

Mohave Water

C Schedules

Rejoinder

Line No.		Test Year Book Results (a)	Total Pro Forma Adjustments (a)	Test Year Adjusted Results (a)	Proposed Rate Increase (a)	Adjusted with Rate Increase (a)	
		[A]	[B]	[C] = [A] + [B]	[D]	[E] = [C] + [D]	
1	Revenues						
2	Water	\$ 7,425,589	\$ -	\$ 7,425,589	\$ 2,252,133	\$ 9,677,722	
3	Other Revenues	288,686	-	288,686	-	288,686	
4	Total Revenues	<u>\$ 7,714,275</u>	<u>\$ -</u>	<u>\$ 7,714,275</u>	<u>\$ 2,252,133</u>	<u>\$ 9,966,408</u>	Sum Lines [2-3]
5							
6	Operating Expenses						
7	Labor	\$ 1,474,248	\$ -	\$ 1,474,248	\$ -	\$ 1,474,248	
8	Purchased Water	-	346,271	346,271	-	346,271	
9	Fuel & Power	-	526,371	526,371	-	526,371	
10	Chemicals	9,350	(359)	8,991	-	8,991	
11	Waste Disposal	7,247	13	7,260	-	7,260	
12	Intercompany Support Services	-	-	-	-	-	
13	Corporate Allocation	320,660	(4,539)	316,121	-	316,121	
14	Outside Services	177,080	(7,429)	169,651	-	169,651	
15	Group Insurance	545,537	-	545,537	-	545,537	
16	Pensions	-	-	-	-	-	
17	Regulatory Expense	58,318	(58,318)	-	-	-	
18	Insurance Other Than Group	69,378	(135)	69,243	5,829	75,072	
19	Customer Accounting	551,910	4,080	555,990	16,708	572,698	
20	Rents	39,414	-	39,414	-	39,414	
21	General Office Expense	248,250	(11,462)	236,789	-	236,789	
22	Miscellaneous	61,931	96	62,028	-	62,028	
23	Maintenance Expense	524,851	569	525,421	-	525,421	
24	Depreciation & Amortization	2,144,179	(57,596)	2,086,583	-	2,086,583	
25	General Taxes-Property	371,261	(36,171)	335,090	33,341	368,431	
26	General Taxes-Other	120,866	-	120,866	-	120,866	
27	Income Taxes	141,127	(222,427)	(81,300)	546,230	464,931	
28							
29	Total Operating Expenses	<u>\$ 6,865,608</u>	<u>\$ 478,966</u>	<u>\$ 7,344,574</u>	<u>\$ 602,109</u>	<u>\$ 7,946,683</u>	Sum Lines [7-27]
30	Utility Operating Income	<u>\$ 848,667</u>	<u>\$ (478,966)</u>	<u>\$ 369,701</u>	<u>\$ 1,650,024</u>	<u>\$ 2,019,725</u>	Line [4] - Line [29]
31	Other Income & Deductions						
32	Other Income & Deductions	\$ (26,554)	\$ -	\$ (26,554)	\$ -	\$ (26,554)	
33	Interest Expense	620,206	(4,920)	615,287	-	615,287	
34	Other Expense	-	-	-	-	-	
35	Gain/Loss Sale of Fixed Assets	150	-	150	-	150	
36	Total Other Income & Deductions	<u>\$ 593,802</u>	<u>\$ (4,920)</u>	<u>\$ 588,882</u>	<u>\$ -</u>	<u>\$ 588,882</u>	Sum Lines [32-35]
37	Net Profit / (Loss)	<u>\$ 254,865</u>	<u>\$ (474,046)</u>	<u>\$ (219,181)</u>	<u>\$ 1,650,024</u>	<u>\$ 1,430,843</u>	Line [30] - Line [36]

43 Supporting Schedules:
 44 (a) C-2 Rejoinder
 45
 46
 47
 48 Workpapers & Supporting Documents
 49
 50 \2016 Mohave Water Rejoinder.xlsx

Recap Schedules:
 A-1 Rejoinder

Line No.	REJOINDER ADJUSTMENTS									
	Page 14	Page 15	Page 16	Page 17	Page 18	Page 19	Page 20	Page 21	Page 22	Page 23
	[L]	[M]	[N]	[O]	[P]	[Q]	[R]	[S]	[T]	[U]
	ADJ SLH-IS11 REB	ADJ JPB-IS12 REB	ADJ SLH-IS13 REB	ADJ SLH-IS14 REB	ADJ JPB-IS15 REB	ADJ JPB-IS16 REB	ADJ JPB-IS17 REJ	ADJ SLH-IS18 REJ	ADJ JPB-IS19 REJ	ADJ JPB-IS20 REJ
	<u>Partially Accept Staff IS Adj #3:</u>	<u>Adjust Postage Expense</u>	<u>Partially Accept Staff IS Adj #5:</u>	<u>Partially Accept Staff IS Adj #4:</u>	<u>Accept Staff IS Adj #1 & RUCO IS Adj #4:</u>	<u>Accept Staff IS Adj #2 & RUCO IS Adj #3: Adjust Purchased</u>	<u>Update Depreciation Expense - Post Test Year Plant - Rejoinder</u>	<u>Update Corporate Allocation - Rejoinder</u>	<u>Update Fuel and Power Expense - Rejoinder</u>	<u>Update Purchased Water Expense - Rejoinder</u>
	<u>Adjust Outside Services Expense</u>		<u>Adjust Regulatory Expense</u>	<u>Adjust General Office Expense</u>	<u>Adjust Fuel and Power Expense</u>	<u>Water Expense</u>				
1	Revenues									
2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	-	-	-	-	-	-	-	-	-	-
4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5										
6	Operating Expenses									
7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	-	-	-	-	-	-	-	-	-	2,863
9	-	-	-	-	-	471,012	-	-	55,359	-
10	-	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	(4,582)	-	-
14	(7,755)	-	-	-	-	-	-	-	-	-
15	-	-	-	-	-	-	-	-	-	-
16	-	-	-	-	-	-	-	-	-	-
17	-	-	(58,318)	-	-	-	-	-	-	-
18	-	-	-	-	-	-	-	-	-	-
19	-	920	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-	-	-
21	-	-	-	(7,261)	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-	-	-
28										
29	\$ (7,755)	\$ 920	\$ (58,318)	\$ (7,261)	\$ 471,012	\$ 343,408	\$ -	\$ (4,582)	\$ 55,359	\$ 2,863
30	\$ 7,755	\$ (920)	\$ 58,318	\$ 7,261	\$ (471,012)	\$ (343,408)	\$ -	\$ 4,582	\$ (55,359)	\$ (2,863)
31	Other Income & Deductions									
32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	-	-	-	-	-	-	-	-	-	-
34	-	-	-	-	-	-	-	-	-	-
35	-	-	-	-	-	-	-	-	-	-
36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37	\$ 7,755	\$ (920)	\$ 58,318	\$ 7,261	\$ (471,012)	\$ (343,408)	\$ -	\$ 4,582	\$ (55,359)	\$ (2,863)
38										
39	Rebuttal Amounts	7,755	(920)	58,318	7,261	(471,012)	(343,408)	-	-	-
40	Increase in Rejoinder	-	-	-	-	-	-	4,582	(55,359)	(2,863)
41										
42										
43										
44	Supporting Schedules:							Recap Schedules:		
45	E-6							C-1 Rejoinder		
46										
47										
48	Workpapers & Supporting Documents									
49										
50	\2016 Mohave Water Rejoinder.xlsm									

Line
 No.

	[A]	[B]
	<u>Property Tax Expense</u>	<u>Property Tax Expense For Conversion Factor</u>
1 <u>Adjust Property Taxes to Reflect Adjusted Test Year Revenues</u>		
2 The Company adjusted property tax rate based on 2016 property tax bills received from Maricopa County Assessor.		
3		
4		
5		
6 Adjusted Revenues in Year Ended December 2016	(b) \$ 7,714,275	\$ 7,714,275
7 Adjusted Revenues in Year Ended December 2016	7,714,275	7,714,275
8 Proposed Revenues	7,714,275	9,966,408
9 Average of Three Year's of Revenue	Avg Lines[6] thru [8] \$ 7,714,275	\$ 8,464,986
10 Average of Three Year's of Revenue, times 2	Line[9] * 2 \$15,428,550	\$16,929,972
11 Add:		
12 Construction Work in Progress at 10%	(a) 130,916	130,916
13 Deduct:		
14 Net Book Value of Transportation Equipment	\$ 469,722	\$ 469,722
15		
16 Full Cash Value	Sum Lines[10-12] - Line[14] \$ 15,089,744	\$ 16,591,166
17 Assessment Ratio (For 2016 per HB 2001 Sec 42-15001)	18.0%	18.0%
18 Assessed Value	Line[16]*Line[17] \$ 2,716,154	\$ 2,986,410
19 Property Tax Rate	(c) 12.34%	12.34%
20		
21 Property Tax	Line[18]*Line[19] 335,090	368,431
22 Tax on Parcels	-	-
23		
24 Adjusted Test Year Property Taxes at Present Rates	Line[21]+Line[22] \$ 335,090	Sum Lines[21-27] \$ 368,431
25 Adjusted Test Year Property Taxes	(b) 371,261	Line[24] Col [A] 335,090
26 Adjustment to Revenue and/or Expense (To Sch C-2 Rejoinder)	Line[24] - Line[25] \$ (36,171)	Line[28] - Line[29] \$ 33,341
27		
28 Adjusted Test Year Property Taxes at Proposed Rates		
29 Adjusted Test Year Property Taxes at Present Rates		
30 Additional Property Taxes on Proposed Revenues (To Sch C-2 Rejoinder)		
31		
32		
33		
34 <u>CALCULATION OF PROPERTY TAX FACTOR TO COMPUTE GROSS REVENUE CONVERSION FACTOR (SCH C-3 Rejoinder):</u>		
35		
36 Increase in Property Tax Due to Increase in Revenue Requirement (Line 30, Col [B])		\$ 33,341
37		
38 Increase in Revenue Requirement (From Sch. A-1 Rejoinder)		\$ 2,252,133
39		
40 Increase in Property Tax Per Dollar Increase in Revenue (Line 36/Line 38)		1.48%
41		
42		
43		
44 <u>Workpapers & Supporting Documents:</u>		
45		
46 (a) Sch E1		
47 (b) Sch C2 Rejoinder		
48 (c) \Composite Property Tax Rate 2016.xlsx		
49		
50 \2016 Mohave Water Rejoinder.xlsm		

Line No.			Test Year Adjusted Results	Adjusted with Rate Increase
1	<u>Federal and State Income Taxes</u>			
2				
3				
4				
5				
6				
7	Operating Income Before Inc. Taxes		\$ 288,401	\$ 2,484,656
8	Interest Expense		615,287	615,287
9	Arizona Taxable Income		Line[7] - Line[8] \$ (326,885)	\$ 1,869,370
10				
11	Arizona Income Tax	4.90%	Line[9]*5.500% \$ (16,017)	\$ 91,599
12				
13				
14	Federal Income Before Taxes		Line[9] \$ (326,885)	\$ 1,869,370
15	Less Arizona Income Taxes		Line[11] (16,017)	91,599
16	Federal Taxable Income		Line[14] - Line[15] \$ (310,868)	\$ 1,777,770
17				
18	FEDERAL INCOME TAXES:			
19				
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21				
22				
23				
24				
25	Federal Income Taxes	21.00%	Line[16]*34.000% \$ (65,282)	\$ 373,332
26				
27				
28	Total Income Tax		Line[15]+Line[25] \$ (81,300)	\$ 464,931
29				
30	Tax Rate		Line[28] / Line[9] 24.87%	24.87%
31				
32	Effective Income Tax Rates			
33	State		Line[11] / Line[9] 4.900%	4.900%
34	Federal		Line[25] / Line[9] 19.97%	19.97%
35				
36				
37	Adjusted Test Year Income Taxes		(a) \$ 141,127	
38	Increase in Income Taxes,		Line[28] - Line[37] \$ (222,427)	
39				
40	Adjustment to Revenues and/or Expense		Line[38] \$ (222,427)	
41				
42	Test Year Income Taxes,			Line[28] \$ (81,300)
43	Increase in Income Taxes			Line[28] - Line[42] 546,230
44				
45	Adjustment to Revenue and/or Expense			Line[43] \$ 546,230
46				
47	<u>Workpapers & Supporting Documents:</u>			
48	(a) Sch C2 Rejoinder			
49				
50	\2016 Mohave Water Rejoinder.xlsm			

Line
 No.

1 Interest Synchronization with Rate Base

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6 Original Cost Rate Base (Sch. B-1 Rejoinder , Ln. 28)

(a) \$ 27,591,323

7 Weighted Cost of Debt from Schedule D-1 Rejoinder

(c) 2.23%

8 Synchronized Interest Expense

Line[6]*Line[7] \$ 615,287

9

10 Test Year Interest Expense Adjusted

(b) \$ 620,206

11

12 Adjusted Test Year Interest Expense

Line[10] \$ 620,206

13

14 Increase/(Decrease) in Interest Expense

Line[8] - Line[12] \$ (4,920)

15

16 Rejoinder Adjustment to Revenue and/or Expense

Line[14] \$ (4,920)

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45 Workpapers & Supporting Documents:

46 (a) Sch B1 Rejoinder

47 (b) Sch C2 Rejoinder

48 (c) Sch D1 Rejoinder

49

50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Regulatory Liability - ADIT Amortization - Tax Reform Adj

2
 3 The Company is updating its Deferred Income Tax Balance to reflect the impact of the Tax Cuts and Jobs Act of 2017. This caused the Company to create a Regulatory Liability for this amount as reflected
 4 in Rate Base proforma adjustment KDB-RB2-REB. This Income Statement proforma adjustment reflects the annual amortization of that rate base adjustment.
 5
 6
 7

8	Regulatory Liability - ADIT that resulted from the decrease in the Federal Income Taxes	\$	1,241,815	(a)
9				
10	Amortization Rate		<u>2.6684%</u>	(b)
11				
12	Annual Amortization	\$	<u>(33,137)</u>	Line [8] * Line [10]
13				
14				
15				
16	Increase/ (Decrease) to Depreciation/ Amortization	\$	<u>(33,137)</u>	Line [12]
17				
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43				
44				

45 Workpapers & Supporting Documents:
 46 (a) Rate Base Adjustment ADJ SLH-RB2 REB
 47 (b) ADIT Adjustment REBUTTAL.xlsx
 48
 49
 50 \2016 Mohave Water Rejoinder.xlsm

Line

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1 Intentionally Left Blank

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45 Workpapers & Supporting Documents:

46

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50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Partially Accept Staff IS ADJ #6: Adjust Depreciation Expense - Post Test Year Plant 2017

2
 3 Adjustment to Annualize Depreciation Expense on Updated Post Test Year Plant for 2017. Includes updating projects through 12/31/2017 with actual expenditure.
 4
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 11

	[A]	[B]	[C] = [A] * [B]
	Depreciation on Post TY Plant Additions per Summary of Plant and A/D by NARUC - FINAL 2017 PTYP (a)	Allocation Factor	Depreciation Expense
17 Depreciation on Post Test Year Plant Additions - Mohave Water	\$ 108,125	100.0000%	\$ 108,125
18 Depreciation on Additional TY Plant Additions - Mohave Water	21,954	100.0000%	21,954
19 Depreciation on 7A Corporate Post Test Year Plant Additions Allocated	48,670	8.5011%	4,138
20 Depreciation on Additional 7A Corporate Test Year Plant Additions Allocated	17,375	8.5011%	1,477
21 Depreciation on 6U Post Test Year Plant Additions Allocated	236,805	7.7422%	18,334
22 Depreciation on Additional 6U Test Year Plant Additions Allocated	174,541	7.7422%	13,513
23	<u>\$ 607,471</u> Sum Lines [17-22]		
24			
25			
26			
27 Depreciation Expense on 2017 Post Test Plant per Rebuttal			\$ 167,541 Sum Lines[17] thru [22]
28			
29 Depreciation Expense on 2017 Post Test Plant per Company's Original Application			<u>\$ 175,033</u> (b)
30			
31			
32			
33 Increase / (Decrease) to Depreciation Expense			\$ (7,492) Line[27] - Line[30]
34			
35 Rebuttal Adjustment to Revenue and/or Expense			<u>\$ (7,492)</u> Line[33]
36			
37			
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43			
44			
45 <u>Workpapers & Supporting Documents:</u>			
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			
49			
50 \2016 Mohave Water Rejoinder.xlsm			

Line
 No.

1 Partially Accept Staff IS Adj #6: Adjust Depreciation Expense - Retirements

2
 3 The Company has adjusted retirements in ADJ KDB-RB-6 REB. This adjustment updates the depreciation expense associated with the updated retirements.
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GMC 4 Factor	8.5011%
Arizona Total	91.0728%
Alloc Factor	7.7422% <small>Line[8]*Line[9]</small>

	[A]	[B]	[C] = [A] * [B]
	Depreciation on Retirements per Summary of Plant and A/D by NARUC Updated for Final 2017 PTYP (a)	Allocation Factor	Depreciation Expense
17 Depreciation on Retirements on Test Year Plant - Mohave Water	\$ (19,346)	100.0000%	\$ (19,346)
18 Depreciation on Retirements on Test Year Plant - 7A Corporate Plant Allocated	(1,774)	8.5011%	(151)
19 Depreciation on Retirements on Test Year Plant - 6U Plant Allocated	-	7.7422%	-
26 Depreciation Expense on 2017 Retirements per Rebuttal			\$ (19,497) <small>Sum Lines [17 - 19]</small>
29 Depreciation Expense on 2017 Retirements per Company's Original Application			<u>\$ (2,529) (b)</u>
32 Increase / (Decrease) to Depreciation Expense			\$ (16,968) <small>Line[26] - Line[29]</small>
34 Rebuttal Adjustment to Revenue and/or Expense			<u>\$ (16,968) <small>Line[32]</small></u>

45 Workpapers & Supporting Documents:
 46 (a) Summary of Plant Balances and Accum Depr by NARUC Updated for Final 2017 PTYP.xlsx
 47 (b) Schedule C2 Adj SLM - IS25
 48
 49
 50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Adjust Insurance Other Than Group

2
 3 Insurance Other Than Group consists of 16 separate components. Annually, the Company reports certain business statistics to its insuring agencies including Revenues, Plant Balances, Employee Count,
 4 Total Payroll and Vehicle Counts. Each of the 16 components is adjusted annually based on these statistics. The primary components are property insurance, excess liability, worker's compensation, and
 5 crime. The Company has taken the average rate applicable to each of these components for the last four years, and made a conforming adjustment for employee count, test year and proposed revenues,
 6 and property. This is a conforming adjustment and updated with the values in the Rebuttal Filing.

DIRECT PLANT		[1]	[2]	[1] * [2] = [3]
Test Year		7M	AZ	AZ-Factor
Adj Results		District 4-Factor		
11	Gross Property Value at 12/31/2016	\$ 57,136,939	Schb2 Rebuttal Line [2]	
12	% of Plant Insured	47.75%	\Insurance[1]. Property & Terrorism [23]	
14	Gross Plant Insured	<u>\$ 27,281,181</u> Line [11] * Line [12]		

Adjusted Revenues in Year Ended December 2016	Test Year	Schc2 Rebuttal [X][14]	Adjusted	Schc2 Rebuttal [Z][14]	Adjusted		
	Adjusted Results		with Rate Increase		with Rate Increase		
	[A]	[B]	[C] = [A] * [B]	[D]	[E] = [D] * [B]		
	Amount	Rate	Premium	Amount	Premium		
22	1. Property Insurance	Plant [25]	\$ 27,281,181	0.0526% \Insurance Summary [	\$ 14,348	
23	2. Excess Liability	Revenue Line [25]	7,714,275	0.2588% \Insurance Summary [	19,967	
24	3. Umbrella Liability	AZ 4- Factor [10]	95,767	6.4014% \Insurance Summary [	6,130	
25	4. Autos	AZ 4- Factor [10]	278,350	6.4014% \Insurance Summary [	17,818	
26	5. Workers Compensation	Payroll Col [49]	126,108	1.6543% \Insurance Summary [	2,086	
27	6. Pollution *	Fixed Site	3,554	1.00 \Insurance Summary [	3,554	
28	7. D&O	AZ 4- Factor [10]	13,367	6.4014% \Insurance Summary [	856	
29	8. Fiduciary	AZ 4- Factor [10]	1,483	6.4014% \Insurance Summary [	95	
30	9. Crime	Employee Count	26 \$	7.76 \Insurance Summary [	202	
31	10. Employed Lawyers	AZ 4- Factor [10]	1,196	6.4014% \Insurance Summary [	77	
32	11. Non Owned Pollution	AZ 4- Factor [10]	19,339	6.4014% \Insurance Summary [	1,238	
33	12. Employment Practices	Employee Count	26 \$	5.30 \Insurance Summary [	138	
34	13. Utilities Bond **	Site Bond Requirement	22,331	0.0000% \Insurance Summary [-		
35	14. Cyber Insurance	AZ 4- Factor [10]	11,366	6.4014% \Insurance Summary [	728	
36	15. Sun City Flood Insurance	Sun City Only	2,356	0.0000% \Insurance Summary [-		
37	16. LAPP	AZ 4- Factor [10]	19,383	6.4014% \Insurance Summary [	1,241	
39	Total			\$ 68,477	Sum Col [C]	Sum Col [N]	\$ 74,306

42	Adjusted Test Year Insurance Other Than Group	From Original Filing	\$ 68,612	\$ 68,477
43	Increase/(Decrease) to Insurance Other Than Group		<u>\$ (135)</u> Line [39] - Line [42]	<u>\$ 5,829</u>

45 Workpapers & Supporting Documents:
 46 \Insurance Other than Group.xlsx (aka Insurance)
 47 \Payroll, Benefits, & Taxes 2016.xlsx (aka Payroll)
 48 Income Statement Adjustment SLM-IS27
 49
 50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Adjust CPI for 2017

2
 3 Operating expenses are expected to increase in each of the future years due to inflation and other increasing costs factors. To compensate for regulatory lag, EPCOR proposes an increase for 2017 and
 4 2018 correlated with the consumer price index for the Phoenix metropolitan area for all operating expenses where an adjustment has not already been proposed. Chemical expense is projected to
 5 increase by 4% based on initial service contracts negotiations that are being worked on with the vendor.
 6

2016 Unadjusted Expenses			Consumer Price Index - Phoenix Urban Consumers						
Description	Account	Amount (a)	Year	Annual Index	Increase	Ave Increase			
9 Chemicals	5263	\$ 8,619 A	2014	127.823					
10 Other Utilities	5621	\$ 7,085 B	2015	128.019	0.15%				
11 Asset Usage Fee - Corporate	6203	\$ 22,714 C	2016	130.107	1.63%				
12 Consulting Engineering	5227	\$ 3,209 D	2017	133.324	2.47%	1.4%			
13 Contractors and Consultants	5250	\$ 94,527 D	Chemical Increase			4.0%			
14 Administrative Contractors	5679	\$ 1,584 D	[A] * Line [12]	[A] + [B] * Line [12]					
15 Outside Computer Charges (T1)	5628	\$ 40,709 D	Chemical [13]	Chemical [13]			[F] = [D] - [E]		
16 Temporary Support	5629	\$ 13,142 D	[A]	[B]	[C]	[D] = [B] + [C]	[E]		
17 Legal Fees	5681	\$ 19,953 D	Total	Year 1	Year 2	Revised Total	IS JPB ADJ #23 Original Total		
18 Service Charges	5615	\$ 24,361 E	Chemicals	\$ 8,619	\$ 345	\$ 359	\$ 703	\$ 703	\$ -
19 Customer Communications	5674	\$ 22,645 E	Waste Disposal	\$ 7,085	\$ 175	\$ 103	\$ 278	\$ 162	\$ 116
20 Rent and Storage	5810	\$ 39,414 F	Corporate Allocat	\$ 22,714	\$ 562	\$ 330	\$ 892	\$ 519	\$ 373
21 Freight and Courier	5262	\$ 1,742 F	Outside Services	\$ 173,125	\$ 4,281	\$ 2,517	\$ 6,798	\$ 3,955	\$ 2,843
22 Telephone, Long Distance, Data	5620	\$ 130,727 F	Customer Account	\$ 47,006	\$ 1,162	\$ 683	\$ 1,846	\$ 1,074	\$ 772
23 Stationary, Printing & Other O	5622	\$ 28,751 F	General Office Exp	\$ 264,597	\$ 6,542	\$ 3,847	\$ 10,390	\$ 6,044	\$ 4,346
24 Office Machines, Furniture	5623	\$ 5,992 F	Miscellaneous	\$ 51,091	\$ 1,263	\$ 743	\$ 2,006	\$ 1,167	\$ 839
25 Parking	5630	\$ 364 F	Maintenance Exp	\$ 302,346	\$ 7,476	\$ 4,396	\$ 11,872	\$ 6,906	\$ 4,966
26 Vehicle Allowance	5631	\$ 2,199 F	um Lines[18]thru[25]	\$ 876,583	\$ 21,806	\$ 12,979	\$ 34,785	\$ 20,530	\$ 14,256
27 Vehicle Allowance	5271	\$ 12 F							
28 Business Allowance	5634	\$ 1,004 F							
29 Memberships Dues & Professiona	5640	\$ 7,615 F							
30 Subscriptions	5641	\$ 1,715 F							
31 Airfare	5650	\$ 5,294 F							
32 Accommodation, Other Travel	5651	\$ 10,884 F							
33 Employee Working Meals	5652	\$ 10,826 F							
34 Training - Fees/Tuition	5660	\$ 17,885 F							
35 Training Fee	5252	\$ 173 F							
36 FR Clothing	5273	\$ 18,991 G							
37 Miscellaneous	5697	\$ 32,100 G							
38 Stock	5260	\$ 34,148 H							
39 Materials, Supplies	5261	\$ 100,768 H							
40 Veh. and Equip.-Allocation	5270	\$ 88,957 H							
41 Equipment	5275	\$ 2,235 H							
42 Hardware	5624	\$ 127 H							
43 Software	5625	\$ 4,227 H							
44 Maintenance	5811	\$ 22,959 H							
45 Vehicle Maintenance	5823	\$ 48,925 H							
46		\$ 876,583	Sum Lines [9 thru 45]						
47 <u>Workpapers & Supporting Documents:</u>									
48 (a) Sche6	Bureau of Labor Statistics - Phoenix CPI								
49									
50 \2016 Mohave Water Rejoinder.xlsm									

Increase / (Decrease) to Expense
 Line [26] \$ 14,256

Line
 No.

1 Adjust CUS Charges

2

3 Customer Care and Billing charges are costs associated with Third Party Billing, Call Centers, and Work Order Management. Costs billed to the Company are on a per bill per month basis and adjusted
 4 annually. This adjustment includes an adjustment for inflation based on the Consumer Price Index for the City of Phoenix. An adjustment for 2017 and 2018 is necessary to account for known and
 5 measurable increases in costs through the time any new rates resulting from this rate application will be effective. The CPI index for 2018 has been updated in this Rebuttal filing.
 6

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9

Consumer Price Index - Phoenix Urban Consumers		
Year	Annual Index	Increase
2015	128.019	
2016	130.107	1.63%
2017	133.324	2.47%

Increase Lines[12-11]/[11]

Increase Lines[13-12]/[12]

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C.U.S. Charges per Schedule E-6, account 5611

\$ 359,108 (a)

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Adjustment to Revenue and/or Expense

\$ 3,071 Line[30]

Workpapers & Supporting Documents:

(a) Sche6

\2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Partially Accept Staff IS Adj #3: Adjust Outside Services Expense

2
 3 The Company is partially accepting Staff IS Adj #3. This adjustment has 2 parts. 1) The Company partially accepts Staff RB Adj #3 and is removing the ASU Study costs per RUCO 2.07. The Company will
 4 include these ASU Study Costs as part of the Rate Case Expense and recover these costs as part of the Staff's recommended Rate Case Expense Surcharge; 2). The Company is reducing contractor expense
 5 as stated in the Company's response to RUCO DR 1.28. Upon review of the accounts noted in this data request, the Company noticed that account 5250 included costs that should have been removed
 6 from the requested amounts in the original application.

7
 8

	[A] Revised Amounts (a)	[B] Original Application	[C] = [A] - [B] Rebuttal Adjustment
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12 <u>Part 1</u>			
13 Remove ASU Study Costs	\$ 347	\$ 803	\$ (456)

14			
15			
16 <u>Part 2</u>			
17 Amount to be removed from Outside Services per RUCO DR 1.25	\$ (7,299)	\$ -	\$ (7,299)

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24 Adjustment to Revenue and/or Expense			\$ (7,755) Line [13] + Line [17]

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 45 Workpapers & Supporting Documents:
 46 (a) Company Response to RUCO DR 1.25
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 50 \2016 Mohave Water Rejoinder.xlsxm

Line
 No.

1 Adjust Postage Expense

2
 3 On January 22, 2017, the United States Postal Service increased postage rates. The Company has calculated a projected increase based on known and measurable increases to postage rates at time of this
 4 rebuttal filing.
 5
 6

	[A]	[B]	[C] = ([B]-[A]) / [A]	[D]	[E] = [D]-[B]
	Average Automated Piece Rate				
Manifested	Effective April 2016	Effective January 2017	2017 Increase over 2016	Effective January 21, 2018	2018 Increase over 2016
5-Digit	\$ 0.3760	\$ 0.3730	-0.80%	\$ 0.3780	0.53%
3-Digit	\$ 0.3990	\$ 0.4030	1.00%	\$ 0.4080	2.26%
AADC	\$ 0.3990	\$ 0.4030	1.00%	\$ 0.4080	2.26%
Mixed AADC	\$ 0.4190	\$ 0.4230	0.95%	\$ 0.4240	1.19%
Single Piece	\$ 0.4700	\$ 0.4900	4.26%	\$ 0.5000	6.38%
Average cost per piece	\$ 0.4126	\$ 0.4184	1.41%	\$ 0.4236	2.67%

20 Postage Expense Account 5611 per General Ledger

(a) \$ 73,004

22 Total Increase / (Decrease) to Postage Expense

\$ 1,946 Col [E] Line[18]*Line[21]

23 Expense per Company's Original Application per IS JPB Adj#11

\$ 1,026

25 Adjustment to Revenue and/or Expense

\$ 920 Line [22]- Line [23]

45 Workpapers & Supporting Documents:

46 (a) Sch E-6 Line 19

47 USPS Rates 2016.xlsx

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50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Partially Accept Staff IS ADJ #5: Adjust Regulatory Expense

2
 3 The Company is partially accepting Staff IS Adj #5. The Company is removing rate case expense out of the regulatory expense accounts. Staff recommends authorizing a surcharge to recover rate case
 4 expense. Staff proposed recovery over a 5 year period however the Company proposes a 3 year period.
 5
 6
 7

	[A] Revised Amounts (a)	[B] Original Application	[C] = [A] - [B] Rebuttal Adjustment
13 Amount to be removed from Regulatory Expense per Staff IS ADJ #5	\$ (58,318)	0	\$ (58,318)

24 Adjustment to Revenue and/or Expense \$ (58,318) Line [13]

45 Workpapers & Supporting Documents:
 46 (a) Schedule C2

50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Partially Accept Staff IS ADJ #4: Adjust General Office Expense

2
 3 The Company is partially accepting Staff IS Adj #4. The Company accepts Staff's recommendation to remove certain identified costs related to entertainment and gifts. However the Company does not
 4 agree to remove tuition related costs.
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8 <u>Staff Disallowed Amounts per Staff Adj #4</u>		<u>Company Position</u>	<u>Mohave Water</u>	<u>4-Factor</u>	<u>7.2987%</u>
9 Entertainment	\$ 81,543	Accept			
10 Tuition	\$ 64,387	Oppose			
11 Gifts	\$ 17,937	Accept			
12	<u>\$ 163,867</u>				

13					
14					
15 Amount to be Removed					
16 Entertainment	\$ 81,543				
17 Gifts	\$ 17,937				
18 Total	\$ 99,480	Line [16] + Line [17]			
19					
20 Allocated to District	7.2987%				
21	\$ 7,261	Line [18] * Line [20]			
22					

Rebuttal
Adjustment

23
 24 Adjustment to Revenue and/or Expense \$ (7,261) Line [21]

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 45 Workpapers & Supporting Documents:

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 50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Accept Staff IS ADJ #1 & RUCO IS Adj #4: Adjust Fuel and Power Expense

3 The Company is accepting both Staff IS Adj #1 and RUCO IS Adj #4. This rebuttal adjustment reverses the Company's original adjustment JPB-IS9 and restores the purchased power and fuel expense back into the Test Year operating expenses for recovery in base rates.

8 The Company's water districts utilize multiple vendors in their different geographic locations. Power is purchased from Arizona Public Service Company ("APS"), UNS Electric, Inc. ("UNS Electric"), and Mohave Electric Cooperative ("MEC"). Each of these vendors has initiated or concluded rate cases during the test year and pro forma adjustments to electrical costs are proposed to account for known and measurable increases. The Company has no control over these price increases. Additionally, EWAZ has experienced consistent year-over-year increases in APS's bills due to changes in surcharge factors associated with their rate adjuster mechanisms.

11 APS provides electrical service to the Agua Fria, Anthem, Sun City, Sun City West, Chaparral, and Paradise Valley water districts. APS also provides electrical service to the Phoenix corporate office. On March 1, 2017, APS reached a settlement agreement with the major parties in its rate case filed on June 1, 2016. The Company does not expect the Commission to issue a decision prior to the filing of this rate case, but is aware that the commercial rates will increase if the settlement is approved. In addition to increased base rates resulting from the rate case application, APS utilizes a number of adjuster mechanisms that have caused electric costs to increase year-over-year, between APS filing general rate applications. Accordingly, the Company adjusts the power charges included in the proposed PCAM based on the three-year average trend of known and measurable historical annual cost increases. Electric costs for districts using APS are adjusted for 2017 and 2018 to account for known rate increases that will be effective prior to the resolution of this case.

16 UNS Electric provides power for the Company's operations in its Tubac and Havasu Water districts. On August 18, 2016, the Commission issued Decision No. 75697 (August 18, 2016), authorizing new rates for residential and commercial customers. The Company has multiple accounts with UNS Electric. As these rate increases are known and measurable, but not fully reflected in the 2016 purchased power costs, a one-time adjustment is included to annualize this increase in purchased power costs included in the adjuster mechanism in-line with the newly authorized tariff for the eight months of the year that were not billed using the current tariff.

19 The Mohave, North Mohave, and Willow Valley Water districts receive power from MEC, which increased rates effective February 1, 2016 per Decision No. 75931 (January 13, 2017). The increased costs that result from that decision are not fully reflected in the 2016 test year power expenses for those districts, but the increase in costs that result from Decision No. 75931 is both known and measurable. The two months of 2016 expenses billed pursuant to MEC's previous tariff should therefore be adjusted for the known increase. The purchased power expenses for the Mohave, North Mohave, and Willow Valley Water districts have been annualized accordingly for rate changes in the test year in the PCAM.

		[A]	[B]		[C]	[D]	[E] = [A] + [B] + [C] + [D]	
		Corporate (a)	Direct (b)		Other Allocation (c)	Annualization	Total	
GL Account	Account Description	2016	2016		2016		2016	
	5617 Power Charges	\$ 3,087	\$ 463,493				\$ 466,580	
	5616 Natural Gas Charges	\$ -	\$ 1,283				\$ 1,283	
	Annualization					\$ 1,535	\$ 1,535	
Total Purchased Power Expense						\$ 1,535	\$ 469,398	Line[29] - 31]
2017 % Increase	6.29%	0.26%						
2018 % Increase	6.29%	0.00%						
		[F]	[G]	[H]	[I]	[J]	[K] = [F] + [G] + [H] + [I] + [J]	
		Corporate	Direct	Natural Gas	Other Allocation	Annualization	Total	
2017 Increase - Power	\$ 194	\$ 1,209	0	0	4	\$ 1,407	Line[29] * 2017% Inc; Line [31] * 2017% Inc	
2017 Expense	\$ 3,281	\$ 464,702	\$ 1,283	\$ -	\$ 1,539	\$ 470,806	Line[29]+Line[38], Line[31] + Line [38]	
2018 Increase - Power	\$ 206	\$ -	0	\$ -	\$ -	\$ 206	Line[39] * 2018% Inc	
2018 Expense	\$ 3,488	\$ 464,702	\$ 1,283	\$ -	\$ 1,539	\$ 471,012	Line[39]+Line[41]	
Increase/Decrease to Expense							\$ 471,012	Col 1, Line[42]

47 Workpapers & Supporting Documents:

- 48 (a) Sch E-6b (b) Sch E-6a \Purchased Power Adjustment Calc.xlsx
- 49 (c) Sch E-6c
- 50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Accept Staff IS ADJ #2 & RUCO IS ADJ #3: Adjust Purchased Water Expense

2
 3 The Company is accepting both Staff IS Adj #2 and RUCO IS Adj #3. This rebuttal adjustment reverses the Company's original adjustment JPB-IS30 and restores the purchased water expense back into the
 4 Test Year operating expenses for recovery in base rates.
 5
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7
 8 The Company is proposing a Purchase Water Adjustor Mechanism for all districts in this rate case, except Willow Valley. The Company's estimate as to the per customer surcharge is calculated based on the total potable and
 9 raw gallons billed. The calculation excludes effluent and wheeling usage billed from the calculation as these gallons are not affected by the purchase price of water. Costs have been adjusted from the 2016 test year expense
 10 to annualized water expense. Additionally, the Company has included known and measurable increases to purchased water costs. The Company pays the Central Arizona Project ("CAP") for fees in many districts. CAP has
 11 published schedules showing the anticipated increases to fees in 2018, which will be finalized by the prior to the conclusion of this rate case. The impact of the increases in CAP fees have been included in the total purchased
 12 water costs.

13 In its Mohave and North Mohave Districts, the Company pays fees to the Mohave Conservation District (MWCD), Mohave Valley Irrigation and Drainage District (MVIDD), and fees to Bullhead City for water. The Company also
 14 pays fees to the Arizona Department of Water Reclamation in a number of districts. Some districts also pay groundwater withdrawal fees. Many of these fees are already collected through supplemental surcharges on
 15 customer bills. All costs have been included in the total purchased water cost with the intention of combining all these fees into one purchased water surcharge.
 16

17 The Company would anticipate the effective date of the Plan of Administration (POA), submitted as an Exhibit to Mr. Boizelle's testimony, to be concurrent with the effective date of new rates approved in this rate case.
 18
 19

	Purchased Water Test Year Expense
26 Test Year Purchased Water Expense	\$ 23,473 (a)
27 Annualization of Water Expense (SMC-IS6)	\$ 77
28 Annualized Purchased Water Expenses	\$ 23,550 Line [26]+Line [27]
29	
30 2017 Percentage increase in CAP costs	0.00% (c)
31 2017 Purchased Water Expense	\$ 23,550 Line [28]*(1+Line [30])
32	
33 2018 Percentage increase in CAP costs	0.00% (c)
34 2018 Purchased Water Expense	\$ 23,550 Line [31]*(1+Line [33])
35	
36 Mohave Wtr Conservation District - Impost Fees	\$ 304,616 (c)
37 Impost Fees - Bullhead City	\$ - (c)
38 Water Admin Fee - MVDD	\$ 15,241.85 (c)
39 ADWR Groundwater Withdrawal Fee	\$ - (c)
40 Groundwater Withdrawal Fee	\$ - (c)
41 Total Pro Forma Purchased Water Costs	\$ 343,408 Sum Lines [36 - 40]
42	
43 Increase/Decrease to Expense	<u>\$ 343,408</u> Line [41]

45 Workpapers & Supporting Documents:

- 46 (a) Sch C2
- 47 (b) Sch E7
- 48 (c) \Purchased Water Increase.xlsx
- 49
- 50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Update Depreciation Expense - Post Test Year Plant - Rejoinder

2
 3 Adjustment to Annualize Depreciation Expense on Updated Post Test Year Plant for 2017 for Rejoinder.
 4
 5
 6

	[A]	[B]	[C] = [A] * [B]
	Depreciation on Post TY Plant Additions per Summary of Plant and A/D by NARUC - Rejoinder (a)	Allocation Factor	Depreciation Expense
17 Depreciation on Post Test Year Plant Additions - Mohave Water	\$ 108,125	100.0000%	\$ 108,125
18 Depreciation on Additional TY Plant Additions - Mohave Water	21,954	100.0000%	21,954
19 Depreciation on 7A Corporate Post Test Year Plant Additions Allocated	48,670	8.5011%	4,138
20 Depreciation on Additional 7A Corporate Test Year Plant Additions Allocated	17,375	8.5011%	1,477
21 Depreciation on 6U Post Test Year Plant Additions Allocated	236,805	7.7422%	18,334
22 Depreciation on Additional 6U Test Year Plant Additions Allocated	174,541	7.7422%	13,513
23	<u>\$ 607,471</u> Sum Lines [17-22]		
24			
25			
26			
27 Depreciation Expense on 2017 Post Test Plant per Rejoinder			\$ 167,541 Sum Lines[17] thru [22]
28			
29 Depreciation Expense on 2017 Post Test Plant per Rebuttal			<u>\$ 167,541</u> (b)
30			
31			
32			
33 Increase / (Decrease) to Depreciation Expense			\$ - Line[27] - Line[30]
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35 Rejoinder Adjustment to Revenue and/or Expense			<u>\$ -</u> Line[33]
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45 <u>Workpapers & Supporting Documents:</u>			
46 Summary of Plant Balances and Accum Depr by NARUC Updated for Rejoinder.xlsx			
47			
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50 \2016 Mohave Water Rejoinder.xlsm			

Line
 No.

1 Update Corporate Allocation - Rejoinder

2
 3 In our original application, the Company removed costs in the Government Relations and Community Relations categories believing it captured all costs related to advertising, promotions, and donations.
 4 The Company has since uncovered minor related costs in other categories as well. This adjustment removes these costs and costs for meals and recognition from this application.
 5
 6

7				
8	5670	Advertising	\$ 77,245	
9	5671	Promotion	705,238	
10	5672	Donation	715,098	
11	5652	Meals	381,191	
12	5642	Recognition	30,155	
13		Other	<u>180,130</u>	
14			\$ 2,089,057	Total Advertising, Promotion, Donation, Meals and Recognition
15			\$ 1,360,471	Already Excluded in Direct
16			\$ 728,586	CAD\$ To be Excluded - Before Allocation
17				
18			\$ 83,565	CAD\$ To be Excluded - After Allocation
19			<u>1.3312</u>	Conversion Factor
20			\$ 62,775	Total Exclusion - USD
21				
22				
23			7.299%	Allocation Factor for Mohave Water
24				
25			<u>\$ 4,582</u>	Amount to be Removed from Corporate Allocations for Mohave Water
26				

27				
28				
29	Increase/Decrease to Expense			<u>\$ (4,582)</u>
30				
31	Rejoinder Adjustment to Revenue and/or Expense			<u>\$ (4,582)</u>
32				

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 45 Workpapers & Supporting Documents:

46 Corporate Allocations - Rejoinder.xlsx

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 50 \2016 Mohave Water Rejoinder.xlsm

Line

No.

1 Update Fuel and Power Expense - Rejoinder

2

3 The Company is updating its projected fuel and power expenses. This rejoinder adjustment updates the Company's rebuttal adjustment JPB-IS15 REB.

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15 2017 Actual Power Expenses

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17 2017 Actual Fuel Expenses

18 Total 2017 Fuel and Power Expense

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35 Rejoinder Adjustment to Revenue and/or Expense

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45 Workpapers & Supporting Documents:

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50 \2016 Mohave Water Rejoinder.xlsm

Purchased Power
Revised Expense

\$ 525,054 (a)

\$ 1,317 (a)

\$ 526,371 Line [15] + Line [17]

Fuel and Power Expense per Rejoinder \$ 526,371 Line [18]

Fuel and Power Expense per Rebuttal \$ 471,012 ADJ JPB-IS15 REB

\$ 55,359

Line
 No.

1 Update Purchased Water Expense - Rejoinder

2
 3 The Company is updating its projected purchased water. This rejoinder adjustment updates the Company's rebuttal adjustment JPB-IS16 REB.
 4
 5
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 7

	Purchased Water Revised Expense
15 2017 Actual Water Expense	\$ 26,413 (a)
16 2017 CAP Water Purchases	- (a)
18 2017 Total Water Expenses	<u>\$ 26,413</u> Line [15] + Line [16]
20 Other Purchased Water Expense	<u>\$ 319,858</u> (a)
21 Total Purchased Water Expense	<u><u>\$ 346,271</u></u> Line [18] + Line [20]

30	Increase/Decrease to Expense per Rejoinder	\$ 346,271	Line [21]
32	Purchased Water Expense per Rebuttal	\$ 343,408	ADJ JPB-IS16 REB
36	Rejoinder Adjustment to Revenue and/or Expense	<u><u>\$ 2,863</u></u>	

45 Workpapers & Supporting Documents:

50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Update General Office Expense - Rejoinder

2

3 The Company is accepting Staff IS Adj #4 to remove tuition related costs. In ADJ SLH-IS14 REB, the Company partially accepted Staff's recommendation to remove identified costs related to entertainment
 4 and gifts only. At the time, the Company did not agree to remove tuition related costs. However, now the Company is removing tuition costs as well.

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Mohave Water	4-Factor	7.2987%
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9

10 Staff Disallowed Amounts per Staff Adj #4

Company Rebuttal Position

Company Rejoinder Position

11 Entertainment	\$ 81,543	Accept	
12 Tuition	\$ 64,387	Oppose	Accept
13 Gifts	\$ 17,937	Accept	
14	<u>\$ 163,867</u>	Sum Lines [11-13]	

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16

17 Amount to be Removed in Rejoinder

18 Tuition \$ 64,387 Line [12]

19

20 Total \$ 64,387

21

22 Allocated to District 7.2987% Line [8]

23 \$ 4,699 Line [20] * Line [22]

24

Rejoinder
 Adjustment

26 Rejoinder Adjustment to Revenue and/or Expense

\$ (4,699) Line [21]

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45 Workpapers & Supporting Documents:

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50 \2016 Mohave Water Rejoinder.xlsm

Line
 No.

1 Update CPI - Rejoinder

2
 3 The Company is updating its CPI adjustment. This rejoinder adjustment updates the Company's rebuttal adjustment JPB-IS9 REB by removing the impact of the increase in Year 2 - 2018.
 4
 5
 6

Amounts per Income Statement JPB-IS9 REB				Remove Year 2 - 2018 Increase Rejoinder Adjustment
[A] Year 1- 2017	[B] Year 2 -2018	[C] = [A] + [B] Rebuttal Total		
Chemicals	\$ 345	\$ 359	\$ 703	\$ (359)
Waste Disposal	175	103	278	\$ (103)
Corporate Allocation	562	330	892	\$ (330)
Outside Services	4,281	2,517	6,798	\$ (2,517)
Customer Accounting	1,162	683	1,846	\$ (683)
General Office Exp	6,542	3,847	10,390	\$ (3,847)
Miscellaneous	1,263	743	2,006	\$ (743)
Maintenance Expense	7,476	4,396	11,872	\$ (4,396)
Total	\$ 21,806	\$ 12,979	\$ 34,785	\$ (12,979)

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Amount attributed to 2018 increas \$ 12,979

Rejoinder Adjustment to Revenue and/or Expense

\$ (12,979) Line [20]

Workpapers & Supporting Documents:
 ADJ JPB - IS9 REB

\2016 Mohave Water Rejoinder.xlsm

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45 Workpapers & Supporting Documents:

46 ADJ JPB - IS9 REB

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Line
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45 Workpapers & Supporting Documents:

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Line No.	Description	[A]	[B]	Percentage of Incremental Gross Revenues [C]
1	Federal Income Taxes			
2				19.97%
3	State Income Taxes			
4			Combined	24.87%
5				4.90%
6	Property Taxes	Effective Rate = 1.48%	One Minus Combined	75.13%
7				1.11% [A] x [B]
8	Bad Debt Expense	Effective Rate = 0.74%	One Minus Combined	75.13%
9				0.56% [A] x [B]
10	Insurance Other Than Group	Effective Rate = 0.26%	One Minus Combined	75.13%
11				0.19% [A] x [B]
12				
13	Total Tax Percentage			26.74% Sum Line [1-10]
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15	Operating Income % = 100% - Tax Percentage			73.26% 1 - [C] Line [13]
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18		1 = Gross Revenue Conversion Factor		
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21	Operating Income %			1.36 1 / [C] Line [15]
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43	Supporting Schedules:	Recap Schedules:		
44	C-2 Rejoinder	A-1 Rejoinder		
45				
46				
47	Workpapers & Supporting Documents			
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