.92%	11,924,555	19.85%
204,944	1	204,944	174	61.27%	12,129,499	20.19%
205,426	1	205,426	175	61.62%	12,334,925	20.53%
206,161	1	206,161	176	61.97%	12,541,086	20.88%
208,354	1	208,354	177	62.32%	12,749,440	21.22%
209,863	1	209,863	178	62.68%	12,959,303	21.57%
214,183	1	214,183	179	63.03%	13,173,486	21.93%
217,462	1	217,462	180	63.38%	13,390,948	22.29%
218,440	1	218,440	181	63.73%	13,609,388	22.66%
220,336	1	220,336	182	64.08%	13,829,724	23.02%
225,400	1	225,400	183	64.44%	14,055,124	23.40%
235,216	1	235,216	184	64.79%	14,290,340	23.79%
237,604	1	237,604	185	65.14%	14,527,944	24.18%
237,744	1	237,744	186	65.49%	14,765,688	24.58%
246,804	1	246,804	187	65.85%	15,012,492	24.99%
249,512	1	249,512	188	66.20%	15,262,004	25.41%
249,522	1	249,522	189	66.55%	15,511,526	25.82%
255,451	1	255,451	190	66.90%	15,766,977	26.25%
257,419	1	257,419	191	67.25%	16,024,396	26.68%
257,647	1	257,647	192	67.61%	16,282,043	27.10%
257,912	1	257,912	193	67.96%	16,539,955	27.53%
259,070	1	259,070	194	68.31%	16,799,025	27.96%
261,752	1	261,752	195	68.66%	17,060,777	28.40%
264,330	1	264,330	196	69.01%	17,325,107	28.84%
268,174	1	268,174	197	69.37%	17,593,281	29.29%

2-inch Meter - Irrigation (cont.)

	Number of	Consumption	Cumulative Bills		Cumulative Consumption	
Block	Bills by Block	By Blocks	No.	% of Total	Amount	% of Total
277,442	1	277,442	198	69.72%	17,870,723	29.75%
284,525	1	284,525	199	70.07%	18,155,248	30.22%
290,946	1	290,946	200	70.42%	18,446,194	30.71%
291,205	1	291,205	201	70.77%	18,737,399	31.19%
292,858	1	292,858	202	71.13%	19,030,257	31.68%
300,138	1	300,138	203	71.48%	19,330,395	32.18%
304,890	1	304,890	204	71.83%	19,635,285	32.69%
306,778	1	306,778	205	72.18%	19,942,063	33.20%
307,410	1	307,410	206	72.54%	20,249,473	33.71%
323,344	1	323,344	207	72.89%	20,572,817	34.25%
326,828	1	326,828	208	73.24%	20,899,645	34.79%
327,116	1	327,116	209	73.59%	21,226,761	35.34%
328,718	1	328,718	210	73.94%	21,555,479	35.88%
339,544	1	339,544	211	74.30%	21,895,023	36.45%
339,568	1	339,568	212	74.65%	22,234,591	37.01%
346,875	1	346,875	213	75.00%	22,581,466	37.59%
347,666	1	347,666	214	75.35%	22,929,132	38.17%
353,834	1	353,834	215	75.70%	23,282,966	38.76%
354,508	1	354,508	216	76.06%	23,637,474	39.35%
358,704	1	358,704	217	76.41%	23,996,178	39.95%
361,100	1	361,100	218	76.76%	24,357,278	40.55%
361,486	1	361,486	219	77.11%	24,718,764	41.15%
365,380	1	365,380	220	77.46%	25,084,144	41.76%
366,572	1	366,572	221	77.82%	25,450,716	42.37%
367,196	1	367,196	222	78.17%	25,817,912	42.98%
367,840	1	367,840	223	78.52%	26,185,752	43.59%
372,482	1	372,482	224	78.87%	26,558,234	44.21%
374,895	1	374,895	225	79.23%	26,933,129	44.83%
381,166	1	381,166	226	79.58%	27,314,295	45.47%
385,919	1	385,919	227	79.93%	27,700,214	46.11%
386,324	1	386,324	228	80.28%	28,086,538	46.76%
388,792	1	388,792	229	80.63%	28,475,330	47.40%
389,510	1	389,510	230	80.99%	28,864,840	48.05%
401,450	1	401,450	231	81.34%	29,266,290	48.72%
402,950	1	402,950	232	81.69%	29,669,240	49.39%
405,750	1	405,750	233	82.04%	30,074,990	50.07%
409,962	1	409,962	234	82.39%	30,484,952	50.75%
415,322	1	415,322	235	82.75%	30,900,274	51.44%
417,300	1	417,300	236	83.10%	31,317,574	52.13%
426,152	1	426,152	237	83.45%	31,743,726	52.84%
430,486	1	430,486	238	83.80%	32,174,212	53.56%
431,645	1	431,645	239	84.15%	32,605,857	54.28%
434,072	1	434,072	240	84.51%	33,039,929	55.00%
439,707	1	439,707	241	84.86%	33,479,636	55.73%
444,183	1	444,183	242	85.21%	33,923,819	56.47%
445,551	1	445,551	243	85.56%	34,369,370	57.21%
462,345	1	462,345	244	85.92%	34,831,715	57.98%
463,648	1	463,648	245	86.27%	35,295,363	58.76%
467,171	1	467,171	246	86.62%	35,762,534	59.53%
470,600	1	470,600	247	86.97%	36,233,134	60.32%
472,016	1	472,016	248	87.32%	36,705,150	61.10%
480,260	1	480,260	249	87.68%	37,185,410	61.90%

2-inch Meter - Irrigation (cont.)

	Number of	Consumption	Cumulative Bills		Cumulative Consumption	
Block	Bills by Block	By Blocks	No.	% of Total	Amount	% of Total
483,720	1	483,720	250	88.03%	37,669,130	62.71%
495,996	1	495,996	251	88.38%	38,165,126	63.53%
502,656	1	502,656	252	88.73%	38,667,782	64.37%
505,094	1	505,094	253	89.08%	39,172,876	65.21%
509,214	1	509,214	254	89.44%	39,682,090	66.06%
527,654	1	527,654	255	89.79%	40,209,744	66.94%
529,422	1	529,422	256	90.14%	40,739,166	67.82%
529,628	1	529,628	257	90.49%	41,268,794	68.70%
544,462	1	544,462	258	90.85%	41,813,256	69.61%
546,922	1	546,922	259	91.20%	42,360,178	70.52%
558,644	1	558,644	260	91.55%	42,918,822	71.45%
559,068	1	559,068	261	91.90%	43,477,890	72.38%
571,642	1	571,642	262	92.25%	44,049,532	73.33%
577,132	1	577,132	263	92.61%	44,626,664	74.29%
578,282	1	578,282	264	92.96%	45,204,946	75.25%
580,857	1	580,857	265	93.31%	45,785,803	76.22%
591,764	1	591,764	266	93.66%	46,377,567	77.20%
593,292	1	593,292	267	94.01%	46,970,859	78.19%
597,516	1	597,516	268	94.37%	47,568,375	79.19%
631,248	1	631,248	269	94.72%	48,199,623	80.24%
655,190	1	655,190	270	95.07%	48,854,813	81.33%
660,350	1	660,350	271	95.42%	49,515,163	82.43%
663,206	1	663,206	272	95.77%	50,178,369	83.53%
663,512	1	663,512	273	96.13%	50,841,881	84.64%
671,724	1	671,724	274	96.48%	51,513,605	85.75%
679,289	1	679,289	275	96.83%	52,192,894	86.88%
707,861	1	707,861	276	97.18%	52,900,755	88.06%
725,712	1	725,712	277	97.54%	53,626,467	89.27%
741,028	1	741,028	278	97.89%	54,367,495	90.50%
800,883	1	800,883	279	98.24%	55,168,378	91.84%
825,076	1	825,076	280	98.59%	55,993,454	93.21%
827,608	1	827,608	281	98.94%	56,821,062	94.59%
941,296	1	941,296	282	99.30%	57,762,358	96.16%
1,134,932	1	1,134,932	283	99.65%	58,897,290	98.04%
1,174,408	1	1,174,408	284	100.00%	60,071,698	100.00%
	284	60,071,698				

Average Number of Customers	24
Average Consumption	211,520
Median Consumption	143,122

Supporting Schedules:

Recap Schedules:

Exhibit 4

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

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

Remittance Advice

Statement Period : Jun 01, 2021 - Jun 30, 2021
Customer ID : 7707S

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

Please return all the Remittance Advice pages with your payments to

Arizona Department of Environmental Quality
P.O. Box 18228
Phoenix, AZ 85005

Or you can Pay your bill or individual accounts online by visiting https://azdeq.gov/quickpay

Account ID	Fee Code	Invoice Number	Due Date	Amount Due	Payment Enclosed*
B2012840	MAP Monitoring Assistance Program	0000345772X	**07/31/2021**	**$250.00**	
07065 - ROSE VALLEY WATER COMPANY					
		Please fill in the amount paid **Total**		**$250.00**	250.-

* 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

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.

So we may better serve you, please provide the following information:

Name: _____
Title: _____
Email: _____

For ADEQ use only: Bill ID: 0568336
Check #: _____
Received Date: _____
Site Code: _____

If you have submitted your payment, please disregard this bill.

To pay your bill by credit card or ACH/Electronic check, please visit https://azdeq.gov/quickpay

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ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

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

Customer ID: 7707S

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

Statement Period: Jun 01, 2021 - Jun 30, 2021

ACCOUNT SUMMARY

Account ID	Fee Code	Balance Carried Forward	Current Amount	Payments / Credits	Total Amount
B2012840	MAP Monitoring Assistance Program	$0.00	$250.00	$0.00	$250.00
	TOTAL:	$0.00	$250.00	$0.00	$250.00

AGING SUMMARY

Current Charges	(1-30 days)	(31-60 days)	(61-90 days)	(91-120 days)	(Over 120 days)	Balance
$250.00	$0.00	$0.00	$0.00	$0.00	$0.00	$250.00

* All payments received and not specifically allocated in the payment box 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, please disregard this bill.

To pay your bill by credit card or ACH/Electronic check, please visit https://azdeq.gov/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.

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Account Details for Account ID: B2012840

Customer ID: 7707S

Fee Code:MAP Monitoring Assistance Program

Place Name: 07065 - ROSE VALLEY WATER COMPANY

Charges Since 06/01/2021	$250.00
Interest Charges Since 06/01/2021	$0.00
Balance Carried Forward	$0.00
Payments	$0.00
Other Credits	$0.00
TOTAL:	$250.00

For questions regarding these charges please call the Program Contact:

Name: Carling Olson
Phone: (602) 771-4518 or (800) 234-5677
E-mail: olson.carling@azdeq.gov

AGING SUMMARY

Current Charges	(1-30 days)	(31-60 days)	(61-90 days)	(91-120 days)	(Over 120 days)	Balance
250.00	$0.00	$0.00	$0.00	$0.00	$0.00	$250.00

INVOICE DETAIL

Invoice Period for Bill Year 2022

Pursuant to A.R.S. 49-360 F and A.A.C. R18-4-304 and R18-4-305, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Invoice Number : 0000345772X
LTF No. :
Date : 06/23/2021

Item Code	Description	
MAP	Annual Fee Per Connection for 2022 Monitoring Period	$6,162.86
MAP	Base Charge for 2022 Monitoring Period	$250.00
MAP	Credit Memo Adjustment for 2022 Monitoring Period	$-6,162.86
	Original Invoice Total Carried Forward :	**$250.00**

If you have submitted your payment, please disregard this bill.

To pay your bill by credit card or ACH/Electronic check, please visit https://azdeq.gov/quickpay

1823657 1000377030300377

Rose Valley Water Company

5911

Arizona Dept. of Envionmental Quality 7/18/2021

Customer ID #7707S - MAP; account #B2012840 250.00

National Bank of Arizona Customer ID #7707S - MAP; account #B2012840 250.00

Rose Valley Water Company, Inc.
Docket No. W-01539A-22
Test Year Ended August 31, 2021

WATER UTILITY PLANT DESCRIPTION

Name of the System: **Rose Valley Water Company, Inc.**
ADEQ Public Water System Number **AZ0407065**
ADWR PCC Number: **91-000205.0000**

WELLS

Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type	Year Drilled	Water Level 2010	Water Level 2019	Meter Size (inches)	How measured:	Active
55-571749	250	1,200	1,193	16	Submersible	1999	440.9'	442.1'	8	Metered	YES
55-802980	200	700	720	20	Submersible	unknown	452.1'	453.2'	6	Metered	YES
55-802981	N/A	N/A	876	20	None	1958	N/A	N/A	3	N/A	NO

* Arizona Department of Water Resources Identification Number

SERVICE LINES

Material	Percent of system	Year Installed
PVC	100%	various

FIRE HYDRANTS

Type	Quantity
Standard	245
Other	0

BOOSTER PUMPS

Horsepower	GPM	Quantity
15.0	200	6
125.0	3000	2

STORAGE TANKS

Capacity	Material	Quantity	Year Installed
400,000	Steel	3	1999

PRESSURE/BLADDER TANKS

Capacity (gallons)	Material	Quantity	Year Installed
10,000	Steel	1	unknown

* - A standard fire hydrant has two 2 5-inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Rose Valley Water Company, Inc.
Docket No. W-01539A-22
Test Year Ended August 31, 2021

WATER UTILITY PLANT DESCRIPTION (Continued)

MAINS		
Size (in inches)	Material	Length (in feet)
2.00	PVC SCH 80	unknown
3.00	PVC SCH 80	unknown
4.00	PVC SCH 80	unknown
5.00	PVC SCH 80	unknown
12.00	PVC SCH 80	unknown
14.00	PVC SCH 80	unknown

CUSTOMER METERS			
Size (in inches)	Quantity	Percent Over 1 million Gallons	Percent Over 10 Years Old
5/8 x 3/4	2067	unknown	35%
3/4	7	unknown	0%
1	271	unknown	46%
1 1/2	11	unknown	0%
2	40	unknown	40%

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

TREATMENT EQUIPMENT:
Liquid injection

STRUCTURES:
None

OTHER:
Interconnection with the City of Peoria - 91-000226.0000

Rose Valley Water Company, Inc.
Docket No. W-01539A-22
Test Year Ended August 31, 2021

WATER USE DATA SHEET

Name of the System:	**Rose Valley Water Company, Inc.**
ADEQ Public Water System Number:	**AZ0407065**
ADWR PCC Number:	**91-000205.0000**

(12 Months of Test Year)	Water withdrawn (Gallons) [1]	Water Sold (Gallons) [2]	Water delivered (sold) to other systems (Gallons) [3]	Water received (purchased) from other systems (Gallons) [4]	Estimated authorized use (Gallons) [5]	Purchased Power Expense [6]	Purchased Power (kWh) [7]
September-20	63,559,000	54,583,926	0	0	606,000	$ 18,462	186,640
October-20	42,195,000	35,639,945	0	0	602,000	16,617	160,640
November-20	49,397,000	37,327,170	0	0	597,000	16,357	179,600
December-20	39,671,000	35,828,070	0	0	1,210,000	12,998	124,640
January-21	31,189,000	24,843,263	0	0	570,600	12,643	118,720
February-21	28,777,000	23,946,224	0	0	450,000	11,261	96,560
March-21	27,406,000	21,835,752	0	0	450,000	11,485	99,840
April-21	31,943,000	26,847,505	0	0	451,000	12,427	111,000
May-21	40,341,000	34,223,978	0	0	850,000	15,803	143,880
June-21	48,694,000	42,202,487	0	0	502,000	18,460	182,920
July-21	55,388,000	43,100,756	0	0	502,000	19,339	194,600
August-21	50,747,000	48,681,737	0	0	506,000	19,642	195,720
TOTAL	509,307,000	429,060,813	0	0	7,296,600	$ 185,494	1,794,760

If the system has fire hydrants, what is the fire flow requirements? **1,000** GPM for **2** hrs.

Does the system have chlorination treatment? **Yes**

Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement? **Yes**
If yes, provide the GPCPD amount: **175**

Is the Water Utility located in an ADWR Active Management Area (AMA)? **Yes**
If yes, which AMA? **Phoenix AMA**

If applicable, in the space below, please provide a description for all estimated un-metered use and amounts:

Estimated usage for flushing, repairs, etc.

[1] Water withdrawn - Total gallons of water withdrawn from pumped sources.

[2] Water sold - Total gallons from customer meters, and other sales such as construction water.

[3] Water delivered (sold) to other systems - Total gallons of water delivered to other systems.

[4] Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.

[5] Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.

[6] Enter the total purchased power costs for the power meters associated with this system.

[7] Enter the total purchased kWh used by the power meters associated with this system.