

EPCOR Arizona Water

B Schedules

Rebuttal

Line No.	Original Cost Rate Base (a) [A]	RCND Rate Base (b) [B]	
1			
2	\$ 917,820,717	\$ 1,520,300,520	
3	-	-	
4	<u>\$ 917,820,717</u>	<u>\$ 1,520,300,520</u>	Line [2] + Line [3]
5			
6	Less:		
7	<u>268,750,526</u>	<u>589,198,097</u>	
8			
9	\$ 649,070,191	\$ 931,102,423	Line [4] - Line [7]
10			
11	Less:		
12			
13	\$ 137,798,117	\$ 191,870,035	
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15	133,061,640	188,335,780	
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18	97,315	139,259	
19	14,706,267	21,217,553	
20	-	-	
21	14,081,130	20,191,234	
22			
23	Plus:		
24	19,214,039	27,316,385	
25	(c) 1,959,143	1,959,143	
26	1,369,030	1,640,604	
27			
28	<u>\$ 371,867,933</u>	<u>\$ 540,264,694</u>	Line [9] - Lines [12-21] + Line [24-26]
29			
30			
31		\$ 456,066,314	(Sum[A] Line [28] + [B] Line [28]) 2
32		\$ 84,198,380	[B] Line [31] - [A] Line [28]
33		1.4528	[B] Line [28] / [A] Line [28]
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43	Supporting Schedules		Recap Schedules:
44	(a) B-2 Rebuttal		A-1 Rebuttal
45	(b) B-3 Rebuttal		
46	(c) B-5 Rebuttal		
47			
48	Workpapers and Supporting Documents		
49			
50	\2016 EPCOR Arizona Water Rebuttal.xlsm		

Sch B-2 Original  
Column [AA]

	Page 2	Page 3	Page 4	Page 5	Page 6	Page 7	Page 8			
[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	
	ADJ SLH-RB1 REB	ADJ SLH-RB2 REB	ADJ SLH-RB3 REB	ADJ SLH-RB4 REB	ADJ JPB-RB5 REB	ADJ JPB-RB6 REB	ADJ SLH-RB7 REB	Sum [B - H]	Sum [A] + [I]	
<u>Adjusted End of Test Year</u>	<u>Partially Accept Staff RB Adj #3 &amp; RUCO RB Adj #7: Working Capital Allowance</u>	<u>Adjust 2016 ADIT</u>	<u>Partially Accept Staff RB Adj #4: ADIT - Tax Reform Adj</u>	<u>Regulatory Liability - ADIT Amortization - Tax Reform Adj</u>	<u>Partially Accept Staff RB Adj 1a and 1b: Adjust 2017 Post Test Year Plant Additions</u>	<u>Adjust Retirements on Test Year Plant</u>	<u>Partially Accept RUCO RB Adj #4: AIAC Refunds</u>	<u>Total Pro Forma Adjustments</u>	<u>Adjusted End of Test Year</u>	
1										
2	Gross Utility Plant in Service	\$ 921,037,825	\$ -	\$ -	\$ -	\$ 4,855	\$ (3,221,963)	\$ -	\$ (3,217,108)	\$ 917,820,717
3	Construction Work in Progress	-	-	-	-	-	-	-	-	-
4	Subtotal Utility Plant	\$ 921,037,825	\$ -	\$ -	\$ -	\$ 4,855	\$ (3,221,963)	\$ -	\$ (3,217,108)	\$ 917,820,717
5										
6	<b>Less:</b>									
7	Accumulated Depreciation	271,868,215	-	-	-	104,275	(3,221,963)	-	(3,117,688)	268,750,526
8										
9	Net Utility Plant in Service	\$ 649,169,611	\$ -	\$ -	\$ -	\$ (99,420)	\$ -	\$ -	\$ (99,420)	\$ 649,070,191
10										
11	<b>Less:</b>									
12	Advances in Aid of Construction	\$ 137,214,872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 583,246	\$ 583,246	\$ 137,798,117
13										
14										
15	Contribution in Aid of Construction - Net of Amortization	133,061,640	-	-	-	-	-	-	-	133,061,640
16										
17										
18	Customer Meter Deposits	97,315	-	-	-	-	-	-	-	97,315
19	Deferred Income Taxes & Credits	25,015,492	-	(24,478)	(10,284,747)	-	-	-	(10,309,224)	14,706,267
20	Investment Tax Credits	-	-	-	-	-	-	-	-	-
21	Regulatory Liabilities	4,107,440	-	-	10,284,747	(311,056)	-	-	9,973,690	14,081,130
22										
23	<b>Plus:</b>									
24	Deferred Debits	\$ 19,214,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,214,039
25	Working Capital Allowance	1,526,237	432,906	-	-	-	-	-	432,906	1,959,143
26	Utility Plant Acquisition Adjustment	1,369,030	-	-	-	-	-	-	-	1,369,030
27										
28	Total Rate Base	\$ 371,782,159	\$ 432,906	\$ 24,478	\$ -	\$ 311,056	\$ (99,420)	\$ -	\$ (583,246)	\$ 371,867,933
29										
30										
31	Supporting Schedules:	Recap Schedules:								
32	(a) B-3 Rebuttal	B-1 Rebuttal								
33										
34										
35	\2016 EPCOR Arizona Water Rebuttal.xlsx									

Line  
No.

1 Partially Accept Staff RB Adj #3 & RUCO RB Adj #7: Working Capital Allowance

2  
3 The Company partially accepts Staff's RB Adj #3 and RUCO RB Adj #7. The Company accepts Staff's recommendation to increase the expense lag days for  
4 interest expense to 92 days from the original 74.5 days proposed in the original application. The Company is also removing rate case expense from the  
5 prepayment as recommended by Staff. The amount of Working Capital is a conforming adjustment and based on other adjustments made in Rebuttal.

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8 See Schedule B 5 Rebuttal

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44 Workpapers and Supporting Documents

45 2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46 2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47 2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48	2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm

49  
50 \2016 EPCOR Arizona Water Rebuttal.xlsm

Line  
 No.

Adjust 2016 ADIT

The Company is adjusting its ADIT balance to reflect the updated 2016 balance per DR RUCO 3.07

	[A]	[B]	[C] = [A] - [B]
	Deferred Income Tax per GL Allocated <u>Adjusted End of TY</u>	Updated 2016 ADIT Amount	Increase/Decrease to ADIT
15	\$ (8,238,066)	\$ (8,230,005)	(8,061)
16	(1,684,167)	(1,682,519)	(1,648)
17	(2,572,646)	(2,570,129)	(2,517)
18	(331,536)	(331,212)	(324)
19	(3,020,455)	(3,017,500)	(2,956)
20	(379,623)	(379,252)	(371)
21	(924,357)	(923,452)	(904)
22	(4,578,769)	(4,574,289)	(4,480)
23	(2,889,155)	(2,886,328)	(2,827)
24	(114,582)	(114,470)	(112)
25	(282,135)	(281,858)	<u>(276)</u>
			\$ (24,478) Sum Lines [15 - 25]

Increase/ (Decrease) to ADIT \$ (24,478) Line [27]

44	Workpapers and Supporting Documents		
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm
49			
50	\2016 EPCOR Arizona Water Rebuttal.xlsm		

Line  
 No.

1 Partially Accept Staff RB Adj #4: ADIT - Tax Reform Adj  
 2  
 3

4 The Company is partially accepting Staff's RB Adj #4 to ADIT. The Company is adjusting its Deferred Income Tax Balance to reflect the impact of the  
 5 Tax Cuts and Jobs Act of 2017. The adjustment records the updated ADIT balance and also creates a Regulatory Liability for this impact.  
 6  
 7  
 8

	[A]	[B]	[C] = [A] - [B]
	Updated 2016 <u>ADIT Amount</u>	Updated 2016 ADIT adjusted for <u>Lower Tax Rate</u>	Increase/Decrease <u>to ADIT</u>
15	(8,230,005)	(4,843,047)	(3,386,958)
16	(1,682,519)	(990,099)	(692,420)
17	(2,570,129)	(1,512,424)	(1,057,705)
18	(331,212)	(194,906)	(136,306)
19	(3,017,500)	(1,775,684)	(1,241,815)
20	(379,252)	(223,175)	(156,076)
21	(923,452)	(543,417)	(380,036)
22	(4,574,289)	(2,691,796)	(1,882,493)
23	(2,886,328)	(1,698,495)	(1,187,833)
24	(114,470)	(67,361)	(47,109)
25	(281,858)	(165,863)	<u>(115,995)</u>
26			
27			\$ (10,284,747) Sum Lines [15 - 25]
28			
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33	Increase/ (Decrease) to ADIT		\$ (10,284,747) Line [27]
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35			
36	Increase/ (Decrease) to Regulatory Liabilities		<u>\$ 10,284,747</u> Line [33] * -1
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43			
44	Workpapers and Supporting Documents		
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm
49			
50	\\2016 EPCOR Arizona Water Rebuttal.xlsm		

Line  
 No.

Regulatory Liability - ADIT Amortization - Tax Reform Adj

The Company is adjusting its Deferred Income Tax Balance to reflect the impact of the Tax Cuts and Jobs Act of 2017. The Company has created a Regulatory Liability for this impact as reflected in rate base proforma adjustment SLH-RB3-REB. This adjustment records the annual amortization of that Regulatory Liability.

	[A]	[B]	[C] = [A] * [B]
	<u>Regulatory Liability</u>	<u>Amortization Rate</u>	<u>Annual Amortization</u>
15	Agua Fria Water	3,386,958	2.7435%
16	Anthem Water	692,420	3.0558%
17	Chaparral City Water	1,057,705	2.7818%
18	Havasu Water	136,306	2.6221%
19	Mohave Water	1,241,815	2.6684%
20	North Mohave Water	156,076	2.9505%
21	Paradise Valley Water	380,036	2.7247%
22	Sun City Water	1,882,493	3.8214%
23	Sun City West Water	1,187,833	3.2052%
24	Tubac Water	47,109	3.0771%
25	Willow Valley Water	115,995	3.8132%
			\$ (311,056) Sum Lines [15 - 25]
33	Increase/ (Decrease) to Regulatory Liabilities		<u>\$ (311,056) Line [27]</u>

44	Workpapers and Supporting Documents		
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm
49			
50	\2016 EPCOR Arizona Water Rebuttal.xlsm		

Line  
 No.

1 Partially Accept Staff RB ADJ 1a and 1b: Adjust 2017 Post Test Year Plant Additions

2  
 3 The Company is adjusting its 2017 Post Test Year Plant additions and accumulated depreciation. This includes PTYP for the district, Corporate 7A  
 4 and 6U.  
 5  
 6

	[A]	[B]	
	Increase/Decrease Plant in <u>Service</u>	Increase/Decrease Accumulated <u>Depreciation</u>	
15 Agua Fria Water	\$ 909,888	\$ 20,775	
16 Anthem Water	278,916	42,286	
17 Chaparral City Water	799,957	41,837	
18 Havasu Water	(120,374)	10,205	
19 Mohave Water	(266,357)	(3,746)	
20 North Mohave Water	258,501	9,315	
21 Paradise Valley Water	227,671	14,658	
22 Sun City Water	(1,801,777)	(28,839)	
23 Sun City West Water	(383,209)	(3,568)	
24 Tubac Water	(86,646)	(641)	
25 Willow Valley Water	<u>188,284</u>	<u>1,992</u>	
26			
27 Increase / (Decrease) to Plant in Service	<u>\$ 4,855</u>		Sum Lines [15 - 25]
28			
29			
30			
31 Increase / (Decrease) to Accumulated Depreciation		<u>\$ 104,275</u>	Sum Lines [15 - 25]
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44 Workpapers and Supporting Documents			
45 2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm	
46 2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm	
47 2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm	
48	2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm	
49			
50 \2016 EPCOR Arizona Water Rebuttal.xlsm			



Line  
 No.

Adjust Retirements on Test Year Plant

The Company is adjusting the Retirements on Test Year Plant.

	[A]	[B]	
	Increase/Decrease Plant in Service	Increase/Decrease Accumulated Depreciation	
15	\$ (536,335)	\$ (536,335)	
16	(823,089)	(823,089)	
17	(355,670)	(355,670)	
18	(86,605)	(86,605)	
19	(273,903)	(273,903)	
20	(468,365)	(468,365)	
21	(174,723)	(174,723)	
22	(280,454)	(280,454)	
23	(160,280)	(160,280)	
24	(10,960)	(10,960)	
25	(51,578)	(51,578)	
27	<u>\$ (3,221,963)</u>		Sum Lines [15 - 25]
31		<u>\$ (3,221,963)</u>	Sum Lines [15 - 25]

44	Workpapers and Supporting Documents		
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm
49			
50	\2016 EPCOR Arizona Water Rebuttal.xlsm		

Line  
 No.

1 Partially Accept RUCO RB Adj #4: AIAC Refunds

3 The Company is partially accepting RUCO RB Adj #4 to AIAC. This adjustment has 2 parts. 1) The Company is partially accepting RUCO RB Adj #4 by  
 4 removing the amount of 2018 AIAC Refunds forecasted as proposed in Rate Base ADJ SMC-RB6 in the Company's original application. 2) The  
 5 Company is adjusting the amount of 2017 AIAC Refunds forecasted with the Actual 2017 AIAC Refunds.

	[A]	[B]	[C]	[D]	[DC] = ([A] - [B]) + (([C] - [D])
	2018 AIAC Forecast		2017 AIAC Forecast		
	Revised	Original	Revised	Original	Rebuttal
	<u>Amounts</u>	<u>Application</u>	<u>Amounts</u>	<u>Application</u>	<u>Adjustment</u>
15	\$ -	\$ (958,984)	\$(1,595,949)	\$ (958,984)	\$ 322,020
16	-	(207,728)	(174,849)	(207,728)	240,608
17	-	-	-	-	-
18	-	(5,693)	(4,791)	(5,693)	6,595
19	-	(2,802)	(2,535)	(2,802)	3,070
20	-	(1,959)	-	(1,959)	3,918
21	-	(16,192)	(22,800)	(16,192)	9,584
22	-	(13,512)	(38,296)	(13,512)	(11,273)
23	-	(6,167)	(3,810)	(6,167)	8,525
24	-	(100)	-	(100)	200
25	-	-	-	-	-
27					\$ 583,246
					Sum Lines [15 - 25]
32		Increase/ (Decrease) to AIAC			<u>583,246</u>
					Line [27]

44	Workpapers and Supporting Documents		
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm
49			
50	\2016 EPCOR Arizona Water Rebuttal.xlsm		

<u>Sch B-3 Original</u>							
<u>Column [Z]</u>	Page 3	Page 4	Page 5	Page 6	Page 7	Page 8	
[A]	[B]	[C]	[D]	[E]	[F]	[G]	
	ADJ SLH-RCN1 REB	ADJ SLH-RCN2 REB	ADJ SLH-RCN3 REB	ADJ SLH-RCN4 REB	ADJ SLH-RCN5 REB	ADJ SLH-RCN6 REB	

<u>Adjusted at End of</u>	<u>RCN - Working Capital</u>	<u>RCN - ADIT</u>	<u>Intentionally Left</u>	<u>RCN - Regulatory</u>	<u>RCN - 2017 Post</u>	<u>RCN - Retirements</u>
<u>Test Year (a)</u>	<u>Allowance</u>		<u>Blank</u>	<u>Liability - ADIT</u>	<u>Test Year Plant</u>	
					<u>Additions</u>	

Line No.							
1							
2	Gross Utility Plant in Service	\$ 1,528,129,376	\$ -	\$ -	\$ -	\$ -	\$ 4,855
3	Construction Work in Progress	-	-	-	-	-	-
4	Subtotal Utility Plant	\$ 1,528,129,376	-	-	-	-	4,854.94
5							
6	<b>Less:</b>						
7	Accumulated Depreciation	594,649,226	-	-	-	-	104,275
8							
9	Net Utility Plant in Service	\$ 933,480,150	\$ -	\$ -	\$ -	\$ -	\$ (99,420)
10							
11	<b>Less:</b>						
12	Advances in Aid of Construction	\$ 191,505,208	\$ -	\$ -	\$ -	\$ -	\$ -
13							
14							
15	Contribution in Aid of Construction -	188,770,880	-	-	-	-	-
16	Net of Amortization						
17							
18	Customer Meter Deposits	139,657	-	-	-	-	-
19	Deferred Income Taxes & Credits	36,161,159	-	(14,943,606)	-	-	-
20	Investment Tax Credits	-	-	-	-	-	-
21	Regulatory Liabilities	5,793,439	-	-	-	14,397,795	-
22							
23	<b>Plus:</b>						
24	Deferred Debits	\$ 27,385,023	\$ -	\$ -	\$ -	\$ -	\$ -
25	Working Capital Allowance	1,526,237	432,906	-	-	-	-
26	Utility Plant Acquisition Adjustment	1,712,916	-	-	-	-	-
27							
28	Total Rate Base	\$ 541,733,983	\$ 432,906	\$ 14,943,606	\$ -	\$ (14,397,795)	\$ (99,420)
29							
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32	Supporting Schedules						
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34							
35	Recap Schedules:						
	B-1 Rebuttal						
	\2016 EPCOR Arizona Water Rebuttal.xlsm						

	Page 9 [H] ADJ SLH-RCN7 REB	Page 10 [I] ADJ SLH-RCN8 REB	Page 11 [J] ADJ SLH-RCN9 REB	Page 12 [K] ADJ SLH-RCN10 REB	[L] Sum [B - K]	[M] Sum [A] + [L]
	<u>RCN - Advances-in-Aid of Construction (AIAC) and Contributions-in- Aid of Construction (CIAC)</u>	<u>RCN - Customer Meter Deposits</u>	<u>RCN - Water System Acquisitions</u>	<u>RCN - Deferred Debits</u>	<u>Total Adjustment Amount</u>	<u>Adjusted at End of Test Year</u>
1						
2	\$ -	\$ -	\$ -	\$ -	\$ (7,828,856)	\$ 1,520,300,520
3	-	-	-	-	-	-
4	-	-	-	-	\$ (7,828,856)	\$ 1,520,300,520
5						
6	<b>Less:</b>					
7	-	-	-	-	(5,451,129)	589,198,097
8						
9	\$ -	\$ -	\$ -	\$ -	\$ (2,377,727)	\$ 931,102,423
10						
11	<b>Less:</b>					
12	\$ 364,828	\$ -	\$ -	\$ -	\$ 364,828	\$ 191,870,035
13						
14						
15	(435,100)	-	-	-	(435,100)	188,335,780
16						
17						
18	-	(398)	-	-	(398)	139,259
19	-	-	-	-	(14,943,606)	21,217,553
20	-	-	-	-	-	-
21	-	-	-	-	14,397,795	20,191,234
22						
23	<b>Plus:</b>					
24	\$ -	\$ -	\$ -	\$ (68,637)	\$ (68,637)	\$ 27,316,385
25	-	-	-	-	432,906	1,959,143
26	-	-	(72,312)	-	(72,312)	1,640,604
27						
28	<u>\$ 70,272</u>	<u>\$ 398</u>	<u>\$ (72,312)</u>	<u>\$ (68,637)</u>	<u>\$ (1,469,289)</u>	<u>\$ 540,264,694</u>
29						
30						
31						
32	Supporting Schedules					
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34						
35	\2016 EPCOR Arizona Water Rebutta					

Line

No.

1 RCN - Working Capital Allowance  
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 3 Per Schedule B-5 Rebuttal  
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 8 Increase/(Decrease) to Rate Base

\$ 432,906

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 44 Workpapers and Supporting Documents  
 45 2016 Agua Fria Water REBUTTAL.xlsm  
 46 2016 Anthem Water REBUTTAL.xlsm  
 47 2016 Chaparral City Water REBUTTAL.xlsm  
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 50 \2016 EPCOR Arizona Water Rebuttal.xlsm

2016 Havasu Water REBUTTAL.xlsm  
 2016 Mohave Water REBUTTAL.xlsm  
 2016 North Mohave Water REBUTTAL.xlsm  
 2016 Paradise Valley Water REBUTTAL.xlsm

2016 Sun City Water REBUTTAL.xlsm  
 2016 Sun City West Water REBUTTAL.xlsm  
 2016 Tubac Water REBUTTAL.xlsm  
 2016 Willow Valley Water REBUTTAL.xlsm

Line No.	[A]	[B]	[C] = [A] - [B]
	RCN Rebuttal	RCN Direct	Increase / (Decrease) to
	<u>ADIT</u>	<u>ADIT</u>	<u>Deferred Income Tax</u>
1			
2			
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4			
5			
6			
7			
8	\$ 6,680,667	\$ 11,383,040	\$ (4,702,373)
9	1,550,999	2,659,096	(1,108,097)
10	2,392,535	4,104,583	(1,712,048)
11	280,514	476,619	(196,105)
12	2,594,157	4,412,693	(1,818,537)
13	259,079	462,056	(202,978)
14	799,280	1,363,490	(564,209)
15	3,641,882	6,166,222	(2,524,340)
16	2,682,449	4,553,693	(1,871,243)
17	99,512	168,414	(68,902)
18	236,478	411,252	(174,774)
19	<u>\$ 21,217,553</u>	<u>\$ 36,161,159</u>	<u>\$ (14,943,606)</u> Sum Lines [8 - 18]
20			
21			
22			
23			
24	Increase / (Decrease) to Deferred Income Taxes		<u>\$ (14,943,606)</u>
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26			
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43			
44	Workpapers and Supporting Documents		
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm
49			
50	\2016 EPCOR Arizona Water Rebuttal.xlsm		

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44 Workpapers and Supporting Documents

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50 \2016 EPCOR Arizona Water Rebuttal.xlsm

Line No.	[A]	[B]	[C] = [A] - [B] Increase / (Decrease) to	
	RCN Rebuttal <u>Reg Liab - ADIT</u>	RCN Direct <u>Reg Liab - ADIT</u>	(Decrease) to <u>Regulatory Liabilities</u>	
1	<u>RCN - Regulatory Liability - ADIT</u>			
2				
3				
4				
5				
6				
7				
8	\$ 4,543,910	\$ -	\$ 4,543,910	
9	1,051,536	-	1,051,536	
10	1,967,301	343,558	1,623,743	
11	191,032	-	191,032	
12	2,753,028	987,231	1,765,797	
13	175,839	-	175,839	
14	1,943,314	1,403,594	539,720	
15	5,414,443	2,951,130	2,463,313	
16	1,815,829	-	1,815,829	
17	175,928	107,926	68,001	
18	159,073	-	159,073	
19	\$ 20,191,234	\$ 5,793,439	\$ 14,397,795	Sum Lines [8 - 18]
20				
21				
22				
23				
24	Increase / (Decrease) to Regulatory Liabilities			<u>\$ 14,397,795</u>
25				
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44				
45	Workpapers and Supporting Documents			
46	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm	
47	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm	
48	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm	
49		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm	
50	\2016 EPCOR Arizona Water Rebuttal.xlsm			



Line				
<u>No.</u>				
1	<u>RCN - 2017 Post Test Year Plant Additions</u>			
2				
3				
4	<u>RCN Plant</u>	[A]	[B]	[C] = [A] - [B]
5				Increase /
6		RCN Rebuttal	RCN Direct	(Decrease)
7		<u>Plant</u>	<u>Plant</u>	<u>To Plant</u>
8	Agua Fria Water	\$ 30,435,558	\$ 29,525,671	\$ 909,888
9	Anthem Water	2,976,070	2,697,154	278,916
10	Chaparral City Water	5,386,738	4,586,781	799,957
11	Havasus Water	959,800	1,080,174	(120,374)
12	Mohave Water	3,890,445	4,156,802	(266,357)
13	North Mohave Water	1,015,937	757,435	258,501
14	Paradise Valley Water	2,760,678	2,533,007	227,671
15	Sun City Water	9,241,191	11,042,968	(1,801,777)
16	Sun City West Water	2,041,853	2,425,061	(383,209)
17	Tubac Water	256,352	342,998	(86,646)
18	Willow Valley Water	485,826	297,541	188,284
19		<u>\$ 59,450,447</u>	<u>\$ 59,445,592</u>	<u>\$ 4,855</u>
20				
21	Increase / (Decrease) to Plant			<u>\$ 4,855</u>
22				
23				
24	<u>RCN Accumulated Depreciation</u>	[A]	[B]	[C] = [A] - [B]
25				Increase /
26		RCN Rebuttal	RCN Direct	(Decrease)
27		<u>Acc Dep</u>	<u>Acc Dep</u>	<u>To Acc Dep</u>
28	Agua Fria Water	\$ 947,515	\$ 926,739	\$ 20,775
29	Anthem Water	121,351	79,065	42,286
30	Chaparral City Water	179,766	137,928	41,837
31	Havasus Water	30,272	20,067	10,205
32	Mohave Water	83,771	87,516	(3,746)
33	North Mohave Water	27,824	18,509	9,315
34	Paradise Valley Water	69,504	54,845	14,658
35	Sun City Water	208,040	236,879	(28,839)
36	Sun City West Water	77,197	80,765	(3,568)
37	Tubac Water	5,411	6,052	(641)
38	Willow Valley Water	8,050	6,058	1,992
39		<u>\$ 1,758,700</u>	<u>\$ 1,654,425</u>	<u>\$ 104,275</u>
40				
41	Increase / (Decrease) to Accumulated Depreciation			<u>\$ 104,275</u>
42				
43				
44	Workpapers and Supporting Documents			
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm	
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm	
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm	
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm	
49				
50	\2016 EPCOR Arizona Water Rebuttal.xlsm			

Line				
<u>No.</u>				
1	<u>RCN - Retirements</u>			
2		[A]	[B]	[C] = [A] - [B]
3				Increase /
4		RCN Rebuttal	RCN Direct	(Decrease)
5		<u>Plant - Retirements</u>	<u>Plant - Retirements</u>	<u>To Plant</u>
6	Agua Fria Water	\$ (1,559,315)	\$ (429,174)	\$ (1,130,141)
7	Anthem Water	(1,485,814)	(7,988)	(1,477,827)
8	Chaparral City Water	(2,392,288)	(1,387,138)	(1,005,150)
9	Havasu Water	(638,072)	(501,821)	(136,251)
10	Mohave Water	(1,167,997)	(188,355)	(979,642)
11	North Mohave Water	(685,125)	(100,416)	(584,709)
12	Paradise Valley Water	(514,758)	(100,412)	(414,346)
13	Sun City Water	(1,934,537)	(329,292)	(1,605,245)
14	Sun City West Water	(563,720)	(161,995)	(401,724)
15	Tubac Water	(14,592)	-	(14,592)
16	Willow Valley Water	(89,599)	(5,518)	(84,081)
17		\$ (11,045,819)	\$ (3,212,108)	\$ (7,833,711)
18				
19	Increase / (Decrease) to Plant			<u>\$ (7,833,711)</u>
20				
21				
22	<u>RCN-Retirements Accumulated Depreciation</u>	[A]	[B]	[C] = [A] - [B]
23				Increase /
24		RCN Rebuttal	RCN Direct	(Decrease)
25		<u>Retirements Acc Dep</u>	<u>Retirements Acc Dep</u>	<u>To Retirements Acc Dep</u>
26	Agua Fria Water	\$ (1,090,553)	\$ (326,447)	\$ (764,105)
27	Anthem Water	(789,538)	(6,048)	(783,490)
28	Chaparral City Water	(1,986,104)	(1,235,941)	(750,163)
29	Havasu Water	(402,083)	(308,168)	(93,915)
30	Mohave Water	(980,695)	(122,222)	(858,473)
31	North Mohave Water	(192,149)	(27,184)	(164,964)
32	Paradise Valley Water	(389,194)	(86,210)	(302,984)
33	Sun City Water	(1,766,051)	(308,942)	(1,457,109)
34	Sun City West Water	(331,986)	(28,797)	(303,189)
35	Tubac Water	(6,249)	-	(6,249)
36	Willow Valley Water	(70,778)	(17)	(70,761)
37		\$ (8,005,379)	\$ (2,449,975)	\$ (5,555,404)
38				
39	Increase / (Decrease) to Accumulated Depreciation			<u>\$ (5,555,404)</u>
40				
41				
42				
43				
44	Workpapers and Supporting Documents			
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm	
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm	
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm	
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm	
49				
50	\2016 EPCOR Arizona Water Rebuttal.xlsm			

Line				
<u>No.</u>				
1	<u>RCN - Advances-in-Aid of Construction (AIAC) and Contributions-in-Aid of Construction (CIAC)</u>			
2				
3				
4	<u>RCN Advances-in-Aid of Construction (AIAC)</u>			
5		[A]	[B]	[C] = [A] - [B]
6				Increase /
7		RCN Rebuttal	RCN Direct	(Decrease)
8		<u>AIAC</u>	<u>AIAC</u>	<u>To AIAC</u>
9	Agua Fria Water	\$ 145,425,479	\$ 145,225,801	\$ 199,678
10	Anthem Water	10,097,302	9,797,146	300,156
11	Chaparral City Water	4,344,353	4,381,565	(37,212)
12	Havasu Water	990,395	979,796	10,598
13	Mohave Water	7,769,536	7,765,068	4,468
14	North Mohave Water	3,981,385	4,169,598	(188,214)
15	Paradise Valley Water	2,304,294	2,296,778	7,515
16	Sun City Water	13,138,447	13,092,861	45,586
17	Sun City West Water	2,714,048	2,695,153	18,895
18	Tubac Water	1,012,523	1,007,101	5,422
19	Willow Valley Water	92,276	94,341	(2,065)
20		<u>\$ 191,870,036</u>	<u>\$ 191,505,208</u>	<u>\$ 364,828</u>
21				
22	Increase / (Decrease) to AIAC			<u>\$ 364,828</u>
23				
24	<u>RCN Contributions-in-Aid of Construction (CIAC)</u>			
25				
26		[A]	[B]	[C] = [A] - [B]
27				Increase /
28		RCN Rebuttal	RCN Direct	(Decrease)
29		<u>CIAC</u>	<u>CIAC</u>	<u>To CIAC</u>
30	Agua Fria Water	\$ 104,361,592	\$ 104,537,610	\$ (176,018)
31	Anthem Water	13,389,877	13,495,612	(105,735)
32	Chaparral City Water	18,951,462	19,113,795	(162,333)
33	Havasu Water	4,057,261	4,052,681	4,579
34	Mohave Water	4,350,028	4,350,037	(9)
35	North Mohave Water	1,647,956	1,727,834	(79,878)
36	Paradise Valley Water	12,257,035	12,292,255	(35,220)
37	Sun City Water	24,281,901	24,169,595	112,306
38	Sun City West Water	973,551	971,593	1,958
39	Tubac Water	3,506,116	3,488,358	17,758
40	Willow Valley Water	559,000	571,509	(12,508)
41		<u>\$ 188,335,780</u>	<u>\$ 188,770,880</u>	<u>\$ (435,100)</u>
42				
43	Increase / (Decrease) to CIAC			<u>\$ (435,100)</u>
44				
45	Workpapers and Supporting Documents	2016 Havasu Water REBUTTAL.xlsm		2016 Sun City Water REBUTTAL.xlsm
46	2016 Agua Fria Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm		2016 Sun City West Water REBUTTAL.xlsm
47	2016 Anthem Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm		2016 Tubac Water REBUTTAL.xlsm
48	2016 Chaparral City Water REBUTTAL.xlsm	2016 Paradise Valley Water REBUTTAL.xlsm		2016 Willow Valley Water REBUTTAL.xlsm
49				
50	\2016 EPCOR Arizona Water Rebuttal.xlsm			

Line				
<u>No.</u>				
1	<u>RCN - Customer Meter Deposits</u>			
2				
3				
4		[A]	[B]	[C] = [A] - [B]
5				Increase /
6		RCN Rebuttal	RCN Direct	(Decrease) to
7		<u>Customer Meter Deposits</u>	<u>Customer Meter Deposits</u>	<u>Customer Meter Deposits</u>
8	Agua Fria Water	\$ 57,819	\$ 57,917	\$ (98)
9	Anthem Water	10,182	10,263	(80)
10	Chaparral City Water	19,458	19,624	(167)
11	Havasu Water	1,151	1,150	1
12	Mohave Water	6,720	6,720	(0)
13	North Mohave Water	1,625	1,704	(79)
14	Paradise Valley Water	22,504	22,569	(65)
15	Sun City Water	18,535	18,450	86
16	Sun City West Water	1,263	1,261	3
17	Tubac Water	-	-	-
18	Willow Valley Water	-	-	-
19		<u>\$ 139,259</u>	<u>\$ 139,657</u>	<u>\$ (398)</u> Sum Lines [8 - 18]
20				
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23				
24	Increase / (Decrease) to Customer Meter Deposits			<u>\$ (398)</u>
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44	Workpapers and Supporting Documents			
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm	
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm	
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm	
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm	
49				
50	\\2016 EPCOR Arizona Water Rebuttal.xlsm			

Line No.	[A]	[B]	[C] = [A] - [B] Increase / (Decrease) to
	<u>RCN Rebuttal Plant Acquisitions</u>	<u>RCN Direct Plant Acquisitions</u>	<u>Plant Acquisitions</u>
1	<u>RCN - Water System Acquisitions</u>		
2			
3			
4			
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8	\$ -	\$ -	\$ -
9	-	-	-
10	-	-	-
11	-	-	-
12	-	-	-
13	1,364,300	1,430,429	(66,129)
14	-	-	-
15	-	-	-
16	-	-	-
17	-	-	-
18	<u>276,303</u>	<u>282,486</u>	<u>(6,183)</u>
19	\$ 1,640,603	\$ 1,712,915	\$ (72,312) Sum Lines [8 - 18]
20			
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23			
24	Increase / (Decrease) to Plant Acquisitions		<u>\$ (72,312)</u>
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44	Workpapers and Supporting Documents		
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm
49			
50	\2016 EPCOR Arizona Water Rebuttal.xlsm		

Line No.	[A]	[B]	[C] = [A] - [B] Increase / (Decrease) to
1	<u>RCN - Deferred Debits</u>		
2			
3			
4			
5			
6	RCN Rebuttal	RCN Direct	(Decrease) to
7	<u>Deferred Debits</u>	<u>Deferred Debits</u>	<u>Deferred Debits</u>
8	Agua Fria Water	\$ 17,488,272	\$ (29,496)
9	Anthem Water	5,227,751	(41,282)
10	Chaparral City Water	103,860	(890)
11	Havasu Water	70,969	80
12	Mohave Water	445,583	(1)
13	North Mohave Water	(0)	(0)
14	Paradise Valley Water	1,898,769	(5,456)
15	Sun City Water	1,603,782	7,418
16	Sun City West Water	468,060	941
17	Tubac Water	9,341	47
18	Willow Valley Water	(0)	(0)
19	\$ 27,316,386	\$ 27,385,024	\$ (68,637) Sum Lines [8 - 18]
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24	Increase / (Decrease) to Deferred Debits		\$ (68,637)
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43			
44	Workpapers and Supporting Documents		
45	2016 Agua Fria Water REBUTTAL.xlsm	2016 Havasu Water REBUTTAL.xlsm	2016 Sun City Water REBUTTAL.xlsm
46	2016 Anthem Water REBUTTAL.xlsm	2016 Mohave Water REBUTTAL.xlsm	2016 Sun City West Water REBUTTAL.xlsm
47	2016 Chaparral City Water REBUTTAL.xlsm	2016 North Mohave Water REBUTTAL.xlsm	2016 Tubac Water REBUTTAL.xlsm
48		2016 Paradise Valley Water REBUTTAL.xlsm	2016 Willow Valley Water REBUTTAL.xlsm
49			
50	\2016 EPCOR Arizona Water Rebuttal.xlsm		

Line			
<u>No.</u>			
1			
2	Cash Working Capital Requirement	(a) \$	(1,363,944)
3	Required Bank Balances <sup>1</sup>		-
4	Material and Supplies Inventories <sup>1</sup>		1,523,881
5	Prepayments <sup>1</sup>		1,799,205
6			
7	Total Working Capital Allowance	Sum Lines [2-5] \$	1,959,143
8			
9	Less Company amount in Original Filing		1,526,237
10			
11	Increase/(Decrease) to Rate Base	Line [7] - Line [9] \$	<u>432,906</u>
12			
13			
14			
15			
16			
17	<sup>1</sup> Calculated using thirteen-month averages.		

18					
19		[A]	[B]	[C]	[D] = [A] + [B] + [C]
20		Cash Working	Materials and		
21		<u>Capital Requiremen</u>	<u>Supplies Inventories</u>	<u>Prepayments</u>	<u>Total</u>
22	Agua Fria Water	\$ (628,408)	\$ 27,603	\$ 1,043,119	\$ 442,315
23	Anthem Water	\$ (214,823)	\$ 157,757	\$ 38,391	\$ (18,675)
24	Chaparral City Water	\$ 58,447	\$ 276,927	\$ 344,326	\$ 679,699
25	Havasu Water	\$ (27,880)	\$ 562	\$ 15,841	\$ (11,476)
26	Mohave Water	\$ (80,889)	\$ 345,084	\$ 66,682	\$ 330,877
27	North Mohave Water	\$ (23,060)	\$ 581	\$ 7,664	\$ (14,814)
28	Paradise Valley Water	\$ (136,536)	\$ 138,115	\$ 23,186	\$ 24,765
29	Sun City Water	\$ (131,218)	\$ 569,363	\$ 95,366	\$ 533,511
30	Sun City West Water	\$ (166,666)	\$ 7,696	\$ 142,708	\$ (16,261)
31	Tubac Water	\$ (5,165)	\$ (18)	\$ 16,224	\$ 11,041
32	Willow Valley Water	\$ (7,746)	\$ 211	\$ 5,696	\$ (1,839)
33	Sum Lines [22-32]	\$ (1,363,944)	\$ 1,523,881	\$ 1,799,205	\$ 1,959,143
34					
35					
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42					

43	Supporting Schedules:	Recap Schedules:
44	(a) B-6 Rebuttal	B-1 Rebuttal
45		
46	Workpapers & Supporting Documents	
47	\ AZ 13mo TY Balance 12.31.2016.xlsx	
48	\ Lead-Lag Workpapers	
49		
50	\ 2016 EPCOR Arizona Water Rebuttal.xlsm	