

**North Mohave Water**

Test Year Ended December 31, 2016

Projected Income Statements - Present & Proposed Rates

Exhibit

Schedule F-1

Page 1

Witness: Murrey

Line No.		Test Year Actual Results (b)	At Present Rates Year Ended (a) 12/31/2017	At Proposed Rates Year Ended (a) 12/31/2017	
1	Operating Revenues	\$ 1,062,368	\$ 1,064,718	\$ 1,474,796	
2					
3	Operation & Maintenance Expense	\$ 558,619	\$ 676,339	\$ 514,383	
4	Depreciation & Amortization	296,848	452,326	452,326	
5	Other Taxes	58,174	63,832	69,768	
6	Income Taxes	126,302	(21,032)	132,398	
7	Total Expense	\$ 1,039,943	\$ 1,171,466	\$ 1,168,875	Sum Lines [3-6]
8	Operating Income	\$ 22,425	\$ (106,747)	\$ 305,920	Line [1] - Line [7]
9					
10	Other Income Net	\$ (110)	\$ (110)	\$ (110)	
11					
12	Long-Term Interest	\$ 97,459	\$ 91,593	\$ 91,593	
13					
14	Other Income and Deductions	\$ -	\$ -	\$ -	
15	Net Income	\$ (74,924)	\$ (198,229)	\$ 214,438	Line [8] - Sum Lines [10-14]
16					
17					
18	Earnings Per Average Share	\$ (15.11) (c)	\$ (39.99) (c)	\$ 43.26 (c)	
19					
20	Return on Common Equity	-3.80% (c)	-10.04% (d)	10.84% (d)	
21					
22					
23	Purchased Power Expenses Not Included		164,066		
24	Purchased Water Expenses Not Included		226		
25	Total Expense		164,292		
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42	Supporting Schedules:	Recap Schedules:			
43	(a) C-1	A-2			
44	(b) E-2				
45	(c) A-2				
46	(d) D-1				
47					
48	Workpapers & Supporting Documents:				
49					
50	\2016 North Mohave Water.xlsm				

Line No.	Test Year Actual Results (a)	At Present Rates Year Ended 12/31/2017	At Proposed Rates Year Ended 12/31/2017	
1	Source of Funds			
2	From Operations			
3	Net Income	\$ (74,924)	\$ (198,229) (b)	\$ 214,438 (b)
4	Depreciation and Amortization	296,848	452,326 (b)	452,326 (b)
5	Def. Investment Tax Credits	-	- (a)	- (a)
6	Deferred income Taxes	143,315	143,315 (a)	143,315 (a)
7	Amort. of Regulatory Expense	-	- (a)	- (a)
8	Total From Operations	<u>\$ 365,239</u>	<u>\$ 397,412</u>	<u>\$ 810,079</u> Sum Lines [3-7]
9	From Financing			
10	Advances in Aid of Construction	\$ (4,882)	\$ (4,882) (a)	\$ (4,882) (a)
11	Contributions in Aid of Construction	(83,639)	(83,639) (a)	(83,639) (a)
12	Issuance of Long-Term Debt	(397)	(397) (a)	(397) (a)
13	Increase / (Decrease) in Net Amounts Due to Parent and Affiliates	(91,978)	(91,978) (a)	(91,978) (a)
14	Total From Financing	<u>\$ (180,896)</u>	<u>\$ (180,896)</u>	<u>\$ (180,896)</u> Sum Lines [10-14]
15				
16				
17	Total Funds Provided	<u>\$ 184,343</u>	<u>\$ 216,516</u>	<u>\$ 629,183</u> Line [8] + Line [15]
18	Application of Funds			
19	Construction Expenditures	\$ 86,506	\$ 765,927 (e)	\$ 765,927 (e)
20	Rate Case Expenses	-	10,083 (a)	10,083 (a)
21	Dividends Paid	55,755	55,755 (a)	55,755 (a)
22	Other Deferred Debits and Credits	4,238	4,238 (a)	4,238 (a)
23	Total Funds Applied	<u>\$ 146,498</u>	<u>\$ 836,003</u>	<u>\$ 836,003</u> Sum Lines [19-22]
24				
25	Details of Financing			
26	Changes in Short-Term Debt	\$ - (c)	\$ -	\$ -
27	Changes in Long-Term Debt	\$ (397) (c)	\$ (397) (d)	\$ (397) (d)
28	Changes in Preferred Stock	\$ - (c)	\$ -	\$ -
29	Changes in Common Equity	\$ (151,410) (c)	\$ (198,229) (c)	\$ 214,438 (c)
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43	Supporting Schedules:	Recap Schedules:		
44	(a) E-3	A-5		
45	(b) F-1			
46	(c) E-1			
47	(d) D-2			
48	(e) F-3			
49	Workpapers & Supporting Documents:			
50	\2016 North Mohave Water.xlsm			

Line No.	Business Unit	Actual Test Year <u>12/31/2016</u>	Projected Thru <u>12/31/2017</u>	Projected Thru <u>12/31/2018</u>	Projected Thru <u>12/31/2019</u>
1	Property Classification				
2					
3	Projected Capital Expenditures	\$ 86,506	\$ 765,927	\$ 630,062	\$ 635,663 (a)
4					
5					
6					
7	Total Plant	<u>\$ 86,506</u>	<u>\$ 765,927</u>	<u>\$ 630,062</u>	<u>\$ 635,663</u> Sum Line [3-6]
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43	Supporting Schedules				
44	(a) A-4				
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47	Workpapers and Supporting Documents				
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Recap Schedules:  
 F-2

Line

No.

- 1 Customer growth:
- 2
- 3 -Revenues annualized for customer growth during test year. See Schedule C-2.
- 4 -Sales normalized for effects of weather. See Schedules C-2
- 5
- 6 Growth or decline in consumption and customer demand:
- 7
- 8 -Expenses have been adjusted to reflect annualization of customer growth / loss
- 9 per residential customer. See Schedule C-2.
- 10
- 11
- 12 Changes in expenses:
- 13
- 14 -See Schedule C-2 and testimonies of Ms. Sarah M. Clor, Ms. Sandra L. Murrey and Mr. Jon P. Boizelle.
- 15
- 16
- 17 Construction requirements, including production reserves and changes in plant capacity:
- 18
- 19 -Construction requirements reflect the Company's 2017 - 2019 business plan.
- 20
- 21
- 22 Capital structure changes:
- 23
- 24 See Schedule D-1 and the testimony of Ms. Sheryl L. Hubbard.
- 25
- 26
- 27 Financing costs, interest rates:
- 28
- 29 See Schedule D-2, page 2 and the testimony of Ms. Sheryl L. Hubbard.
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- 43 Supporting Schedules Recap Schedules:
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- 46
- 47 Workpapers and Supporting Documents
- 48
- 49
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