

EPCOR Arizona Water

D Schedules

Rejoinder

Line No.	Description	End of Test Year				End of Adjusted Year			
		[A] Dollar Amount (a)	[B] Percent of Total	[C] Cost Rate (a)	[D] = [B] * [C] Weighted Cost	[E] Dollar Amount	[F] Percent of Total	[G] Cost Rate (a)	[H] = [F] * [G] Weighted Cost
1	Long-Term Debt	\$ 234,260,000	50.91%	4.30%	2.19%	\$ 242,820,000	51.81%	4.30%	2.23%
2	WIFA Loan *	\$ 637,306	0.14%	3.94%	0.01%	\$ 637,306	0.14%	3.94%	0.01%
3	Short-Term Debt	\$ -	0.00%	0.00%	0.00%	\$ -	0.00%	0.00%	0.00%
4	Stockholder's Equity	\$ 225,225,834	48.95%	10.10%	4.94%	\$ 225,225,834	48.06%	10.10%	4.85%
5	Totals	\$ 460,123,140	100.00%		7.14%	\$ 468,683,140	100.00%		7.09%
6		Sum Line [1-4]							

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 10 \* The WIFA Loan was obtained for the sole purpose of constructing an Arsenic Treatment Plant for the District of TUBAC. It is applicable only in that District's  
 11 capital structure.  
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34 Supporting Schedules: Recap Schedules:  
 35 D-2 Rejoinder A-1 Rejoinder  
 36 2016 Annual Report  
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Capital Structure for OCRB		End of Test Year						
		[A]	[B]	[C]	[D] = [B] * [C]			
Line		Dollar	Percent	Cost	Weighted			
No.	Description	Amount	Total	Rate (a)	Cost			
1	Long-Term Debt	\$ 191,733,360	51.79%	4.30%	2.23%			
2	WIFA Loan	\$ 637,306	0.17%	3.94%	0.01%			
3	Short-Term Debt	\$ -	0.00%	0.00%	0.00%			
4	Stockholder's Equity	\$ 177,840,812	48.04%	10.10%	4.85%			
5	Totals	\$ 370,211,478	100.00%		7.09%			
6		Sum Line [1-4]						
7	<b>Capital Structure for FVRB</b>							
8		[I]	[J]	[K] = [I] * [J]	[L]	[M]	[N] = [L] * [M]	
9	Description	OCRB	OCRB	Amt Financing	FVRB	Cost	Fair Value	
10		Weight	Cost	OCRB	Weight		WACC	
11	Long-Term Debt	51.79%	\$ 370,211,478	191,733,360	[K11]/[K18]	42.21%	4.30%	1.82%
12	WIFA Loan	0.17%	\$ 370,211,478	637,306	[K12]/[K18]	0.14%	3.94%	0.01%
13	Short-Term Debt	0.00%	\$ 370,211,478	-	[K13]/[K18]	0.00%	0.00%	0.00%
14	Stockholder's Equity	48.04%	\$ 370,211,478	177,840,812	[K14]/[K18]	39.15%	10.10%	3.95%
15		100.00%		370,211,478				
16								
17	Fair Value Increment			84,016,085	[K17]/[K18]	18.50%	1.10%	0.20%
18	Fair Value Rate Base			454,227,563		100.00%		5.98%
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20								
21	Fair Value Rate Base			Sch A1 Rejoinder				
22	Less Original Cost Rate Base			Sch A1 Rejoinder				
23	Difference			Line [21]-[22]				
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37	Supporting Schedules:		Recap Schedules:					
38	(a) D-2 Rejoinder		A-1 Rejoinder					
39	(b) B-1 Rejoinder							
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42	\2016 EPCOR Arizona Water Rejoinder.xlsxm							

Line No.	End of Test Year			End of Adjusted Year			
	[A] Amount <u>Outstanding</u>	[B] Annual <u>Cost</u>	[C] = [B] / [A] Interest <u>Rate</u>	[D] Amount <u>Outstanding</u>	[E] Annual <u>Cost</u>	[F] = [D] / [E] Interest <u>Rate</u>	
1	<u>Long-Term Debt</u>						
2	(b) \$ 133,000,000	\$ 5,004,790	3.74%	(b) \$ 133,000,000	\$ 5,004,790	3.74%	
3	(b) \$ 98,000,000	\$ 4,922,540	5.00%	(b) \$ 98,000,000	4,922,540	5.00%	
4	(b) \$ 3,260,000	\$ 152,681	4.57%	(b) \$ 3,260,000	152,681	4.57%	
5	(b) \$ -	\$ -		\$ 8,560,000	368,330	4.30%	
6	Totals	\$ 234,260,000	\$ 10,080,011	4.30%	\$ 242,820,000	\$ 10,448,341	4.30%
7							
8	(b) \$ 637,306	\$ 25,097	3.94%	(b) \$ 637,306	25,097	3.94%	
9							
10	<u>Common Equity</u>						
11	(a) \$ 5,126,020			(a) \$ 5,126,020			
12	(a) 203,889,486			(a) 203,889,486			
13	(a) 16,210,327			(a) 16,210,327			
14	Total Common Equity Excl OCI	\$ 225,225,834	10.10%	\$ 225,225,834		10.10%	
15							
16	(a) (1,530,620)			-			
17	Total Common Equity	<u>223,695,213</u>		<u>225,225,834</u>			
18							
19							
20	<u>Other</u>						
21	(b) \$ 8,560,000	\$ 54,050	0.63%	(b) \$ -	\$ -	0.00%	
22							
23							
24	Totals	<u>\$ 467,152,520</u>		<u>\$ 468,683,140</u>			

46 Supporting Schedules:  
 47 (a) E-1 Rejoinder  
 48 (b) D-2 Rejoinder

Recap Schedules:  
 D-1 Rejoinder