

ARIZONA-AMERICAN WATER COMPANY

**DOCKET NO. W-01303A-09-0343
AND DOCKET NO. SW-01303A-09-0343**

RATE DESIGN DIRECT TESTIMONY

OF

RODNEY L. MOORE

ON BEHALF OF

THE

RESIDENTIAL UTILITY CONSUMER OFFICE

MAY 3, 2010

1
2
3
4
5
6

TABLE OF CONTENTS

INTRODUCTION 2
PROOF OF RECOMMENDED REVENUE 3
TYPICAL BILL ANALYSIS 3
RATE CONSOLIDATION..... 3
PHASED IN RATES..... 5

1 **INTRODUCTION**

2 Q. Please state your name, position, employer and address.

3 A. My name is Rodney L. Moore. I am a Public Utilities Analyst V with the
4 Residential Utility Consumer Office (“RUCO”), located at 1110 West
5 Washington Street, Suite 220, Phoenix, Arizona 85007.

6
7 Q. Please state your educational background and qualifications in the utility
8 regulation field.

9 A. Appendix 1, which is attached to this testimony, describes my educational
10 background and includes a list of the rate case and regulatory matters in
11 which I have participated.

12
13 Q. Please state the purpose of your testimony.

14 A. The purpose of my testimony is to present RUCO’s recommended rate
15 design for Arizona-American Water Company (“AAWC” or “Company”).

16
17 Q. Please summarize your direct testimony.

18 A. My direct testimony describes RUCO’s recommended rate design and
19 presents schedules that demonstrate it will produce RUCO’s
20 recommended level of revenue. I have also provided a schedule, which
21 shows the impact of RUCO’s recommended rate design on a typical
22 residential customer at various levels of consumption.

23

1 To support RUCO's position I am presenting two schedules for each of the
2 five districts, which clearly depict the methodology and calculations used
3 to produce RUCO's recommended rate design.

4

5 **PROOF OF RECOMMENDED REVENUE**

6 Q. Has RUCO prepared a Schedule presenting proof of your recommended
7 revenue?

8 A. Yes. Proof that RUCO's recommended rate design will produce the
9 recommended required revenue as illustrated, is presented on the Rate
10 Design Schedule for each of the five systems.

11

12 **TYPICAL BILL ANALYSIS**

13 Q. Has RUCO prepared a Schedule representing the financial impact of
14 RUCO's recommended rate design on the typical residential customer?

15 A. Yes. A typical bill analysis for residential 5/8" X 3/4" metered customers
16 with various levels of usage (both average and median) is presented on
17 the Typical Bill Analysis Schedule for each of the five systems.

18

19 **RATE CONSOLIDATION**

20 Q. Has RUCO reviewed the Company's models to consolidate rates for the
21 Company's water districts throughout the state?

22 A. Yes, RUCO reviewed the Company's consolidation models to consolidate
23 all AAWC water districts.

1 Q. Does RUCO support the rate consolidation in this filing?

2 A. No. RUCO's recommended rate design generates revenues on a system-
3 by-system basis. The rate design displayed on the attached schedules is
4 based on no consolidation or revenue shifting among any of the districts.
5 The monthly basic service fees and commodity charges were developed
6 from the Company's present rate structure and vary only to reflect
7 RUCO's adjustment to the proposed revenue requirement.

8

9 RUCO's Director Jodi Jerich, will provide testimony detailing the reasons
10 RUCO opposes rate consolidation in this proceeding.

11

12 Q. Will RUCO be providing additional testimony on rate consolidation during
13 this proceeding?

14 A. Yes. RUCO reserves the right to file testimony on rate consolidation
15 during the surrebuttal phase of the proceeding upon review of the other
16 parties' position on the issue.

17

18

19

20

21

22

23

1 **PHASED IN RATES**

2 Q. Is there a mechanism available to mitigate the effects of rate shock for
3 RUCO's proposed 74 percent increase to the customers of Anthem Water
4 and the proposed 61 percent increase to the customers of Anthem/Agua
5 Fria Wastewater?

6 A. Yes. Phased in rates is a mechanism, which could be utilized to mitigate
7 rate shock by spreading the authorized rate increase over several years.
8 However, for phased in rates to be successful and to avoid a whiplash
9 effect on ratepayers the Company would have to forego significant returns
10 while phasing in the increase.

11
12 Q. Would RUCO support a phase in of RUCO's recommended rate increase
13 in order to mitigate the effects of rate shock of the stand-alone rates for
14 Anthem Water and Anthem/Agua Fria Wastewater Districts?

15 A. Yes. RUCO would support phased in rates if the Company were willing to
16 forego the entire authorized return on investment until final phase in takes
17 effect.

18
19 Q. What would RUCO recommend as an appropriate phase in period?

20 A. RUCO recommends a three-year phase in period to mitigate the rate
21 shock on the ratepayers of Anthem Water and Anthem/Agua Fria
22 Wastewater Districts.

23

- 1 Q. Does this conclude your direct testimony?
- 2 A. Yes, it does.

APPENDIX 1

Qualifications of Rodney Lane Moore

EDUCATION: Athabasca University
Bachelor's Degree in Business Administration - 1993

EXPERIENCE: Public Utilities Analyst V
Residential Utility Consumer Office
Phoenix, Arizona 85007
May 2001 - Present

My duties include review and analysis of financial records and other documents of regulated utilities for accuracy, completeness, and reasonableness. I am also responsible for the preparation of work papers and Schedules resulting in testimony and/or reports regarding utility applications for increase in rates, financings, and other matters. Extensive use of Microsoft Excel and Word, spreadsheet modeling and financial statement analysis.

Auditor
Arizona Corporation Commission
Phoenix, Arizona 85007
October 1999 - May 2001

My duties include review and analysis of financial records and other documents of regulated utilities for accuracy, completeness, and reasonableness. I am also responsible for the preparation of work papers and Schedules resulting in testimony and/or reports regarding utility applications for increase in rates, financings, and other matters. Extensive use of Microsoft Excel and Word, spreadsheet modeling and financial statement analysis.

RESUME OF RATE CASE AND REGULATORY PARTICIPATION

<u>Utility Company</u>	<u>Docket No.</u>
Rio Verde Utilities, Inc	WS-02156A-00-0321
Black Mountain Gas Company	G-03703A-01-0283
Green Valley Water Company	W-02025A-01-0559
New River Utility Company	W-01737A-01-0662

Utility Company**Docket No.**

Dragoon Water Company	W-01917A-01-0851
Roosevelt Lake Resort, Inc.	W-01958A-02-0283
Southwest Gas Company	G-01551A-02-0425
Arizona-American Water Company	W-01303A-02-0867 et al.
Rio Rico Utilities, Inc.	WS-02676A-03-0434
Qwest Corporation	T-01051B-03-0454
Chaparral City Water Company	W-02113A-04-0616
Southwest Gas Company	G-01551A-04-0876
Arizona-American Water Company	W-01303A-05-0405
Far West Water and Sewer Company	WS-03478A-05-0801
Gold Canyon Sewer Company	SW-02519A-06-0015
Arizona-American Water Company	WS-01303A-06-0403
UNS Gas, Inc.	G-04204A-06-0463 et al.
UNS Electric, Inc.	E-04204A-06-0783
Tucson Electric Power Company	E-01933A-07-0402
Southwest Gas Company	G-01551A-07-0504
Arizona Water Company	W-01445A-08-0440
Arizona-American Water Company	W-01303A-08-0227 et al.
Johnson Utilities, LLC	WS-02987A-08-0180
Black Mountain Sewer Corporation	SW-02361A-08-0609
Arizona-American Water Company	W-01303A-09-0343 et al.
Global Water Company	SW-20445A-09-0077 et al.

Utility Company

Bella Vista Water Company, Inc.

Docket No.

W-02465A-09-0414 et al.

Arizona-Americian Water Company
 Docket Nos. SW & W-01303A-09-0343
 Test Year Ended December 31, 2008

TABLE OF CONTENTS TO RLM RATE DESIGN SCHEDULES

SCH. NO.	PAGE NO.	TITLE
Anthem Water District		
RLM-RD1 (A)	1 TO 3	RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
RLM-RD2 (A)	1	TYPICAL RESIDENTIAL BILL ANALYSIS
Sun City Water District		
RLM-RD1 (SC)	1 TO 3	RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
RLM-RD2 (SC)	1	TYPICAL RESIDENTIAL BILL ANALYSIS
Anthem/Agua Fria Wastewater District		
RLM-RD1 (AAF)	1	RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
RLM-RD2 (AAF)	1	TYPICAL RESIDENTIAL BILL ANALYSIS
Sun City Wastewater District		
RLM-RD1 (SCW)	1	RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
RLM-RD2 (SCW)	1	TYPICAL RESIDENTIAL BILL ANALYSIS
Sun City West Wastewater District		
RLM-RD1 (SC)	1 TO 2	RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
RLM-RD2 (SC)	1	TYPICAL RESIDENTIAL BILL ANALYSIS

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
ANTHEM WATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PROPOSED CHARGES & USAGE FEES	(C) RUCO PROPOSED REVENUES	(D) TOTAL REVENUES
RESIDENTIAL CUSTOMERS					
1	E1M1A - 5/8" & 3/4" Commodity Usage (In Thousands Of Gallons)	58,731	\$ 30.43	\$ 1,787,444	\$ 1,787,444
2	First Tier - First 4,000 Gals.	217,253	\$ 2.6736	\$ 580,853	
3	Second Tier - Next 6,000 Gals.	206,092	\$ 4.1841	\$ 862,309	
4	Third Tier - Over 10,000 Gals.	141,439	\$ 5.3473	\$ 756,319	
					\$ 2,199,482
5	E1M1B - 1" Commodity Usage (In Thousands Of Gallons)	41,076	\$ 74.45	\$ 3,057,921	\$ 3,057,921
6	First Tier - First 4,000 Gals.	152,289	\$ 2.6736	\$ 407,163	
7	Second Tier - Next 36,000 Gals.	307,881	\$ 4.1841	\$ 1,288,207	
8	Third Tier - Over 40,000 Gals.	13,395	\$ 5.3473	\$ 71,626	
					\$ 1,766,996
9	E1M1C - 1-1/2" Commodity Usage (In Thousands Of Gallons)	804	\$ 150.02	\$ 120,686	\$ 120,686
10	First Tier - First 109,000 Gals.	9,407	\$ 4.1841	\$ 39,360	
11	Second Tier - Over 109,000 Gals.	1,504	\$ 5.3473	\$ 8,042	
					\$ 47,402
12	E1M1D - 2" Commodity Usage (In Thousands Of Gallons)	170	\$ 240.11	\$ 40,826	\$ 40,826
13	First Tier - First 185,000 Gals.	16,060	\$ 4.1841	\$ 67,197	
14	Second Tier - Over 185,000 Gals.	14,455	\$ 5.3473	\$ 77,296	
					\$ 144,492
15	C1M1A - 5/8" & 3/4" Commodity Usage (In Thousands Of Gallons)	-	\$ -	\$ -	\$ -
16	First Tier - First 4,000 Gals.	-	\$ -	\$ -	
17	Second Tier - Next 9,000 Gals.	-	\$ -	\$ -	
18	Third Tier - Over 13,000 Gals.	-	\$ -	\$ -	
					\$ -
19	C1M1B - 1" Commodity Usage (In Thousands Of Gallons)	-	\$ -	\$ -	\$ -
20	First Tier - First 45,000 Gals.	-	\$ -	\$ -	
21	Second Tier - Over 45,000 Gals.	-	\$ -	\$ -	
					\$ -
22	Total Residential Customers	<u>100,781</u>			
23	Total Residential Usage (In Thousands Of Gals)	<u>771,894</u>			
24	TOTAL RESIDENTIAL CUSTOMERS REVENUE				<u>\$ 9,165,250</u>

CONTINUED ON THE NEXT PAGE

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
ANTHEM WATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PROPOSED CHARGES & USAGE FEES	(C) RUCO PROPOSED REVENUES	(D) TOTAL REVENUES
COMMERCIAL CUSTOMERS					
25	E1M2A - 5/8" & 3/4" Commodity Usage (In Thousands Of Gallons)	-	\$ 30.43	\$ -	\$ -
26	First Tier - First 13,000 Gals.	-	\$ 4.1841	\$ -	
27	Second Tier - Over 13,000 Gals.	-	\$ 5.3473	\$ -	
					\$ -
28	E1M2B - 1" Commodity Usage (In Thousands Of Gallons)	46	\$ 74.45	\$ 3,454	\$ 3,454
29	First Tier - First 45,000 Gals.	1,844	\$ 4.1841	\$ 7,715	
30	Second Tier - Over 45,000 Gals.	1,742	\$ 5.3473	\$ 9,313	
					\$ 17,029
31	E1M2C - 1-1/2" Commodity Usage (In Thousands Of Gallons)	35	\$ 150.02	\$ 5,296	\$ 5,296
32	First Tier - First 100,000 Gals.	1,562	\$ 4.1841	\$ 6,534	
33	Second Tier - Over 100,000 Gals.	266	\$ 5.3473	\$ 1,422	
					\$ 7,957
34	E1M2D - 2" Commodity Usage (In Thousands Of Gallons)	63	\$ 240.11	\$ 15,191	\$ 15,191
35	First Tier - First 150,000 Gals.	7,098	\$ 4.1841	\$ 29,697	
36	Second Tier - Over 150,000 Gals.	10,493	\$ 5.3473	\$ 56,112	
					\$ 85,808
37	E1M2E - 3" Commodity Usage (In Thousands Of Gallons)	10	\$ 480.53	\$ 4,789	\$ 4,789
38	First Tier - First 300,000 Gals.	312	\$ 4.1841	\$ 1,305	
39	Second Tier - Over 300,000 Gals.	-	\$ 5.3473	\$ -	
					\$ 1,305
40	E2M1A - 5/8" & 3/4" Commodity Usage (In Thousands Of Gallons)	291	\$ 30.43	\$ 8,850	\$ 8,850
41	First Tier - First 13,000 Gals.	422	\$ 4.1841	\$ 1,766	
42	Second Tier - Over 13,000 Gals.	1,094	\$ 5.3473	\$ 5,850	
					\$ 7,616
43	E2M1B - 1" Commodity Usage (In Thousands Of Gallons)	540	\$ 74.45	\$ 40,186	\$ 40,186
44	First Tier - First 45,000 Gals.	8,025	\$ 4.1841	\$ 33,579	
45	Second Tier - Over 45,000 Gals.	8,946	\$ 5.3473	\$ 47,835	
					\$ 81,414
46	E2M1C - 1-1/2" Commodity Usage (In Thousands Of Gallons)	574	\$ 150.02	\$ 86,066	\$ 86,066
47	First Tier - First 100,000 Gals.	22,510	\$ 4.1841	\$ 94,183	
48	Second Tier - Over 100,000 Gals.	18,079	\$ 5.3473	\$ 96,675	
					\$ 190,859
49	E2M1D - 2" Commodity Usage (In Thousands Of Gallons)	1,440	\$ 240.11	\$ 345,723	\$ 345,723
50	First Tier - First 150,000 Gals.	87,711	\$ 4.1841	\$ 366,990	
51	Second Tier - Over 150,000 Gals.	50,988	\$ 5.3473	\$ 272,649	
					\$ 639,639

CONTINUED ON THE NEXT PAGE

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
ANTHEM WATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PROPOSED CHARGES & USAGE FEES	(C) RUCO PROPOSED REVENUES	(D) TOTAL REVENUES
52	E2M1E - 3" Commodity Usage (In Thousands Of Gallons)	153	\$ 480.53	\$ 73,505	\$ 73,505
53	First Tier - First 300,000 Gals.	9,316	\$ 4.1841	\$ 38,979	
54	Second Tier - Over 300,000 Gals.	8,546	\$ 5.3473	\$ 45,698	
55	Total Commercial Customers	<u>3,152</u>			\$ 84,677
56	Total Commercial Usage (In Thousands Of Gals)	<u>238,953</u>			
57	TOTAL COMMERCIAL CUSTOMERS REVENUE				<u>\$ 1,699,365</u>
OWU					
58	E7M2 - Anthem Wholesale (Phoenix) OWU	28	\$ -	\$ -	
59	All Commodity Usage (In Thousands Of Gals)	239,764	\$ 0.5202	\$ 124,721.92	
60	TOTAL OWU CUSTOMER REVENUE				<u>\$ 124,722</u>
MISCELLANEOUS					
61	D7M1 - Anthem Treatco Portable Irrigation	572	\$ -	\$ -	\$ -
62	All Commodity Usage (In Thousands Of Gals)	480,873	\$ 2.4795	\$ 1,192,306.24	
63	D7M2 - Anthem Treatco Non-Potable Irr.	60	\$ -	\$ -	\$ -
64	All Commodity Usage (In Thousands Of Gals)	103,027	\$ 2.4795	\$ 255,451.51	
65	TOTAL SALE FOR MISCELLANEOUS CUSTOMER REVENUE				<u>\$ 1,447,758</u>
PRIVATE FIRE PROTECTION CUSTOMERS					
66	E6MO4 - 4"	120	\$ 146.53	\$ 17,617	
67	E6MO8 - 8"	518	\$ 219.79	\$ 113,750	
68	E6MO6 - 6"	84	\$ 221.74	\$ 18,626	
69	Commodity Usage (In Thousands Of Gallons)		No Charge		
70	TOTAL PRIVATE FIRE PROTECTION CUSTOMERS REVENUE				<u>\$ 149,994</u>
TOTAL ANTHEM WATER - BILLED REVENUE					
71	TOTAL RESIDENTIAL				\$ 9,165,250
72	TOTAL COMMERCIAL				\$ 1,699,365
73	TOTAL OWU				\$ 124,722
74	TOTAL MISCELLANEOUS				\$ 1,447,758
75	TOTAL PRIVATE FIRE				\$ 149,994
76	TOTAL RUCO PROPOSED REVENUE PER BILL COUNT				<u>\$ 12,587,088</u>
77	Company Computation Error - RUCO Adjustment C-1				\$ (9,456)
78	Unreconciled Difference vs. Billed Revenues				\$ (49,242)
79	REVISED REVENUE PER BILL COUNT				<u>\$ 12,528,390</u>
80	Other Revenue (Per Company Revised Schedule C-1, Line 3)				\$ 272,650
81	TOTAL REVENUE				<u>\$ 12,801,040</u>
82	PROPOSED REVENUE PER RUCO				<u>\$ 12,801,040</u>
83	Difference				\$ -

**TYPICAL RESIDENTIAL BILL ANALYSIS
ANTHEM WATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)	(E)	(F)
		PRESENT		COMPANY PROPOSED		RUCO PROPOSED	
REVENUE ALLOCATION							
1	RESIDENTIAL	\$ 189,834	75.92%	\$ 10,578,550	72.81%	\$ 9,165,250	72.81%
2	OTHER	60,226	24.08%	3,949,493	27.19%	3,421,838	27.19%
3	TOTAL	<u>\$ 250,061</u>	<u>100.00%</u>	<u>\$ 14,528,043</u>	<u>100.00%</u>	<u>\$ 12,587,088</u>	<u>100.00%</u>
ALLOCATION RATIOS							
4	FIX REVENUE	\$ 173,588	69.42%	\$ 6,451,917	44.41%	\$ 5,589,937	44.41%
5	VARIABLE REVENUE	76,473	30.58%	8,076,126	55.59%	6,997,151	55.59%
6	TOTAL	<u>\$ 250,061</u>	<u>100.00%</u>	<u>\$ 14,528,043</u>	<u>100.00%</u>	<u>\$ 12,587,088</u>	<u>100.00%</u>
RESIDENTIAL (5/8" X 3/4") RATE DESIGN							
7	BASIC MONTHLY CHARGE	<u>\$ 17.53</u>		<u>\$ 35.13</u>		<u>\$ 30.43</u>	
COMMODITY CHARGE							
		<u>PRESENT</u>	<u>PROPOSED</u>				
8	1st Tier - Breakover 4,000	1st Tier - Breakover 4,000	4,000	\$ 1.5400	\$ 3.0859	\$ 2.6736	
9	2nd Tier - Breakover 10,000	2nd Tier - Breakover 10,000	10,000	\$ 2.4100	\$ 4.8293	\$ 4.1841	
10	3rd Tier - Over 10,000	3rd Tier - Over 10,000	10,000	\$ 3.0800	\$ 6.1719	\$ 5.3473	
AVERAGE RESIDENTIAL BILL COMPARISONS							
COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 9,616	PRESENT MONTHLY COST	RUCO MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE
11		2,404	25.00%	\$ 21.23	\$ 36.86	\$ 15.63	73.61%
12		4,808	50.00%	\$ 24.93	\$ 43.29	\$ 18.35	73.61%
13		9,616	100.00%	\$ 37.22	\$ 64.63	\$ 27.40	73.61%
14		14,424	150.00%	\$ 61.42	\$ 106.63	\$ 45.21	73.61%
15		19,232	200.00%	\$ 76.22	\$ 132.34	\$ 56.11	73.61%
MEDIAN RESIDENTIAL BILL COMPARISONS							
COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 8,000	PRESENT MONTHLY COST	RUCO MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE
16		2,000	25.00%	\$ 20.61	\$ 35.78	\$ 15.17	73.61%
17		4,000	50.00%	\$ 23.69	\$ 41.13	\$ 17.44	73.61%
18		8,000	100.00%	\$ 33.33	\$ 57.87	\$ 24.54	73.61%
19		12,000	150.00%	\$ 42.97	\$ 74.60	\$ 31.63	73.61%
20		16,000	200.00%	\$ 66.27	\$ 115.05	\$ 48.78	73.61%

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
SUN CITY WATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PROPOSED CHARGES & USAGE FEES	(C) RUCO PROPOSED REVENUES	(D) TOTAL REVENUES
RESIDENTIAL CUSTOMERS					
1	A1M1A - 5/8" & 3/4" Commodity Usage (In Thousands Of Gallons)	238,843	\$ 8.61	\$ 2,056,927	\$ 2,056,927
2	First Tier - First 3,000 Gals.	664,183	\$ 0.7753	\$ 514,965	
3	Second Tier - Next 7,000 Gals.	871,579	\$ 1.4331	\$ 1,249,098	
4	Third Tier - Over 10,000 Gals.	363,936	\$ 1.8247	\$ 664,057	
					\$ 2,428,120
5	A1M1B - 1" Commodity Usage (In Thousands Of Gallons)	4,051	\$ 22.10	\$ 89,504	\$ 89,504
6	First Tier - First 43,000 Gals.	53,311	\$ 1.4331	\$ 76,402	
7	Second Tier - Over 43,000 Gals.	18,890	\$ 1.8247	\$ 34,468	
					\$ 110,870
9	A1M1C - 1-1/2" Commodity Usage (In Thousands Of Gallons)	15,769	\$ 44.18	\$ 696,710	\$ 696,710
10	First Tier - First 98,000 Gals.	923,883	\$ 1.4331	\$ 1,324,057	
11	Second Tier - Over 98,000 Gals.	131,146	\$ 1.8247	\$ 239,296	
					\$ 1,563,353
12	A1M1D - 2" Commodity Usage (In Thousands Of Gallons)	5,305	\$ 70.69	\$ 375,026	\$ 375,026
13	First Tier - First 164,000 Gals.	373,847	\$ 1.4331	\$ 535,777	
14	Second Tier - Over 164,000 Gals.	91,297	\$ 1.8247	\$ 166,585	
					\$ 702,362
9	A1M1E - 3" Commodity Usage (In Thousands Of Gallons)	36	\$ 141.40	\$ 5,156	\$ 5,156
10	First Tier - First 342,000 Gals.	7,875	\$ 1.4331	\$ 11,286	
11	Second Tier - Over 342,000 Gals.	291	\$ 1.8247	\$ 531	
					\$ 11,817
12	A1M1F - 4" Commodity Usage (In Thousands Of Gallons)	-	\$ -	\$ -	\$ -
13	First Tier - First 543,000 Gals.	-	\$ -	\$ -	
14	Second Tier - Over 543,000 Gals.	-	\$ -	\$ -	
					\$ -
12	A1M1G - 6" Commodity Usage (In Thousands Of Gallons)	21	\$ 441.84	\$ 9,441	\$ 9,441
13	First Tier - First 700,000 Gals.	2,865	\$ 1.4331	\$ 4,106	
14	Second Tier - Over 700,000 Gals.	-	\$ 1.8247	\$ -	
					\$ 4,106
22	Total Residential Customers	<u>264,025</u>		<u>\$ 3,232,764</u>	
23	Total Residential Usage	<u>3,503,103</u>		<u>\$ 4,820,628</u>	
24	TOTAL RESIDENTIAL CUSTOMERS REVENUE				<u>\$ 8,053,391</u>
COMMERCIAL CUSTOMERS					
25	A1M2A - 5/8" & 3/4" Commodity Usage (In Thousands Of Gallons)	2,742	\$ 8.61	\$ 23,618	\$ 23,618
26	First Tier - First 10,000 Gals.	8,592	\$ 1.4331	\$ 12,313	
27	Second Tier - Over 10,000 Gals.	9,486	\$ 1.8247	\$ 17,308	

CONTINUED ON THE NEXT PAGE

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
SUN CITY WATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PROPOSED CHARGES & USAGE FEES	(C) RUCO PROPOSED REVENUES	(D) TOTAL REVENUES
28	A1M2B - 1" Commodity Usage (In Thousands Of Gallons)	1,743	\$ 22.10	\$ 38,506	\$ 29,621 \$ 38,506
29	First Tier - First 43,000 Gals.	27,788	\$ 1.4331	\$ 39,824	
30	Second Tier - Over 43,000 Gals.	11,694	\$ 1.8247	\$ 21,337	
31	A1M2C - 1-1/2" Commodity Usage (In Thousands Of Gallons)	2,295	\$ 44.18	\$ 101,384	\$ 61,161 \$ 101,384
32	First Tier - First 98,000 Gals.	73,696	\$ 1.4331	\$ 105,617	
33	Second Tier - Over 98,000 Gals.	25,259	\$ 1.8247	\$ 46,088	
34	A1M2D - 2" Commodity Usage (In Thousands Of Gallons)	2,176	\$ 70.69	\$ 153,834	\$ 151,706 \$ 153,834
35	First Tier - First 164,000 Gals.	164,480	\$ 1.4331	\$ 235,723	
36	Second Tier - Over 164,000 Gals.	74,532	\$ 1.8247	\$ 135,995	
37	A1M2E - 3" Commodity Usage (In Thousands Of Gallons)	314	\$ 141.40	\$ 44,422	\$ 371,718 \$ 44,422
38	First Tier - First 342,000 Gals.	37,735	\$ 1.4331	\$ 54,080	
39	Second Tier - Over 342,000 Gals.	15,491	\$ 1.8247	\$ 28,265	
40	A1M2F - 4" Commodity Usage (In Thousands Of Gallons)	62	\$ 220.92	\$ 13,594	\$ 82,345 \$ 13,594
41	First Tier - First 543,000 Gals.	25,654	\$ 1.4331	\$ 36,766	
42	Second Tier - Over 543,000 Gals.	41,901	\$ 1.8247	\$ 76,455	
43	A1M2G - 6" Commodity Usage (In Thousands Of Gallons)	87	\$ 441.84	\$ 38,396	\$ 113,221 \$ 38,396
44	First Tier - First 700,000 Gals.	53,939	\$ 1.4331	\$ 77,303	
45	Second Tier - Over 700,000 Gals.	140,428	\$ 1.8247	\$ 256,232	
55	Total Commercial Customers	<u>9,418</u>		<u>\$ 413,754</u>	\$ 333,535
56	Total Commercial Usage (In Thousands Of Gals)	<u>710,674</u>		<u>\$ 1,143,306</u>	
57	TOTAL COMMERCIAL CUSTOMERS REVENUE				<u>\$ 1,557,060</u>
OWU					
58	A5M1 - Public Interruptible - Peoria	12	\$ 7.44	\$ 89	
59	All Commodity Usage (In Thousands Of Gals)	-	\$ 1.0599	\$ -	
60	TOTAL OWU CUSTOMER REVENUE				<u>\$ 89</u>
MISCELLANEOUS					
61	A7M1D - Irrigation - 2"	24	\$ 70.69	\$ 1,697	
62	All Commodity Usage (In Thousands Of Gals)	2,005	\$ 1.1435	\$ 2,293	\$ 3,989
61	A7M2 - Irrigation - Raw	12	\$ -	\$ -	
62	All Commodity Usage (In Thousands Of Gals)	41,373	\$ 0.9145	\$ 37,835	\$ 37,835

CONTINUED ON THE NEXT PAGE

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
SUN CITY WATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PROPOSED CHARGES & USAGE FEES	(C) RUCO PROPOSED REVENUES	(D) TOTAL REVENUES
63	B7M2 - Sun City West Irrigation - Raw	1,356	\$ -	\$ -	
64	All Commodity Usage (In Thousands Of Gals)	176,610	\$ 0.9145	\$ 161,506	\$ 161,506
65	Total Miscellaneous Customers	<u>1,392</u>		<u>\$ 1,697</u>	
66	Total Misc. Usage (In Thousands Of Gals)	<u>219,988</u>		<u>\$ 201,634</u>	
67	TOTAL SALE FOR MISCELLANEOUS CUSTOMER REVENUE				<u>\$ 203,330</u>
PRIVATE FIRE PROTECTION CUSTOMERS					
68	A6MO3 - 3"	12	\$ 12.01	\$ 144	
69	A6MO4 - 4"	677	\$ 18.58	\$ 12,588	
70	A6MO6 - 6"	655	\$ 39.05	\$ 25,578	
71	A6MO8 - 8"	120	\$ 50.99	\$ 6,119	
72	A8MI - Private Hydrant - Peoria	756	\$ 7.50	\$ 5,668	
73	Commodity Usage	-	\$ 1.0599	\$ -	
74	TOTAL PRIVATE FIRE PROTECTION CUSTOMERS REVENUE				<u>\$ 50,096</u>
75	TOTAL RUCO PROPOSED REVENUE PER BILL COUNT				<u>\$ 9,863,967</u>
TOTAL SUN CITY WATER - BILLED REVENUE					
76	RESIDENTIAL BILL COUNT				\$ 8,053,391
77	RESIDENTIAL MISCELLANEOUS ADJUSTMENT (Per Company Schedule H-2, Line 57)				\$ (16,498)
78	COMMERCIAL BILL COUNT				\$ 1,557,060
79	COMMERCIAL MISCELLANEOUS ADJUSTMENT (Per Company Schedule H-2, Line 61)				\$ (6,160)
80	TOTAL OWU				\$ 89
81	MISCELLANEOUS BILL COUNT				\$ 203,330
82	MISCELLANEOUS MISCELLANEOUS ADJUSTMENT (Per Company Schedule H-2, Line 76)				\$ (86)
83	TOTAL PRIVATE FIRE				\$ 50,096
84	SUBTOTAL REVISED PROPOSED REVENUE PER BILL COUNT				<u>\$ 9,841,223</u>
85	Unreconciled Difference vs. Billed Revenues				\$ (3,704)
86	REVISED REVENUE PER BILL COUNT				<u>\$ 9,837,519</u>
87	Other Revenue (Per Company Schedule C-1, Line 3)				\$ 157,898
88	TOTAL REVENUE				<u>\$ 9,995,417</u>
89	PROPOSED REVENUE PER RUCO				<u>\$ 9,995,417</u>
90	Difference				\$ -

**TYPICAL RESIDENTIAL BILL ANALYSIS
SUN CITY WATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A)		(B)		(C)		(D)		(E)		(F)	
		PRESENT				COMPANY PROPOSED				RUCO PROPOSED			
REVENUE ALLOCATION													
1	RESIDENTIAL	\$	7,481,368	81.61%	\$	9,538,352	81.64%	\$	8,053,391	81.64%			
2	OTHER		1,685,887	18.39%		2,144,427	18.36%		1,810,576	18.36%			
3	TOTAL	\$	9,167,255	100.00%	\$	11,682,779	100.00%	\$	9,863,967	100.00%			
ALLOCATION RATIOS													
4	FIX REVENUE	\$	3,436,617	37.49%	\$	4,380,345	37.49%	\$	3,698,399	37.49%			
5	VARIABLE REVENUE		5,730,638	62.51%		7,302,434	62.51%		6,165,568	62.51%			
6	TOTAL	\$	9,167,255	100.00%	\$	11,682,779	100.00%	\$	9,863,967	100.00%			
RESIDENTIAL (5/8" X 3/4") RATE DESIGN													
7	BASIC MONTHLY CHARGE	\$	7.99		\$	10.20		\$	8.61				
COMMODITY CHARGE													
		PRESENT		PROPOSED									
8	1st Tier - Breakover	3,000	3,000	\$	0.7190	\$	0.9183	\$	0.7753				
9	2nd Tier - Breakover	10,000	10,000	\$	1.3290	\$	1.6974	\$	1.4331				
10	3rd Tier - Over	10,000	10,000	\$	1.6920	\$	2.1611	\$	1.8247				
AVERAGE RESIDENTIAL BILL COMPARISONS													
COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 7,954	PRESENT MONTHLY COST	RUCO MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE						
11		1,989	25.00%	\$ 9.42	\$ 10.15	\$ 0.73	7.79%						
12		3,977	50.00%	\$ 10.85	\$ 11.70	\$ 0.85	7.80%						
13		7,954	100.00%	\$ 16.73	\$ 18.04	\$ 1.31	7.81%						
14		11,931	150.00%	\$ 26.70	\$ 28.79	\$ 2.09	7.82%						
15		15,908	200.00%	\$ 33.43	\$ 36.05	\$ 2.62	7.83%						
MEDIAN RESIDENTIAL BILL COMPARISONS													
COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 7,000	PRESENT MONTHLY COST	RUCO MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE						
16		1,750	25.00%	\$ 9.25	\$ 9.97	\$ 0.72	7.79%						
17		3,500	50.00%	\$ 10.51	\$ 11.33	\$ 0.82	7.80%						
18		7,000	100.00%	\$ 15.46	\$ 16.67	\$ 1.21	7.81%						
19		10,500	150.00%	\$ 20.11	\$ 21.69	\$ 1.57	7.82%						
20		14,000	200.00%	\$ 30.21	\$ 32.57	\$ 2.36	7.82%						

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
ANTHEM/AGUA FRIA WASTEWATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PRESENT CHARGES & USAGE FEES	(C) RUCO TEST YEAR REVENUES	(D) TOTAL REVENUES
RESIDENTIAL CUSTOMERS (Usage In Thousands Of Gallons)					
1	E1MS1 - All Residential Customers	156,699	\$ 44.80	\$ 7,020,243	
2	Volume Charge - First 7,000 Gallons	882,859	\$ 5.6161	\$ 4,958,253	
TOTAL RESIDENTIAL CUSTOMERS REVENUE					<u>\$ 11,978,496</u>
COMMERCIAL CUSTOMERS (Usage In Thousands Of Gallons)					
1	E2MS1 - Commercial 5/8" Customers	51	\$ 44.80	\$ 2,283	
2	Volume Charge - First 10,000 Gallons	302	\$ 5.6161	\$ 1,696	\$ 3,979
3	E2MS2 - Commercial 3/4" Customers	12	\$ 67.20	\$ 806	
4	Volume Charge - First 15,000 Gallons		\$ 5.6161	\$ -	\$ 806
5	E2MS3 - Commercial 1" Customers	261	\$ 89.70	\$ 23,376	
6	Volume Charge - First 20,000 Gallons	2,316	\$ 5.6161	\$ 13,005	\$ 36,381
7	E2MS4 - Commercial Large Customers	1,583	\$ 179.33	\$ 283,947	
8	Volume Charge - All Gallons	80,477	\$ 5.6161	\$ 451,972	\$ 735,919
9	Total Customer Bills			<u>\$ 310,412</u>	
10	Total Customer Charged Usage			<u>\$ 466,673</u>	
11	TOTAL COMMERCIAL CUSTOMERS REVENUE				<u>\$ 777,085</u>
OWU CUSTOMERS (Usage In Thousands Of Gallons)					
12	E5M2 - Anthem Wholesale (Phoenix)	24		\$ -	
13	Volume Charge - All Gallons	231,722	\$ 5.1158	\$ 1,185,452	
14	TOTAL OWU CUSTOMERS REVENUE				<u>\$ 1,185,452</u>
TOTAL ANTHEM/AGUA FRIA WASTEWATER - BILLED REVENUES					
15	TOTAL RESIDENTIAL				\$ 11,978,496
16	TOTAL COMMERCIAL				\$ 777,085
17	TOTAL OWU				\$ 1,185,452
18	TOTAL RUCO PROPOSED REVENUE PER BILL COUNT				<u>\$ 13,941,034</u>
19	Unreconciled Difference vs. Billed Revenues				\$ (9,736)
20	REVISED REVENUE PER BILL COUNT				<u>\$ 13,931,298</u>
21	Other Revenue (Per Company Schedule C-1, Line 3)				\$ 2,556
22	TOTAL REVENUE				<u>\$ 13,933,854</u>
23	PROPOSED REVENUE PER RUCO				<u>\$ 13,933,854</u>
24	Difference				\$ -

**TYPICAL RESIDENTIAL BILL ANALYSIS
ANTHEM/AGUA FRIA WASTEWATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)	(E)	(F)
		PRESENT		COMPANY PROPOSED		RUCO PROPOSED	
REVENUE ALLOCATION							
1	RESIDENTIAL	\$ 7,319,228	85.81%	\$ 13,494,262	85.92%	\$ 11,978,496	85.92%
2	OTHER	1,210,548	14.19%	2,210,878	14.08%	1,962,538	14.08%
3	TOTAL	<u>\$ 8,529,776</u>	<u>100.00%</u>	<u>\$ 15,705,140</u>	<u>100.00%</u>	<u>\$ 13,941,034</u>	<u>100.00%</u>
ALLOCATION RATIOS							
4	FIX REVENUE	\$ 4,480,015	52.52%	\$ 8,258,281	52.58%	\$ 7,330,655	52.58%
5	VARIABLE REVENUE	4,049,761	47.48%	7,446,859	47.42%	6,610,378	47.42%
6	TOTAL	<u>\$ 8,529,776</u>	<u>100.00%</u>	<u>\$ 15,705,140</u>	<u>100.00%</u>	<u>\$ 13,941,034</u>	<u>100.00%</u>
RESIDENTIAL (5/8" X 3/4") RATE DESIGN							
		PRESENT		COMPANY PROPOSED		RUCO PROPOSED	
7	BASIC MONTHLY CHARGE	\$ 27.76		\$ 50.47		\$ 44.80	
COMMODITY CHARGE							
		PRESENT	PROPOSED				
8	Max Gallons Included 7,000	\$ 3.48		\$ 6.33		\$ 5.62	
9		\$ -		\$ -		\$ -	
RESIDENTIAL BILL COMPARISONS							
AVERAGE RESIDENTIAL BILL COMPARISONS							
COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 5,814	PRESENT MONTHLY COST	PROPOSED MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE
10		1,454	25.00%	\$ 32.82	\$ 52.96	\$ 20.15	61.39%
11		2,907	50.00%	\$ 37.88	\$ 61.13	\$ 23.25	61.39%
12		5,814	100.00%	\$ 47.99	\$ 77.45	\$ 29.46	61.39%
13		8,721	150.00%	\$ 52.12	\$ 84.11	\$ 31.99	61.38%
14		11,628	200.00%	\$ 52.12	\$ 84.11	\$ 31.99	61.38%
MEDIAN RESIDENTIAL BILL COMPARISONS							
COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 7,000	PRESENT MONTHLY COST	RUCO MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE
15		1,750	25.00%	\$ 33.85	\$ 54.63	\$ 20.78	61.39%
16		3,500	50.00%	\$ 39.94	\$ 64.46	\$ 24.52	61.39%
17		7,000	100.00%	\$ 52.12	\$ 84.11	\$ 31.99	61.38%
18		10,500	150.00%	\$ 52.12	\$ 84.11	\$ 31.99	61.38%
19		14,000	200.00%	\$ 52.12	\$ 84.11	\$ 31.99	61.38%

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
SUN CITY WASTEWATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PRESENT CHARGES & USAGE FEES	(C) RUCO TEST YEAR REVENUES	(D) TOTAL REVENUES
RESIDENTIAL CUSTOMERS		(Usage In Thousands Of Gallons)			
2	A1S1A - Residential Single 5/8" x 3/4"	232,807	\$ 17.76	\$ 4,134,735	
3	A1S1B - Residential Single Unit 1"	2,630	\$ 44.41	\$ 116,796	
4	A1S1C - Residential Single Unit 1-1/2"	20	\$ 88.80	\$ 1,778	
5	A1S1D - Residential Single Unit =>2"	48	\$ 142.08	\$ 6,825	
6	A1S1N - Residential S Unit Non Water	1,214	\$ 17.76	\$ 21,554	
7	A1S2A - Residential M Unit All Water	127,974	\$ 17.76	\$ 2,272,868	
8	A1S2N - Residential M Unit Non Water	7,626	\$ 17.76	\$ 135,442	
9	Total Customer Bills	<u>372,319</u>		<u>\$ 6,689,999</u>	
11	TOTAL RESIDENTIAL CUSTOMERS REVENUE				<u>\$ 6,689,999</u>
COMMERCIAL CUSTOMERS		(Usage In Thousands Of Gallons)			
14	A2MS2 - Commercial WC	240	\$ 5.35	\$ 1,283	
16	A2MS4 - Commercial WM	72	\$ 9.93	\$ 715	
23	A2MSP - Paradise Park I/U	12	\$ 8,254.36	\$ 99,052	
	Volume Charge - All Usage	30,079	\$ 1.7784	\$ 53,494	
25	A2S1A - Commercial Single Unit 5/8" x 3/4"	1,690	\$ 8.72	\$ 14,734	
26	Volume Charge - First 5,000 Gallons	4,054	\$ 1.2619	\$ 5,116	
27	A2S1B - Commercial Single Unit 1"	1,330	\$ 21.81	\$ 28,993	
28	Volume Charge - First 12,500 Gallons	10,538	\$ 1.2619	\$ 13,298	
29	A2S1C - Commercial Single Unit 1 1/2"	1,394	\$ 43.60	\$ 60,770	
30	Volume Charge - First 25,000 Gallons	24,560	\$ 1.2619	\$ 30,993	
31	A2S1D - Commercial Single Unit 2"	1,157	\$ 69.77	\$ 80,734	
32	Volume Charge - First 40,000 Gallons	35,246	\$ 1.2619	\$ 44,478	
33	A2S1E - Commercial Single Unit > 2"	144	\$ 69.77	\$ 10,082	
34	Volume Charge - All Gallons	104,554	\$ 1.2619	\$ 131,941	
37	A2S2A - Commercial Multi Unit 5/8" x 3/4"	59	\$ 8.72	\$ 518	
38	Volume Charge - First 5,000 Gallons	235	\$ 1.2619	\$ 297	

CONTINUED ON THE NEXT PAGE

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
SUN CITY WASTEWATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PRESENT CHARGES & USAGE FEES	(C) RUCO TEST YEAR REVENUES	(D) TOTAL REVENUES
39	A2S2B - Commercial Multi Unit 1"	24	\$ 21.81	\$ 516	
40	Volume Charge - First 12,500 Gallons	296	\$ 1.2619	\$ 374	
41	A2S2C - Commercial Multi Unit 1 1/2"	115	\$ 43.60	\$ 5,032	
42	Volume Charge - First 25,000 Gallons	2,515	\$ 1.2619	\$ 3,174	
43	A2S2D - Commercial Multi Unit 2"	211	\$ 69.77	\$ 14,692	
44	Volume Charge - First 40,000 Gallons	6,741	\$ 1.2619	\$ 8,507	
45	A2S2E - Commercial Single Unit > 2"	44	\$ 69.77	\$ 3,084	
46	Volume Charge - All Gallons	75,717	\$ 1.2619	\$ 95,550	
49	A2S7D - Commercial LU => 2"	49	\$ 69.77	\$ 3,419	
50	Volume Charge - All Gallons	3,836	\$ 1.2619	\$ 4,840	
55	Total Customer Bills	<u>6,541</u>		<u>\$ 323,624</u>	
56	Total Customer Charged Usage	<u>298,371</u>		<u>\$ 392,061</u>	
57	TOTAL COMMERCIAL CUSTOMERS REVENUE				<u>\$ 715,685</u>
58	TOTAL SUN CITY WEST WASTEWATER - BILLED REVENUES				
59	TOTAL RESIDENTIAL				\$ 6,689,999
60	COMMERCIAL BILL COUNT				715,685
61	TOTAL RUCO PROPOSED REVENUE PER BILL COUNT				<u>\$ 7,405,684</u>
62	COMMERCIAL MISCELLANEOUS ADJUSTMENT (Per Company Schedule H-2, Line 104)				55,569
63	SUBTOTAL RUCO PROPOSED REVENUE PER BILL COUNT				<u>\$ 7,461,253</u>
64	Unreconciled Difference vs. Billed Revenues				\$ 124
65	REVISED REVENUE PER BILL COUNT				<u>\$ 7,461,377</u>
66	Other Revenue (Per Company Schedule C-1, Line 3)				\$ 6,411
67	TOTAL REVENUE				<u>\$ 7,467,788</u>
68	PROPOSED REVENUE PER RUCO				<u>\$ 7,467,788</u>
69	Difference				\$ -

**TYPICAL RESIDENTIAL BILL ANALYSIS
SUN CITY WASTEWATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)	(E)	(F)
		PRESENT		COMPANY PROPOSED		RUCO PROPOSED	
REVENUE ALLOCATION							
1	RESIDENTIAL	\$ 4,820,936	88.14%	\$ 7,258,642	90.34%	\$ 6,689,999	90.34%
2	OTHER	648,634	11.86%	776,518	9.66%	715,685	9.66%
3	TOTAL	<u>\$ 5,469,570</u>	<u>100.00%</u>	<u>\$ 8,035,159</u>	<u>100.00%</u>	<u>\$ 7,405,684</u>	<u>100.00%</u>
ALLOCATION RATIOS							
4	FIX REVENUE	\$ 5,238,908	95.78%	\$ 7,609,773	94.71%	\$ 7,013,623	94.71%
5	VARIABLE REVENUE	230,662	4.22%	425,386	5.29%	392,061	5.29%
6	TOTAL	<u>\$ 5,469,570</u>	<u>100.00%</u>	<u>\$ 8,035,159</u>	<u>100.00%</u>	<u>\$ 7,405,684</u>	<u>100.00%</u>
RESIDENTIAL (5/8" X 3/4") RATE DESIGN							
		PRESENT		COMPANY PROPOSED		RUCO PROPOSED	
7	BASIC MONTHLY CHARGE	\$ 13.69		\$ 19.27		\$ 17.76	
COMMODITY CHARGE							
		PRESENT	PROPOSED				
8	Max Gallons Included -						
9		\$ -		\$ -		\$ -	
RESIDENTIAL BILL COMPARISONS							
AVERAGE RESIDENTIAL BILL COMPARISONS							
<u>COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL</u>		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 0	PRESENT MONTHLY COST	PROPOSED MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE
10		-	25.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
11		-	50.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
12		-	100.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
13		-	150.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
14		-	200.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
MEDIAN RESIDENTIAL BILL COMPARISONS							
<u>COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL</u>		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 0	PRESENT MONTHLY COST	RUCO MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE
15		-	25.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
16		-	50.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
17		-	100.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
18		-	150.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%
19		-	200.00%	\$ 13.69	\$ 17.76	\$ 4.07	29.73%

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
SUN CITY WEST WASTEWATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PRESENT CHARGES & USAGE FEES	(C) RUCO TEST YEAR REVENUES	(D) TOTAL REVENUES
RESIDENTIAL CUSTOMERS		(Usage In Thousands Of Gallons)			
1	B1S1A - Residential Single 5/8" x 3/4"	177,993	\$ 28.36	\$ 5,047,349	
2	B1S1B - Residential Single Unit 1"	589	\$ 70.89	\$ 41,742	
3	B1S1C - Residential Single Unit 1-1/2"	-	\$ 141.78	\$ -	
4	B1S1D - Residential Single Unit =>2"	37	\$ 226.85	\$ 8,290	
5	B1S1N - Residential S Unit Non Water	157	\$ 28.36	\$ 4,459	
6	B1S2A - Residential Multi all Units	28,336	\$ 28.36	\$ 803,532	
7	Total Customer Bills	<u>207,111</u>		<u>\$ 5,905,372</u>	
8	Total Customer Charged Usage	<u>-</u>		<u>-</u>	
9	TOTAL RESIDENTIAL CUSTOMERS REVENUE				<u>\$ 5,905,372</u>
COMMERCIAL CUSTOMERS		(Usage In Thousands Of Gallons)			
11	B2MS2 - Commercial WC	2,424	\$ 10.67	\$ 25,861	
12	B2MS3 - Commercial DW	48	\$ 85.57	\$ 4,107	
13	B2MS4 - Commercial WM	360	\$ 19.95	\$ 7,183	
14	B2MS5 - Commercial WR	12	\$ 41.82	\$ 502	
15	B2S1A - Commercial Single Unit 5/8" x 3/4"	253	\$ 16.17	\$ 4,091	
16	Volume Charge - First 5,000 Gallons	956	\$ 2.3837	\$ 2,280	
17	B2S1B - Commercial Single Unit 1"	336	\$ 40.42	\$ 13,588	
18	Volume Charge - First 12,500 Gallons	2,951	\$ 2.3837	\$ 7,035	
19	B2S1C - Commercial Single Unit 1 1/2"	567	\$ 80.85	\$ 45,875	
20	Volume Charge - First 25,000 Gallons	9,717	\$ 2.3837	\$ 23,163	
21	B2S1D - Commercial Single Unit 2"	1,052	\$ 129.36	\$ 136,104	
22	Volume Charge - First 40,000 Gallons	26,882	\$ 2.3837	\$ 64,078	
23	B2S1E - Commercial Single Unit > 2"	23	\$ 129.36	\$ 2,975	
24	Volume Charge - All Gallons	16,947	\$ 2.3837	\$ 40,396	
25	B2S1N - Commercial Single Unit No Water	469	\$ 129.36	\$ 60,681	
26	Volume Charge - Per Unit	-	\$ -	\$ -	

CONTINUED ON NEXT PAGE

**RATE DESIGN AND PROOF OF RECOMMENDED REVENUE
SUN CITY WEST WASTEWATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A) TEST YEAR ADJUSTED DETERMIN'TS	(B) PRESENT CHARGES & USAGE FEES	(C) RUCO TEST YEAR REVENUES	(D) TOTAL REVENUES
27	B2S2A - Commercial Multi Unit 5/8" x 3/4"	-	\$ 16.17	\$ -	
28	Volume Charge - First 5,000 Gallons	-	\$ 2.3837	\$ -	
29	B2S2B - Commercial Multi Unit 1"	24	\$ 40.42	\$ 970	
30	Volume Charge - First 12,500 Gallons	297	\$ 2.3837	\$ 709	
31	B2S2C - Commercial Multi Unit 1 1/2"	24	\$ 80.85	\$ 1,940	
32	Volume Charge - First 25,000 Gallons	360	\$ 2.3837	\$ 858	
33	B2S2D - Commercial Multi Unit 2"	48	\$ 129.36	\$ 6,209	
34	Volume Charge - First 40,000 Gallons	1,920	\$ 2.3837	\$ 4,577	
35	B2S2E - Commercial Single Unit > 2"	15	\$ 129.36	\$ 1,940	
36	Volume Charge - All Gallons	6,130	\$ 2.3837	\$ 14,612	
37	B2S7D - Commercial Single Unit LU => 2"	36	\$ 129.36	\$ 4,657	
38	Volume Charge - All Gallons	18,401	\$ 2.3837	\$ 43,863	
39	Total Customer Bills	<u>5,692</u>		<u>\$ 316,684</u>	
40	Total Customer Charged Usage	<u>84,562</u>		<u>\$ 201,571</u>	
41	TOTAL COMMERCIAL CUSTOMERS REVENUE				<u>\$ 518,256</u>
42	TOTAL SUN CITY WEST WASTEWATER - BILLED REVENUES				
43	TOTAL RESIDENTIAL				\$ 5,905,372
44	TOTAL COMMERCIAL				\$ 518,256
45	TOTAL RUCO PROPOSED REVENUE PER BILL COUNT				<u>\$ 6,423,628</u>
46	Unreconciled Difference vs. Billed Revenues				<u>\$ (5,762)</u>
47	REVISED REVENUE PER BILL COUNT				<u>\$ 6,417,866</u>
48	Other Revenue (Per Company Revised Schedule C-1, Line 3)				\$ 1,321
49	TOTAL REVENUE				<u>\$ 6,419,187</u>
50	PROPOSED REVENUE PER RUCO				<u>\$ 6,419,187</u>
51	Difference				\$ -

**TYPICAL RESIDENTIAL BILL ANALYSIS
SUN CITY WEST WASTEWATER DISTRICT PROPOSED REVENUE**

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)	(E)	(F)
		PRESENT		COMPANY PROPOSED		RUCO PROPOSED	
REVENUE ALLOCATION							
1	RESIDENTIAL	\$ 5,179,859	92.09%	\$ 6,570,297	91.93%	\$ 5,905,372	91.93%
2	OTHER	445,024	7.91%	576,609	8.07%	518,256	8.07%
3	TOTAL	<u>\$ 5,624,883</u>	<u>100.00%</u>	<u>\$ 7,146,907</u>	<u>100.00%</u>	<u>\$ 6,423,628</u>	<u>100.00%</u>
ALLOCATION RATIOS							
4	FIX REVENUE	\$ 5,450,967	96.91%	\$ 6,922,639	96.86%	\$ 6,222,056	96.86%
5	VARIABLE REVENUE	173,916	3.09%	224,268	3.14%	201,571	3.14%
6	TOTAL	<u>\$ 5,624,883</u>	<u>100.00%</u>	<u>\$ 7,146,907</u>	<u>100.00%</u>	<u>\$ 6,423,628</u>	<u>100.00%</u>
RESIDENTIAL (5/8" X 3/4") RATE DESIGN							
		PRESENT		COMPANY PROPOSED		RUCO PROPOSED	
7	BASIC MONTHLY CHARGE	\$ 25.01		\$ 31.55		\$ 28.36	
COMMODITY CHARGE							
		PRESENT	PROPOSED				
8	Max Gallons Included -	Max Gallons Included -					
9		\$ -		\$ -		\$ -	
RESIDENTIAL BILL COMPARISONS							
AVERAGE RESIDENTIAL BILL COMPARISONS							
<u>COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL</u>		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 0	PRESENT MONTHLY COST	PROPOSED MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE
10		-	25.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
11		-	50.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
12		-	100.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
13		-	150.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
14		-	200.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
MEDIAN RESIDENTIAL BILL COMPARISONS							
<u>COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE AND THE PERCENTAGE INCREASE IN BILL</u>		VARIABLE MONTHLY USAGE	% AVERAGE USAGE OF 0	PRESENT MONTHLY COST	RUCO MONTHLY COST	RUCO MONTHLY INCREASE	PERCENTAGE MONTHLY INCREASE
15		-	25.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
16		-	50.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
17		-	100.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
18		-	150.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%
19		-	200.00%	\$ 25.01	\$ 28.36	\$ 3.35	13.38%