Exhibit Schedule G-1 Page 1 of 1 Witness: Heppenstall

# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

## **COST OF SERVICE SUMMARY - PRESENT RATES**

Description(1)	Co	st of Service (2)	 Residential (3)	<u> </u>	ommercial (4)	 Private Fire (5)
<ol> <li>Revenues From Water Service - Present Rates</li> <li>Other Revenues</li> </ol>	\$	8,591,929 73,144	\$ 7,006,748 62,579	\$	1,486,605 10,053	\$ 98,576 512
3. Total Operating Revenues	\$	8,665,073	\$ 7,069,327	\$	1,496,658	\$ 99,088
4. Less: Operating Expenses		6,033,273	 5,247,346		726,555	 59,372
5. Return and Income Taxes	\$	2,631,800	\$ 1,821,981	\$	770,103	\$ 39,716
6. Less: Interest Expense (Allocated by Rate Base)		741,807	 635,729		100,366	 5,712
7. Taxable Income		1,889,993	1,186,252		669,736	34,004
8. Less: Income Taxes (Allocated based on Line 7)		775,079	 486,440		274,688	 13,951
9. Net Return (Ln 5 - Ln 8)	\$	1,856,721	\$ 1,335,541	\$	495,415	\$ 25,765
10. Original Cost Measure of Value	\$	33,264,886	\$ 28,507,097	\$	4,502,226	\$ 255,563
11. Rate of Return, Percent		5.58%	4.68%		11.00%	10.08%
12. Relative Rate of Return		1.00	0.84		1.97	1.81

Exhibit Schedule G-2 Page 1 of 1 Witness: Heppenstall

## EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

## **COST OF SERVICE SUMMARY - PROPOSED RATES**

Description(1)	Co:	t of Service (2)	 Residential (3)	C	ommercial (4)		Private Fire (5)
<ol> <li>Revenues From Water Service - Proposed Rates</li> <li>Other Revenues</li> </ol>	\$	9,478,602 86,736	\$ 7,702,466 74,214	\$	1,677,560 11,910	\$	98,576 612
3. Total Operating Revenues	\$	9,565,338	\$ 7,776,681	\$	1,689,470	\$	99,188
4. Less: Operating Expenses		6,093,301	 5,296,491		733,390		63,420
5. Return and Income Taxes	\$	3,472,037	\$ 2,480,189	\$	956,080	\$	35,768
6. Less: Interest Expense (Allocated by Rate Base)		741,807	 635,728		100,366		5,712
7. Taxable Income		2,730,230	1,844,461		855,714		30,056
8. Less: Income Taxes (Allocated based on Line 7)		1,113,316	 752,156		348,913		12,246
9. Net Return (Ln 5 - Ln 8)	\$	2,358,721	\$ 1,728,033	\$	607,167	\$	23,522
10. Original Cost Measure of Value	\$	33,264,886	\$ 28,507,130	\$	4,502,192	\$	255,564
11. Rate of Return, Percent		7.09%	6.06%		13.49%		9.20%
12. Relative Rate of Return		1.00	0.85		1.90		1.30

Exhibit Schedule G-3 Page 1 of 1 Witness: Heppenstall

## EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

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# RATE BASE ALLOCATION TO CLASSES OF SERVICE

Line no.		Factor						
No.	Cost Function	Ref Sch G-7	 Rate Base	I	Residential	C	ommercial	 Private Fire
1	(1)	(2)	(3)		(4)		(5)	 (6)
2								
3	Commodity	A	\$ 38,673	\$	31,306	\$	7,367	\$ -
4								
5	Demand - Maximum Day	В	12,707,786		10,487,735		2,220,050	-
6								
7	Demand - Maximum Hour	С	10,995,973		9,346,577		1,649,396	-
8								
9	Customer Facilities - Meters	D	1,709,323		1,502,837		206,486	-
10								
11	Customer Facilities - Services	E	5,804,131		5,480,841		219,977	103,314
12								
13	Customer Accounting	F	283,104		272,629		8,550	1,925
14								
15	Direct Fire	G	1,725,897		1,385,205		190,366	150,326
16								
17	Total		\$ 33,264,888	\$	28,507,130	\$	4,502,192	\$ 255,564
18								 

Exhibit Schedule G-4 Page 1 of 1 Witness: Heppenstall

# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

# EXPENSE ALLOCATION TO CLASSES OF SERVICE

Line no. No.	Cost Function	Factor Ref Sch G-7	Cost of Service	I	Residential	с	commercial	Private Fire
1	(1)	(2)	 (3)		(4)		(5)	 (6)
2								
3	Commodity	A	\$ 260,456	\$	210,840	\$	49,617	\$ -
4								
5	Demand - Maximum Day - Treatment and Pumping	В	1,415,874		1,168,520		247,353	-
6								
7	Demand - Maximum Hour	С	2,031,575		1,726,839		304,736	-
8								
9	Customer Facilities - Meters	D	148,594		130,644		17,950.15	-
10								
11	Customer Facilities - Services	E	583,065		550,589		22,098.18	10,379
12								
13	Customer Accounting	F	1,133,235		1,091,305		34,224	7,706
14	-							
15	Direct Fire	G	520,502		417,755		57,411	45,336
16								
17	Total		\$ 6,093,302	\$	5,296,491	\$	733,390	\$ 63,420
18								

Exhibit Schedule G-5 Page 1 of 3 Witness: Heppenstall

# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

					Dem	and	Customer	Facilities		
Line No.	Account	Factor Ref.	Rate Base By Function	Commodity	Max Day	Max Hour	Meters	Services	Customer Accounting	Direct Fire
1	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2										
3	RATE BASE									
4	Organization	9	20,086	24	7,673	6,636	1,032	3,501	179	1,040
5	Franchises	9	1,346	2	514	445	69	235	12	70
6	Land & Land Rights Supply	1	11,651	11,651	0	0	0	0	0	0
7	Land & Land Rights Pumping	2	44,957	0	44,957	0	0	0	0	0
8	Land & Land Rights Treatment	2	0	0	0	0	0	0	0	0
9	Land & Land Rights T&D	3	0	0	0	0	0	0	0	0
10	Land & Land Rights General	9	0	0	0	0	0	0	0	0
11	Structures & Improvements Supply	2	286,508	0	286,508	0	0	0	0	0
12	Structures & Improvements Pumping	3	381,750	0	0	381,750	0	0	0	0
13	Structures & Improvements Treatment	2	6,225,801	0	6,225,801	0	0	0	0	0
14	Structures & Improvements Trans & Dist	3	0	0	0	0	0	0	0	0
15	Structures & Improvements General	7	18,438	719	4,962	4,184	409	697	7,154	313
16	Structures & Improvements Offices	7	12,196	476	3,282	2,767	271	461	4,732	207
17	Structures & Improvements Leasehold	7	3,230	126	869	733	72	122	1,253	55
18	Structures & Improvements Store, Shop, Gge	7	0	0	0	0	0	0	0	0
19	Structures & Improvements Miscellaneous	7	0	0	0	0	0	0	0	0
20	Collect & Impounding	2	0	0	0	0	0	0	0	0
21	Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
22	Wells & Springs	2	4,218,355	0	4,218,355	0	0	0	0	0
23	Infiltration Galleries	2	0	0	0	0	0	0	0	0
24	Supply Mains	2	0	0	0 0	0	0	0 0	0	0
25	Power Production Equipment	3	235,090	0	0	235,090	0	0	0	0

Exhibit Schedule G-5 Page 2 of 3 Witness: Heppenstall

## EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

## RATE BASE BY FUNCTION, TWELVE MONTHS ENDED DECEMBER 31, 2016 ALLOCATED TO COMMODITY, DEMAND, CUSTOMER FACILITIES, CUSTOMER ACCOUNTING AND FIRE CLASSIFICATIONS

					Dem	and	Customer	Facilities		
Line		Factor	Rate Base	-					Customer	Direct
No.	Account	Ref.	By Function	Commodity	Max Day	Max Hour	Meters	Services	Accounting	Fire
1	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2										
3	Power Production Equipment	3	0	0	0	0	0	0	0	0
4	Pumping Equipment Steam	3	0	0	0	0	0	0	0	0
5	Pumping Equipment Electric	3	2,429,114	0	0	2,429,114	0	0	0	0
6	Pumping Equipment Hydraulic	3	1,831	0	0	1,831	0	0	0	0
7	Pumping Equipment Other	3	9,242	0	0	9,242	0	0	0	0
8	Pumping Equipment Water Treatment	2	42,137	0	42,137	0	0	0	0	0
9	Water Treatment Equipment Non-Media	2	2,284,305	0	2,284,305	0	0	0	0	0
10	Water Treatment Equipment Filter Media	2	20,344	0	20,344	0	0	0	0	0
11	Distribution Reservoirs & Standpipes	3	428,740	0	0	428,740	0	0	0	0
12	TD Mains Not Classified by Size	3	909,342	0	0	909,342	0	0	0	0
13	TD Mains 4in & Less	3	7,711,104	0	0	7,711,104	0	0	0	0
14	TD Mains 6in to 8in	3	251,153	0	0	251,153	0	0	0	0
15	TD Mains 10in to 16in	2	1,152,035	0	1,152,035	0	0	0	0	0
16	TD Mains 18in & Grtr	2	0	0	0	0	0	0	0	0
17	Fire Mains	12	8,394	0	0	0	0	0	0	8,394
18	Services	4a	6,590,902	0	0	0	0	6,590,902	0	0
19	Meters	4	1,819,760	0	0	0	1,819,760	0	0	0
20	Meter Installations	4	110,268	0	0	0	110,268	0	0	0
21	Meter Vaults	4	2,854	0	0	0	2,854	0	0	0
22	Hydrants	12	1,946,494	0	0	0	0	0	0	1,946,494
23	Other P/E- Supply	2	0	0	0	0	0	0	0	0
24	Other P/E-TD	3	0	0	0	0	0	0	0	0
25	Other P/E-CPS/Intangible	9	202,287	243	77,274	66,836	10,398	35,259	1,800	10,478
26	Furniture and Equipment	7	37,638	1,468	10,128	8,540	836	1,423	14,604	640
27	Computer & Periphal Equipment	7	355,153	13,851	95,572	80,584	7.884	13,425	137,799	6,038
28	Computer Software	7	93,904	3,662	25,270	21,307	2,085	3,550	36,435	1,596
29	Other Office Equipment	7	0	0	0	0	_,0	0	0	0

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Exhibit Schedule G-5 Page 3 of 3 Witness: Heppenstall

### EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

					Der	mand	Custome	er Facilities		
Line No.	Account	Factor Ref.	Rate Base By Function	Commodity	Max Day	Max Hour	Meters	Services	Customer Accounting	Direct Fire
1	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2		( )	( )	( )	( )	( )	( )	( )	( )	ζ, γ
3	Transportation Equip Light Duty Trucks	7	(393)	(15)	(106)	(89)	(9)	(15)	(152)	(7)
4	Transportation Equip Heavy Duty Trucks	7	12,904	503	3,472	2,928	286	488	5,007	219
5	Transportation Equip Other	7	5,123	200	1,379	1,162	114	194	1,988	87
6	Stores Equipment	7	(11)	(0)	(3)	(3)	(0)	(0)	(4)	(0)
7	Tools, Shop, Garage Equipment	7	20,914	816	5,628	4,745	464	791	8,115	356
8	Laboratory Equipment	2	1,687	0	1,687	0	0	0	0	0
9	Power Operated Equipment	7	96,485	3,763	25,964	21,893	2,142	3,647	37,436	1,640
10	Communication Equipment Non-Telephone	7	41,916	1,635	11,280	9,511	931	1,584	16,263	713
11	Remote Control & Instrument	7	14,463	564	3,892	3,282	321	547	5,612	246
12	Communication Equipment Telephone	7	2,783	109	749	632	62	105	1,080	47
13	Communication Equipment Other	7	83,778	3,267	22,545	19,009	1,860	3,167	32,506	1,424
14	Miscellaneous Equipment	7	69,187	2,698	18,618	15,699	1,536	2,615	26,845	1,176
15	Other Tangible Plant	7		0	0	0	0	0	0	0
16	Total Plant in Service		\$ 38,215,245	\$ 45,760	\$ 14,595,090	\$ 12,628,165	\$ 1,963,643	\$ 6,662,696	\$ 338,662	\$ 1,981,228
17										
18	OTHER RATE BASE ELEMENTS									
19	Regulatory Advances and Contributions	9		0	0	0	0	0	0	0
20	Customer Advances	9	(1,709,978)	(2,052)	(653,212)	(564,977)	(87,893)	(298,049)	(15,219)	(88,577)
21	Contributions in Aid of Construction	9	(616,441)	(740)	(235,480)	(203,672)	(31,685)	(107,446)	(5,486)	(31,932)
22	Construction Work in Progress	2	· · · · ·	Ó	) Ó	) Ó	0	) Ó	Ú Ó	) Ó
23	Cash Working Capital Allowance	7	(30,352)	(1,184)	(8,168)	(6,887)	(674)	(1,147)	(11,777)	(516)
24	Utility Plant Acq. Adjustment	9		0	0	0	Ó	0	0	Û Û
25	Customer Meter Deposits	4	(800)	0	0	0	(800)	0	0	0
26	Deferred Income Taxes	9	(2,889,155)	(3,467)	(1,103,657)	(954,577)	(148,503)	(503,580)	(25,713)	(149,658)
27	Deferred Debits	9	296,370	356	113,213	97,921	15,233	51,657	2,638	15,352
28	Regulatory Liabilities	9	0	0	0	0	0	0	0	0
29	0,									
30	Total Other Rate Base Elements		(4,950,357)	(7,087)	(1,887,304)	(1,632,192)	(254,321)	(858,565)	(55,558)	(255,331)
31										
32	Total Original Cost Measure of Value		\$ 33,264,887	\$ 38,673	\$ 12,707,786	\$ 10,995,973	\$ 1,709,323	\$ 5,804,131	\$ 283,104	\$ 1,725,897

Exhibit Schedule G-6 Page 1 of 4 Witness: Heppenstall

### EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

							Dem	nand			Custome	er Facil	ities		
Line No.	Account	Factor Ref.	Cost of Service By Function	Comm	odity	Max Da	v	M	lax Hour	M	leters	s	ervices	Customer Accounting	Direct Fire
1	(1)	(2)	(3)	(4		(5)	<u>y</u>		(6)		(7)		(8)	 (9)	 (10)
2		. ,		•		( )			( )		. ,		( )		. ,
3	OPERATION AND MAINTENANCE EXPENSES														
4															
5															
6	Labor - Source of Supply	1	59,053	\$ 5	59,053	\$	-	\$	-	\$	-	\$	-	\$ -	\$ -
7	Labor - Treatment	2	92,569		-	92	,569		-		-		-	-	-
8	Labor - Pumping	3	66,661		-		-		66,661		-		-	-	-
9	Labor - T&D Mains	6	294,024		-	62	,274		231,750		-		-	-	-
10	Labor - T&D Storage	3	44,966		-		-		44,966		-		-	-	-
11	Labor - T&D Meters	4	33,573		-		-		-		33,573		-	-	-
12	Labor - T&D Services	4a	57,242		-		-		-		-		57,242	-	-
13	Labor - T&D Hydrants	12	25,694		-		-		-		-		-	-	25,694
14	Labor - Customer	5	177,917		-		-		-		-		-	177,917	-
15	Labor - Meter Reading	5	48,237		-		-		-		-		-	48,237	-
16	Labor - Administrative	7	-		-		-		-		-		-	-	-
17	Purchased Water	1	-		-		-		-		-		-	-	-
18	Fuel and Power	1	-		-		-		-		-		-	-	-
19	Chemicals	1	126,804	12	26,804		-		-		-		-	-	-
20	Waste Disposal	1	5,280		5,280		-		-		-		-	-	-
21	Corporate allocation	7	250,475		9,769	67	403		56,833		5,561		9,468	97,184	4,258
22	Outside Services	7	127,959		4,990	34	434		29,034		2,841		4,837	49,648	2,175
23	Group Insurance and Other Benefits	8	280,672		18,412	48	276		107,104		10,469		17,851	70,533	8,027
24	Pensions	8	-		-		-		-		-		-	-	-
25	Regulatory Expense	7	22.339		871	6	.011		5.069		496		844	8.667	380
26	Insurance Other Than Group	7	67,512		2,633	18	167		15,318		1,499		2,552	26,195	1,148
27	Customer Accounting	5	473,518		-		-		-		-		-	473,518	-
28	Rents	7	30,370		1,184	8	.173		6,891		674		1,148	11,784	516
29	General Office Expense	7	102,388		3,993	27	553		23,232		2,273		3,870	39,726	1,741
30	Miscellaneous	7	25,934		1,011		979		5,884		576		980	10,063	441
31	Maintenance Expense - Treatment	2	330,877		-	330			-		-		-	-	-
32	Maintenance Expense	6	-		-	000	-		-		-		-	-	-
33	Maintenance Expense - Administrative	7	-												
34		•													
35															 
36	TOTAL OPERATION AND MAINTENANCE EXPEN	SES	2,744,064	2	34,001	702	716		592,742		57,961		98,793	1,013,472	44,380
50	TO THE OF EIGHTON AND MAINTENANCE EXPEN	020	2,177,004	2.	0 <del>4</del> ,001	702	110		JJZ, 14Z		57,301		30,733	1,013,472	,500

Exhibit Schedule G-6 Page 2 of 4 Witness: Heppenstall

### EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

				_	Dema	and	Customer	Facilities		
Line No.	Account	Factor Ref.	Cost of Service By Function	Commodity	Max Dav	Max Hour	Meters	Services	Customer Accounting	Direct Fire
1	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2	(1)	(2)	(3)	(4)	(3)	(0)	(7)	(0)	(3)	(10)
2										
3	503 DEPRECIATION EXPENSE									
45	503 DEFRECIATION EXPENSE									
6	Structures & Improvements Supply	1	11,652	11,652	-	-	-	-	-	-
7	Structures & Improvements Pumping	3	14.003	-	-	14,003	-	-	-	-
8	Structures & Improvements Treatment	2	248,836	-	248,836	-	-	-	-	-
9	Structures & Improvements Trans & Dist	3	,	-	,	-	-	-	-	-
10	Structures & Improvements General	7	609	24	164	138	14	23	236	10
11	Structures & Improvements Offices	7	653	25	176	148	14	25	253	11
12	Structures & Improvements Leasehold	7	112	4	30	25	2	4	43	2
13	Structures & Improvements Store, Shop, Gge	7	-	-	-	-	-	-	-	-
14	Structures & Improvements Miscellaneous	7	-	-	-	-	-	-	-	-
15	Collect & Impounding	2	-	-	-	-	-	-	-	-
16	Lake, River & Other Intakes	2	178,054	-	178,054	-	-	-	-	-
17	Wells & Springs	2	-	-	-	-	-	-	-	-
18	Infiltration Galleries	2	-	-	-	-	-	-	-	-
19	Supply Mains	2	13,863	-	13,863	-	-	-	-	-
20	Power Production Equipment	3	-	-	-	-	-	-	-	-
21	Power Production Equipment	3	-	-	-	-	-	-	-	-
22	Pumping Equipment Steam	3	562,073	-	-	562,073	-	-	-	-
23	Pumping Equipment Electric	3	371	-	-	371	-	-	-	-
24	Pumping Equipment Diesel	3	269	-	-	269	-	-	-	-
25	Pumping Equipment Hydraulic	3	727	-	-	727	-	-	-	-
26	Pumping Equipment Other	3	4,638	-	-	4,638	-	-	-	-
27	Pumping Equipment Water Treatment	3	317,392	-	-	317,392	-	-	-	-
28	Water Treatment Equipment Non-Media	2	5,124	-	5,124	-	-	-	-	-
29	Water Treatment Equipment Filter Media	2	16,686	-	16,686	-	-	-	-	-
30	Distribution Reservoirs & Standpipes	3	-	-	-	-	-	-	-	-
31	Elevated Tank & Standpipes	3	-	-	-	-	-	-	-	-
32	Ground Level Tanks	3	-	-	-	-	-	-	-	-
33	Below Ground Tanks	3	-	-	-	-	-	-	-	-
34	Clearwell	3	17,090	-	-	17,090	-	-	-	-
35	TD Mains Not Classified by Size	3	233,328	-	-	233,328	-	-	-	-
36	TD Mains 4in & Less	3	26,243	-	-	26,243	-	-	-	-
37	TD Mains 6in to 8in	3	32,569	-	-	32,569	-	-	-	-
38	TD Mains 10in to 16in	2	-	-	-	-	-	-	-	-
39	TD Mains 18in & Grtr	2	3	-	3	-	-	-	-	-

Exhibit Schedule G-6 Page 3 of 4 Witness: Heppenstall

### EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

					Dem	and	Customer	Facilities		
Line		Factor	Cost of Service	_					Customer	Direct
No.	Account	Ref.	By Function	Commodity	Max Day	Max Hour	Meters	Services	Accounting	Fire
1	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2										
3	Fire Mains	12	261,751	-	-	-	-	-	-	261,751
4	Services	4a	392,791	-	-	-	-	392,791	-	-
5	Meters	4	5,349	-	-	-	5,349	-	-	-
6	Meter Installations	4	117	-	-	-	117	-	-	-
7	Meter Vaults	4	54,174	-	-	-	54,174	-	-	-
8	Hydrants	12	-	-	-	-	-	-	-	-
9	Other P/E-TD	3	-	-	-	-	-	-	-	-
10	Other P/E-Supply	2	-	-	-	-	-	-	-	-
11	Other P/E-CPS/Intangible	9	11,833	14	4,520	3,909	608	2,062	105	613
12	Office Furniture & Equipment	7	3,199	125	861	726	71	121	1,241	54
13	Computer & Periphal Equipment	7	12,559	490	3,380	2,850	279	475	4,873	214
14	Computer Software	7	87,471	3,411	23,538	19,847	1,942	3,306	33,939	1,487
15	Other Office Equpment	7	43,609	1,701	11,735	9,895	968	1,648	16,920	741
16	Transportation Equip Light Duty Trucks	7	44,536	1,737	11,985	10,105	989	1,683	17,280	757
17	Transportation Equip Heavy Duty Trucks	7	3,433	134	924	779	76	130	1,332	58
18	Transportation Equipment Other	7	1,951	76	525	443	43	74	757	33
19	Stores Equipment	7	806	31	217	183	18	30	313	14
20	Tools,Shop,Garage Equipment	7	1,920	75	517	436	43	73	745	33
21	Laboratory Equipment	2	359	-	359	-	-	-	-	-
22	Power Operated Equipment	7	11,207	437	3,016	2,543	249	424	4,348	191
23	Communication Equipment Non-Telephone	7	-	-	-	-	-	-	-	-
24	Remote Control & Instrument	7	26,775	1,044	7,205	6,075	594	1,012	10,389	455
25	Communication Equipment Telephone	7	2,360	92	635	535	52	89	916	40
26	Communication Equipment Other	7	561	22	151	127	12	21	218	10
27	Miscellaneous Equipment	7	7,524	293	2,025	1,707	167	284	2,919	128
28	Other Tangible Plant	7	7,686	300	2,068	1,744	171	291	2,982	131
	Total Depreciation Expense		2,666,265	21,688	536,595	1,270,920	65,953	404,567	99,810	266,732

Exhibit Schedule G-6 Page 4 of 4 Witness: Heppenstall

### EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

No.         Account         Ref.         By Function (3)         Commodify (4)         Max Day (6)         Max Hour (7)         Meters (8)         Services (8)         Accounting (9)         Fire (10)           1         10         12         (4)         (5)         (6)         (7)         (8)         (9)         (10)           2         AMORTIZATION EXPENSE Amortization of Contributions         9         -					<u>-</u>	Den	nand	Custome	er Facilities		
1       (1)       (2)       (3)       (4)       (6)       (7)       (8)       (9)       (10)         AMORTIZATION EXPENSE Amortization of Regulatory Assets       10 $15,163$ 18 $5.791$ $5.013$ $779$ $2.646$ $129$ $787$ Total Amortizations       9 $15,163$ 18 $5.791$ $5.013$ $779$ $2.646$ $129$ $787$ Total Amortizations       15,163       18 $5.791$ $5.013$ $779$ $2.646$ $129$ $787$ TAXES, OTHER THAN INCOME       15,163       18 $5.791$ $5.013$ $779$ $2.646$ $129$ $787$ TAXES, OTHER THAN INCOME       6       64,749 $4.248$ $11,137$ $24.708$ $2.415$ $4.118$ $16.271$ $1.852$ 10       12.401       15 $47.36$ $4100$ $637$ $2.164$ $105.03$ $637$ $2.164$ $105.048$ $10.564$ $10.566$ $1.666$ $1.666$ $1.637$ $1.6627$ $1.6627$ $1.6627$ $1.6627$ $1.6627$ $1.6627$ $1.665$ $1.6676$ $1.6676$	Line No.	Account	Factor Ref.	Cost of Service By Function	Commodity	Max Dav	Max Hour	Meters	Services	Customer Accounting	Direct Fire
AMORTIZATION EXPENSE         Amontization of Regulatory Assets       10       15.163       18       5.791       5.013       779       2.646       129       787         Montization of Regulatory Assets       10       15.163       18       5.791       5.013       779       2.646       129       787         TAXES, OTHER THAN INCOME       15.163       18       5.791       5.013       779       2.646       129       787         TAXES, OTHER THAN INCOME       8       64.749       4.248       11.137       24.708       2.415       4.118       16.271       1.852         Payroll Taxes       10       12.401       15       4.736       4.100       637       2.164       105       644         Gross Receipt Tax and Misc.       10       12.401       15       4.736       4.100       637       2.164       105       644         Gross Receipt Tax and Misc.       10       12.401       15       4.736       4.100       637       2.164       105       644         Gross Receipt Tax and Misc.       10       1.143.81       1.415.874       2.031.575       148.594       583.065       1.133.235       335.445         10       1.113.316       1.336	1									<u> </u>	
5         Other Amortizations         9         -		AMORTIZATION EXPENSE									
6         Amortization of Regulatory Assets         10         15,163         18         5,791         5,013         779         2,846         129         787           7         Total Amortizations         15,163         18         5,791         5,013         779         2,846         129         787           7         Total Amortizations         15,163         18         5,791         5,013         779         2,846         129         787           7         Total Amortizations         15,163         18         5,791         5,013         779         2,846         129         787           9         TAXES, OTHER THAN INCOME         15,163         18         5,791         14,100         14,022         2,848         70,778         3,448         10,654         10,644           10         12,401         15         4,736         4,100         634         70,778         3,448         10,644         10,56         644           10         12,473         4,749         170,773         162,900         23,901         77,060         19,824         23,546           11         Total Os M, Depreciation and Other Taxes         5,908,246         260,456         1,415,874         2,031,575	4	Amortization of Contributions									
7         Total Amortizations         15,163         18         5,791         5,013         779         2,646         129         787           10         TAXES, OTHER THAN INCOME         8         64,749         4,248         11,137         24,708         2,415         4,118         16,271         1,852           11         Payropity Taxes         10         405,603         487         154,900         134,092         20,843         70,778         3,448         21,051           13         Other Taxes         10         12,401         15         4,736         4,106         637         2,164         105         644           14         Gross Receipt Tax and Misc.         10         -         <	5	Other Amortizations	9	-	-	-	-	-	-	-	-
9         TAXES, OTHER THAN INCOME           11         Payroll Taxes         8         64,749         4,248         11,137         24,708         2,415         4,118         16,271         1,852           12         Property Taxes         10         405,603         487         154,900         134,092         20,848         70,778         3,448         21,051         644           13         Other Taxes         10         12,401         15         4,769         4,010         637         2,164         105         644           14         Gross Receipt Tax and Misc.         10         -	6	Amortization of Regulatory Assets	10	15,163	18	5,791	5,013	779	2,646	129	787
9         TAXES, OTHER THAN INCOME           11         Payroll Taxes         8         64,749         4,248         11,137         24,708         2,415         4,118         16,271         1,852           12         Property Taxes         10         405,603         487         154,900         134,092         20,848         70,778         3,448         21,051         644           13         Other Taxes         10         12,401         15         4,769         4,010         637         2,164         105         644           14         Gross Receipt Tax and Misc.         10         -	7	<b>č</b>									
10       TAXES, OTHER THAN INCOME         11       Payroll Taxes       8       64,749       4,248       11,137       24,708       2,415       4,118       16,271       1,852         12       Property Taxes       10       405,603       467       154,900       134,092       20,848       70,778       3,448       21,051         13       Other Taxes       10       12,401       15       4,736       4,100       637       2,164       105       644         14       Gross Receipt Tax and Misc.       10       -       <	8	Total Amortizations		15,163	18	5,791	5,013	779	2,646	129	787
11       Payol Taxes       8       64,749       4,248       11,137       24,708       2,415       4,118       16,271       1,852         12       Property Taxes       10       405,603       487       154,900       134,092       20,848       70,778       3,448       21,051         13       Other Taxes       10       12,401       15       4,736       4,100       637       2,164       105       644         14       Gross Receipt Tax and Misc.       10       -	9										
12       Property Taxes       10       405,603       487       154,900       134,092       20,848       70,778       3,448       21,051         13       Other Taxes       10       12,401       15       4,736       4,100       637       2,164       105       644         14       Gross Receipt Tax and Misc.       10       -	10	TAXES, OTHER THAN INCOME									
13       Other Taxes       10       12,401       15       4,736       4,100       637       2,164       105       644         14       Gross Receipt Tax and Misc.       10       -	11	Payroll Taxes	8	64,749	4,248	11,137	24,708	2,415	4,118	16,271	1,852
14       Gross Receipt Tax and Misc.       10	12	Property Taxes	10	405,603	487	154,900	134,092	20,848	70,778	3,448	21,051
15 16 16Total Taxes, Other Than Income $482,753$ $4,749$ $170,773$ $162,900$ $23,901$ $77,060$ $19,824$ $23,546$ 18 19Total O & M, Depreciation and Other Taxes $5,908,246$ $260,456$ $1,415,874$ $2,031,575$ $148,594$ $583,065$ $1,133,235$ $335,445$ 19 $507.2$ INCOME TAXES10 $1,113,316$ $1,336$ $425,175$ $368,062$ $57,224$ $194,274$ $9,463$ $57,781$ 2021 $507.2$ INCOME TAXES10 $1,113,316$ $1,336$ $425,175$ $368,062$ $57,224$ $194,274$ $9,463$ $57,781$ 2210 $1,113,316$ $1,336$ $425,175$ $368,062$ $57,224$ $194,274$ $9,463$ $57,781$ 23Utility Operating Income Available for Return10 $2,544,075$ $3,053$ $971,582$ $841,071$ $130,765$ $443,941$ $21,625$ $132,038$ 26Total Cost of Service $9,565,637$ $264,845$ $2,812,632$ $3,240,709$ $336,584$ $1,221,280$ $1,164,323$ $525,264$ 27Less: Other Water Revenues11 $86,736$ $2,403$ $25,500$ $29,386$ $3,053$ $11,076$ $10,556$ $4,762$ 29Less: Raw Water2 $       -$ 31Total Other Revenues $86,736$ $2,403$ $25,500$ $29,386$ $3,053$ $11,076$ $10,556$ $4,762$ 33Total Cost of Service Related	13	Other Taxes	10	12,401	15	4,736	4,100	637	2,164	105	644
16       Total Taxes, Other Than Income       482,753       4,749       170,773       162,900       23,901       77,060       19,824       23,546         17       Total O & M, Depreciation and Other Taxes       5,908,246       260,456       1,415,874       2,031,575       148,594       583,065       1,133,235       335,445         19       507.2 INCOME TAXES       10       1,113,316       1,336       425,175       368,062       57,224       194,274       9,463       57,781         23       Utility Operating Income Available       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         28       Less: Chillevit       11       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -	14	Gross Receipt Tax and Misc.	10	-	-	-	-	-	-	-	-
17       Total O & M, Depreciation and Other Taxes       5,908,246       260,456       1,415,874       2,031,575       148,594       583,065       1,133,235       335,445         19       507.2 INCOME TAXES       10       1,113,316       1,336       425,175       368,062       57,224       194,274       9,463       57,781         23       Utility Operating Income Available       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         24       for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         25       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Raw Water       2       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       - <t< td=""><td>15</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	15										
18       Total O & M, Depreciation and Other Taxes       5,908,246       260,456       1,415,874       2,031,575       148,594       583,065       1,133,235       335,445         19       10       1,113,316       1,336       425,175       368,062       57,224       194,274       9,463       57,781         21       507.2 INCOME TAXES       10       1,113,316       1,336       425,175       368,062       57,224       194,274       9,463       57,781         23       Utility Operating Income Available       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         25       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         26       Total Cost of Service       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Raw Water       2       - <t< td=""><td>16</td><td>Total Taxes, Other Than Income</td><td></td><td>482,753</td><td>4,749</td><td>170,773</td><td>162,900</td><td>23,901</td><td>77,060</td><td>19,824</td><td>23,546</td></t<>	16	Total Taxes, Other Than Income		482,753	4,749	170,773	162,900	23,901	77,060	19,824	23,546
19       20       21       507.2 INCOME TAXES       10       1,113,316       1,336       425,175       368,062       57,224       194,274       9,463       57,781         23       Utility Operating Income Available       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         24       for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         25       7       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Raw Water       2       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -	17										
20 21 21 22 22 307.2 INCOME TAXES       10       1,113,316       1,336       425,175       368,062       57,224       194,274       9,463       57,781         22 30       Utility Operating Income Available for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         24 4       for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         26 56 57       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27 58       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Effluent       11       -	18	Total O & M, Depreciation and Other Taxes		5,908,246	260,456	1,415,874	2,031,575	148,594	583,065	1,133,235	335,445
21       507.2 INCOME TAXES       10       1,113,316       1,336       425,175       368,062       57,224       194,274       9,463       57,781         23       Utility Operating Income Available       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         24       for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         28       Less: Other Water Revenues       11       - <td< td=""><td>19</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	19										
22       23       Utility Operating Income Available         24       for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         25       7       7       7       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Raw Water       2       -	20										
23       Utility Operating Income Available         24       for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         25       7       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       10       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Raw Water       2       -	21	507.2 INCOME TAXES	10	1,113,316	1,336	425,175	368,062	57,224	194,274	9,463	57,781
24       for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         25       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Raw Water       2       -	22										
24       for Return       10       2,544,075       3,053       971,582       841,071       130,765       443,941       21,625       132,038         25       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Raw Water       2       -	23	Utility Operating Income Available									
25       26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Effluent       11       - <t< td=""><td></td><td></td><td>10</td><td>2,544,075</td><td>3,053</td><td>971,582</td><td>841,071</td><td>130,765</td><td>443,941</td><td>21,625</td><td>132,038</td></t<>			10	2,544,075	3,053	971,582	841,071	130,765	443,941	21,625	132,038
26       Total Cost of Service       9,565,637       264,845       2,812,632       3,240,709       336,584       1,221,280       1,164,323       525,264         27       28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Effluent       11       - <td< td=""><td>25</td><td></td><td></td><td></td><td>······································</td><td>· · · · ·</td><td>·</td><td></td><td></td><td>· · · · ·</td><td>·<u>·····</u></td></td<>	25				······································	· · · · ·	·			· · · · ·	· <u>·····</u>
27       28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Effluent       11       -		Total Cost of Service		9,565,637	264,845	2,812,632	3,240,709	336,584	1,221,280	1,164,323	525,264
28       Less: Other Water Revenues       11       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         29       Less: Effluent       11       -	27										
29       Less: Effluent       11       -		Less: Other Water Revenues	11	86.736	2.403	25.500	29.386	3.053	11.076	10.556	4,762
31       Total Other Revenues       86,736       2,403       25,500       29,386       3,053       11,076       10,556       4,762         32       33       Total Cost of Service Related to       34       Sales       \$ 9,478,901       \$ 262,442       \$ 2,787,132       \$ 3,211,323       \$ 333,531       \$ 1,210,204       \$ 1,153,767       \$ 520,502		Less: Effluent	11	-	-	-	-	-	-	-	-
32 33 Total Cost of Service Related to 34 Sales\$ 9,478,901 \$ 262,442 \$ 2,787,132 \$ 3,211,323 \$ 333,531 \$ 1,210,204 \$ 1,153,767 \$ 520,502	30	Less: Raw Water	2	-	-	-	-	-	-	-	-
32 33 Total Cost of Service Related to 34 Sales\$ 9,478,901 \$ 262,442 \$ 2,787,132 \$ 3,211,323 \$ 333,531 \$ 1,210,204 \$ 1,153,767 \$ 520,502	31	Total Other Revenues		86,736	2,403	25,500	29,386	3,053	11,076	10,556	4,762
34 Sales\$ 9,478,901 \$ 262,442 \$ 2,787,132 \$ 3,211,323 \$ 333,531 \$ 1,210,204 \$ 1,153,767 \$ 520,502	32			,	,	,	,	,	,	,	,
34 Sales\$ 9,478,901 \$ 262,442 \$ 2,787,132 \$ 3,211,323 \$ 333,531 \$ 1,210,204 \$ 1,153,767 \$ 520,502	33	Total Cost of Service Related to									
				\$ 9,478,901	\$ 262,442	\$ 2,787,132	\$ 3,211,323	\$ 333,531	\$ 1,210,204	\$ 1,153,767	\$ 520,502
	35				;	· · · ·	<u> </u>			· · ·	<u>.</u>

Exhibit Schedule G-7 Page 1 of 7 Witness: Heppenstall

#### EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

#### FACTORS FOR ALLOCATING COST OF SERVICE TO COST FUNCTIONS

Line	P. (market)	0		Day		Customer		Customer	Direct	<b>T</b> .(.)
<u>No.</u>	Reference	Commodity	Treat. & Pump.	T&D - Max Day	Max Hour	Meters	Services	Accounting	Fire	Total
2										
3	Factor 1 - Commodity	1.0000								1.0000
4										
5	Factor 2 - Maximum Day		1.0000							1.0000
6	·									
7	Factor 3 - Maximum Hour				1.0000					1.0000
8										
9	Factor 4 - Customer Facilites - Meters					1.0000				1.0000
10	Forder (A. O. damas Fordillas, Oracias						4 0000			4 0000
11	Factor 4A - Customer Facilites - Services						1.0000			1.0000
12 13	Factor 5 - Customer Accounting							1.0000		1.0000
13	Factor 5 - Customer Accounting							1.0000		1.0000
15	Factor 6 - Max Day and Max Hour based on Mains			0.2118	0.7882					1.0000
16				0.2110	0.1002					1.0000
17	Factor 7 - Administrative and General									
18	Cost	101,917	702,716	0	592,742	57,961	98,793	1,013,472	44,380	2,567,600
19	Factor	0.0390	0.2691	0.0000	0.2269	0.0222	0.0378	0.3880	0.0170	1.0000
20										
21	Factor 8 - Labor Related Expenses									
22	Cost	59,053	154,844	0	343,377	33,573	57,242	226,154	25,694	899,936
23	Factor	0.0656	0.172	0	0.3816	0.0373	0.0636	0.2513	0.0286	1.0000
24										
25	Factor 9 - Rate Base Less Costs Allocated									
26	Cost	45,491	14,509,629	0	12,554,248	1,952,144	6,623,702	336,671	1,969,639	37,991,525
27	Factor	0.0012	0.382	0	0.3304	0.0514	0.1743	0.0089	0.0518	1.0000
28										
29	Factor 10 - Rate Base	~~~~~								~~ ~~ ~~ ~~
30	Cost	38,673	12,707,786	0	10,995,973	1,709,323	5,804,131	283,104	1,725,897	33,264,887
31	Factor	0.0012	0.3819	0	0.3306	0.0514	0.1745	0.0085	0.0519	1.0000
32 33	Factor 11 - Cost of Service									
34	Cost	264,845	2,812,632	0	3,240,709	336,584	1,221,280	1,164,323	525,264	9,565,637
35	Factor	0.0277	0.294	0	0.3388	0.0352	0.1277	0.1217	0.0549	1.0000
36		0.0211	0.201	Ũ	0.0000	3.0002	5.1217	5.1217	0.0010	1.0000
37	Factor 12 - Direct Fire								1.0000	1.0000

Exhibit Schedule G-7 Page 2 of 7 Witness: Heppenstall

# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

# FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASS

## FACTOR A. ALLOCATION OF COMMODITY COSTS.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Classification	Average Daily Consumption, 1000 Gallons	Allocation Factor
(1)	(2)	(5)
Residential Commercial/Public	3,783 890	0.8095 0.1905
Fire Protection	0	0.0000
Total	4,673	1.0000

## FACTOR B. ALLOCATION OF MAXIMUM DAY DEMAND COSTS - TREATMENT AND PUMPING.

Factors are based on the maximum day demand for each customer classification.

Customer Classification (1)	Average Daily Consumption, 1000 Gallons (2)	Peak Day Factor (3)	Rate of Flow, 1000 Gallons Per Day (4)=(2)x(3)	Allocation Factor (5)
Residential Commercial/Public	3,783 890	2.00 1.80	7,566 1,602	0.8253 0.1747
Total	4,673		9,168	1.0000

Exhibit Schedule G-7 Page 3 of 7 Witness: Heppenstall

## EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASS

# FACTOR C. ALLOCATION OF MAXIMUM HOUR DEMAND COSTS.

Factors are based on the maximum hour demand for each customer classification.

Customer Classification	Average Hourly Consumption, 1000 Gallons	Factor	Rate of Flow, 1000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential Commercial/Pubic	157.6 37.1 194.7	4.00 3.00	630.5 111.3 741.8	0.8500 0.1500 1.0000

## EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASS

## FACTOR D. ALLOCATION OF COSTS ASSOCIATED WITH METERS

Factors are based on the relative cost of meters by size and customer classification, as developed on the following

Customer	5/8"	Allocation
Classification	Equivalents	Factor
(1)	(2)	(3)
Residential	17,787	0.8792
Commercial/Public	2,443	0.1208
Fire Protection	0	0.0000
Total	20,230	1.0000

## FACTOR E. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES

Factors are based on the relative cost of meters by size and customer classification, as developed on the following

Customer	3/4"	Allocation
<u>Classification</u>	Equivalents	Factor
(1)	(2)	(3)
Residential	15,157	0.9443
Commercial/Public	608	0.0379
Fire Protection	286	0.0178
Total	16,051	1.0000

## FACTOR F. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer	Total	Allocation		
Classification	Customers	Factor		
(1)	(2)	(3)		
Residential	14,964	0.9630		
Commercial/Public	470	0.0302		
Fire Protection	105	0.0068		
Total	15,539	1.0000		

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# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER OPERATIONS

Factor G - ALLOCATION OF DIRECT FIRE

Description (1)		Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Factor G Allocation Factor (5)
PRIVATE FIRE PROTECTION					
Fire Lines 2 -inch 3 -inch 4 -inch 6 -inch 8 -inch 10 -inch 12 -inch Private Hydrants		$\begin{array}{r} 4.00\\ 9.00\\ 16.00\\ 36.00\\ 64.00\\ 100.00\\ 144.00\\ 28.50\end{array}$	34 60 11 0 0 0	0 0 544 2,160 704 0 0 0	
Total Private Fire Protection			105	3,408	0.0871
PUBLIC FIRE PROTECTION					
Hydrant 6" Valve	Nozzle Sizes 2- 2-1/2" & 1 - 4"	28.5	1,254	35,739	
Total Public Fire Protection			1,254	35,739	0.9129
Total Fire Protection			1,359	39,147	1.0000
REALLOCATE PUBLIC FIRE	Residential Commercial/Public		Meter Equivalents 17,787 2,443	Allocation of Public Fire 0.8792 0.1208	Allocation of Public Fire Using Factor 0.8026 0.1103
			20,230	1.0000	0.9129

Exhibit Schedule G-7 Page 6 of 7 Witness: Heppenstall

# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

		Resid	esidential Commercial Total			tal	
Meter	5/8"	Number of		Number of		Number of	
Size	Equivalent	Services	Weighting	Services	Weighting	Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)
5/8 and 3/4"	1.00	14,270	14,270	76	76	14,346	14,346
1	2.50	141	353	91	228	232	581
1-1/2	5.00	420	2,100	134	670	554	2,770
2	8.00	133	1,064	158	1,264	291	2,328
3	15.00	0	0	7	105	7	105
4	25.00	0	0	4	100	4	100
6	50.00	0	0	0	0	0	0
8	80.00	0	0	0	0	0	0
10	115.00	0	0	0	0	0	0
Total		14,964	17,787	470	2,443	15,434	20,230

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# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

		Resid	dential	Commercial		Fire Pro	ojection	Total		
Service Size	3/4" Equivalent	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)	
3/4	1.00	14,270	14,270	76	76		0	14,346	14,346	
1	1.06	141	149	91	96		0	232	245	
1-1/2	1.28	420	538	134	172		0	554	710	
2	1.50	133	200	158	237		0	291	437	
3	2.37	0	0	7	17		0	7	17	
4	2.50	0	0	4	10	34	85	38	95	
6	2.79	0	0	0	0	60	167	60	167	
8	3.11	0	0	0	0	11	34	11	34	
10	4.12	0	0	0	0	0	0	0	0	
12	4.65	0	0	0	0	0	0	0	0	
Total		14,964	15,157	470	608	105	286	15,539	16,051	

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# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

# COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2016

											Proposed	ncrease
Customer		Cost of Se	rvice	Re	evenues, Prese	nt Rates	Re	evenues, Prop	osed Rates			Percent
Classification	An	nount	Percent		Amount	Percent		Amount	Percent		Amount	Increase
(1)		(2)	(3)		(4)	(5)		(6)	(7)		(8)	(9)
Residential	\$8	,207,160	86.6%	\$	7,006,748	81.6%	\$	7,702,466	81.2%	\$	695,719	9.9%
Commercial	1	,197,019	12.6%	\$	1,486,605	17.3%		1,677,560	17.8%		190,955	12.8%
Private Fire		74,723	0.8%		98,576	1.1%	. <u> </u>	98,576	1.0%	. <u> </u>		0.0%
Total Sales	9	,478,902	100.0%		8,591,929	100.0%		9,478,602	100.0%		886,673	10.3%
Other Revenues		86,736			73,143			86,736			13,593	18.6%
Total	\$ 9	,565,638		\$	8,665,072		\$	9,565,338		\$	900,266	10.4%

# EPCOR WATER ARIZONA INC. SUN CITY WEST WATER DISTRICT

# ALLOCATION OF TOTAL COST OF SERVICE BY COST FUNCTION TO CUSTOMER CLASSIFICATION

Line no. No.	Cost Function	Factor Ref	Total Cost of Service	Residential	Commercial	Private Fire
1	(1)	(2)	(3)	(4)	(5)	(6)
2						
3	Commodity	A	\$ 262,442	\$ 212,447	\$ 49,995	\$-
4						
5	Demand - Maximum Day	В	2,787,132	2,300,220	486,912	-
6						
7	Demand - Maximum Hour	С	3,211,323	2,729,625	481,698	-
8						
9	Customer Facilities - Meters	D	333,531	293,241	40,291	-
10						
11	Customer Facilities - Services	E	1,210,204	1,142,796	45,867	21,542
12						
13	Customer Accounting	F	1,153,767	1,111,077	34,844	7,846
14	-					
15	Direct Fire	G	520,502	417,755	57,411	45,336
16						
17	Total		\$ 9,478,901	\$ 8,207,160	\$ 1,197,019	\$ 74,723
18						i