

# EPCOR Arizona Water Consolidated

## Schedule H2 Rebuttal

Step 4 of 5

EPCOR Arizona Water

Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
 Consolidated - Step 4

Exhibit  
 Schedule H-2 Rebuttal  
 1 of 11  
 Witness: Heppenstall

| Line No. | Rate Schedule | Description                        | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|------------------------------------|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |                                    |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 1        | C1M1A         | Agua Fria Residential 5/8" & 5/8"+ | 19,935                      | 6,521                            | \$ 11,165,657  | \$ 11,203,244             | \$ 10,491,760  | \$ (711,484)                | -6.35%     |
| 2        | C1M1A         | Agua Fria Residential 3/4"         | 16,436                      | 7,892                            | \$ 10,356,963  | \$ 10,416,598             | \$ 9,666,359   | \$ (750,239)                | -7.20%     |
| 3        | C1M1B         | Agua Fria Residential 1"           | 5,852                       | 12,513                           | \$ 7,862,952   | \$ 7,901,251              | \$ 7,072,825   | \$ (828,426)                | -10.48%    |
| 4        | C1M1C         | Agua Fria Residential 1-1/2"       | 140                         | 89,081                           | \$ 920,050     | \$ 920,548                | \$ 775,839     | \$ (144,709)                | -15.72%    |
| 5        | C1M1D         | Agua Fria Residential 2"           | 140                         | 178,707                          | \$ 1,765,705   | \$ 1,768,129              | \$ 1,521,874   | \$ (246,255)                | -13.93%    |
| 6        | C1M1E         | Agua Fria Residential 3"           | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 7        | C1M1F         | Agua Fria Residential 4"           | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 8        | C1M1G         | Agua Fria Residential 6"           | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 9        | C1M1H         | Agua Fria Residential 8"           | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 10       | C1M1I         | Agua Fria Residential 10"          | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 11       | C1M1J         | Agua Fria Residential 12"          | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 12       | C2M1A         | Agua Fria Commercial 5/8" & 5/8"+  | 37                          | 1,516                            | \$ 12,996      | \$ 13,059                 | \$ 12,281      | \$ (778)                    | -5.96%     |
| 13       | C2M1A         | Agua Fria Commercial 3/4"          | 64                          | 9,106                            | \$ 51,909      | \$ 51,987                 | \$ 45,417      | \$ (6,570)                  | -12.64%    |
| 14       | C2M1B         | Agua Fria Commercial 1"            | 222                         | 40,368                           | \$ 673,241     | \$ 674,120                | \$ 568,687     | \$ (105,432)                | -15.64%    |
| 15       | C2M1C         | Agua Fria Commercial 1-1/2"        | 297                         | 123,873                          | \$ 2,574,030   | \$ 2,574,640              | \$ 2,154,442   | \$ (420,198)                | -16.32%    |
| 16       | C2M1D         | Agua Fria Commercial 2"            | 476                         | 181,937                          | \$ 6,163,657   | \$ 6,165,592              | \$ 5,312,192   | \$ (853,401)                | -13.84%    |
| 17       | C2M1E         | Agua Fria Commercial 3"            | 59                          | 166,268                          | \$ 781,813     | \$ 796,056                | \$ 701,368     | \$ (94,689)                 | -11.89%    |
| 18       | C2M1F         | Agua Fria Commercial 4"            | 3                           | 1,128,472                        | \$ 190,969     | \$ 194,059                | \$ 165,106     | \$ (28,953)                 | -14.92%    |
| 19       | C2M1G         | Agua Fria Commercial 6"            | 4                           | 1,645,500                        | \$ 451,529     | \$ 451,529                | \$ 385,803     | \$ (65,725)                 | -14.56%    |
| 20       | C2M1H         | Agua Fria Commercial 8"            | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 21       | C2M1I         | Agua Fria Commercial 10"           | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 22       | C2M1J         | Agua Fria Commercial 12"           | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 23       | C4M2          | Agua Fria OPA - State Prison       | 1                           | 13,073,500                       | \$ 577,949     | \$ 577,949                | \$ 506,536     | \$ (71,412)                 | -12.36%    |
| 24       | C5M1          | Agua Fria - OWU PI Surprise        | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 25       | C6M04         | Agua Fria Private Fire 4"          | 117                         | -                                | \$ 14,057      | \$ 14,040                 | \$ 42,120      | \$ 28,080                   | 200.00%    |
| 26       | C6M06         | Agua Fria Private Fire 6"          | 200                         | -                                | \$ 36,015      | \$ 36,000                 | \$ 72,000      | \$ 36,000                   | 100.00%    |
| 27       | C6M08         | Agua Fria Private Fire 8"          | 53                          | -                                | \$ 12,724      | \$ 12,720                 | \$ 19,080      | \$ 6,360                    | 50.00%     |
| 28       | C6M10         | Agua Fria Private Fire 10"         | 1                           | -                                | \$ 300         | \$ 300                    | \$ 360         | \$ 60                       | 20.00%     |
| 29       | C6M12         | Agua Fria Private Fire 12"         | 2                           | -                                | \$ 720         | \$ 720                    | \$ 720         | \$ -                        | 0.00%      |
| 30       | C7M2          | Agua Fria Irrigation 2"            | 1                           | 156,167                          | \$ 8,344       | \$ 8,344                  | \$ 8,812       | \$ 468                      | 5.60%      |
| 31       | C7MS          | Agua Fria Effluent 8"              | 1                           | 11,899,250                       | \$ 109,949     | \$ 109,949                | \$ 109,949     | \$ -                        | 0.00%      |
| 32       | C8M2          | Corte Bella E&W Non-Potable Wtr    | 3                           | 13,613,829                       | \$ 438,365     | \$ 438,365                | \$ 438,365     | \$ -                        | 0.00%      |
| 33       | C8M2S         | DMB White Tank- Raw Surface Water  | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 34       | E1M1A         | Anthem Residential 5/8" & 5/8"+    | 9                           | 8,960                            | \$ 7,375       | \$ 7,365                  | \$ 8,020       | \$ 656                      | 8.90%      |
| 35       | E1M1A         | Anthem Residential 3/4"            | 6,159                       | 7,275                            | \$ 4,212,442   | \$ 4,233,896              | \$ 4,751,182   | \$ 517,286                  | 12.22%     |
| 36       | E1M1B         | Anthem Residential 1"              | 2,605                       | 9,427                            | \$ 3,508,020   | \$ 3,530,714              | \$ 3,773,504   | \$ 242,790                  | 6.88%      |
| 37       | E1M1C         | Anthem Residential 1-1/2"          | 66                          | 17,808                           | \$ 207,535     | \$ 207,670                | \$ 193,966     | \$ (13,704)                 | -6.60%     |
| 38       | E1M1D         | Anthem Residential 2"              | 5                           | 69,015                           | \$ 47,208      | \$ 47,302                 | \$ 36,950      | \$ (10,353)                 | -21.89%    |
| 39       | E1M1E         | Anthem Residential 3"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 40       | E1M1F         | Anthem Residential 4"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 41       | E1M1G         | Anthem Residential 6"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 42       | E1M1H         | Anthem Residential 8"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 43       | E1M1I         | Anthem Residential 10"             | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 44       | E1M1J         | Anthem Residential 12"             | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 45       | E2M1A         | Anthem Commercial 5/8" & 5/8"+     | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |

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| Line No. | Rate Schedule | Description                              | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|--|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |  |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 46       | E2M1A         | Anthem Commercial 3/4"                   | 28                          | 14,071                           | \$ 47,874      | \$ 47,835                 | \$ 37,201      | \$ (10,634)                 | -22.23%    |
| 47       | E2M1B         | Anthem Commercial 1"                     | 56                          | 24,024                           | \$ 173,085     | \$ 173,325                | \$ 136,434     | \$ (36,891)                 | -21.28%    |
| 48       | E2M1C         | Anthem Commercial 1-1/2"                 | 51                          | 44,388                           | \$ 293,850     | \$ 293,723                | \$ 233,869     | \$ (59,854)                 | -20.38%    |
| 49       | E2M1D         | Anthem Commercial 2"                     | 118                         | 93,131                           | \$ 1,347,487   | \$ 1,347,920              | \$ 1,092,378   | \$ (255,542)                | -18.96%    |
| 50       | E2M1E         | Anthem Commercial 3"                     | 6                           | 79,615                           | 70,160         | 70,564                    | 64,699         | \$ (5,865)                  | -8.31%     |
| 51       | E2M1F         | Anthem Commercial 4"                     | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 52       | E2M1G         | Anthem Commercial 6"                     | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 53       | E2M1H         | Anthem Commercial 8"                     | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 54       | E2M1I         | Anthem Commercial 10"                    | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 55       | E2M1J         | Anthem Commercial 12"                    | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 56       | E2M2          | Anthem Interruptible Commercial          | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 57       | E4M2          | Anthem Interruptible OPA                 | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 58       | E5M2          | Anthem Wholesale SFR Base Cost (Phoenix) | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 59       | E6M2          | Anthem Wholesale (Phoenix) OWU           | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 60       | E7M2          | Wheeling Wholesale (Phoenix) OWU         | 1                           | 25,363,083                       | 177,379        | 177,379                   | 177,379        | \$ -                        | 0.00%      |
| 61       | E6M03         | Anthem Private Fire 3"                   | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 62       | E6M04         | Anthem Private Fire 4"                   | 9                           | -                                | \$ 1,350       | \$ 1,350                  | \$ 4,685       | \$ 3,335                    | 247.06%    |
| 63       | E6M06         | Anthem Private Fire 6"                   | 43                          | -                                | \$ 12,994      | \$ 12,900                 | \$ 22,386      | \$ 9,486                    | 73.53%     |
| 64       | E6M08         | Anthem Private Fire 8"                   | 6                           | -                                | \$ 2,880       | \$ 2,880                  | \$ 3,124       | \$ 244                      | 8.46%      |
| 65       | E6M10         | Anthem Private Fire 10"                  | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 66       | E7MS          | Anthem Effluent                          | 52                          | 943,450                          | \$ 450,403     | \$ 450,403                | \$ 450,403     | \$ -                        | 0.00%      |
| 67       | L1M1A         | Chaparral Residential 3/4"               | 8,321                       | 7,397                            | \$ 4,584,023   | \$ 4,598,268              | \$ 4,765,339   | \$ 167,071                  | 3.63%      |
| 68       | L1M1B         | Chaparral Residential 1"                 | 4,467                       | 10,631                           | \$ 3,980,496   | \$ 3,991,684              | \$ 4,966,432   | \$ 974,748                  | 24.42%     |
| 69       | L1M1C         | Chaparral Residential 1 1/2"             | 20                          | 30,774                           | \$ 45,077      | \$ 45,139                 | \$ 52,183      | \$ 7,045                    | 15.61%     |
| 70       | L1M1D         | Chaparral Residential 2"                 | 14                          | 62,414                           | \$ 56,866      | \$ 57,491                 | \$ 68,973      | \$ 11,482                   | 19.97%     |
| 71       | L1M1E         | Chaparral Residential 3"                 | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 72       | L1M1F         | Chaparral Residential 4"                 | 1                           | 84,146                           | \$ 5,362       | \$ 6,680                  | \$ 9,765       | \$ 3,086                    | 46.20%     |
| 73       | L1M1G         | Chaparral Residential 6"                 | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 74       | L1M1H         | Chaparral Residential 8"                 | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 75       | L1M1I         | Chaparral Residential 10"                | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 76       | L1M1J         | Chaparral Residential 12"                | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 77       | L2M1A         | Chaparral Commercial 3/4"                | 123                         | 9,586                            | \$ 84,553      | \$ 84,590                 | \$ 87,416      | \$ 2,825                    | 3.34%      |
| 78       | L2M1B         | Chaparral Commercial 1"                  | 149                         | 11,643                           | \$ 144,524     | \$ 144,645                | \$ 172,212     | \$ 27,567                   | 19.06%     |
| 79       | L2M1C         | Chaparral Commercial 1 1/2"              | 74                          | 34,151                           | \$ 181,795     | \$ 181,929                | \$ 206,810     | \$ 24,881                   | 13.68%     |
| 80       | L2M1D         | Chaparral Commercial 2"                  | 91                          | 60,950                           | \$ 377,564     | \$ 377,853                | \$ 452,438     | \$ 74,585                   | 19.74%     |
| 81       | L2M1E         | Chaparral Commercial 3"                  | 5                           | 72,552                           | \$ 28,235      | \$ 28,679                 | \$ 36,531      | \$ 7,851                    | 27.38%     |
| 82       | L2M1F         | Chaparral Commercial 4"                  | 4                           | 237,750                          | \$ 60,006      | \$ 60,006                 | \$ 69,901      | \$ 9,895                    | 16.49%     |
| 83       | L2M1G         | Chaparral Commercial 6"                  | 2                           | 198,125                          | \$ 34,153      | \$ 34,153                 | \$ 45,938      | \$ 11,785                   | 34.51%     |
| 84       | L2M1H         | Chaparral Commercial 8"                  | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 85       | L2M1I         | Chaparral Commercial 10"                 | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 86       | L2M1J         | Chaparral Commercial 12"                 | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 87       | L3M1A         | Chaparral Industrial 3/4"                | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 88       | L3M1B         | Chaparral Industrial 1"                  | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 89       | L3M1C         | Chaparral Industrial 1 1/2"              | 1                           | 1,017                            | \$ 861         | \$ 875                    | \$ 1,333       | \$ 458                      | 52.37%     |
| 90       | L3M1D         | Chaparral Industrial 2"                  | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |

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| Line No. | Rate Schedule | Description                      | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |       |
|----------|---------------|----------------------------------|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|-------|
|          |               |                                  |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |       |
| 91       | L3M1E         | Chaparral Industrial 3"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 92       | L3M1F         | Chaparral Industrial 4"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 93       | L3M1G         | Chaparral Industrial 6"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 94       | L3M1H         | Chaparral Industrial 8"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 95       | L3M1I         | Chaparral Industrial 10"         | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 96       | L3M1J         | Chaparral Industrial 12"         | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 97       | L6M1A         | Chaparral Private Hydrant 3/4"   | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 98       | L6M1B         | Chaparral Private Hydrant 1"     | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 99       | L6M1C         | Chaparral Private Hydrant 1 1/2" | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 100      | L6M1D         | Chaparral Private Hydrant 2"     | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 101      | L6M1E         | Chaparral Private Hydrant 3"     | 16                          | 118,005                          | \$ 115,139     | \$ 118,602                | \$ 117,807     | \$ (795)                    | -0.67%     |       |
| 102      | L6M1F         | Chaparral Private Hydrant 4"     | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 103      | L6M1G         | Chaparral Private Hydrant 6"     | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 104      | L6M1H         | Chaparral Private Hydrant 8"     | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 105      | L6M1I         | Chaparral Private Hydrant 10"    | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 106      | L6M1J         | Chaparral Private Hydrant 12"    | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 107      | L7M1A         | Chaparral Irrigation 3/4"        | 148                         | 17,192                           | \$ 147,438     | \$ 147,456                | \$ 142,375     | \$ (5,081)                  | -3.45%     |       |
| 108      | L7M1B         | Chaparral Irrigation 1"          | 200                         | 21,850                           | \$ 274,425     | \$ 274,540                | \$ 306,428     | \$ 31,888                   | 11.62%     |       |
| 109      | L7M1C         | Chaparral Irrigation 1 1/2"      | 75                          | 48,516                           | \$ 220,494     | \$ 220,834                | \$ 243,869     | \$ 23,036                   | 10.43%     |       |
| 110      | L7M1D         | Chaparral Irrigation 2"          | 47                          | 98,835                           | \$ 266,066     | \$ 266,066                | \$ 299,656     | \$ 33,590                   | 12.62%     |       |
| 111      | L7M1E         | Chaparral Irrigation 3"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 112      | L7M1F         | Chaparral Irrigation 4"          | 3                           | 239,000                          | \$ 43,888      | \$ 43,888                 | \$ 51,406      | \$ 7,518                    | 17.13%     |       |
| 113      | L7M1G         | Chaparral Irrigation 6"          | 1                           | 3,376,167                        | \$ 156,198     | \$ 156,198                | \$ 151,950     | \$ (4,248)                  | -2.72%     |       |
| 114      | L7M1H         | Chaparral Irrigation 8"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 115      | L7M1I         | Chaparral Irrigation 10"         | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 116      | L7M1J         | Chaparral Irrigation 12"         | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 117      | L8M1A         | Chaparral Fire Sprinkler 3/4"    | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 118      | L8M1B         | Chaparral Fire Sprinkler 1"      | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 119      | L8M1C         | Chaparral Fire Sprinkler 1 1/2"  | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 120      | L8M1D         | Chaparral Fire Sprinkler 2"      | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 121      | L8M1E         | Chaparral Fire Sprinkler 3"      | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 122      | L8M1F         | Chaparral Fire Sprinkler 4"      | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 123      | L8M1G         | Chaparral Fire Sprinkler 6"      | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 124      | L8M1H         | Chaparral Fire Sprinkler 8"      | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 125      | L8M1I         | Chaparral Fire Sprinkler 10"     | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 126      | L8M1J         | Chaparral Fire Sprinkler 12"     | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 127      | H1M1A         | Havasu Residential 5/8" & 5/8"+  | 1,689                       | 6,222                            | \$ 1,153,055   | \$ 1,158,057              | \$ 963,084     | \$ (194,973)                | -16.84%    |       |
| 128      | H1M1A         | Havasu Residential 3/4"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 129      | H1M1B         | Havasu Residential - 1"          | 3                           | 18,359                           | \$ 5,527       | \$ 5,795                  | \$ 4,679       | \$ (1,116)                  | -19.26%    |       |
| 130      | H1M1C         | Havasu Residential - 1-1/2"      | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 131      | H1M1D         | Havasu Residential - 2"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 132      | H1M1E         | Havasu Residential - 3"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 133      | H1M1F         | Havasu Residential - 4"          | 1                           | 223,833                          | \$ 22,395      | \$ 22,395                 | \$ 18,103      | \$ (4,292)                  | -19.17%    |       |
| 134      | H1M1G         | Havasu Residential - 6"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 135      | H1M1H         | Havasu Residential - 8"          | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |

EPCOR Arizona Water

Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
 Consolidated - Step 4

Exhibit  
 Schedule H-2 Rebuttal  
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| Line No. | Rate Schedule | Description                          | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|--------------------------------------|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |                                      |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 136      | H1M1I         | Havasu Residential - 10"             | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 137      | H1M1J         | Havasu Residential - 12"             | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 138      | H2M1A         | Havasu Commercial 5/8" & 5/8"+       | 24                          | 11,714                           | \$ 27,077      | \$ 27,138                 | \$ 21,108      | \$ (6,030)                  | -22.22%    |
| 139      | H2M1A         | Havasu Commercial 3/4"               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 140      | H2M1B         | Havasu Commercial - 1"               | 9                           | 24,222                           | \$ 22,918      | \$ 22,918                 | \$ 16,507      | \$ (6,411)                  | -27.97%    |
| 141      | H2M1C         | Havasu Commercial - 1-1/2"           | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 142      | H2M1D         | Havasu Commercial - 2"               | 19                          | 59,105                           | \$ 124,062     | \$ 124,062                | \$ 101,622     | \$ (22,440)                 | -18.09%    |
| 143      | H2M1E         | Havasu Commercial - 3"               | 4                           | 41,950                           | \$ 27,233      | \$ 29,630                 | \$ 24,517      | \$ (5,112)                  | -17.25%    |
| 144      | H2M1F         | Havasu Commercial - 4"               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 145      | H2M1G         | Havasu Commercial - 6"               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 146      | H2M1H         | Havasu Commercial - 8"               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 147      | H2M1I         | Havasu Commercial - 10"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 148      | H2M1J         | Havasu Commercial - 12"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 149      | H1M3B         | Havasu Res Apt - 1" RV               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 150      | H1M3L         | Havasu Res Apt - 1"- LH RV           | 96                          | 1,721                            | \$ 33,754      | \$ 33,754                 | \$ 24,067      | \$ (9,686)                  | -28.70%    |
| 151      | H1M3M         | Havasu Res Apt - 1"- D Hills RV      | 42                          | 1,708                            | \$ 14,488      | \$ 14,488                 | \$ 10,281      | \$ (4,206)                  | -29.03%    |
| 152      | H1M3D         | Havasu Res Apt - 2"                  | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 153      | H1M3E         | Havasu Res Apt - 3" RV               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 154      | H1M3F         | Havasu Res Apt 4"-RV                 | -                           | 1,534                            | \$ 4,776       | \$ -                      | \$ -           | \$ -                        | 0.00%      |
| 155      | H1M3H         | Havasu Res Apt 4"-Valley Manor       | 69                          | 5,320                            | \$ 40,213      | \$ 40,213                 | \$ 29,338      | \$ (10,875)                 | -27.04%    |
| 156      | H1M3J         | Havasu Res Apt 4"- Kenjen RV         | 106                         | 1,513                            | \$ 32,031      | \$ 32,031                 | \$ 26,029      | \$ (6,003)                  | -18.74%    |
| 157      | H1M3K         | Havasu Res Apt 4"- HV Falls RV       | 133                         | 1,630                            | \$ 42,600      | \$ 42,600                 | \$ 33,352      | \$ (9,248)                  | -21.71%    |
| 158      | H1M3N         | Havasu Res Apt 4" - Riv Villy D      | 149                         | 1,472                            | \$ 45,877      | \$ 45,877                 | \$ 36,319      | \$ (9,558)                  | -20.83%    |
| 159      | H1M3G         | Havasu Res Apt 6" Refuge Golf RV     | 1                           | 6,120                            | \$ 17,037      | \$ 11,358                 | \$ 7,922       | \$ (3,436)                  | -30.25%    |
| 160      | H1M3P         | Havasu Res Apt 6" - Havasu RV Resort | 400                         | 3,226                            | \$ 179,320     | \$ 180,940                | \$ 136,816     | \$ (44,124)                 | -24.39%    |
| 161      | H6M02         | Havasu Private Fire 2"               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 162      | H6M04         | Havasu Private Fire 4"               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 163      | H6M06         | Havasu Private Fire 6"               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 164      | H6M08         | Havasu Private Fire 8"               | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 165      | H6M10         | Havasu Private Fire 10"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 166      | H8M1          | Havasu Public Hydrant                | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 167      | G1M1A         | Bullhead Residential 5/8"            | 14,594                      | 6,127                            | \$ 4,878,344   | \$ 4,904,481              | \$ 6,862,538   | \$ 1,958,057                | 39.92%     |
| 168      | G1M1A         | Bullhead Residential 3/4"            | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 169      | G1M1B         | Bullhead Residential 1"              | 78                          | 24,556                           | \$ 97,758      | \$ 97,916                 | \$ 131,831     | \$ 33,915                   | 34.64%     |
| 170      | G1M1C         | Bullhead Residential 1 1/2"          | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 171      | G1M1D         | Bullhead Residential 2"              | 26                          | 58,334                           | \$ 67,472      | \$ 74,745                 | \$ 102,682     | \$ 27,937                   | 37.38%     |
| 172      | G1M1E         | Bullhead Residential 3"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 173      | G1M1F         | Bullhead Residential 4"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 174      | G1M1G         | Bullhead Residential 6"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 175      | G1M1H         | Bullhead Residential 8"              | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 176      | G1M1I         | Bullhead Residential 10"             | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 177      | G1M1J         | Bullhead Residential 12"             | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 178      | G1M2A         | Bullhead Residential Apt 5/8"        | 71                          | 10,126                           | \$ 33,418      | \$ 33,499                 | \$ 45,936      | \$ 12,438                   | 37.13%     |
| 179      | G1M2A         | Bullhead Residential Apt 3/4"        | -                           | -                                | -              | -                         | -              | \$ -                        | 0.00%      |
| 180      | G1M2B         | Bullhead Residential Apt 1"          | 58                          | 17,898                           | \$ 57,659      | \$ 57,996                 | \$ 66,216      | \$ 8,220                    | 14.17%     |

EPCOR Arizona Water

Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
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Exhibit  
 Schedule H-2 Rebuttal  
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 Witness: Heppenstall

| Line No. | Rate Schedule | Description                     | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|---------------------------------|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |                                 |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 181      | G1M2C         | Bullhead Residential Apt 1 1/2" | 8                           | 22,667                           | \$ 1,521       | \$ 7,657                  | \$ 10,313      | \$ 2,656                    | 34.68%     |
| 182      | G1M2D         | Bullhead Residential Apt 2"     | 138                         | 42,565                           | \$ 375,761     | \$ 375,960                | \$ 523,345     | \$ 147,385                  | 39.20%     |
| 183      | G1M2E         | Bullhead Residential Apt 3"     | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 184      | G1M2F         | Bullhead Residential Apt 4"     | 2                           | 189,708                          | \$ 20,480      | \$ 20,480                 | \$ 27,781      | \$ 7,301                    | 35.65%     |
| 185      | G1M2G         | Bullhead Residential Apt 6"     | 1                           | 1,227,417                        | \$ 51,790      | \$ 51,790                 | \$ 64,269      | \$ 12,479                   | 24.10%     |
| 186      | G1M2H         | Bullhead Residential Apt 8"     | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 187      | G1M2I         | Bullhead Residential Apt 10"    | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 188      | G1M2J         | Bullhead Residential Apt 12"    | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 189      | G1M3A         | Rio Utility Residential 5/8"    | 356                         | 7,858                            | \$ 138,449     | \$ 139,049                | \$ 193,137     | \$ 54,088                   | 38.90%     |
| 190      | G1M3B         | Rio Utility Residential 1"      | 4                           | 9,688                            | \$ 2,926       | \$ 2,926                  | \$ 3,919       | \$ 993                      | 33.93%     |
| 191      | G2M1A         | Bullhead Commercial 5/8"        | 375                         | 8,174                            | \$ 161,379     | \$ 161,825                | \$ 221,318     | \$ 59,494                   | 36.76%     |
| 192      | G2M1A         | Bullhead Commercial 3/4"        | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 193      | G2M1B         | Bullhead Commercial 1"          | 207                         | 17,524                           | \$ 208,464     | \$ 209,031                | \$ 267,712     | \$ 58,681                   | 28.07%     |
| 194      | G2M1C         | Bullhead Commercial 1 1/2"      | 2                           | 15,974                           | \$ 2,977       | \$ 2,855                  | \$ 3,687       | \$ 832                      | 29.13%     |
| 195      | G2M1D         | Bullhead Commercial 2"          | 228                         | 75,200                           | \$ 888,913     | \$ 890,328                | \$ 1,186,084   | \$ 295,756                  | 33.22%     |
| 196      | G2M1E         | Bullhead Commercial 3"          | 14                          | 85,105                           | \$ 76,769      | \$ 77,259                 | \$ 103,566     | \$ 26,307                   | 34.05%     |
| 197      | G2M1F         | Bullhead Commercial 4"          | 2                           | 215,167                          | \$ 22,430      | \$ 22,430                 | \$ 29,918      | \$ 7,488                    | 33.38%     |
| 198      | G2M1G         | Bullhead Commercial 6"          | 2                           | 1,402,792                        | \$ 121,469     | \$ 121,469                | \$ 154,551     | \$ 33,082                   | 27.24%     |
| 199      | G2M1H         | Bullhead Commercial 8"          | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 200      | G2M1I         | Bullhead Commercial 10"         | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 201      | G2M1J         | Bullhead Commercial 12"         | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 202      | G3M1A         | Bullhead Industrial 5/8"        | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 203      | G3M1A         | Bullhead Industrial 3/4"        | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 204      | G3M1B         | Bullhead Industrial 1"          | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 205      | G3M1C         | Bullhead Industrial 1 1/2"      | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 206      | G3M1D         | Bullhead Industrial 2"          | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 207      | G3M1E         | Bullhead Industrial 3"          | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 208      | G3M1F         | Bullhead Industrial 4"          | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 209      | G3M1G         | Bullhead Industrial 6"          | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 210      | G3M1H         | Bullhead Industrial 8"          | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 211      | G3M1I         | Bullhead Industrial 10"         | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 212      | G3M1J         | Bullhead Industrial 12"         | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 213      | G4M1          | Bullhead OPA 5/8"               | 12                          | 21,751                           | \$ 9,253       | \$ 9,313                  | \$ 12,345      | \$ 3,032                    | 32.56%     |
| 214      | G4M1          | Bullhead OPA 3/4"               | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 215      | G4M1          | Bullhead OPA 1"                 | 10                          | 22,308                           | \$ 10,728      | \$ 10,728                 | \$ 14,216      | \$ 3,488                    | 32.52%     |
| 216      | G4M1          | Bullhead OPA 1 1/2"             | 1                           | 667                              | \$ 896         | \$ 896                    | \$ 1,209       | \$ 313                      | 34.95%     |
| 217      | G4M1          | Bullhead OPA 2"                 | 45                          | 71,696                           | \$ 153,352     | \$ 153,972                | \$ 216,208     | \$ 62,236                   | 40.42%     |
| 218      | G4M1          | Bullhead OPA 3"                 | 2                           | 1,012,792                        | \$ 63,218      | \$ 63,218                 | \$ 83,509      | \$ 20,291                   | 32.10%     |
| 219      | G4M1          | Bullhead OPA 4"                 | 1                           | 434,083                          | \$ 16,728      | \$ 16,728                 | \$ 22,952      | \$ 6,224                    | 37.21%     |
| 220      | G4M1          | Bullhead OPA 6"                 | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 221      | G4M1          | Bullhead OPA 8"                 | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 222      | G4M1          | Bullhead OPA 10"                | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 223      | G4M1          | Bullhead OPA 12"                | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 224      | G2M1V         | BHC Veterans Memorial           | -                           | -                                | -              | -                         | \$ -           | -                           | 0.00%      |
| 225      | G6M02         | Bullhead Private Fire 2"        | 28                          | -                                | \$ 1,532       | \$ 2,043                  | \$ 7,980       | \$ 5,937                    | 290.63%    |

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Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
 Consolidated - Step 4

Exhibit  
 Schedule H-2 Rebuttal  
 6 of 11  
 Witness: Heppenstall

| Line No. | Rate Schedule | Description                              | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|--|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |  |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 226      | G6M04         | Bullhead Private Fire 4"                 | 81                          | -                                | \$ 11,820      | \$ 11,820                 | \$ 27,702      | \$ 15,882                   | 134.38%    |
| 227      | G6M06         | Bullhead Private Fire 6"                 | 36                          | -                                | \$ 7,989       | \$ 7,880                  | \$ 12,312      | \$ 4,432                    | 56.25%     |
| 228      | G6M08         | Bullhead Private Fire 8"                 | 15                          | -                                | \$ 4,280       | \$ 4,378                  | \$ 5,130       | \$ 752                      | 17.19%     |
| 229      | G6M10         | Bullhead Private Fire 10"                | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 230      | G6M1          | Bullhead Private Hydrant                 | 8                           | -                                | \$ 1,438       | \$ 1,438                  | \$ 1,994       | \$ 556                      | 38.63%     |
| 231      | G8M1          | Bullhead Public Hydrant                  | 227                         | -                                | \$ 40,806      | \$ 40,807                 | \$ 56,572      | \$ 15,764                   | 38.63%     |
| 232      | G8M1H         | Bullhead Public Sprinkler Head           | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 233      | P7A1          | Mohave Sewer Treated Effluent            | 1                           | 19,633                           | \$ 53,665      |                           | \$ -           | \$ -                        | 0.00%      |
| 234      | J1M1A         | North Mohave Residential 5/8             | 1,888                       | 7,810                            | \$ 609,454     | \$ 614,234                | \$ 1,070,189   | \$ 455,955                  | 74.23%     |
| 235      | J1M1A         | North Mohave Residential 3/4             | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 236      | J1M1B         | North Mohave Residential 1"              | 30                          | 24,703                           | \$ 32,832      | \$ 32,889                 | \$ 53,023      | \$ 20,134                   | 61.22%     |
| 237      | J1M1C         | North Mohave Residential 1.5"            | 14                          | 44,227                           | \$ 31,560      | \$ 31,770                 | \$ 43,866      | \$ 12,096                   | 38.07%     |
| 238      | J1M1D         | North Mohave Residential 2"              | 28                          | 120,268                          | \$ 163,589     | \$ 164,018                | \$ 214,559     | \$ 50,541                   | 30.81%     |
| 239      | J1M1E         | North Mohave Residential 3"              | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 240      | J1M1F         | North Mohave Residential 4"              | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 241      | J1M1G         | North Mohave Residential 6"              | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 242      | J1M2A         | North Mohave Residential Multi Unit 5/8  | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 243      | J1M2A         | North Mohave Residential Multi Unit 3/4  | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 244      | J1M2B         | North Mohave Residential Multi Unit 1"   | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 245      | J1M2C         | North Mohave Residential Multi Unit 1.5" | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 246      | J1M2D         | North Mohave Residential Multi Unit 2"   | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 247      | J1M2E         | North Mohave Residential Multi Unit 3"   | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 248      | J1M2F         | North Mohave Residential Multi Unit 4"   | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 249      | J1M2G         | North Mohave Residential Multi Unit 6"   | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 250      | J2M1A         | North Mohave Commercial 5/8              | 32                          | 10,797                           | \$ 14,947      | \$ 14,967                 | \$ 24,002      | \$ 9,036                    | 60.37%     |
| 251      | J2M1A         | North Mohave Commercial 3/4              | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 252      | J2M1B         | North Mohave Commercial 1"               | 16                          | 16,258                           | \$ 13,030      | \$ 13,051                 | \$ 20,454      | \$ 7,403                    | 56.73%     |
| 253      | J2M1C         | North Mohave Commercial 1.5"             | 14                          | 57,540                           | \$ 40,208      | \$ 40,422                 | \$ 53,441      | \$ 13,019                   | 32.21%     |
| 254      | J2M1D         | North Mohave Commercial 2"               | 24                          | 71,922                           | \$ 92,086      | \$ 92,167                 | \$ 127,039     | \$ 34,871                   | 37.83%     |
| 255      | J2M1E         | North Mohave Commercial 3"               | 2                           | 698,760                          | \$ 55,700      | \$ 55,998                 | \$ 68,546      | \$ 12,548                   | 22.41%     |
| 256      | J2M1F         | North Mohave Commercial 4"               | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 257      | J2M1G         | North Mohave Commercial 6"               | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 258      | J2M2          | North Mohave Construction Usage          | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 259      | P1M1A         | Paradise Valley Residential 5/8" & 5/8"+ | 2,085                       | 18,590                           | \$ 1,556,353   | \$ 1,560,388              | \$ 2,308,918   | \$ 748,530                  | 47.97%     |
| 260      | P1M1A         | Paradise Valley Residential 3/4"         | 19                          | 30,226                           | \$ 20,419      | \$ 20,605                 | \$ 31,538      | \$ 10,933                   | 53.06%     |
| 261      | P1M1A         | Paradise Valley Residential 1"           | 2,100                       | 55,029                           | \$ 4,618,771   | \$ 4,624,994              | \$ 6,965,152   | \$ 2,340,157                | 50.60%     |
| 262      | P1M1A         | Paradise Valley Residential 1 1/2"       | 177                         | 83,290                           | \$ 663,670     | \$ 664,659                | \$ 858,474     | \$ 193,815                  | 29.16%     |
| 263      | P1M1A         | Paradise Valley Residential 2"           | 164                         | 124,843                          | \$ 987,809     | \$ 987,329                | \$ 1,272,774   | \$ 285,444                  | 28.91%     |
| 264      | P1M1B         | Paradise Valley Residential 3"           | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 265      | P1M1B         | Paradise Valley Residential 4"           | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 266      | P1M1B         | Paradise Valley Residential 6"           | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 267      | P1M1B         | Paradise Valley Residential 8"           | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 268      | P1M1B         | Paradise Valley Residential 10"          | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 269      | P1M1B         | Paradise Valley Residential 12"          | -                           | -                                | -              | -                         | \$ -           | \$ -                        | 0.00%      |
| 270      | P2M1A         | Paradise Valley Commercial 5/8" & 5/8"+  | 62                          | 12,422                           | \$ 38,772      | \$ 38,708                 | \$ 50,493      | \$ 11,785                   | 30.45%     |

EPCOR Arizona Water

Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
 Consolidated - Step 4

Exhibit  
 Schedule H-2 Rebuttal  
 7 of 11  
 Witness: Heppenstall

| Line No. | Rate Schedule | Description                                | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|--|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |  |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 271      | P2M1A         | Paradise Valley Commercial 3/4"            | 3                           | 38,289                           | \$ 4,259       | \$ 4,142                  | \$ 6,710       | \$ 2,568                    | 62.01%     |
| 272      | P2M1A         | Paradise Valley Commercial 1"              | 68                          | 80,654                           | \$ 176,576     | \$ 176,373                | \$ 303,052     | \$ 126,680                  | 71.83%     |
| 273      | P2M1A         | Paradise Valley Commercial 1 1/2"          | 29                          | 80,699                           | \$ 89,909      | \$ 89,600                 | \$ 140,132     | \$ 50,531                   | 56.40%     |
| 274      | P2M1A         | Paradise Valley Commercial 2"              | 150                         | 221,126                          | \$ 1,087,272   | \$ 1,087,767              | \$ 1,863,578   | \$ 775,811                  | 71.32%     |
| 275      | P2M1A         | Paradise Valley Commercial 3"              | 16                          | 209,422                          | \$ 137,955     | \$ 141,558                | \$ 214,705     | \$ 73,147                   | 51.67%     |
| 276      | P2M1A         | Paradise Valley Commercial 4"              | 4                           | 521,706                          | \$ 69,710      | \$ 71,790                 | \$ 112,233     | \$ 40,443                   | 56.34%     |
| 277      | P2M1A         | Paradise Valley Commercial 6"              | 5                           | 1,148,556                        | \$ 225,992     | \$ 223,168                | \$ 357,171     | \$ 134,003                  | 60.05%     |
| 278      | P2M1A         | Paradise Valley Commercial 8"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 279      | P2M1A         | Paradise Valley Commercial 10"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 280      | P2M1A         | Paradise Valley Commercial 12"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 281      | P3M1A         | Paradise Valley Industrial 5/8" & 5/8"+    | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 282      | P3M1A         | Paradise Valley Industrial 3/4"            | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 283      | P3M1A         | Paradise Valley Industrial 1"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 284      | P3M1A         | Paradise Valley Industrial 1 1/2"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 285      | P3M1A         | Paradise Valley Industrial 2"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 286      | P3M1A         | Paradise Valley Industrial 3"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 287      | P3M1A         | Paradise Valley Industrial 4"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 288      | P3M1A         | Paradise Valley Industrial 6"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 289      | P3M1A         | Paradise Valley Industrial 8"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 290      | P3M1A         | Paradise Valley Industrial 10"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 291      | P3M1A         | Paradise Valley Industrial 12"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 292      | P2MIT         | Paradise Valley Turf Customer 5/8" & 5/8"+ | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 293      | P2MIT         | Paradise Valley Turf Customer 3/4"         | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 294      | P2MIT         | Paradise Valley Turf Customer 1"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 295      | P2MIT         | Paradise Valley Turf Customer 1 1/2"       | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 296      | P2MIT         | Paradise Valley Turf Customer 2"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 297      | P2MIT         | Paradise Valley Turf Customer 3"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 298      | P2MIT         | Paradise Valley Turf Customer 4"           | 1                           | 3,418,583                        | \$ 77,012      | \$ 77,012                 | \$ 85,109      | \$ 8,097                    | 10.51%     |
| 299      | P2MIT         | Paradise Valley Turf Customer 6"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 300      | P2MIT         | Paradise Valley Turf Customer 8"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 301      | P2MIT         | Paradise Valley Turf Customer 10"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 302      | P2MIT         | Paradise Valley Turf Customer 12"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 303      | P4MIT         | Paradise Valley Turf Customer 5/8" & 5/8"+ | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 304      | P4MIT         | Paradise Valley Turf Customer 3/4"         | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 305      | P4MIT         | Paradise Valley Turf Customer 1"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 306      | P4MIT         | Paradise Valley Turf Customer 1 1/2"       | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 307      | P4MIT         | Paradise Valley Turf Customer 2"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 308      | P4MIT         | Paradise Valley Turf Customer 3"           | 1                           | 948,083                          | \$ 23,399      | \$ 23,399                 | \$ 25,915      | \$ 2,517                    | 10.76%     |
| 309      | P4MIT         | Paradise Valley Turf Customer 4"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 310      | P4MIT         | Paradise Valley Turf Customer 6"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 311      | P4MIT         | Paradise Valley Turf Customer 8"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 312      | P4MIT         | Paradise Valley Turf Customer 10"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 313      | P4MIT         | Paradise Valley Turf Customer 12"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 314      | P5M1A         | Paradise Valley OWU/OPA 5/8"               | 4                           | 813                              | \$ 1,373       | \$ 1,373                  | \$ 1,113       | \$ (261)                    | -18.99%    |
| 315      | P5M1A         | Paradise Valley OWU/OPA 3/4"               | 1                           | 13,397                           | \$ 494         | \$ 591                    | \$ 524         | \$ (68)                     | -11.43%    |



EPCOR Arizona Water

Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
 Consolidated - Step 4

Exhibit  
 Schedule H-2 Rebuttal  
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 Witness: Heppenstall

| Line No. | Rate Schedule | Description                                | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|--|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |  |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 316      | P5M1A         | Paradise Valley OWU/OPA 1"                 | 7                           | 28,798                           | \$ 9,138       | \$ 9,138                  | \$ 9,901       | \$ 763                      | 8.35%      |
| 317      | P5M1A         | Paradise Valley OWU/OPA 1 1/2"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 318      | P5M1A         | Paradise Valley OWU/OPA 2"                 | 8                           | 45,775                           | \$ 16,785      | \$ 20,268                 | \$ 25,726      | \$ 5,458                    | 26.93%     |
| 319      | P5M1A         | Paradise Valley OWU/OPA 3"                 | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 320      | P5M1A         | Paradise Valley OWU/OPA 4"                 | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 321      | P5M1A         | Paradise Valley OWU/OPA 6"                 | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 322      | P5M1A         | Paradise Valley OWU/OPA 8"                 | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 323      | P5M1A         | Paradise Valley OWU/OPA 10"                | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 324      | P5M1A         | Paradise Valley OWU/OPA 12"                | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 325      | P2PVC         | Paradise Valley Country Club 6**           | 1                           | 15,165,167                       | \$ 278,751     | \$ 278,751                | \$ 306,081     | \$ 27,330                   | 9.80%      |
| 326      | P6M1A         | Paradise Valley Pri Fire                   | 54                          | 64                               | \$ 6,378       | \$ 6,480                  | \$ 6,480       | -                           | 0.00%      |
| 327      | A1M1A         | Sun City Residential 5/8" & 5/8"+          | 19,233                      | 6,802                            | \$ 4,589,925   | \$ 4,604,093              | \$ 7,932,184   | \$ 3,328,092                | 72.29%     |
| 328      | A1M1A         | Sun City Residential 3/4"                  | 1,603                       | 7,471                            | \$ 429,989     | \$ 433,577                | \$ 695,796     | \$ 262,218                  | 60.48%     |
| 329      | A1M1B         | Sun City Residential 1"                    | 708                         | 10,325                           | \$ 354,384     | \$ 358,120                | \$ 597,962     | \$ 239,841                  | 66.97%     |
| 330      | A1M1C         | Sun City Residential 1-1/2"                | 1,197                       | 62,478                           | \$ 2,376,143   | \$ 2,376,392              | \$ 3,620,785   | \$ 1,244,393                | 52.36%     |
| 331      | A1M1D         | Sun City Residential 2"                    | 428                         | 79,229                           | \$ 1,158,778   | \$ 1,158,572              | \$ 1,902,115   | \$ 743,543                  | 64.18%     |
| 332      | A1M1E         | Sun City Residential 3"                    | 2                           | 260,458                          | \$ 15,120      | \$ 15,120                 | \$ 23,331      | \$ 8,211                    | 54.31%     |
| 333      | A1M1F         | Sun City Residential 4"                    | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 334      | A1M1G         | Sun City Residential 6"                    | 1                           | 431,000                          | \$ 14,755      | \$ 14,755                 | \$ 24,963      | \$ 10,208                   | 69.19%     |
| 335      | A1M1H         | Sun City Residential 8"                    | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 336      | A1M1I         | Sun City Residential 10"                   | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 337      | A1M1J         | Sun City Residential 12"                   | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 338      | A2M1A         | Sun City Commercial 5/8" & 5/8"+           | 220                         | 4,801                            | \$ 47,605      | \$ 47,721                 | \$ 82,280      | \$ 34,560                   | 72.42%     |
| 339      | A2M1A         | Sun City Commercial 3/4"                   | 16                          | 18,052                           | \$ 8,886       | \$ 8,886                  | \$ 14,180      | \$ 5,294                    | 59.58%     |
| 340      | A2M1B         | Sun City Commercial 1"                     | 184                         | 27,095                           | \$ 170,716     | \$ 171,083                | \$ 263,994     | \$ 92,910                   | 54.31%     |
| 341      | A2M1C         | Sun City Commercial 1-1/2"                 | 385                         | 52,503                           | \$ 689,482     | \$ 689,960                | \$ 1,062,188   | \$ 372,229                  | 53.95%     |
| 342      | A2M1D         | Sun City Commercial 2"                     | 221                         | 96,753                           | \$ 702,055     | \$ 702,590                | \$ 1,137,500   | \$ 434,910                  | 61.90%     |
| 343      | A2M1E         | Sun City Commercial 3"                     | 30                          | 231,744                          | \$ 210,073     | \$ 212,581                | \$ 338,631     | \$ 126,050                  | 59.30%     |
| 344      | A2M1F         | Sun City Commercial 4"                     | 5                           | 1,018,483                        | \$ 139,040     | \$ 139,040                | \$ 220,396     | \$ 81,356                   | 58.51%     |
| 345      | A2M1G         | Sun City Commercial 6"                     | 10                          | 1,758,300                        | \$ 484,256     | \$ 484,256                | \$ 773,711     | \$ 289,455                  | 59.77%     |
| 346      | A2M1H         | Sun City Commercial 8"                     | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 347      | A2M1I         | Sun City Commercial 10"                    | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 348      | A2M1J         | Sun City Commercial 12"                    | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 349      | A5M1          | Sun City Public Interruptible OWU - Peoria | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 350      | A7M1          | Sun City Irrigation 2"                     | 2                           | 101,375                          | \$ 5,611       | \$ 5,611                  | \$ 11,583      | \$ 5,972                    | 106.42%    |
| 351      | A7M2          | Sun City Irrigation - Raw                  | 2                           | 19,500,750                       | \$ 188,289     | \$ 188,289                | \$ 169,616     | \$ (18,673)                 | -9.92%     |
| 352      | A6M03         | Sun City Private Fire 3"                   | 1                           | -                                | \$ 131         | \$ 131                    | \$ 288         | \$ 157                      | 119.98%    |
| 353      | A6M04         | Sun City Private Fire 4"                   | 58                          | -                                | \$ 7,593       | \$ 7,593                  | \$ 16,704      | \$ 9,111                    | 119.98%    |
| 354      | A6M06         | Sun City Private Fire 6"                   | 74                          | -                                | \$ 9,688       | \$ 9,688                  | \$ 21,312      | \$ 11,624                   | 119.98%    |
| 355      | A6M08         | Sun City Private Fire 8"                   | 11                          | -                                | \$ 2,075       | \$ 2,075                  | \$ 3,168       | \$ 1,093                    | 52.67%     |
| 356      | A6M10         | Sun City Private Fire 10"                  | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 357      | A8M1          | Sun City Public Fire Service - Hydrant     | 44                          | -                                | \$ 4,868       | \$ 4,868                  | \$ 9,234       | \$ 4,366                    | 89.67%     |
| 358      | B1M1A         | Sun City West Residential 5/8" & 5/8"+     | 14,234                      | 5,989                            | \$ 5,237,453   | \$ 5,251,856              | \$ 6,470,261   | \$ 1,218,405                | 23.20%     |
| 359      | B1M1A         | Sun City West Residential 3/4"             | 36                          | 11,128                           | \$ 20,253      | \$ 20,258                 | \$ 24,552      | \$ 4,295                    | 21.20%     |
| 360      | B1M1B         | Sun City West Residential 1"               | 141                         | 14,146                           | \$ 135,240     | \$ 135,439                | \$ 166,463     | \$ 31,024                   | 22.91%     |

EPCOR Arizona Water

Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
 Consolidated - Step 4

Exhibit  
 Schedule H-2 Rebuttal  
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 Witness: Heppenstall

| Line No. | Rate Schedule | Description                           | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|---------------------------------------|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |                                       |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 361      | B1M1C         | Sun City West Residential 1 1/2"      | 420                         | 52,636                           | \$ 1,194,940   | \$ 1,195,129              | \$ 1,342,646   | \$ 147,517                  | 12.34%     |
| 362      | B1M1D         | Sun City West Residential 2"          | 133                         | 46,330                           | \$ 417,385     | \$ 416,892                | \$ 519,611     | \$ 102,720                  | 24.64%     |
| 363      | B1M1E         | Sun City West Residential 3"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 364      | B1M1F         | Sun City West Residential 4"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 365      | B1M1G         | Sun City West Residential 6"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 366      | B1M1H         | Sun City West Residential 8"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 367      | B1M1I         | Sun City West Residential 10"         | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 368      | B1M1J         | Sun City West Residential 12"         | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 369      | B2M1A         | Sun City West Commercial 5/8" & 5/8"+ | 70                          | 5,181                            | \$ 25,965      | \$ 26,061                 | \$ 31,998      | \$ 5,936                    | 22.78%     |
| 370      | B2M1A         | Sun City West Commercial 3/4"         | 6                           | 6,361                            | \$ 2,500       | \$ 2,500                  | \$ 3,030       | \$ 530                      | 21.19%     |
| 371      | B2M1B         | Sun City West Commercial 1"           | 91                          | 25,229                           | \$ 127,664     | \$ 127,950                | \$ 147,895     | \$ 19,945                   | 15.59%     |
| 372      | B2M1C         | Sun City West Commercial 1 1/2"       | 134                         | 42,384                           | \$ 338,719     | \$ 338,987                | \$ 387,537     | \$ 48,550                   | 14.32%     |
| 373      | B2M1D         | Sun City West Commercial 2"           | 158                         | 77,367                           | \$ 689,371     | \$ 689,864                | \$ 834,134     | \$ 144,269                  | 20.91%     |
| 374      | B2M1E         | Sun City West Commercial 3"           | 7                           | 603,859                          | \$ 183,832     | \$ 184,890                | \$ 214,123     | \$ 29,234                   | 15.81%     |
| 375      | B2M1F         | Sun City West Commercial 4"           | 4                           | 676,125                          | \$ 122,995     | \$ 122,995                | \$ 143,001     | \$ 20,006                   | 16.27%     |
| 376      | B2M1G         | Sun City West Commercial 6"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 377      | B2M1H         | Sun City West Commercial 8"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 378      | B2M1I         | Sun City West Commercial 10"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 379      | B2M1J         | Sun City West Commercial 12"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 380      | B7M1A         | Sun City West Irrigation 5/8" & 5/8"+ | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 381      | B7M1A         | Sun City West Irrigation 3/4"         | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 382      | B7M1B         | Sun City West Irrigation 1"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 383      | B7M1C         | Sun City West Irrigation 1 1/2"       | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 384      | B7M1D         | Sun City West Irrigation 2"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 385      | B7M1E         | Sun City West Irrigation 3"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 386      | B7M1F         | Sun City West Irrigation 4"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 387      | B7M1G         | Sun City West Irrigation 6"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 388      | B7M1H         | Sun City West Irrigation 8"           | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 389      | B7M1I         | Sun City West Irrigation 10"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 390      | B7M1J         | Sun City West Irrigation 12"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 391      | B7M2          | Sun City West Irrigation - Raw        | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 392      | B6M04         | Sun City West Private Fire 4"         | 34                          | -                                | \$ 22,907      | \$ 22,954                 | \$ 11,628      | \$ (11,326)                 | -49.34%    |
| 393      | B6M06         | Sun City West Private Fire 6"         | 60                          | -                                | \$ 60,228      | \$ 60,768                 | \$ 20,520      | \$ (40,248)                 | -66.23%    |
| 394      | B6M08         | Sun City West Private Fire 8"         | 11                          | -                                | \$ 15,330      | \$ 14,854                 | \$ 3,762       | \$ (11,092)                 | -74.67%    |
| 395      | F1M1A         | Tubac Residential 5/8" & 5/8"+        | 501                         | 7,486                            | \$ 396,384     | \$ 481,760                | \$ 315,753     | \$ (166,008)                | -34.46%    |
| 396      | F1M1A         | Tubac Residential 3/4"                | 6                           | 5,286                            | \$ 4,041       | \$ 5,011                  | \$ 3,065       | \$ (1,946)                  | -38.84%    |
| 397      | F1M1B         | Tubac Residential 1"                  | 22                          | 15,912                           | \$ 44,282      | \$ 54,396                 | \$ 32,464      | \$ (21,932)                 | -40.32%    |
| 398      | F1M1C         | Tubac Residential 1-1/2"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 399      | F1M1D         | Tubac Residential 2"                  | 4                           | 31,269                           | \$ 20,989      | \$ 25,355                 | \$ 15,725      | \$ (9,629)                  | -37.98%    |
| 400      | F1M1E         | Tubac Residential 3"                  | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 401      | F1M1F         | Tubac Residential 4"                  | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 402      | F1M1G         | Tubac Residential 6"                  | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 403      | F1M1H         | Tubac Residential 8"                  | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 404      | F1M1I         | Tubac Residential 10"                 | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 405      | F1M1J         | Tubac Residential 12"                 | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |

EPCOR Arizona Water

Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
 Consolidated - Step 4

Exhibit  
 Schedule H-2 Rebuttal  
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 Witness: Heppenstall

| Line No. | Rate Schedule | Description                              | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |
|----------|---------------|--|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|
|          |               |  |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |
| 406      | F2M1A         | Tubac Commercial 5/8" & 5/8"+            | 53                          | 6,281                            | \$ 39,144      | \$ 47,834                 | \$ 31,180      | \$ (16,655)                 | -34.82%    |
| 407      | F2M1A         | Tubac Commercial 3/4"                    | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 408      | F2M1B         | Tubac Commercial 1"                      | 17                          | 29,719                           | \$ 54,174      | \$ 65,406                 | \$ 38,506      | \$ (26,900)                 | -41.13%    |
| 409      | F2M1C         | Tubac Commercial 1-1/2"                  | 2                           | 12,833                           | \$ 5,635       | \$ 6,825                  | \$ 3,925       | \$ (2,899)                  | -42.48%    |
| 410      | F2M1D         | Tubac Commercial 2"                      | 14                          | 52,512                           | \$ 93,714      | \$ 113,408                | \$ 68,726      | \$ (44,682)                 | -39.40%    |
| 411      | F2M1E         | Tubac Commercial 3"                      | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 412      | F2M1F         | Tubac Commercial 4"                      | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 413      | F2M1G         | Tubac Commercial 6"                      | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 414      | F2M1H         | Tubac Commercial 8"                      | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 415      | F2M1I         | Tubac Commercial 10"                     | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 416      | F2M1J         | Tubac Commercial 12"                     | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 417      | W1M1A         | Willow Valley Residential 5/8" & 5/8"+   | 1,486                       | 2,818                            | \$ 829,709     | \$ 845,564                | \$ 595,565     | \$ (250,000)                | -29.57%    |
| 418      | W1M1A         | Willow Valley Residential 3/4"           | 8                           | 2,735                            | \$ 4,605       | \$ 4,482                  | \$ 3,212       | \$ (1,270)                  | -28.34%    |
| 419      | W1M1B         | Willow Valley Residential 1"             | 3                           | 7,900                            | \$ 4,994       | \$ 5,050                  | \$ 3,191       | \$ (1,859)                  | -36.81%    |
| 420      | W1M1C         | Willow Valley Residential 1 1/2"         | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 421      | W1M1D         | Willow Valley Residential 2"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 422      | W1M1E         | Willow Valley Residential 3"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 423      | W1M1F         | Willow Valley Residential 4"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 424      | W1M1G         | Willow Valley Residential 6"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 425      | W1M1H         | Willow Valley Residential 8"             | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 426      | W2M1A         | Willow Valley Commercial 5/8" X 3/4"     | 8                           | 6,671                            | \$ 8,360       | \$ 8,629                  | \$ 4,887       | \$ (3,741)                  | -43.36%    |
| 427      | W2M1B         | Willow Valley Commercial 1"              | 5                           | 11,996                           | \$ 10,610      | \$ 10,903                 | \$ 6,097       | \$ (4,806)                  | -44.08%    |
| 428      | W2M1C         | Willow Valley Commercial 1 1/2"          | 1                           | 30,754                           | \$ 8,905       | \$ 8,667                  | \$ 3,402       | \$ (5,265)                  | -60.75%    |
| 429      | W2M1D         | Willow Valley Commercial 2"              | 2                           | 2,835                            | \$ 5,063       | \$ 6,388                  | \$ 5,308       | \$ (1,080)                  | -16.91%    |
| 430      | W2M1E         | Willow Valley Commercial 3"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 431      | W2M1F         | Willow Valley Commercial 4"              | 2                           | 29,808                           | \$ 16,654      | \$ 24,313                 | \$ 17,708      | \$ (6,605)                  | -27.17%    |
| 432      | W2M1G         | Willow Valley Commercial 6"              | 2                           | 29,363                           | \$ 54,335      | \$ 48,479                 | \$ 35,177      | \$ (13,302)                 | -27.44%    |
| 433      | W2M1H         | Willow Valley Commercial 8"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 434      | W3M1A         | Willow Valley Industrial 5/8" X 3/4"     | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 435      | W3M1B         | Willow Valley Industrial 1"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 436      | W3M1C         | Willow Valley Industrial 1 1/2"          | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 437      | W3M1D         | Willow Valley Industrial 2"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 438      | W3M1E         | Willow Valley Industrial 3"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 439      | W3M1F         | Willow Valley Industrial 4"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 440      | W3M1G         | Willow Valley Industrial 6"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 441      | W3M1H         | Willow Valley Industrial 8"              | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 442      | W6M58         | Willow Valley Private Fire 5/8" X 3/4"   | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 443      | W6M01         | Willow Valley Private Fire 1"            | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 444      | W6M15         | Willow Valley Private Fire 1 1/2"        | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 445      | W6M02         | Willow Valley Private Fire 2"            | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 446      | W6M03         | Willow Valley Private Fire 3"            | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 447      | W6M04         | Willow Valley Private Fire 4"            | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 448      | W6M06         | Willow Valley Private Fire 6"            | 1                           | 27,334                           | \$ 5,644       | \$ 20,044                 | \$ 404         | \$ (19,640)                 | -97.98%    |
| 449      | W6M08         | Willow Valley Private Fire 8"            | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |
| 450      | W8M35         | Willow Valley Public Hydrant 5/8" X 3/4" | -                           | -                                | -              | -                         | -              | -                           | 0.00%      |

**EPCOR Arizona Water**

Test Year Ended December 31, 2016  
 Analysis of Revenue by Detailed Class  
 Consolidated - Step 4

Exhibit  
 Schedule H-2 Rebuttal  
 11 of 11  
 Witness: Heppenstall

| Line No. | Rate Schedule             | Description                           | Average Number of Customers | Average Consumption (in gallons) | Revenues       |                           |                | Proposed                    |            |       |
|----------|---------------------------|---------------------------------------|-----------------------------|----------------------------------|----------------|---------------------------|----------------|-----------------------------|------------|-------|
|          |                           |                                       |                             |                                  | Present Rates* | Annualized Present Rates* | Proposed Rates | Increase/ (Decrease) Amount | Increase % |       |
| 451      | W8M01                     | Willow Valley Public Hydrant 1"       | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 452      | W8M15                     | Willow Valley Public Hydrant 1 1/2"   | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 453      | W8M02                     | Willow Valley Public Hydrant 2"       | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 454      | W8M03                     | Willow Valley Public Hydrant 3"       | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 455      | W8M04                     | Willow Valley Public Hydrant 4"       | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 456      | W8M06                     | Willow Valley Public Hydrant 6"       | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 457      | W8M08                     | Willow Valley Public Hydrant 8"       | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 458      | W7M1                      | Willow Valley Irrigation - Potable 1" | -                           | 74,083                           | \$ 4,981       | \$ -                      | \$ -           | \$ -                        | -          | 0.00% |
| 459      | W7M1                      | Willow Valley Irrigation - Potable 2" | 1                           | 46,964                           | \$ 8,099       | \$ 9,430                  | \$ 4,449       | \$ (4,981)                  | -52.82%    |       |
| 460      | W7M1                      | Willow Valley Irrigation - Potable 4" | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 461      | W7M2                      | Willow Valley Irrigation - Raw        | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 462      | C2M3                      | Arizona Water Contract                | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 463      | C4M3                      | Luke Air Force Base                   | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 464      | B7M2S                     | Sun City West Raw Surface Water       | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 465      | A7M2S                     | Sun City Raw Surface Water            | -                           | -                                | -              | -                         | -              | \$ -                        | -          | 0.00% |
| 1        | Total EPCOR Arizona Water |                                       | 135,519                     | 128,145,639                      | \$ 107,881,910 | \$ 108,346,123            | \$ 122,274,234 | \$ 13,928,111               | 12.86%     |       |

\* Willow Valley was owned by Global Water Resources, Inc. through May of 2016. Billing data obtained from Global Water has been utilized to present revenues for the full 2016, regardless of owner. By including data from January - May, EPCOR Water USA does not does not attest to the accuracy nor accept responsibility for this data. The data from January through May is merely included in order to present a full year of billing data.