

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	<b>Revenues</b>						
2	Water	\$ 7,425,589	\$ -	\$ 7,425,589	\$ 2,215,489	\$ 9,641,078	
3	Other Revenues	288,686	-	288,686	-	288,686	
4	<b>Total Revenues</b>	<b>\$ 7,714,275</b>	<b>\$ -</b>	<b>\$ 7,714,275</b>	<b>\$ 2,215,489</b>	<b>\$ 9,929,764</b>	Sum Lines [2-3]
5							
6	<b>Operating Expenses</b>						
7	Labor	\$ 1,474,248	\$ -	\$ 1,474,248	\$ -	\$ 1,474,248	
8	Purchased Water	-	343,408	343,408	-	343,408	
9	Fuel & Power	-	471,012	471,012	-	471,012	
10	Chemicals	9,350	-	9,350	-	9,350	
11	Waste Disposal	7,247	116	7,363	-	7,363	
12	Intercompany Support Services	-	-	-	-	-	
13	Corporate Allocation	320,660	373	321,033	-	321,033	
14	Outside Services	177,080	(4,911)	172,168	-	172,168	
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	5,734	74,977	
19	Customer Accounting	551,910	4,763	556,673	16,436	573,109	
20	Rents	39,414	-	39,414	-	39,414	
21	General Office Expense	248,250	(2,915)	245,335	-	245,335	
22	Miscellaneous	61,931	839	62,771	-	62,771	
23	Maintenance Expense	524,851	4,966	529,817	-	529,817	
24	Depreciation & Amortization	2,144,179	(57,596)	2,086,583	-	2,086,583	
25	General Taxes-Property	371,261	(36,171)	335,090	32,799	367,889	
26	General Taxes-Other	120,866	-	120,866	-	120,866	
27	Income Taxes	141,127	(213,491)	(72,363)	537,343	464,980	
28							
29	<b>Total Operating Expenses</b>	<b>\$ 6,865,608</b>	<b>\$ 451,941</b>	<b>\$ 7,317,549</b>	<b>\$ 592,312</b>	<b>\$ 7,909,861</b>	Sum Lines [7-27]
30	<b>Utility Operating Income</b>	<b>\$ 848,667</b>	<b>\$ (451,941)</b>	<b>\$ 396,726</b>	<b>\$ 1,623,177</b>	<b>\$ 2,019,903</b>	Line [4] - Line [29]
31	<b>Other Income &amp; Deductions</b>						
32	Other Income & Deductions	\$ (26,554)	\$ -	\$ (26,554)	\$ -	\$ (26,554)	
33	Interest Expense	620,206	(4,890)	615,317	-	615,317	
34	Other Expense	-	-	-	-	-	
35	Gain/Loss Sale of Fixed Assets	150	-	150	-	150	
36	<b>Total Other Income &amp; Deductions</b>	<b>\$ 593,802</b>	<b>\$ (4,890)</b>	<b>\$ 588,912</b>	<b>\$ -</b>	<b>\$ 588,912</b>	Sum Lines [32-35]
37	<b>Net Profit / (Loss)</b>	<b>\$ 254,865</b>	<b>\$ (447,051)</b>	<b>\$ (192,186)</b>	<b>\$ 1,623,177</b>	<b>\$ 1,430,991</b>	Line [30] - Line [36]

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

Recap Schedules:  
 A-1 Rebuttal

Sch C-2 Original  
 Column [AP]

	TY Adjusted Results	Page 3	Page 4	Page 5	Page 6	Page 7	Page 8	Page 9	Page 10	Page 11	Page 12
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
		ADJ JPB-IS1 REB	ADJ SLS-IS2 REB	ADJ SLS-IS3 REB	ADJ SLH-IS4 REB	ADJ XXX-IS5 REB	ADJ JPB-IS6 REB	ADJ JPB-IS7 REB	ADJ SLS-IS8 REB	ADJ JPB-IS9 REB	ADJ JPB-IS10 REB
Line No.	Test Year Book Results	Adjust Property Taxes to Reflect Adjusted Test Year Revenues	Federal and State Income Taxes	Interest Synchronization with Rate Base	Regulatory Liability - ADIT Amortization - Tax Reform Adj	Intentionally Left Blank	Partially Accept Staff IS ADJ #6: Adjust Depreciation Expense - Post Test Year Plant 2017	Partially Accept Staff IS Adj #6: Adjust Depreciation Expense - Retirements	Adjust Insurance Other Than Group	Adjust CPI for 2017	Adjust CUS Charges
1	<b>Revenues</b>										
2	Water	\$ 7,425,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Other Revenues	288,686	-	-	-	-	-	-	-	-	-
4	<b>Total Revenue</b>	<b>\$ 7,714,275</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
5											
6	<b>Operating Expenses</b>										
7	Labor	\$ 1,474,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Purchased Water	-	-	-	-	-	-	-	-	-	-
9	Fuel & Power	-	-	-	-	-	-	-	-	-	-
10	Chemicals	9,350	-	-	-	-	-	-	-	-	-
11	Waste Disposal	7,247	-	-	-	-	-	-	-	116	-
12	Intercompany Support Services	-	-	-	-	-	-	-	-	-	-
13	Corporate Allocation	320,660	-	-	-	-	-	-	-	373	-
14	Outside Services	177,080	-	-	-	-	-	-	-	2,843	-
15	Group Insurance	545,537	-	-	-	-	-	-	-	-	-
16	Pensions	-	-	-	-	-	-	-	-	-	-
17	Regulatory Expense	58,318	-	-	-	-	-	-	-	-	-
18	Insurance Other Than Group	69,378	-	-	-	-	-	-	(135)	-	-
19	Customer Accounting	551,910	-	-	-	-	-	-	-	772	3,071
20	Rents	39,414	-	-	-	-	-	-	-	-	-
21	General Office Expense	248,250	-	-	-	-	-	-	-	4,346	-
22	Miscellaneous	61,931	-	-	-	-	-	-	-	839	-
23	Maintenance Expense	524,851	-	-	-	-	-	-	-	4,966	-
24	Depreciation & Amortization	2,144,179	-	-	-	(33,137)	(7,492)	(16,968)	-	-	-
25	General Taxes-Property	371,261	(36,171)	-	-	-	-	-	-	-	-
26	General Taxes-Other	120,866	-	-	-	-	-	-	-	-	-
27	Income Taxes	141,127	-	(213,491)	-	-	-	-	-	-	-
28											
29	<b>Total Operating Expenses</b>	<b>\$ 6,865,608</b>	<b>\$ (36,171)</b>	<b>\$ (213,491)</b>	<b>\$ -</b>	<b>\$ (33,137)</b>	<b>\$ (7,492)</b>	<b>\$ (16,968)</b>	<b>\$ (135)</b>	<b>\$ 14,256</b>	<b>\$ 3,071</b>
30	<b>Utility Operating Income</b>	<b>\$ 848,667</b>	<b>\$ 36,171</b>	<b>\$ 213,491</b>	<b>\$ -</b>	<b>\$ 33,137</b>	<b>\$ -</b>	<b>\$ 7,492</b>	<b>\$ 16,968</b>	<b>\$ 135</b>	<b>\$ (14,256)</b>
31	<b>Other Income &amp; Deductions</b>										
32	Other Income & Deductions	\$ (26,554)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Interest Expense	620,206	-	-	(4,890)	-	-	-	-	-	-
34	Other Expense	-	-	-	-	-	-	-	-	-	-
35	Gain/Loss Sale of Fixed Assets	150	-	-	-	-	-	-	-	-	-
36	<b>Total Other Income &amp; Deductions</b>	<b>\$ 593,802</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,890)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
37	<b>Net Profit / (Loss)</b>	<b>\$ 254,865</b>	<b>\$ 36,171</b>	<b>\$ 213,491</b>	<b>\$ 4,890</b>	<b>\$ 33,137</b>	<b>\$ -</b>	<b>\$ 7,492</b>	<b>\$ 16,968</b>	<b>\$ 135</b>	<b>\$ (14,256)</b>

44 Supporting Schedules:  
 45 E-6

Recap Schedules:  
 C-1 Rebuttal

48 Workpapers & Supporting Documents:

	Page 13 [L] ADJ SLH-IS11 REB	Page 14 [M] ADJ JPB-IS12 REB	Page 15 [N] ADJ SLH-IS13 REB	Page 16 [O] ADJ SLH-IS14 REB	Page 17 [P] ADJ JPB-IS15 REB	Page 18 [Q] ADJ JPB-IS16 REB	[R] Sum [B - Q]	[S] Sum [A] + [R]	[T]	[U] Sum [S] + [T]
Line No.	<u>Partially Accept Staff IS Adj #3: Adjust Outside Services Expense</u>	<u>Adjust Postage Expense</u>	<u>Partially Accept Staff IS Adj #5: Adjust Regulatory Expense</u>	<u>Partially Accept Staff IS Adj #4: Adjust General Office Expense</u>	<u>Accept Staff IS Adj #1 &amp; RUCO IS Adj #4: Adjust Fuel and Power Expense</u>	<u>Accept Staff IS Adj #2 &amp; RUCO IS Adj #3: Adjust Purchased Water Expense</u>	Total Pro Forma Adjustments	Test Year Adjusted Results	Proposed Rate Increase	Adjusted Rate Increase
<b>1 Revenues</b>										
2 Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,425,589	\$ 2,215,489	\$ 9,641,078
3 Other Revenues	-	-	-	-	-	-	-	288,686	-	288,686
4 <b>Total Revenue</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,714,275	\$ 2,215,489	\$ 9,929,764
5										
<b>6 Operating Expenses</b>										
7 Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,474,248		\$ 1,474,248
8 Purchased Water	-	-	-	-	-	343,408	343,408	343,408		343,408
9 Fuel & Power	-	-	-	-	471,012	-	471,012	471,012		471,012
10 Chemicals	-	-	-	-	-	-	-	9,350		9,350
11 Waste Disposal	-	-	-	-	-	-	116	7,363		7,363
12 Intercompany Support Services	-	-	-	-	-	-	-	-		-
13 Corporate Allocation	-	-	-	-	-	-	373	321,033		321,033
14 Outside Services	(7,755)	-	-	-	-	-	(4,911)	172,168		172,168
15 Group Insurance	-	-	-	-	-	-	-	545,537		545,537
16 Pensions	-	-	-	-	-	-	-	-		-
17 Regulatory Expense	-	-	(58,318)	-	-	-	(58,318)	-		-
18 Insurance Other Than Group	-	-	-	-	-	-	(135)	69,243	5,734	74,977
19 Customer Accounting	-	920	-	-	-	-	4,763	556,673	16,436	573,109
20 Rents	-	-	-	-	-	-	-	39,414		39,414
21 General Office Expense	-	-	-	(7,261)	-	-	(2,915)	245,335		245,335
22 Miscellaneous	-	-	-	-	-	-	839	62,771		62,771
23 Maintenance Expense	-	-	-	-	-	-	4,966	529,817		529,817
24 Depreciation & Amortization	-	-	-	-	-	-	(57,596)	2,086,583		2,086,583
25 General Taxes-Property	-	-	-	-	-	-	(36,171)	335,090	32,799	367,889
26 General Taxes-Other	-	-	-	-	-	-	-	120,866		120,866
27 Income Taxes	-	-	-	-	-	-	(213,491)	(72,363)	537,343	464,980
28										
29 <b>Total Operating Expenses</b>	\$ (7,755)	\$ 920	\$ (58,318)	\$ (7,261)	\$ 471,012	\$ 343,408	\$ 451,941	\$ 7,317,549	\$ 592,312	\$ 7,909,861
30 <b>Utility Operating Income</b>	\$ 7,755	\$ (920)	\$ 58,318	\$ 7,261	\$ (471,012)	\$ (343,408)	\$ (451,941)	\$ 396,726	\$ 1,623,177	\$ 2,019,903
<b>31 Other Income &amp; Deductions</b>										
32 Other Income & Deductions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (26,554)		\$ (26,554)
33 Interest Expense	-	-	-	-	-	-	(4,890)	615,317		615,317
34 Other Expense	-	-	-	-	-	-	-	-		-
35 Gain/Loss Sale of Fixed Assets	-	-	-	-	-	-	-	150		150
36 <b>Total Other Income &amp; Deductions</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,890)	\$ 588,912	\$ -	\$ 588,912
37 <b>Net Profit / (Loss)</b>	\$ 7,755	\$ (920)	\$ 58,318	\$ 7,261	\$ (471,012)	\$ (343,408)	\$ (447,051)	\$ (192,186)	\$ 1,623,177	\$ 1,430,991

Line  
 No.

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.	[A]	[B]
3			Property Tax Expense
4			For Conversion Factor
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	9,929,764
9	Average of Three Year's of Revenue	Avg Lines[6] thru [8] \$ 7,714,275	\$ 8,452,771
10	Average of Three Year's of Revenue, times 2	Line[9] * 2 \$15,428,550	\$16,905,543
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	\$ 16,566,737
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	\$ 2,982,013
19	Property Tax Rate	(c) 12.34%	12.34%
20			
21	Property Tax	Line[18]*Line[19] 335,090	367,889
22	Tax on Parcels	-	-
23			
24	Adjusted Test Year Property Taxes at Present Rates	Line[21]+Line[22] \$ 335,090	\$ 367,889
25	Adjusted Test Year Property Taxes	(b) 371,261	335,090
26	Adjustment to Revenue and/or Expense (To Sch C-2 Rebuttal)	Line[24] - Line[25] \$ (36,171)	\$ 32,799
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 Rebuttal )		
31			
32			
33			
34	<u>CALCULATION OF PROPERTY TAX FACTOR TO COMPUTE GROSS REVENUE CONVERSION FACTOR (SCH C-3 Rebuttal):</u>		
35			
36	Increase in Property Tax Due to Increase in Revenue Requirement (Line 30, Col [B])		\$ 32,799
37			
38	Increase in Revenue Requirement (From Sch. A-1 Rebuttal)		\$ 2,215,489
39			
40	Increase in Property Tax Per Dollar Increase in Revenue (Line 36/Line 38)		1.48%
41			
42			
43			
44	<u>Workpapers &amp; Supporting Documents:</u>		
45			
46	(a) Sch E1		
47	(b) Sch C2 Rebuttal		
48	(c) \Composite Property Tax Rate 2016.xlsx		
49			
50	\2016 Mohave Water Rebuttal.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		\$ 324,363	\$ 2,484,882
8	Interest Expense		615,317	615,317
9	Arizona Taxable Income		<u>\$ (290,954)</u>	<u>\$ 1,869,566</u>
10				
11	Arizona Income Tax	4.90%	Line[9]*5.500% <u>\$ (14,257)</u>	<u>\$ 91,609</u>
12				
13				
14	Federal Income Before Taxes		Line[9] \$ (290,954)	\$ 1,869,566
15	Less Arizona Income Taxes		Line[11] (14,257)	91,609
16	Federal Taxable Income		Line[14] - Line[15] <u>\$ (276,697)</u>	<u>\$ 1,777,957</u>
17				
18	FEDERAL INCOME TAXES:			
19				
20				
21				
22				
23				
24				
25	Federal Income Taxes	21.00%	Line[16]*34.000% <u>\$ (58,106)</u>	<u>\$ 373,371</u>
26				
27				
28	Total Income Tax		Line[15]+Line[25] <u>\$ (72,363)</u>	<u>\$ 464,980</u>
29				
30	Tax Rate		Line[28] / Line[9] <u>24.87%</u>	<u>24.87%</u>
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] <u>\$ (213,491)</u>	
39				
40	Adjustment to Revenues and/or Expense		Line[38] <u>\$ (213,491)</u>	
41				
42	Test Year Income Taxes,			Line[28] \$ (72,363)
43	Increase in Income Taxes			Line[28] - Line[42] 537,343
44				
45	Adjustment to Revenue and/or Expense			Line[43] <u>\$ 537,343</u>
46				
47	<u>Workpapers &amp; Supporting Documents:</u>			
48	(a) Sch C2 Rebuttal			
49				
50	\2016 Mohave Water Rebuttal.xlsm			

Line			
<u>No.</u>			
1	<u>Interest Synchronization with Rate Base</u>		
2			
3			
4			
5			
6	Original Cost Rate Base (Sch. B-1 Rebuttal, Ln. 28)	(a) \$	27,592,674
7	Weighted Cost of Debt from Schedule D-1 Rebuttal	(c)	2.23%
8	Synchronized Interest Expense	Line[6]*Line[7]	\$ 615,317
9			
10	Test Year Interest Expense Adjusted	(b) \$	<u>620,206</u>
11			
12	Adjusted Test Year Interest Expense	Line[10]	\$ 620,206
13			
14	Increase/(Decrease) in Interest Expense	Line[8] - Line[12]	\$ (4,890)
15			
16	Rebuttal Adjustment to Revenue and/or Expense	Line[14]	\$ (4,890)
17			
18			
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44			
45	<u>Workpapers &amp; Supporting Documents:</u>		
46	(a) Sch B1 Rebuttal		
47	(b) Sch C2 Rebuttal		
48	(c) Sch D1 Rebuttal		
49			
50	\\2016 Mohave Water Rebuttal.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 in  
 4 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	\$ (33,137) Line [8] * Line [10]
13		
14		
15		
16	Increase/ (Decrease) to Depreciation/ Amortization	<u>\$ (33,137) Line [12]</u>
17		
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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 Rebuttal.xlsm

Line

No.

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45 Workpapers & Supporting Documents:

46

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50 \2016 Mohave Water Rebuttal.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  
 5  
 6  
 7

	[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> <small>Sum Lines [17 - 22]</small>		
24			
25			
26			
27 Depreciation Expense on 2017 Post Test Plant per Rebuttal			\$ 167,541 <small>Sum Lines[17] thru [22]</small>
28			
29 Depreciation Expense on 2017 Post Test Plant per Company's Original Application			<u>\$ 175,033</u> <small>(b)</small>
30			
31			
32			
33 Increase / (Decrease) to Depreciation Expense			\$ (7,492) <small>Line[27] - Line[30]</small>
34			
35 Rebuttal Adjustment to Revenue and/or Expense			<u>\$ (7,492)</u> <small>Line[33]</small>
36			
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42			
43			
44			
45 <u>Workpapers &amp; 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 Rebuttal.xlsx			

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.  
 4  
 5  
 6

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%	-
20			
21			
22			
23			
24			
25			
26 Depreciation Expense on 2017 Retirements per Rebuttal			\$ (19,497) <small>Sum Lines [17 - 19]</small>
27			
28			
29 Depreciation Expense on 2017 Retirements per Company's Original Application			\$ (2,529) (b)
30			
31			
32 Increase / (Decrease) to Depreciation Expense			\$ (16,968) <small>Line[26] - Line[29]</small>
33			
34 Rebuttal Adjustment to Revenue and/or Expense			<u>\$ (16,968)</u> <small>Line[32]</small>
35			
36			
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45 <u>Workpapers &amp; Supporting Documents:</u>			
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 Rebuttal.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.

		[1]	[2]	[1] * [2] = [3]
	DIRECT PLANT			
	Test Year	7M	AZ	AZ-Factor
	Adj Results	District 4-Factor	7.2987%	87.7062%
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	\$ 27,281,181	Line [11] * Line [12]	

	Test Year Adjusted Results	Schc2 Rebuttal [X][14]	Adjusted with Rate Increase	Schc2 Rebuttal [Z][14]	Adjusted with Rate Increase		
Adjusted Revenues in Year Ended December 2016	\$ 7,714,275		\$ 9,929,764				
	[A]	[B]	[C] = [A] * [B]	[D]	[E] = [D] * [B]		
	Factor	Amount	Rate	Source	Premium		
22	1. Property Insurance	Plant [25] \$ 27,281,181	0.0526%	\[Insurance] Summary [	\$ 14,348	\$ 27,281,181	\$ 14,348
23	2. Excess Liability	Revenue Line [25] 7,714,275	0.2588%	\[Insurance] Summary [	19,967	9,929,764	25,701
24	4. Umbrella Liability	AZ 4- Factor [10] 95,767	6.4014%	\[Insurance] Summary [	6,130	95,767	6,130
25	4. Autos	AZ 4- Factor [10] 278,350	6.4014%	\[Insurance] Summary [	17,818	278,350	17,818
26	5. Workers Compensation	Payroll Col [49] 126,108	1.6543%	\[Insurance] Summary [	2,086	126,108	2,086
27	6. Pollution *	Fixed Site 3,554	1.00	\[Insurance] Summary [	3,554	3,554	3,554
28	7. D&O	AZ 4- Factor [10] 13,367	6.4014%	\[Insurance] Summary [	856	13,367	856
29	8. Fiduciary	AZ 4- Factor [10] 1,483	6.4014%	\[Insurance] Summary [	95	1,483	95
30	9. Crime	Employee Count 26 \$	7.76	\[Insurance] Summary [	202	26	202
31	10. Employed Lawyers	AZ 4- Factor [10] 1,196	6.4014%	\[Insurance] Summary [	77	1,196	77
32	11. Non Owned Pollution	AZ 4- Factor [10] 19,339	6.4014%	\[Insurance] Summary [	1,238	19,339	1,238
33	12. Employment Practices	Employee Count 26 \$	5.30	\[Insurance] Summary [	138	26	138
34	13. Utilities Bond **	Site Bond Requirement 22,331	0.0000%	\[Insurance] Summary [	-	22,331	-
35	14. Cyber Insurance	AZ 4- Factor [10] 11,366	6.4014%	\[Insurance] Summary [	728	11,366	728
36	15. Sun City Flood Insurance	Sun City Only 2,356	0.0000%	\[Insurance] Summary [	-	2,356	-
37	16. LAPP	AZ 4- Factor [10] 19,383	6.4014%	\[Insurance] Summary [	1,241	19,383	1,241
39	<b>Total</b>				\$ 68,477	Sum Col [C]	Sum Col [N] \$ 74,211

42	Adjusted Test Year Insurance Other Than Group	From Original Filing	\$ 68,612	\$ 68,477
43	Increase/(Decrease) to Insurance Other Than Group		\$ (135)	Line [39] - Line [42] \$ 5,734

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 Rebuttal.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

7 2016 Unadjusted Expenses

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

47 Workpapers & Supporting Documents:

48 (a) Sche6 Bureau of Labor Statistics - Phoenix CPI

49  
 50 \2016 Mohave Water Rebuttal.xlsm

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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8

9

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

10

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16

C.U.S. Charges per Schedule E-6, account 5611	\$	359,108	(a)
	\$	5,857	Line[16]*1.63%
CPI Adjustment 2017	\$	364,965	Line[16]+Line [18]
Adjusted 2017 Expense			
	\$	9,024	Line[19]*2.47%
CPI Adjustment 2018	\$	373,989	Line[19]+Line[21]
Adjusted 2018 Expense			
	\$	14,881	Line[18]+Line[21]
Total Increase/ (Decrease) to C.U.S Charges			
	\$	11,810	
Expense per Company's Original Application per IS JPB Adj#12			
	\$	3,071	Line[26] - Line[28]

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Adjustment to Revenue and/or Expense \$ 3,071 Line[30]

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Workpapers & Supporting Documents:  
 (a) Sche6

\2016 Mohave Water Rebuttal.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)

18			
19			
20			
21			
22			
23			
24 Adjustment to Revenue and/or Expense			\$ (7,755) Line [13] + Line [17]

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 43  
 44  
 45 Workpapers & Supporting Documents:  
 46 (a) Company Response to RUCO DR 1.25  
 47  
 48  
 49  
 50 \2016 Mohave Water Rebuttal.xlsm

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%

19  
 20 Postage Expense Account 5611 per General Ledger

(a) \$ 73,004

21  
 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

24  
 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

48

49

50 \2016 Mohave Water Rebuttal.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  
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	[A] Revised Amounts (a)	[B] Original Application	[C] = [A] - [B] Rebuttal Adjustment
Amount to be removed from Regulatory Expense per Staff IS ADJ #5	\$ (58,318)	0	\$ (58,318)

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Adjustment to Revenue and/or Expense			<u>\$ (58,318)</u> Line [13]
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\2016 Mohave Water Rebuttal.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.  
 5  
 6  
 7

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>				

15 Amount to be Removed		
16 Entertainment	\$ 81,543	
17 Gifts	\$ 17,937	
18 Total	\$ 99,480	Line [16] + Line [17]

20 Allocated to District	7.2987%	
21	\$ 7,261	Line [18] * Line [20]

Rebuttal  
Adjustment

24 Adjustment to Revenue and/or Expense	<u>\$ (7,261)</u>	Line [21]
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45 Workpapers & Supporting Documents:

50 \2016 Mohave Water Rebuttal.xlsm

Line  
 No.

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

2  
 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  
 4 into the Test Year operating expenses for recovery in base rates.  
 5  
 6

7  
 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  
 9 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,  
 10 EWAZ has experienced consistent year-over-year increases in APS's bills due to changes in surcharge factors associated with their rate adjustor 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  
 12 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  
 13 approved. In addition to increased base rates resulting from the rate case application, APS utilizes a number of adjustor mechanisms that have caused electric costs to increase year-over-year, between APS filing general rate applications. Accordingly,  
 14 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  
 15 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  
 17 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  
 18 included in the adjustor 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  
 20 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  
 21 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.  
 22  
 23

GL Account	Account Description	[A]		[B]		[C]		[D]	[E] = [A] + [B] + [C] + [D]	
		Corporate (a)		Direct (b)		Other		Annualization	Total	
		2016	2016	2016	2016	Allocation (c)	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									\$ 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 Rebuttal.xlsx

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  
 6

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  
 20

	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]

44 Workpapers & Supporting Documents:

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

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%	4.90%
5					
6	Property Taxes	Effective Rate = 1.48%	One Minus Combined	75.13%	1.11% [A] x [B]
7					
8	Bad Debt Expense	Effective Rate = 0.74%	One Minus Combined	75.13%	0.56% [A] x [B]
9					
10	Insurance Other Than Group	Effective Rate = 0.26%	One Minus Combined	75.13%	0.19% [A] x [B]
11					
12					
13	Total Tax Percentage				26.74% Sum Line [1-10]
14					
15	Operating Income % = 100% - Tax Percentage				73.26% 1 - [C] Line [13]
16					
17					
18		1 = Gross Revenue Conversion Factor			
19					
20					
21	Operating Income %				1.36 1 / [C] Line [15]
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43	Supporting Schedules:		Recap Schedules:		
44	C-2 Rebuttal		A-1 Rebuttal		
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47	Workpapers & Supporting Documents				
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50	\2016 Mohave Water Rebuttal.xlsm				