

Chaparral City Water

B Schedules

Rebuttal

Line No.	Original Cost Rate Base (a) [A]	RCND Rate Base (b) [B]	
1			
2	\$ 84,168,766	\$ 154,660,999	
3	-	-	
4	<u>\$ 84,168,766</u>	<u>\$ 154,660,999</u>	Line [2] + Line [3]
5			
6	Less:		
7	<u>32,035,111</u>	<u>72,189,678</u>	
8			
9	\$ 52,133,654	\$ 82,471,320	Line [4] - Line [7]
10			
11	Less:		
12	Advances in Aid of Construction		
13	\$ 2,746,251	\$ 4,344,353	
14			
15	11,980,031	18,951,462	
16	Contribution in Aid of Construction - Net of Amortization		
17			
18	12,300	19,458	
19	1,512,424	2,392,535	
20	-	-	
21	1,243,615	1,967,301	
22			
23	Plus:		
24	65,654	103,860	
25	(c) 679,699	679,699	
26	0	0	
27			
28	<u>\$ 35,384,387</u>	<u>\$ 55,579,772</u>	Line [8] - Lines [13-21] + Line [24-26]
29			
30			
31		\$ 45,482,080	(Sum[A] Line [28] + [B] Line [28]) 2
32		\$ 10,097,692	[B] Line [31] - [A] Line [28]
33		1.5707	[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 Chaparral City Water Rebuttal.xlsm		

<u>Sch B-2 Original</u>										
<u>Column [AA]</u>										
[A]	Page 2	Page 3	Page 4	Page 5	Page 6	Page 7	Page 8	[I]	[J]	
	[B]	[C]	[D]	[E]	[F]	[G]	[H]			
	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 & 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>	

Line No.											
1											
2	Gross Utility Plant in Service	\$ 83,724,479	\$ -	\$ -	\$ -	\$ -	\$ 799,957	\$ (355,670)	\$ -	\$ 444,287	\$ 84,168,766
3	Construction Work in Progress	-	-	-	-	-	-	-	-	-	-
4	Subtotal Utility Plant	\$ 83,724,479	\$ -	\$ -	\$ -	\$ -	\$ 799,957	\$ (355,670)	\$ -	\$ 444,287	\$ 84,168,766
5											
6	Less:										
7	Accumulated Depreciation	32,348,944	-	-	-	-	41,837	(355,670)	-	(313,833)	32,035,111
8											
9	Net Utility Plant in Service	\$ 51,375,534	\$ -	\$ -	\$ -	\$ -	\$ 758,120	\$ -	\$ -	\$ 758,120	\$ 52,133,654
10											
11	Less:										
12	Advances in Aid of Construction	\$ 2,746,251	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,746,251
13											
14											
15	Contribution in Aid of Construction - Net of Amortization	11,980,031	-	-	-	-	-	-	-	-	11,980,031
16											
17											
18	Customer Meter Deposits	12,300	-	-	-	-	-	-	-	-	12,300
19	Deferred Income Taxes & Credits	2,572,646	-	(2,517)	(1,057,705)	-	-	-	-	(1,060,223)	1,512,424
20	Investment Tax Credits	-	-	-	-	-	-	-	-	-	-
21	Regulatory Liabilities	215,333	-	-	1,057,705	(29,423)	-	-	-	1,028,282	1,243,615
22											
23	Plus:										
24	Deferred Debits	\$ 65,654	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,654
25	Working Capital Allowance	546,872	132,828	-	-	-	-	-	-	132,828	679,699
26	Utility Plant Acquisition Adjustment	0	-	-	-	-	-	-	-	-	0
27											
28	Total Rate Base	\$ 34,461,499	\$ 132,828	\$ 2,517	\$ -	\$ 29,423	\$ 758,120	\$ -	\$ -	\$ 922,888	\$ 35,384,387
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31	Supporting Schedules:	Recap Schedules:									
32	(a) B-3 Rebuttal	B-1 Rebuttal									
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35	\2016 Chaparral City Water Rebuttal.xlsm										

Line

No.

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

2

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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 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 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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46 Workpapers and Supporting Documents

47 Schedule B-5 Rebuttal

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1 Adjust 2016 ADIT

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

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8	4- Factor	General Metered Customers	7.2408%
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11 Deferred Income Tax per GL Allocated Adjusted End of Test Year \$(2,572,646) (a)

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14 Updated 2016 ADIT Amount \$(2,570,129)

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16 \$ (2,517) Line [11] - Line [14]

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26 Increase/ (Decrease) to ADIT \$ (2,517) Line [16]

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44 Workpapers and Supporting Documents

45 (a) Schedule B2 Direct

46 (b) ADIT Adjustment REBUTTAL.xlsx

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Line
No.

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

2

3

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 Tax Cuts and Jobs Act of 2017. The adjustment records the updated ADIT balance and also creates a Regulatory Liability for this impact.

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4- Factor	General Metered Customers	7.2408%
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Updated 2016 ADIT Amount \$(2,570,129)

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Total Deferred Income Tax Balance - EPCOR \$(20,887,593) (b)
 Allocation Factor 7.2408% Line [8]

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ADIT allocated to Chaparral City Water \$(1,512,424) Line [22] * Line [23]

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Increase/ (Decrease) to ADIT due to lower Federal Taxes \$(1,057,705) Line [14] - Line [24]

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Increase/ (Decrease) to Regulatory Liabilities \$ 1,057,705 Line [26] * -1

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Workpapers and Supporting Documents

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(a) Schedule B2 Direct

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(b) ADIT Adjustment REBUTTAL.xlsx

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Line			
<u>No.</u>			
1	<u>Regulatory Liability - ADIT Amortization - Tax Reform Adj</u>		
2			
3	The Company is adjusting its Deferred Income Tax Balance to reflect the impact of the Tax Cuts and Jobs Act of 2017. The		
4	Company has created a Regulatory Liability for this impact as reflected in rate base proforma adjustment SLH-RB3-REB. This		
5	adjustment records the annual amortization of that Regulatory Liability.		
6			
7			
8	Regulatory Liability that resulted from the decrease in the Federal Income Taxes	\$ 1,057,705	(a)
9			
10	Amortization Rate	<u>2.7818%</u>	(b)
11		\$ (29,423)	Line [8] * Line [10]
12	Annual Amortization		
13			
14			
15			
16	Increase/ (Decrease) to Regulatory Liabilities	<u>\$ (29,423)</u>	Line [12]
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44	Workpapers and Supporting Documents		
45	(a) Rate Base Adjustment SLH-RB3 REB		
46	(b) ADIT Adjustment REBUTTAL.xlsx		
47			
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49	\\2016 Chaparral City Water Rebuttal.xlsm		
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Line
No.

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

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

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11 Plant in Service

12 Post Test Year Plant Additions for Chaparral City Water

13 Test Year CWIP To Capitalize

14 Post Test Year CWIP To Capitalize

15

16 7A Corporate Post Test Year Plant Additions Allocated

17 7A Corporate CWIP Completed By December 31, 2016

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19 6U Post Test Year Plant Additions Allocated

20 6U CWIP Completed By December 31, 2016

21

22 Total Post Test Year Plant Additions

23

24 Increase / (Decrease) to Plant in Service

25

26 Accumulated Depreciation

27 Post TY Plant Additions for Chaparral City Water - Accum Dep

28 Additional TY Plant Additions for Chaparral City Water - Accum Dep

29 7A Corporate Post TY Plant Additions Allocated-Accum Dep

30 Additional 7A Corporate TY Plant Additions Allocated-Accum Dep

31 6U Post TY Plant Additions Allocated - Accum Dep

32 Additional 6U TY Plant Additions Allocated-Accum Dep

33 Total Accumulated Depreciation - Post Test Year Plant Additions

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35 Increase / (Decrease) To Accumulated Depreciation

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46 Workpapers and Supporting Documents

47 (a) Summary of Plant Balances and Accum Depr by NARUC Updated for Final 2017 PTYP.xlsx

48 (b) Summary of Plant Balances and Accum Depr by NARUC.xlsx

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	[A] Revised Amounts (a)	[B] Original Application (b)	[C] = [A] - [B] Rebuttal Adjustment	
	\$ 4,693,870	\$ 3,892,840	\$ 801,030	
	503,994	503,994	-	
	40,154	10,499	29,655	
	13,091	13,091	-	
	78,079	108,807	(30,728)	
	57,549	57,549	-	
	<u>\$ 5,386,738</u>	<u>\$ 4,586,781</u>	<u>\$ 799,957</u>	Sum Lines [12 - 20]
			<u>\$ 799,957</u>	Line [22]
	\$ 152,280	\$ 108,170	\$ 44,110	
	11,532	11,532	-	
	1,762	962	800	
	629	629	-	
	7,808	10,881	(3,073)	
	5,755	5,755	-	
	<u>\$ 179,766</u>	<u>\$ 137,928</u>	<u>\$ 41,837</u>	Sum Lines [27 - 32]
			<u>\$ 41,837</u>	Line [33]

Line
No.

1 Adjust Retirements on Test Year Plant

2

3 The Company is adjusting the Retirements on Test Year Plant.

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11 Chaparral City Water District

12 Retirements on Test Year Plant - Impact on Plant in Service

13

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16 7A - Corporate Arizona

17 Allocated Corporate Retirements on Test Year Plant - Impact on Plant in Service

18

19

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21 6U

22 Allocated Corporate Retirements on Test Year Plant - Impact on Plant in Service

23

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27 Increase / (Decrease) To Plant in Service

28 Increase / (Decrease) To Accumulated Depreciation

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45 Workpapers and Supporting Documents

46 (a) Summary of Plant Balances and Accum Depr by NARUC Updated for Final 2017 PTYP.xlsx

47 (b) Summary of Plant Balances and Accum Depr by NARUC.xlsx

48

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	[A]	[B]	[C] = [A] - [B]
	Revised	Original	Rebuttal
	<u>Amounts (a)</u>	<u>Application (b)</u>	<u>Adjustment</u>

	\$ (573,223)	\$ (218,837)	\$ (354,386)
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	\$ (1,284)	\$ -	\$ (1,284)
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	\$ -		\$ -
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\$ (355,670) Line [12]+[17]+[22]

(355,670) Line [27]

\$ - Line [27]-[28]

Line
No.

1 Partially Accept RUCO RB Adj #4: AIAC Refunds

2

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 #4 by removing the amount of 2018 AIAC Refunds forecasted as proposed in Rate Base ADJ SMC-RB6 in the Company's original application. 2)
 5 The Company is adjusting the amount of 2017 AIAC Refunds forecasted with the Actual 2017 AIAC Refunds.

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Amount of 2018 AIAC Refunds forecasted - Remove

[A] Revised <u>Amounts</u>	[B] Original <u>Application (a)</u>	[C] = [A] - [B] Rebuttal <u>Adjustment</u>
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\$	-	\$	-	\$	-
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Amount of 2017 AIAC Refunds forecasted - Update to Actual

\$	-	\$	-	\$	-
----	---	----	---	----	---

\$	-	\$	-	\$	-
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Line [13] + Line [16]

Increase/ (Decrease) to AIAC

		\$	-
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Line [18]

Workpapers and Supporting Documents

(a) Rate Base Adjustment SMC-6

Workpapers and Supporting Documents

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<u>Sch B-3 Orig</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 Test</u>	<u>RCN - Retirements</u>
<u>Test Year (a)</u>	<u>Allowance</u>		<u>Blank</u>	<u>Liability - ADIT</u>	<u>Year Plant Additions</u>	

Line No.											
1											
2	Gross Utility Plant in Service	\$ 154,866,192	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 799,957	\$ (1,005,150)	
3	Construction Work in Progress	-	-	-	-	-	-	-	-	-	
4	Subtotal Utility Plant	\$ 154,866,192	-	-	-	-	-	-	799,957	(1,005,150.20)	
5											
6	Less:										
7	Accumulated Depreciation	72,898,004	-	-	-	-	-	-	41,837	(750,163)	
8											
9	Net Utility Plant in Service	\$ 81,968,187	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 758,120	\$ (254,987)	
10											
11	Less:										
12	Advances in Aid of Construction	\$ 4,381,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
13											
14											
15	Contribution in Aid of Construction -	19,113,795	-	-	-	-	-	-	-	-	
16	Net of Amortization										
17											
18	Customer Meter Deposits	19,624	-	-	-	-	-	-	-	-	
19	Deferred Income Taxes & Credits	4,104,583	-	(1,712,048)	-	-	-	-	-	-	
20	Investment Tax Credits	-	-	-	-	-	-	-	-	-	
21	Regulatory Liabilities	343,558	-	-	-	-	1,623,743	-	-	-	
22											
23	Plus:										
24	Deferred Debits	\$ 104,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
25	Working Capital Allowance	546,872	132,828	-	-	-	-	-	-	-	
26	Utility Plant Acquisition Adjustment	0	-	-	-	-	-	-	-	-	
27											
28	Total Rate Base	\$ 54,656,683	\$ 132,828	\$ 1,712,048	\$ -	\$ -	\$ (1,623,743)	\$ -	\$ 758,120	\$ (254,987)	
29											
30											
31											
32	Supporting Schedules										
33											
34											
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Recap Schedules:
 B-1 Rebuttal

	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>Intentionally Left Blank</u>	<u>RCN - Deferred Debits</u>	<u>Total Adjustment Amount</u>	<u>Adjusted at End of Test Year</u>
1						
2	\$ -	\$ -	\$ -	\$ -	\$ (205,193)	\$ 154,660,999
3	-	-	-	-	-	-
4	-	-	-	-	\$ (205,193)	\$ 154,660,999
5						
6	Less:					
7	Accumulated Depreciation	-	-	-	(708,326)	72,189,678
8						
9	\$ -	\$ -	\$ -	\$ -	\$ 503,133	\$ 82,471,320
10						
11	Less:					
12	Advances in Aid of Construction	\$ (37,212)	\$ -	\$ -	\$ (37,212)	\$ 4,344,353
13						
14						
15	Contribution in Aid of Construction - Net of Amortization	(162,333)	-	-	(162,333)	18,951,462
16						
17						
18	Customer Meter Deposits	-	(167)	-	(167)	19,458
19	Deferred Income Taxes & Credits	-	-	-	(1,712,048)	2,392,535
20	Investment Tax Credits	-	-	-	-	-
21	Regulatory Liabilities	-	-	-	1,623,743	1,967,301
22						
23	Plus:					
24	Deferred Debits	\$ -	\$ -	\$ -	\$ (890)	\$ 103,860
25	Working Capital Allowance	-	-	-	132,828	679,699
26	Utility Plant Acquisition Adjustment	-	-	-	-	0
27						
28	Total Rate Base	\$ 199,545	\$ 167	\$ -	\$ (890)	\$ 923,089
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32	Supporting Schedules					
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35	\2016 Chaparral City Water Rebutta					

Line		
<u>No.</u>		
1	<u>RCN - Working Capital Allowance</u>	
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3	Per Schedule B-5 Rebuttal	
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8	Increase/(Decrease) to Rate Base	<u>\$ 132,828</u>
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47	Supporting Schedules	
48	Schedule B5 Rebuttal	
49		
50	\\2016 Chaparral City Water Rebuttal.xlsm	

Line			
<u>No.</u>			
1	<u>RCN - ADIT</u>		
2	Adjusted at End of Test Year		
3			
4			
5	RCN Rate Base Before ADIT and Other Items	\$ 59,175,506	(b)
6			
7	Original Cost Rate Base Before ADIT and Other Items	\$ 37,407,372	(a)
8			
9	Ratio (factor)	1.5819	Line [5] / Line [7]
10			
11	Adjusted Original Cost Net ADIT	\$ 1,512,424	(c)
12			
13	Factor	1.5819	Line [9]
14			
15	Rebuttal Adjusted - RCN ADIT	<u>\$ 2,392,535</u>	Line [11] * Line [13]
16			
17	Direct Adjusted - RCN ADIT	4,104,583	(b)
18			
19	Increase / (Decrease) to Deferred Income Taxes	<u>\$ (1,712,048)</u>	Line [15] - Line [17]
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45	Supporting Schedules		
46	(a) Schedule B-2 Rebuttal		
47	(b) Schedule B-3 Rebuttal		
48	(c) Schedule B-1 Rebuttal		
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50	\\2016 Chaparral City Water Rebuttal.xlsm		

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44 Supporting Schedules

45 (a) Schedule B-2 Rebuttal

46 (b) Schedule B-3 Rebuttal

47 (c) Schedule B-1 Rebuttal

48 Adjustments RB2 Rebuttal and RB3 Rebuttal

49

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Line			
<u>No.</u>			
1	<u>RCN - Regulatory Liability - ADIT</u>		
2			
3	Adjusted at End of Test Year		
4			
5	Net Rebuttal RCN Depreciable Plant in Service	\$ 82,471,320 (b)	
6			
7	Net Rebuttal Adjusted Original Depreciable Plant in Service	\$ 52,133,654 (a)	
8			
9	Ratio (factor)	1.5819 Line [5] / Line [7]	
10			
11	Adjusted Original Cost - Regulatory Liability - ADIT Tax Reform	\$ 1,243,615 (c)	
12			
13	Factor	1.5819 Line [9]	
14			
15	Rebuttal Adjusted - RCN Regulatory Liability - ADIT - Tax Reform	\$ 1,967,301 Line [11] * Line [13]	
16			
17	Direct Adjusted - RCN Regulatory Liability - ADIT- Tax Reform	\$ 343,558 (b)	
18			
19	Increase / (Decrease) to Regulatory Liability	<u>\$ 1,623,743</u> Line [15] - Line [17]	
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44	Supporting Schedules		
45	(a) Schedule B-2 Rebuttal		
46	(b) Schedule B-3 Rebuttal		
47	(c) Schedule B-1 Rebuttal		
48	Adjustments RB2 Rebuttal and RB3 Rebuttal		
49			
50	\\2016 Chaparral City Water Rebuttal.xlsm		

Line No.		[A] <u>Revised Amount</u>	[B] <u>RCN</u>	[C] <u>Original Cost</u>	[D] <u>RCN</u>	[E] <u>Rebuttal Adjustment</u>
1	<u>RCN - 2017 Post Test Year Plant Additions</u>					
2						
3						
4						
5	Plant in Service	\$ 5,386,738	\$ 5,386,738	\$ 4,586,781	\$ 4,586,781	\$ 799,957
6						
7						
8	Accumulated Depreciation	\$ 179,766	\$ 179,766	\$ 137,928	\$ 137,928	\$ 41,837
9						
10						
11	Increase/(Decrease) to Plant in Service and A/D	\$ 5,206,972	\$ 5,206,972	\$ 4,448,852	\$ 4,448,852	\$ 758,120
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47	Supporting Schedules					
48	Rate Base Adjustment JPB-RB5 REB					
49						
50	\\2016 Chaparral City Water Rebuttal.xlsm					

Line								
<u>No.</u>								
1	<u>RCN - Retirements</u>				[A]	[B]	[C] = [A] - [B]	
2					<u>Revised RCN</u>	<u>Original RCN (a)</u>	<u>Rebuttal</u>	
3	Retirements - Plant		Col [G]	\$	(2,392,288)	\$ (1,387,138)	\$ (1,005,150)	
4								
5	Retirements - Accumulated Depreciation		Col [H]	\$	(1,986,104)	\$ (1,235,941)	\$ (750,163)	
6								
7								
8	<u>Chaparral City Water District</u>							
9		[D]		[E]	[F]	[G]	[H]	
10	Asset	Original	Retirement					
11	<u>Numbers</u>	<u>Cost (b)</u>	<u>Cost (b)</u>	<u>A/D (b)</u>		<u>RCN (b)</u>	<u>RCN A/D (b)</u>	
12	Various	\$ 1,847,068	\$ 573,223	\$ 573,223		\$ 2,390,800	\$ 1,985,658	
13								
14								
15								
16	<u>7A Allocated</u>	4- Factor General Metered Customers				7.2408%		
17								
18		[D]		[E]	[F]	[G]	[H]	
19	Asset	Original	Retirement					
20	<u>Numbers</u>	<u>Cost (b)</u>	<u>Cost (b)</u>	<u>A/D (b)</u>		<u>RCN (b)</u>	<u>RCN A/D (b)</u>	
21	Various	\$ 20,158	\$ 17,739	\$ 17,739		\$ 20,561	\$ 6,168	
22								
23			7A Allocated to District		7.2408%	\$ 1,489	\$ 447	
24								
25								
26							<u>\$ 2,392,288</u>	<u>\$ 1,986,104</u>
27								
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45	Supporting Schedules							
46								
47	(a) ADJ SMC-RCN20							
48	(b) Retirements By District by Asset#.xlsx							
49								
50	\\2016 Chaparral City Water Rebuttal.xlsxm							

Line 12 + Line 23

Line 21 * GMC Factor

Line			
<u>No.</u>			
1	<u>RCN - Advances-in-Aid of Construction (AIAC) and Contributions-in-Aid of Construction (CIAC)</u>		
2	Adjusted at End of Test Year		
3			
4	<u>RCN Advances-in-Aid of Construction (AIAC)</u>		
5	Net Rebuttal RCN Depreciable Plant in Service	\$ 82,471,320	(b)
6			
7	Net Rebuttal Adjusted Original Depreciable Plant in Service	\$ 52,133,654	(a)
8			
9	Ratio (factor)	1.5819	Line [5] / Line [7]
10			
11	Adjusted Original Cost AIAC	\$ 2,746,251	(c)
12			
13	Factor	1.5819	Line [9]
14			
15	Rebuttal Adjusted - RCN AIAC	\$ 4,344,353	Line [11] * Line [13]
16			
17	Direct Adjusted - RCN AIAC	4,381,565	(b)
18			
19	Increase / (Decrease) to AIAC	\$ (37,212)	Line [15] - Line [17]
20			
21			
22			
23	Adjusted at End of Test Year		
24			
25	<u>RCN Contributions-in-Aid of Construction (CIAC)</u>		
26			
27	Net Rebuttal RCN Depreciable Plant in Service	\$ 82,471,320	(b)
28			
29	Net Rebuttal Adjusted Original Depreciable Plant in Service	\$ 52,133,654	(a)
30			
31	Ratio (factor)	1.5819	Line [27] / Line [29]
32			
33	Adjusted Original Cost CIAC	\$ 11,980,031	(c)
34			
35	Factor	1.5819	Line [31]
36			
37	Rebuttal Adjusted - RCN CIAC	\$ 18,951,462	Line [33] * Line [35]
38			
39	Direct Adjusted - RCN CIAC	19,113,795	(b)
40			
41	Increase / (Decrease) to CIAC	\$ (162,333)	Line [37] - Line [39]
42			
43			
44			
45	Supporting Schedules		
46	(a) Schedule B-2 Rebuttal		
47	(b) Schedule B-3 Rebuttal		
48	(c) Schedule B-1 Rebuttal		
49			
50	\\2016 Chaparral City Water Rebuttal.xlsm		

Line			
<u>No.</u>			
1	<u>RCN - Customer Meter Deposits</u>		
2	Adjusted at End of Test Year		
3			
4			
5	Net Direct RCN Depreciable Plant in Service	\$ 82,471,320 (b)	
6			
7	Net Direct Adjusted Original Depreciable Plant in Service	\$ 52,133,654 (a)	
8			
9	Ratio (factor)	1.5819 Line [5] / Line [7]	
10			
11	Adjusted Original Cost Customer Meter Deposits	\$ 12,300 (c)	
12			
13	Factor	1.5819 Line [9]	
14			
15	Rebuttal Adjusted - RCN Customer Meter Deposits	<u>\$ 19,458</u> Line [11] * Line [13]	
16			
17	Direct Adjusted - RCN Customer Meter Deposits	<u>\$ 19,624</u> (b)	
18			
19	Increase / (Decrease) to Customer Meter Deposits	Line [15] - Line [17]	<u><u>\$ (167)</u></u>
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45	Supporting Schedules		
46	(a) Schedule B-2 Rebuttal		
47	(b) Schedule B-3 Rebuttal		
48	(c) Schedule B-1 Rebuttal		
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50	\\2016 Chaparral City Water Rebuttal.xlsm		

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47 Supporting Schedules

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50 \2016 Chaparral City Water Rebuttal.xlsm

Line			
<u>No.</u>			
1	<u>RCN - Deferred Debits</u>		
2			
3	Adjusted at End of Test Year		
4			
5	Net Rebuttal RCN Depreciable Plant in Service	\$ 82,471,320 (b)	
6			
7	Net Rebuttal Adjusted Original Depreciable Plant in Service	\$ 52,133,654 (a)	
8			
9	Ratio (factor)	1.5819 Line [5] / Line [7]	
10			
11	Adjusted Original Cost - Deferred Debits	\$ 65,654 (c)	
12			
13	Factor	1.5819 Line [9]	
14			
15	Rebuttal Adjusted - RCN Regulatory Liability - Deferred Debits	\$ 103,860 Line [11] * Line [13]	
16			
17	Direct Adjusted - RCN Regulatory Liability - Deferred Debits	\$ 104,749 (b)	
18			
19	Increase / (Decrease) to Deferred Debits	Line [15] - Line [17]	\$ <u>(890)</u>
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45	Supporting Schedules		
46	(a) Schedule B-2 Rebuttal		
47	(b) Schedule B-3 Rebuttal		
48	(c) Schedule B-1 Rebuttal		
49			
50	\\2016 Chaparral City Water Rebuttal.xlsm		

Line No.			
1			
2	Cash Working Capital Requirement	(a) \$	58,447
3	Required Bank Balances ¹		-
4	Material and Supplies Inventories ¹		276,927
5	Prepayments ¹		344,326
6			
7	Total Working Capital Allowance	Sum Lines [2-5] \$	<u>679,699</u>
8			
9	Less Company amount in Original Filing		546,872
10			
11	Increase/(Decrease) to Rate Base	Line [7] - Line [9] \$	<u><u>132,828</u></u>
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17	¹ Calculated using thirteen-month averages.		
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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			
49			
50	\ 2016 Chaparral City Water Rebuttal.xlsm		

Line No.	Description	Test Year Adjusted Results (a)	Revenue Lag Days (c)	Expense Lag Days (d)	Net Lag Days (e) = [c] - [d]	Lead/Lag Factor (f) = [e] / 365	Cash Working Capital Required (g) = [b] x [f]
	[A]	[B]	[C]	[D]	[E] = [C] - [D]	[F] = [E] / 365	[G] = [B] x [F]
1	<u>Operating Expenses</u>						
2	Labor	\$ 1,814,327	40.146	30.633	9.513	0.026	\$ 47,289
3	Purchased Water	1,576,200	40.146	-	40.146	0.110	173,367
4	Fuel & Power	845,357	40.146	48.669	(8.523)	(0.023)	(19,739)
5	Chemicals	113,164	40.146	54.941	(14.794)	(0.041)	(4,587)
6	Waste Disposal	4,473	40.146	31.063	9.083	0.025	111
7	Intercompany Support Services	-	40.146	30.417	9.730	0.027	-
8	Corporate Allocation	434,779	40.146	30.420	9.726	0.027	11,586
9	Outside Services	270,663	40.146	34.355	5.791	0.016	4,295
10	Group Insurance	606,211	40.146	(10.716)	50.862	0.139	84,475
11	Regulatory Expense	-	-	-	-	-	-
12	Insurance Other Than Group	102,037	40.146	72.688	(32.542)	(0.089)	(9,097)
13	Customer Accounting	472,353	40.146	49.828	(9.682)	(0.027)	(12,529)
14	Rents	52,656	40.146	13.376	26.770	0.073	3,862
15	General Office Expense	226,449	40.146	39.271	0.876	0.002	543
16	Miscellaneous	69,880	40.146	27.800	12.347	0.034	2,364
17	Maintenance Expense	524,276	40.146	46.886	(6.740)	(0.018)	(9,681)
18							
19							
20	<u>Taxes</u>						
21	Property Taxes	\$ 346,762	40.146	213.250	(173.104)	(0.474)	\$ (164,454)
22	General Taxes - Payroll		-	26.402	(26.402)	(0.072)	-
23	General Taxes - Other	139,177	40.146	(131.381)	171.527	0.470	65,404
24	Income Tax	606,226	40.146	41.750	(1.604)	(0.004)	(2,663)
25							
26	Interest	789,072	40.146	92.000	(51.854)	(0.142)	\$ (112,099)
27							
28							
29							
30							
31	WORKING CASH REQUIREMENT	<u>\$ 8,994,063</u>					<u>\$ 58,447</u>

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 42 Supporting Schedules:
 43 (a) C-1 Rebuttal
 44
 45 Workpapers & Supporting Documents
 46 \ Lead-Lag Expense.xlsx
 47 \ Billing Cycles.xlsx
 48
 49 \2016 Chaparral City Water Rebuttal.xlsm
 50

Recap Schedules:
 B-5 Rebuttal