

Control Number: 46069



Item Number: 1

Addendum StartPage: 0

PUC DOCKET NO. **46069**

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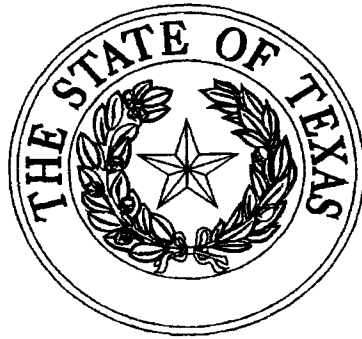
**CLASS B RATE INCREASE APPLICATION**

**NITSCH & SON UTILITY COMPANY, INC.**

**CCN No. 20446**

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**PUBLIC UTILITY COMMISSION OF TEXAS**

**CLASS B RATE/TARIFF CHANGE APPLICATION**

*Required Schedules for rate/tariff changes*

SEWER UTILITY NAME. Nitsch & Son Utility Company, Inc  
CCN No. 20446

ADDRESS OF UTILITY: 8131 Northland Drive  
Street, P.O. Box and/or suite number  
Houston, TX 77037  
City and Zip Code

PHONE NUMBER: (281) 445-0337

NAME OF PERSON TO CONTACT REGARDING THIS FILING

NAME: Bill Flickinger

PHONE: 512-476-6604

EMAIL ADDRESS: bflickinger@wfaustn.com

PUC CLASS SIZE  B  C (circle one)

INCREASE (DECREASE) \$ 63,103 (From Sch I-1, Line 33)  
dollar amount

14.42% (From Sch I-1, Line 34)  
percent above (below) current revenue requirement

DESCRIBE OWNERSHIP OF COMPANY

Investor Owned

DATE OF LAST GENERAL RATE CASE FILING 12/27/2008

DATE OF LAST NON-GENERAL RATE CHANGE\* None

\* (e.g. pass through rate change or temporary water rate provision)

## CLASS B RATE/TARIFF CHANGE APPLICATION

*Required Schedules for rate/tariff changes*

# 46069

**\*\*Please read the "Class B Investor-Owned Utilities water and/or sewer Instructions for Rate/Tariff Change Application" completing these schedules.\*\***

These schedules are organized in a manner whereby the user can work through each section to:

- 1st Record historical test year data on Schedule I-1, Column D.  
Enter your test year end on the table of contents.
- 2nd Provide historical revenue information on Schedule 1-2.
- 3rd Calculate operating expenses and make adjustments (Section II).
- 4th Calculate return for rate making purposes (Section III).
- 5th Calculate adjusted taxes other than income (Section IV).
- 6th Calculate federal income taxes (Section V).
- 8th Determine revenue requirements (Schedule I).
- 9th Design proposed rates (Section VI).

These schedules are intended to assist the utility in calculation of its new rates. The process consists of a number of relatively complex steps. Utilities are required to provide all the information necessary to support amounts included in the schedules and to cross-reference all information. If the applicant does not use a schedule, it should be noted as "N/A", and an explanation provided.

UTILITY NAME: Nitsch & Son Utility Company, Inc.  
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION  
 SCHEDULES

**46069**

**Complete all of the following schedules for your Class A or B utility  
 (if the schedule does not apply, include it marked "N/A")**

TABLE OF CONTENTS (Page 1 of 2)

FOR TEST YEAR ENDED: 12/31/2015  
 DATE SUBMITTED TO PUC: 6/16/2016

	Attachment Schedule	Items Checked
<b>SECTION I</b>		
<b><u>REVENUES AND REVENUE REQUIREMENT</u></b>		
Revenue Requirement Summary	I-1	<input checked="" type="checkbox"/>
Historical Revenue Summary	I-2	<input checked="" type="checkbox"/>
<u>Include the appropriate schedules:</u>		
Metered Active Connections by Meter Size	I-3	<input checked="" type="checkbox"/>
Unmetered Active (Flat Rate) Customers	I-4	<input checked="" type="checkbox"/>
<b>SECTION II</b>		
<b><u>OPERATIONS AND EXPENSES</u></b>		
Waste Water Treated	II-1(a)	<input checked="" type="checkbox"/>
Sludge Removal Expense	II-5(a)	<input checked="" type="checkbox"/>
Other Revenues & Expenses passed through	II-3	<input checked="" type="checkbox"/>
Purchased Power	II-4	<input checked="" type="checkbox"/>
Other Volume Related Expenses	II-5 (b)	<input checked="" type="checkbox"/>
Payroll Cost Allocation	II-6	<input checked="" type="checkbox"/>
Materials	II-7	<input checked="" type="checkbox"/>
Contract Work	II-8	<input checked="" type="checkbox"/>
Transportation Expenses	II-9	<input checked="" type="checkbox"/>
Other Plant Maintenance	II-10	<input checked="" type="checkbox"/>
Employee Pensions/Benefits	II-11	<input checked="" type="checkbox"/>
Bad Debts/uncollectables	II-12	<input checked="" type="checkbox"/>
Office Services and Rentals	II-13	<input checked="" type="checkbox"/>
Office Supplies and Expense	II-14	<input checked="" type="checkbox"/>
Professional Services	II-15	<input checked="" type="checkbox"/>
Insurance	II-16	<input checked="" type="checkbox"/>
Rate Case Expense	II-17	<input checked="" type="checkbox"/>
Regulatory Commission Expense	II-18	<input checked="" type="checkbox"/>
Miscellaneous Expense	II-19	<input checked="" type="checkbox"/>

UTILITY NAME: Nitsch & Son Utility Company, Inc.  
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION SCHEDULES  
 TABLE OF CONTENTS (Page 2 of 2)

	<u>Attachment Schedule</u>	<u>Items Checked</u>
<b>SECTION III <u>RETURN AND RATE BASE</u></b>		
Requested Return	III-1	<input checked="" type="checkbox"/>
Rate Base	III-2	<input checked="" type="checkbox"/>
Utility Plant	III-3	<input checked="" type="checkbox"/>
Utility Plant reconciled to previous filing	III-3(a)	<input checked="" type="checkbox"/>
Developer Construction work in progress	III-4(a)	<input checked="" type="checkbox"/>
Materials and Supplies Inventory	III-4(b)	<input checked="" type="checkbox"/>
Working Cash	III-5	<input checked="" type="checkbox"/>
Notes Payable	III-6	<input checked="" type="checkbox"/>
Accumulated Depreciation	III-7	<input checked="" type="checkbox"/>
Advances for Construction	III-8(a)	<input checked="" type="checkbox"/>
Contributions in Aid of Construction	III-8(b)	<input checked="" type="checkbox"/>
Deferred Income Taxes	III-9(a)	<input checked="" type="checkbox"/>
Deferred Investment Tax Credits	III-9(b)	<input checked="" type="checkbox"/>
Deferred Assets	III-10(a)	<input checked="" type="checkbox"/>
<b>SECTION IV <u>TAXES OTHER THAN INCOME</u></b>		
Property, Payroll and Other Taxes	IV(a)	<input checked="" type="checkbox"/>
Revenue Related Taxes	IV(b)	<input checked="" type="checkbox"/>
<b>SECTION V <u>FEDERAL INCOME TAXES (FIT)</u></b>		
Income Taxes at Present Rates-effective rate	V	<input checked="" type="checkbox"/>
<b>SECTION VI <u>RATE DESIGN</u></b>		
Rate Design Worksheet	VI	<input checked="" type="checkbox"/>

## INSTRUCTIONS REV REQUIREMENT

UTILITY NAME: Nitsch & Son Utility Company, Inc.

SCHEDULES - CLASS B RATE/TARIFF CHANGE  
SECTION I - REVENUE REQUIREMENTS AND REVENUES

The purpose of Section I is to summarize the revenue requirement and provide revenues and meter information for the test year.

### Instructions for Section I - Revenue Requirement and Revenues

Carefully complete the label for each workpaper. Your application docket number should be included on each page.

Schedule I-1 is a **SUMMARY**. Complete column D, historical test year information first using financial records, then work through the remainder of the sections and schedules other than the rate design, Schedule VI, to calculate the utility's changes to its historical test year in Column E. Column G provides the workpaper source for amounts in Columns E & F.

Schedule I-2 reports historical revenues collected and Schedules I-3 and I-4 report connection information. Use historical financial data and data from recent annual reports (PUC Rpt.) to complete the schedules.

**Please complete Schedule II-3 prior to I-2.**

Insert and reference additional workpapers as necessary. For example, you may wish to add schedules that apply to unique situations in your utility.

The schedules are based on NARUC chart of accounts and include sub-accounts as necessary for detail needed to determine reasonable and necessary expenditures.

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u>						
SCHEDULES - CLASS B RATE/TARIFF CHANGE						
I-1 REVENUE REQUIREMENT SUMMARY						
Test Year End: 12/31/2015						
A	B	C	D	E	F=D+E	G
			Historical Test Year	K & M Changes	Adjusted Test Year	
Line No.	Acct. No.	Account Name				Reference/ Instructions
		Volume related expenses:				
1	710	Purchased Wastewater Treatment			N/A	Schedule II-3
2	711	Sludge Removal Expense	16,770	-	16,770	Schedule II-5 (a)
2 a	715	Power Expense-production only	18,565	7,916	26,481	Schedule II-4
3	718	Other volume related expenses	5,703	-	5,703	Schedule II-5 (b)
4		Total volume related exp.	41,038	7,916	48,954	Add Lines 1-3
		Non-volume related expenses:				
5	701-1	Employee labor	33,757	8,057	41,814	Schedule II-6, Line 1
6	720	Materials	9,106	-	9,106	Schedule II-7
7	731-736	Contract work	3,033	-	3,033	Schedule II-8
8	750	Transportation expenses	9,174	-	9,174	Schedule II-9
9	764	Other plant maintenance	35,413	-	35,413	Schedule II-10
10		Total non-volume related exp.	90,482	8,057	98,539	Add Lines 5-9
		Admin. & general expenses:				
11	701-2	Office salaries	28,421	-	28,421	Schedule II-6, line 2
12	701-3	Mgmt. salaries	28,481	11,520	40,000	Schedule II-6, line 3
13	704	Employee pensions & benefits	28,393	4,615	33,007	Schedule II-11
14	715	Purchased power-Office only				Schedule II-4
15	770	Bad debt expense	276	-	276	Schedule II-12
16	776	Office services & rentals	N/A	N/A	N/A	Schedule II-13
17	777	Office supplies & expenses	17,978	-	17,978	Schedule II-14
18	778	Professional services	23,519	(6,932)	16,587	Schedule II-15
19	784	Insurance	8,443	737	9,180	Schedule II-16
20	766	Regulatory (rate case) expense	6,932	(6,932)	-	Schedule II-17
21	767	Regulatory expense (other)	N/A	N/A	N/A	Schedule II-18
22	775	Miscellaneous expenses	8,693	-	8,693	Schedule II-19
23		Total admin. & general expense	151,134	3,007	154,141	Add Lines 11-22
24		Total operating Expenses	282,655	18,980	301,635	Lines 4 + 10 + 23
25	403	Depreciation	32,649	57	32,706	Sch III-3, Col E, Line 50
26	408	Taxes Other than Income	20,790	6,963	27,753	Sch IV(b), Line 8
27	409/10	Income Tax Expense	-	18,825	18,825	Schedule V, Line 7
28		TOTAL EXPENSES	336,094	44,825	380,919	
29		TOTAL HISTORIC REVENUE	379,980			Sch I-2, Line 6
30		HISTORICAL TEST YEAR RETURN	43,885			Line 30 less Line 29
31		REQUESTED RETURN			63,103	Schedule III-1, Line 3
32		TOTAL REVENUE REQUIREMENT			444,022	Line 30 plus Line 34
33		REQUESTED ANNUAL REVENUE INCREASE		(to notice)	64,042	Line 32 less Line 29
34		PERCENTAGE INCREASE			14.42%	Line 36 divided by Line 33
35		LESS: OTHER REVENUES			-	Sch. II-3(b), Col. D, Line 8
36		Revenue for Rate Design		(to VI, line 1)	444,021.60	Line 33 minus Line 35



UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE FOR TEST YEAR ENDED: 12/31/2015			
<b>I-2 HISTORICAL REVENUE SUMMARY</b>			
Line No.	NARUC A/C	Description	Historical Test Year
1.	461 Metered connections base rate revenue		<b>379,980</b>
			From financial records
2.	461 Metered connection gallonage rate revenue		
			From financial records
3.	460 Unmetered (Flat rate) revenue		
			From financial records
4.	Total Metered & Flat Rate Revenue		<b>379,980</b>
5.	Plus: Total Other Revenues		-
			From II-3, Column B, line 7
6.	Total Historic Test Year Revenues per income statement and Annual Report*		<b>379,980</b>
			Line 4 plus line 5

(to I-1, Column D, line 29)

\*Provide all calculations and explanations for any differences between the applicant's annual report and this schedule.

\* If the utility provides other than residential retail service (wholesale, industrial, etc), provide a work paper with the detail of this account by NARUC sub account number.

NITSCH SON UTILITY COMPANY, INC.  
Income Statement  
For the Twelve Months Ending December 31, 2015

NARUC	Title	<u>Year to Date</u>	<u>Adjustments</u>	<u>Water</u>	<u>Sewer</u>
	Revenues				
400	Revenue - Water & Sewer	673,364		289,546.00	383,817.78
	Interest Income	542	(542)		
	<b>Total Revenues</b>	<b>673,906</b>	<b>(542)</b>	<b>289,546.00</b>	<b>383,817.78</b>
	Cost of Sales				
718	Chemicals & Treatments - Sewer	5,703		-	5,703.18
711	Sludge Haul	16,770			16,770.00
664	Maintenance - Water	16,246		16,245.85	
764	Maintenance - Sewer	35,413			35,413.35
	Deposit Refunds	283	(283)	-	-
	<b>Total Cost of Sales</b>	<b>74,416</b>	<b>(283)</b>	<b>16,245.85</b>	<b>57,886.53</b>
	<b>Gross Profit</b>	<b>599,491</b>	<b>(259)</b>	<b>273,300.15</b>	<b>325,931.25</b>
	Expenses				
778	Accounting and Legal Fees	47,038		23,519.16	23,519.16
750	Auto Truck Tractor Trailer	18,347		9,173.61	9,173.61
770	Bad Debt	606		330.09	276.21
775	Bank Service Charges	2,531		1,265.74	1,265.74
731	Contract Labor	6,065		3,032.50	3,032.50
775	Contributions	100		50.00	50.00
775	Dues & Subscriptions	3,724		1,862.00	1,862.00
704/784	Insurance & Employee Benefits	77,859		38,929.36	38,929.36
775	Licenses	233		116.50	116.50
777	Office Supplies & Postage	37,479		20,405.18	17,074.29
777	Office Expense	936		509.74	426.54
777	Repair and Maintenance	810		333.19	476.81
701	Salaries (50/50)	181,318		90,658.80	90,658.80
720	Shop Supplies	18,212		9,106.01	9,106.01
408	Taxes - Payroll	14,699		7,349.36	7,349.36
408	Taxes - Ad Valorem	21,462		8,828.39	12,633.85
775	Telephone	8,859		4,823.39	4,036.04
618	City of Houston GRP Fee	64,388		64,387.89	
615	Utilities - Water	17,982		17,981.92	
715	Utilities - Sewer	18,565			18,565.22
403	Depreciation	50,270	6,623	24,187.33	32,705.91
408	Taxes - Gross Receipts	1,416		608.84	807.06
408	Taxes - TCEQ	6,801	(6,801)		
775	Contract Services	2,724		1,362.23	1,362.23

NITSCH SON UTILITY COMPANY, INC.  
Income Statement  
For the Twelve Months Ending December 31, 2015

NARUC	Title	<u>Year to Date</u>	<u>Adjustments</u>	<u>Water</u>	<u>Sewer</u>
	Total Expenses	602,426	(178)	328,821.22	273,427.18
	Net Income	(2,935)	(81)	(55,521.07)	52,504.07
		<u>Number</u>	<u>Percent</u>		
	Water Customers	729	54%		
	Sewer Customers	610	46%		
	Total	1,339	100%		
	Water Gross Plant	870,829	41%		
	Sewer Gross Plant	1,246,199	59%		
	Total	2,117,029	100%		

SCHEDULE I-3 METERED CON

UTILITY NAME: Nitsch & Son Utility Company, Inc.  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**I-3 METERED ACTIVE CONNECTIONS BY METER SIZE**  
 FOR TEST YEAR ENDED: 12/31/2015

A	B	C	D	E	F	G	H
Number of Connections							
Line No.	Meter Size	End of Prior Year	Test Year Additions	End of Test Year	Average	Meter Ratios	Meter Equivalencies End of TY
		PUC report Sch. 9		(C+D)	(C + E) /2		(E x G)
1.	5/8" x 3/4"	600	-2	598	599	1.0	599
2.	3/4"			0	0	1.5	0
3.	1"	1		1	1	2.5	2.5
4.	1 1/2"	3		3	3	5.0	15
5.	2"	1		1	1	8.0	8
6.	3"	5		5	5	15.0	75
7.	4"			0	0	25.0	0
8.	6"	1		1	1	30.0	30
9.	Total	611	-2	609	610		729.5
10	Average	611	-2	609	610		

UTILITY NAME: <u>          Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>I-4 UNMETERED (FLAT RATE) ACTIVE CONNECTIONS</b> FOR TEST YEAR ENDED: <u>                  12/31/2015</u>
--

A	B	C	D	E	F
		Number of Active Connections			
Line No.	Flat Rate Unit	End of Prior Year	Test Year Additions	End of Year	Average
		PUC report Sch. 9		(C + D)	(C + E) / 2
1.		None	None	None	N/A
2.					
3.					
4.					
5.	Total	None	None	None	N/A

## INSTRUCTIONS - OPERATIONS AND MAINTENANCE

UTILITY NAME: Nitsch & Son Utility Company, Inc.

SCHEDULES - CLASS B RATE/TARIFF CHANGE

SECTION II - OPERATIONS AND MAINTENANCE

The purpose of Section II is to report expense information and allow for the known and measurable changes to operating expenses to determine the revenue requirement in Schedule I-1.

### Instructions for Section II

Compile financial and source information to determine known and measurable changes to the test year expenses. Provide copies of source documents, such as increased utility bill notices, to verify the applicant's proposed known and measurable changes. Show calculations and explanations for all known and measurable changes on all schedules, where applicable. Attach extra workpapers if needed.

Working through Schedules II-4 through II-19, complete each and transfer test year amounts to column G of Schedule I-1. Depreciation expense, other taxes, FIT and return will be determined using later schedules. Wait until those schedules are complete, and then transfer the amounts to Schedule I-1.

Insert and reference additional workpapers as necessary. For example, the applicant may use additional schedules that address unique aspects of the utility.

<b>UTILITY NAME:</b> Nitsch & Son Utility Company, Inc.	
<b>SCHEDULES - CLASS B RATE/TARIFF CHANGE</b>	
<b>II-1(a) AND II-1(b) - HISTORICAL OF SEWER TREATMENT</b>	
<b>FOR TEST YEAR ENDED:</b> 12/31/2015	

**SCHEDULE II-1(a): SEWER TREATMENT:  
(COMPANIES WITH METERED RATE CUSTOMERS)**

Line No.	Sewer Treatment (1,000 Gallons)	A	B	C= A+B	D
		Test Year	K & M Changes	Adjusted Test Year	Reference
1	Total water sold to sewer customers Dec., Jan., Feb.	14,149		14,149	PUC Annual Report
2	Annualized Sewer Treatment	56,596		56,596	PUC Annual Report
3					Line 1 + line 2
4					PUC Annual Report
5					
6					Lines 3 less 4 less 5
7					Line 6 divided by Line 3

\* Describe the tracking technique for calculating line 5 and provide the records reflecting the calculation.

Known and measurable calculations and explanations.

**Note: This is different from the amount reported in the annuyal report**

**SCHEDULE II-1(b) SEWER TREATMENT  
(COMPANIES WITH UNMETERED (FLAT) RATE CUSTOMERS)**

Line No.	Description	A	B	C=A+B	D
		Test Year	K & M Change	Adjusted Test Year	Reference
1	Water Purchased (1,000 gallons)	N/A	N/A	N/A	PUC report Sch. D-1
2	Water Pumped (1,000 gallons)				PUC report Sch. D-1
3	Total production (1,000 gallons)				Lines 13 + 14

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-3 OTHER REVENUES &amp; EXPENSES PASSED THROUGH</b> FOR TEST YEAR ENDED: 12/31/2015
--

II-3(a) Purchased Water or Other Pass Through Expenses

Line No.	A	B	C	D	D
	Purchased from:	Units purchased (in _____) (e.g. 1,000 gal, AC - FT)	Price Per Unit	Total Calculated Cost (B x C)	Actual Cost paid per financial records
1.					
2.					
3.					
4.	Total	*			None

\* Must agree with Schedule II-1(a), Line 2, column A, or provide a reconciliation.

II-3(b) Other revenues collected from customers

Line No.	A	B	C	D
	Item passed thru or type of other revenue	Test year historical revenues collected		Test year revenues netted against COS
1.	Tap Fees*	None		-0-*
2.	Late Fees			
3.	Meter Test Fees			
4.	Reconnect Fees			
5.	Purchased Water Fees			
6.	Groundwater Conservation District Fees			
7.	Other (attach detail**)			
8.	Total Other Revenues	-		None

(to Sch. I-2, line 5)

(to Sch. I-1, line 35)

\* Tap fees should be reported on Sch. III-8-CIAC, Line 1.

\*\* If the utility provides other than residential retail service (wholesale, industrial, etc), provide a work paper with the detail of this account by NARUC sub account number



UTILITY NAME <u>Nitsch &amp; Son Utility Company, Inc.</u> II-4 SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>PURCHASED POWER</b> FOR TEST YEAR ENDED. 12 31 2015
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This page is supplemental information. It is required to complete Schedule I-1.

References below refer to Schedule I-1.

Line No.	Account No.	Account Name
2.	715.1	Purchased Power (electric) -production

**II-4(a) Volume related expenses (Electric used for production of water/sewer)**

List the amount spent on purchased power (electricity) for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

	Year	Amount
	2013	\$ 32,375
	2014	\$ 30,951
Test Year	2015	\$ 18,565
K & M Change		\$ 7,916 (to I-1, Column E, Line 2)
Adjusted Test year		\$ 26,481 (to I-1, Column F, Line 2)

Explanation and calculations of known and measurable change:  
See Inserted SCHEDULE II-4 (a) PP ADJ.

**II-4(b) Office related expenses (Electric used for production of water/sewer)**

Line No.	Account No.	Account Name
14	615.2	Purchased Power (electric) Expense for office

**Volume related expenses**

List the amount spent on purchased power (electricity) for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

	Year	Amount
	2012	\$ N/A
	2013	\$ N/A
a. Test Year	2014	\$ N/A
b. K & M Change		\$ N/A (to I-1, Column E, Line 14)
c. Adjusted Test year (a. + b.)		\$ N/A (to I-1, Column F, Line 14)

Explanation and calculations of known and measurable change:

Nitsch & Son Utility Company, Inc.  
 Known and Measurable Changes to Utility Bills  
 Test Year Ended 12/31/2015

<u>Month</u>	<u>Water Plant</u>	<u>Sewer Plant</u>	<u>Total</u>
Jan-16	1,808.63	2,387.49	4,196.12
Feb-16	1,545.38	2,180.26	3,725.64
Mar-16	1,437.95	2,016.16	3,454.11
Apr-16	1,554.27	2,243.00	3,797.27
	6,346.23	8,826.91	15,173.14
times 3	3.00	3.00	3.00
Annualized	19,038.69	26,480.73	45,519.42
Test Year	17,981.92	18,565.00	36,546.92
Adjustment	1,056.77	7,915.73	8,972.50

**2015 test year amounts had credits from prior years**  
**Annualized 2016 Jan-Apr will be a more accurate**  
**estimate of the utility bills**

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-5 OTHER RELATED VOLUME EXPENSES</b> FOR TEST YEAR ENDED <u>12/31/2015</u>
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This page is supplemental information. It is required to complete Schedule I-1.

Line No.	Account No.	Account Name
3.	711	Sludge Removal Expense

**Other volume related expenses**

List the amount spent on other volume related expenses for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

	Year	Amount	
	<u>2013</u>	\$ <u>26,101</u>	
	<u>2014</u>	\$ <u>24,429</u>	
a. Test Year	<u>2015</u>	\$ <u>16,770</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 3)
c. Adjusted Test year (a.+b.)		\$ <u>16,770</u>	(to I-1, Column F, Line 3)

Explanation and calculations of known and measurable change:

**II-5 OTHER RELATED VOLUME EXPENSES**

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-5 OTHER RELATED VOLUME EXPENSES</b> FOR TEST YEAR ENDED <u>12/31/2015</u>
---

This page is supplemental information. It is required to complete Schedule I-1.

Line No.	Account No.	Account Name
3.	718	Other volume related expenses Chemicals

**Other volume related expenses**

List the amount spent on other volume related expenses for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

	Year	Amount	
	<u>2013</u>	\$ <u>5,586</u>	
	<u>2014</u>	\$ <u>6,693</u>	
a. Test Year	<u>2015</u>	\$ <u>5,703</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 3)
c. Adjusted Test year (a.+b.)		\$ <u>5,703</u>	(to I-1, Column F, Line 3)

**Explanation and calculations of known and measurable change:**

**II-5 OTHER RELATED VOLUME EXPENSES**

UTILITY NAME: Nitsch & Son Utility Company, Inc.  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**II-6 ALLOCATION OF PAYROLL EXPENSES**  
 FOR THE ADJUSTED TEST YEAR 12/31/2015

**SOME SALARIES MUST BE CAPITALIZED IN THIS REPORT IF EMPLOYEES INSTALL PLANT IN SERVICE  
 II-6(a) PAYROLL COSTS:**

Line No	A Employee Name	B Test Year Payroll	C Capitalized Payroll	D Expensed Payroll	E 1st 7000 or new limit (FUTA max)	F 7,001 to 9000 or new limit (SUTA max)	G 9,001 to 118500 or new limit (or FICA max)	H over 118500 or new limit	Total Payroll	
1	Bousley, Alfred W	12510	0	12510	7000	9000	12510		12510	
2	Boyd, Gregory K	35435	0	35435	7000	9000	35435		35435	
3	Dean, Victoria L	15449	0	15449	7000	9000	15449		15449	
4	Lewandowske, Sigmund	100	0	100	100	100	100		100	
5	Nitsch, Glenn D	56961	0	56961	7000	9000	56961		56961	
6	Presley, Zera	41393	0	41393	7000	9000	41393		41393	
7	Rachac, Stephen	1853	0	1853	1853	1853	1853		1853	
8	Ramirez, Chris	17616	0	17616	7000	9000	17616		17616	
9	Total	181317		181317	43953	55953	181317		181317	
10	Percentage Capitalized	Line 9, column B divided by line 9, column A=								None

**II-6(b) ALLOCATION OF PAYROLL TO EXPENSE:**  
 Line 'Total Payroll Expenses' should equal the total from 'Expensed Payroll' (Column C, Line 9) above

Line No	Acct No	Account Name	Test Yr Expense	50% to Water, 50% to Sewer
1	601-1	Employee labor	33,757	to Schedule I-1, Line 5
2	601-2	Office salaries	28,421	to Schedule I-1, Line 11
3	601-3	Management salaries	28,481	to Schedule I-1, Line 12
4		Total Payroll Expenses	90,659	(should equal sum of II-6(a) Water and Sewer Column C, Line 9)

\* Attach a brief summary of the utility's capitalization policy and explain any changes in capitalization rates of more the 5% per year  
 \*\* Attach an explanation and calculation for K&M salary changes from test year  
 See Schedule II-6 (a) PR K&N

Nitsch & Son Utility Company, Inc.  
 Analysis of Payroll for 2015 and adjustments for 2016

Employee Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2015 Wages	K&N Changes	Adjusted 2015 Wages		
							Water	Sewer	
Bousley, Alfred W.	-	-	4,140	8,370	12,510	24,150	18,330	18,330	0
Boyd, Gregory K.	7,950	9,968	8,527	8,990	35,435	(35,435)	0	0	0
Dean, Victoria L.	3,206	3,682	3,402	5,159	15,449		7,725	7,725	7,725
Lewandowske, Sigmund	100	-	-	-	100	(100)	-	-	-
McClosky, Michael	-	-	-	-	-	43,992	21,996	21,996	21,996
Nitsch, Glenn D.	9,978	16,045	15,480	15,458	56,961	23,039	40,000	40,000	40,000
Presley, Zera	7,041	8,778	7,546	18,027	41,392		20,696	20,696	20,696
Rachac, Stephen	-	-	-	1,853	1,853	1,147	1,500	1,500	1,500
Ramirez, Chris	5,040	6,220	4,812	1,568	17,640	(17,640)	-	-	-
Totals	<u>33,315</u>	<u>44,693</u>	<u>43,907</u>	<u>59,425</u>	<u>181,340</u>	<u>39,153</u>	<u>110,247</u>	<u>110,247</u>	<u>110,247</u>
Employee Labor				33,769	67,538	16,114	41,826	41,826	41,826
Office Salaries					56,841	-	28,421	28,421	28,421
Management Salaries					<u>56,961</u>	<u>23,039</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
Totals					<u>181,340</u>	<u>39,153</u>	<u>110,247</u>	<u>110,247</u>	<u>110,247</u>

Note: Three 2015 employees are no longer with the utility and have been replaced by two employees at a higher salary.  
 Employee Bousley is paid \$15 per hour for an average of 47 hours per week  
 Employee McClosky is paid \$18 per hour for an average of 47 hours per week

Federal unemployment taxabl	38,000	19,000	19,000
State unemployment taxabl	48,000	24,000	24,000
FICA	220,493	110,247	110,247
Medicare	220,493	110,247	110,247

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-7 MATERIALS</b> FOR THE TEST YEAR ENDED: 12/31/2015
--

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
6.	720	Materials and Supplies

**II-7(a) Materials**

List the amount spent on materials for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items in the list below. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2013</u>	\$ <u>6,759</u>	
	<u>2014</u>	\$ <u>5,821</u>	
a. Test Year	<u>2015</u>	\$ <u>9,106</u>	
b. K & M Change		\$ <u>          -</u>	(to I-1, Column E, Line 6)
c. Adjusted Test year (a. + b.)		\$ <u>          9,106</u>	(to I-1, Column F, Line 6)

\* A large item is more than 10% of the test year account balance and more than \$1,000.00

Expensed materials may not be included in rate base in materials and supplies inventories.

Explanation and calculations of known and measurable change:

**II-7(b) Large Items:**

Description	Amount	Date in service
None		

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-8 CONTRACT WORK</b> FOR THE TEST YEAR ENDED: 12/31/2015
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This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
7.	731, 735, 736	Contract work (non-capitalized engineering, testing, other)

**II-7(a) Contract work**

List the amount spent on contract work for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase.

	Year	Amount	
	<u>2013</u>	\$ <u>124.20</u>	
	<u>2014</u>	\$ <u>55.20</u>	
a. Test Year	<u>2015</u>	\$ <u>3,032.50</u>	
b. K & M Change		\$ <u>0.00</u>	(to I-1, Column E, Line 7)
c. Adjusted Test year (a. + b.)		\$ <u>3,032.50</u>	(to I-1, Column F, Line 7)

\* A large item is more than 10% of the test year account balance more than \$1,000.  
 More work is being done with contract labor and only two of the three employees who are no longer with the utility were replaced for 2016

Explanation and calculations of known and measurable change:

**II-8(b) Large Items:**

Description	Amount	Date in service
None	\$ -	N/A



UTILITY NAME	Nitsch & Son Utility Company, Inc.
SCHEDULES - CLASS B RATE/TARIFF CHANGE	
<b>II-9 TRANSPORTATION</b>	
FOR THE TEST YEAR ENDED.	12/31/2015

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
8.	750	Transportation expense

**II-9(a) Transportation expense**

List the type of vehicles used by the utility and allocate the percent used for business purposes. For example, is there one vehicle used solely for the utility, or is it used for non-business activities too? Is there a vehicle involved that is part of the Company's Plant in Service and thus is already depreciated?

Vehicle expenses reported using a cost per unit (say 34 cents per mile) have the depreciation factor included. A vehicle which is part of the Plant in Service should show only actual operating and maintenance expenses (oil, gas, repairs, maintenance) excluding insurance. The purpose of this supplemental page is to ensure that vehicle expense will be recorded properly and that vehicle depreciation is not listed twice or totally omitted.

	Year	Amount
	<u>2013</u>	\$ <u>11,635</u>
	<u>2014</u>	\$ <u>9,903</u>
a. Test Year	<u>2015</u>	\$ <u>9,174</u> (to I-1, Column D, Line 8)
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 8)
c. Adjusted Test year (a. + b.)		\$ <u>9,174</u> (to I-1, Column F, Line 8)

**II-9(b) Large Items\*:**

Description	Amount	Date in service
None	N/A	N/A

\* A large item is more than 10% of the test year account balance and more than \$1,000.

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-10 OTHER PLANT MAINTENANCE</b> FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
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This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
9.	764 Co. A/C 5020.1	Other plant maintenance

**II-10(a) Other plant maintenance**

List the amount spent on other plant maintenance for the last two record periods and estimated for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>2013</u>	\$ <u>27,349.62</u>
	<u>2014</u>	\$ <u>26,752.67</u>
a. Test Year	<u>2015</u>	\$ <u>35,413.35</u> (to I-1, Column D, Line 9)
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 9)
c. Adjusted Test year (a. + b.)		\$ <u>35,413.35</u> (to I-1, Column F, Line 9)

\* A large item is more than 10% of the test year account balance more than \$1,000.

Explanation and calculations of known and measurable change:

**II-10(b) Large Items:**

Description	Amount	Date in service
None		

**UTILITY NAME:** Nitsch & Son Utility Company, Inc.  
**SCHEDULES - CLASS B RATE/TARIFF CHANGE**  
**II-11 EMPLOYEE PENSIONS AND BENEFITS**  
**FOR THE TEST YEAR ENDED:** 12/31/2015

**This page is supplemental information. It is required to complete Schedule I-1.**  
**References below refer to Schedule I-1.**

Line No.	Account No.	Account Name
13.	704	Employee pensions and benefits

**Employee pensions and benefits**

List the amount spent on Employee's pensions and benefits for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all items by category. For example, Pensions includes such items as ESOPs and IRAs. The "Other" column includes such items as dental, vision, life insurance, etc. Also include the number of employees covered and charged to account 674 and indicate the cost per employee. As applicable, provide information on any qualified pensions offered to employees and documentation, such as actuarial studies, discussing net pension costs as well as current funding status of the utility's projected benefit obligation. If the Test Year amount is higher than previous years, indicate the reason for the anticipated change:

**List types of Pensions & Benefits:**

<u>2013</u>	\$ <u>32,195.63</u>	\$	<u>32,195.63</u>	\$	<u>32,195.63</u>	\$	<u>                    </u>
Year	Total Amount		Pensions		Health		Other
							Amount Capitalized*

Cost per Employee: 5,365.94

<u>2014</u>	\$ <u>33,945.50</u>	\$	<u>33,945.50</u>	\$	<u>                    </u>	\$	<u>                    </u>
Year	Total Amount		Pensions		Health		Other
							Amount Capitalized*

Number of Employees covered: 6

Cost per Employee: 5,657.58

**List types of Pensions & Benefits:**

<u>2015</u>	\$ <u>28,392.60</u>	\$	<u>23,191.58</u>	\$	<u>5,201.02</u>	\$	<u>                    </u>
Year	Total Amount		Pensions		Health		Other
							Amount Capitalized*

Number of Employees covered: 5

Cost per Employee: 5,678.52

\*(use % on Sch 11-6(a), line 10)

Nitsch & Son Utility Co., Inc.  
 Analysis of Insurance/Employee Benefits Account  
 Test Year ended 12/31/2015

	Total		Water (50%)		Sewer (50%)	
	Test Year	Adjustments	As Adjusted	Test Year	Adjustments	As Adjusted
Health - Employee	46,383.15	7,856.97	54,240.12	23,191.58	3,928.49	27,120.06
Other - Employee	10,402.04	1,372.12	11,774.16	5,201.02	686.06	5,887.08
<b>Total Employee Benefits</b>	<b>56,785.19</b>	<b>9,229.09</b>	<b>66,014.28</b>	<b>28,392.60</b>	<b>4,614.55</b>	<b>33,007.14</b>
Insurance:						
Commercial Property/Inland Marine	3,506.80	434.20	3,941.00	1,753.40	217.10	1,970.50
Commercial General Liability	9,085.21	162.14	9,247.35	4,542.61	81.07	4,623.68
Worker's Compensation	8,008.98	877.79	8,886.77	4,004.49	438.90	4,443.39
<b>Total Insurance</b>	<b>20,600.99</b>	<b>1,474.13</b>	<b>22,075.12</b>	<b>10,300.50</b>	<b>737.07</b>	<b>11,037.56</b>
	77,386.18	10,703.22	88,089.40			

**Note: Adjustments made from 2016 premium notices**

UTILITY NAME: Nitsch & Son Utility Company, Inc SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-12 BAD DEBTS</b> FOR THE TEST YEAR ENDED: 12/31/2015
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This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
15.	770	Bad Debts

**II-12 Bad debts/Uncollectibles**

List the recorded amount the company was unable to collect for the last two years, and estimate the uncollectible amount for the Test Year. If the the Test Year is higher than previous years, indicate the reason for the anticipated increase.

	Year	Amount
	2013	\$ -
	2014	\$ -
a. Test Year	2015	\$ 276.21
b. K & M Change		\$ - (to I-1, Column E, Line 15)
c. Adjusted Test year (a. + b.)		\$ 276.21 (to I-1, Column F, Line 15)

Explanation and calculations of known and measurable change:

**II-12(b) Large Items\*:**

Description	Amount	Date in service
N/A	N/A	N/A

\* A large item is more than 10% of the test year account balance and more than \$1,000.

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-13 OFFICE SERVICES AND RENTALS</b> FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
---

**This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.**

Line No.	Account No.	Account Name
16.	778	Office services & rentals

**II-13(a) Office services and rentals**

List the amount spent on office services and rentals for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2013</u>	<u>\$ N/A</u>	
	<u>2014</u>	<u>\$ N/A</u>	
a. Test Year	<u>2015</u>	<u>\$ N/A</u>	
b. K & M Change		<u>\$ N/A</u>	(to I-1, Column E, Line 16)
c. Adjusted Test year (a. + b.)		<u>\$ N/A</u>	(to I-1, Column F, Line 16)

**Explanation and calculations of known and measurable change:**

\* A large item is more than 10% of the test year account balance and more than \$1,000.

**II-13(b) Large Items:**

Description	Amount	Date in service
None	N/A	N/A

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-14 OFFICE SUPPLIES</b> FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
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This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
17.	777	Office supplies & expenses Co. A/C's 6190 & 6195

**II-14(a) Office supplies & expenses**

List the amount spent on office supplies and expenses for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2013</u>	\$ <u>9,710.35</u>	
	<u>2014</u>	\$ <u>11,460.36</u>	
a. Test Year	<u>2015</u>	\$ <u>17,977.64</u>	(to I-1, Column D, Line 17)
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 17)
c. Adjusted Test year (a. + b.)		\$ <u>17,977.64</u>	(to I-1, Column F, Line 17)

Explanation and calculations of known and measurable change:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

**II-14(b) Large Items:**

Description	Amount	Date in service
None		

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-15 PROFESSIONAL SERVICES</b> FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
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This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
18.	778 Co. A/C 6030	Professional services Accounting & Legal

**II-15(a) Professional services**

List the amount spent on professional services for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items\*. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	2013	\$ 10,686.95	
	2014	\$ 15,125.00	
a. Test Year	2015	\$ 23,519.16	
b. K & M Change		\$ (6,932.00)	(to I-1, Column E, Line 18)
c. Adjusted Test year (a. + b.)		\$ 16,587.16	(to I-1, Column F, Line 18)

Explanation and calculations of known and measurable change:

Remove \$6,932 (50%) of payments to Marvin B. Morgan for rate case work

\* A large item is more than 10% of the test year account balance and more than \$1,000.

**II-15(b) Large Items:**

Description	Amount	Date in service
Monthly Accounting Services	\$ 15,890.00	Annual
Legal	\$ 696.96	April & June



UTILITY NAME: Nitsch & Son Utility Company, Inc.  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**II-16 INSURANCE**  
 FOR THE TEST YEAR ENDED: 12/31/2015

**This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.**

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
19.	784	Insurance

**Insurance**

List the amount spent on insurance for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items\*. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	<u>Year</u>	<u>Amount</u>	
	<u>2013</u>	\$ <u>3,000.00</u>	
	<u>2014</u>	\$ <u>3,359.31</u>	
a. Test Year	<u>2015</u>	\$ <u>8,442.72</u>	(to I-1, Column D, Line 19)
b. K & M Change		\$ <u>737.07</u>	(to I-1, Column E, Line 19)
c. Adjusted Test year (a. + b.)		\$ <u>9,179.79</u>	(to I-1, Column F, Line 19)

**Types of insurance:**

<u>2015</u> Year	\$ <u>1,753.40</u> Total amount	<u>Test Year</u> Period Covered	<u>Property</u> Type	<u>State Farm</u> Company
<u>2015</u> Year	\$ <u>4,542.61</u> Total amount	<u>Test Year</u> Period Covered	<u>Liability</u> Type	<u>AFS/IBEX Financial Services</u> Company
<u>2015</u> Year	\$ <u>4,004.49</u> Total amount	<u>Test Year</u> Period Covered	<u>Warker's Comp</u> Type	<u>Harco Insurance Services</u> Company

**Explanation and calculations of known and measurable change:**

**Note: Year 2013 included Employee health and life insurance which is included in Employee Benefits for 2013**

UTILITY NAME <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-17 REGULATORY EXPENSE</b> FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
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This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
20.	766	Regulatory (Rate Case) Expense

**II-17(a) Regulatory commission expense**

List the amount spent on rate case expense for the last two years and for the Test Year. Typically, the commission separates rate case expense from the revenue requirement and allows recovery through a surcharge. The known and measurable adjustment would decrease this expense to zero in this case. In any event, if the applicant does not file every year, the expense must be amortized over the time between filings and only one year's worth should be charged to customers. Record Commission filing fees or fees to consultants, attorneys, etc. in formal and informal rate cases, complaints, or other dealings with the Commission, which are not reported under Professional Services. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2013</u>	\$ <u>-</u>	
	<u>2014</u>	\$ <u>1,764.00</u>	
a. Test Year	<u>2015</u>	\$ <u>6,932.00</u>	(to I-1, Column D, Line 20 - see instructions above)
b. K & M Change		\$ <u>(6,932.00)</u>	(to I-1, Column E, Line 20 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ <u>-</u>	(to I-1, Column F, Line 20 - see instructions above)

Explanation and calculations of known and measurable change:  
 See Supplemental Schedule II-17 A inserted For incurred and estimated Rate Case Expenses

\* A large item is more than 10% of the test year account balance and more than \$1,000 .

**II-17(b) Large Items:**

Description	Amount	Date in service
Amount included in Prof. Fees	\$ 6,932.00	

**Nitsch & Son Utility Company, Inc.**  
**Supplemental Schedule II-17 A - Regulatory Expense**  
**For the Test Year Ended 12/31/2015**

**Rate Case Expenses incurred and estimated to settlement:**

**Marvin B. Morgan - Consulting:**

7/1/2015	#12005	2,200.00	
8/14/2015	#12009	5,200.00	
10/30/2015	#12012	6,464.00	
12/14/2015	#12015	2,204.00	
5/3/2016	#12022	4,536.00	
Estimated to filing		7,600.00	
Estimated from filing to settlement		10,000.00	
			38,204.00

**Attorney**

Estimated to Filing	4,000.00	
Estimated from filing to settlement	20,000.00	
		24,000.00

<b>Total estimated rate case expenses</b>		<u>62,204.00</u>
Amortize over Three years		<u>20,734.67</u>
Allocate between water & sewer 50%/50%		10,367.33
Total Water and Sewer Customers		1,337
Per Customer Per month	\$	0.65

<b>UTILITY NAME:</b> Nitsch & Son Utility Company, Inc. SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-18 REGULATORY EXPENSE</b> FOR THE TEST YEAR ENDED: 12/31/2015
---

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
21.	767	Regulatory commission expense

**II-18(a) Regulatory commission expense**

List the amount spent on regulatory commission expense for the two record periods and for the Test Year. Include TCEQ inspection fees or permit permit fees, and other regulatory expense. Do not include the regulatory assessment; this is a pass through expense. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2013</u>	\$ <u>N/A</u>	
	<u>2014</u>	\$ <u>N/A</u>	
<b>a. Test Year</b>	<u>2015</u>	\$ <u>N/A</u> <u>N/A</u>	(to I-1, Column D, Line 21 - see instructions above)
<b>b. K &amp; M Change</b>	\$	<u>N/A</u>	(to I-1, Column E, Line 21 - see instructions above)
<b>c. Adjusted Test year (a. + b.)</b>	\$	<u>N/A</u>	(to I-1, Column F, Line 21 - see instructions above)

Explanation and calculations of known and measurable change:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

**II-18 (b) Large Items:**

Description	Amount	Date in service

UTILITY NAME: <u>Nitsch &amp; Son Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-19 MISCELLANEOUS EXPENSE</b> FOR THE TEST YEAR ENDED. <span style="float: right;">12/31/2015</span>
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This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
22.	775	Miscellaneous

**II-19 (a) Miscellaneous expense**

List the amount spent on general miscellaneous for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>2013</u>	\$ <u>7,429.52</u>
	<u>2014</u>	\$ <u>9,874.42</u>
a. Test Year	<u>2015</u>	\$ <u>8,692.51</u>
b. K & M Change		\$ <u>          -</u> (to I-1, Column E, Line 22 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ <u>8,692.51</u> (to I-1, Column F, Line 22 - see instructions above)

Explanation and calculations of known and measurable change:

\* A large item is more than 10% of the test year account balance.

**II-19 (b) Large Items:**

Description	Amount	Date in service
Bank Service Charges	\$ 1,265.74	Test Year
Contributions	\$ 50.00	Test Year
Dues & Subscriptions	\$ 1,862.00	Test Year
Licenses	\$ 116.50	Test Year
Telephone	\$ 4,036.04	Test Year
Contract Services Expenses	\$ 1,362.23	Test Year
<b>Total</b>	<b>\$ 8,692.51</b>	

## SECTION III RATE BASE INSTRUCT

UTILITY NAME: Nitsch & Son Utility Company, Inc.  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**SECTION III RATE BASE INSTRUCTIONS**

**Section III provides working tables to allow the calculation of rate base and return on rate base.**

### **Instructions for Section III**

- 1 Complete Schedules III-3 through III-9 as they apply to your company.**
- 2 Transfer resulting year end balances (last line of each table) to Schedule III-2.**
- 3 Complete Schedule III-1**

UTILITY NAME <u>Nitsch &amp; Son Utility Company, Inc</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>III-1 REQUESTED RETURN</b> FOR THE TEST YEAR ENDED. <u>12/31/2015</u>
--

**RETURN ON RATE BASE:**

Line No	Description	Amount
1	Test year end rate base (from III-2, Line 16)	556,946
2	Requested ROR ( Col G, Line 7 below)	11.33%
3	Return on rate base (Line 1 x Line 2)	63,103

**Rate of Return:**

A	B	C	D	E	F	G
Line No	Description	Amount	Percentage	Rate	Reference	Weighted Average Rate
			Amount from previous column divided by Line 6, Column C			G=(E x F)
4	Equity (Rate base less Line 5, Column D)	540,724	97.09%	11.49%	Col E = Requested return on equity	11.1553%
5	Long Term Debt and Advances from associated companies from Schedule III-6 (Deposits)	16,222	2.91%	6.00%	Col E = From Sch III-6, Column H, Line 9	0.17%
6	Total capitalization (Rate Base Sch III-2, Line 16)	556,946				
7	Return on rate base Col G, Line 6 rounded to nearest 0.01%				Line 4 + Line 5	11.33%

To Line 2 above

\* ROE = Return on Equity Baa Utility Bonds Jan 2016 5.49% + 6.00%

SCHEDULE III-2 RATE BASE SUMM

**UTILITY NAME:** Nitsch & Son Utility Company, Inc  
**SCHEDULES - CLASS B RATE/TARIFF CHANGE**  
**III-2 RATE BASE SUMMARY**  
**FOR THE TEST YEAR ENDED:** 12/31/2015

Line No.	Description	Amount	Reference (From)
1	<b>Additions:</b>		
2.	Utility plant (Original Cost)	1,249,199	Schedule III-3, Line 50, Col D
3.	Construction work in progress	-	Schedule III-4, Line 5
4.	Materials and supplies	-	Schedule III-4, Line 8
5.	Working cash (capital)	25,136	Schedule III-5, Line 2
6.	Prepayments	-	Schedule III-4, line 8
7.	Other Additions	-	Add schedule
8.	<b>TOTAL ADDITIONS (Add Lines 2 through 6)</b>	<b>1,274,335</b>	
	<b>Deductions:</b>		
9.	Reserve for depreciation (Accumulated)	700,065.14	Schedule III-3, Col F, Line 50
10.	Advances for construction	N/A	Schedule III-8(a), Col F, Line 6
11.	Developer Contributions in aid of construction	N/A	Schedule III-8(b), Col G, Line 6
12.	Accumulated deferred income taxes	17,324	Schedule III-9(a), Line 3
13.	Accumulated deferred investment tax credits	N/A	Schedule III-9(b), Line 3
14.	Other Deductions	0	Add schedule
15.	<b>TOTAL DEDUCTIONS (Add lines 9 through 14)</b>	<b>717,389</b>	
16.	<b>RATE BASE (Line 8, less Line 15)</b>	<b>556,946</b>	



UTILITY NAME Nitsch & Son Utility Company, Inc										Schedule III-3	
SCHEDULES - CLASS B RATE/TARIFF CHANGE										(Provide a schedule for each PWS system)	
III-3 UTILITY PLANT IN SERVICE (NET BOOK VALUE) CALCULATION										Add schedules as needed, provide a summary also	
FOR THE TEST YEAR ENDED 12/31/2015											
[A]	[B]	[C]	[D.1]	[D.2]	[D]= [D.1] - [D.2]	Depreciation		[E] = [D]/[C]	[F]	[G] = [D]-[F]	
Item	Date of Installation	Service Life (yrs) **	Original Cost when installed \$	Customer CIAC amount	Adjusted Original Cost for Customer CIAC <sup>1</sup>	Years in Service	Months	Annual (\$)	Accumulated (\$) (Reserve)	Net Book Value (\$)	
Line No							Days				
1	303 Land and land rights										
2	351 Sewer Permit Renewal Fee	50	2,140.81						2,140.81		
3		5									
4		10									
5		5									
6		10									
7		10									
8	Structures:										
9	354 Wood	15									
10	354 Masonry	30	24,789.07					713.31	7,474.05	17,315.02	
11		50									
12	360 Collection System Force (mains and lines)	50									
13	361 Collection System Gravity Mains	50	535,939.78					10,954.73	287,775.50	248,164.28	
14	371 Pumping Equipment	25	116,416.84					5,200.37	61,278.10	55,138.74	
15	380 Treatment and Disposal Equipment	25	273,269.62					5,008.14	128,584.47	144,685.15	
16	391 Shop Tools	15									
17	395 Heavy Equipment	10									
18	398 Other Tangible Plant	20									
19	Other: (Please list)										
20	50% of Common Plant III-3 (c)		296,643.08					10,829.37	212,812.21	83,830.87	
50	Total		1,249,199.20	N/A	N/A			32,705.91	700,065.14	549,134.06	

To Sch I-1, line 27 To Sch III-2, line 9

Add detailed workpapers if necessary to support this Schedule

<sup>1</sup> Any amount paid for an item that was not incurred by the utility, such as by a customer, is deducted from the original cost. The adjusted original cost amount here, Column D-2, labeled "Adjusted Original Cost for Customer CIAC" Column D-2 will then be depreciated and the net book value will be calculated (Column G). For an item with the entire amount of its original cost paid for by customer(s), Columns D-2, E, F and G would be zero. See Schedule III-8 for developer CIAC.

**UTILITY NAME: Nitsch & Son Utility Company, Inc.**  
**SCHEDULES - CLASS B RATE/TARIFF CHANGE**  
**III-3(a) UTILITY PLANT IN SERVICE-RECONCILIATION TO PRIOR CASE**  
**FOR TEST YEAR ENDED: 12/31/2015**

ORIGINAL COST DATA

A Line No	B Description	C Amount	D Amount
1.	Beginning Gross Plant balance - (from previous rate case)	Must match previous rate case	\$ 1,013,545.35
2.	Plant additions after previous rate case		
3.	See Schedule III-3 (d) Sewer	\$ 206,341.24	
4.	See Schedule III-3 (e) Common 50%	\$ 62,198.04	
5.	Water Items shown in sewer	\$ (18,957.26)	
6.	Prior Case Post Test Year Additions	\$ 4,577.61	
7.	Reconciling items unlocated	\$ 357.31	
8.			
9.			
10.			
11	Total additions (add lines 3 through 10, Col C)		\$ 254,516.94
12	Test year plant retirements after previous rate case:		
13.	See Schedule III-3 (e) Common 50%	\$ 18,863.09	
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.	Total retirements (add line 13 through 20, Col C)		\$ 18,863.09
22.	Ending balance (line 1 + line 11 - line 21)	Equals as III-3, Column D, line 50	\$ 1,249,199.20

Please provide a full explanation of any adjustments to accounts from the prior period.

**NITCH & SON UTILITIES CO., INC.**  
**Sewer Utility Plant For the year ended**  
**December 31, 2015**

Group Number	MARUC A/C Number	Asset Number	Description	Date	Life (Yr)	Original Cost		Reserve for Depreciation		Net Book Value
						Ending Balance	Depreciation	Ending Balance	Net Book Value	
1640	351	690	Sewer Permit Renewal Fee	10/23/2007	5	815.00	-	815.00	-	-
1640	351	693	Sewer Permit Renewal Fee	12/6/2007	5	624.00	-	624.00	-	-
1640	351	694	Sewer Permit Renewal Fee	12/6/2007	5	501.81	-	501.81	-	-
1650	351	683	Sewer Permit Renewal Fee	9/19/2007	5	200.00	-	200.00	-	-
	<b>351 Total</b>					<b>2,140.81</b>	<b>-</b>	<b>2,140.81</b>	<b>-</b>	<b>-</b>
1550	354	272	Driveway - Sewer Plant	1/1/1994	50	3,609.25	72.19	1,588.86	2,020.39	2,020.39
1550	354	670	Fence Sewer Plant	4/12/2007	20	4,060.39	203.02	1,771.55	2,288.84	2,288.84
1550	354	671	Sewer Plant Yard Drive	4/25/2007	50	216.00	4.32	37.54	178.46	178.46
1550	354	674	Grass Sewer Plant	5/25/2007	20	99.42	4.97	42.79	56.63	56.63
1550	354	685	Sewer Plant Valves	10/3/2007	50	2,210.85	44.22	364.76	1,846.09	1,846.09
1550	354	686	Sewer Plant Valves	10/3/2007	50	55.75	1.12	9.20	46.55	46.55
1640	354	833	Mueller Metal Building	1/6/2014	30	2,789.55	92.99	92.99	2,696.57	2,696.57
1640	354	842	McClosky Construction - Bldg.	1/17/2014	30	2,000.00	66.67	66.67	1,933.33	1,933.33
1640	354	847	M&J Electric	1/24/2014	30	575.00	19.17	19.17	555.83	555.83
1640	354	848	R&S Concrete	1/24/2014	30	1,522.00	50.73	50.73	1,471.27	1,471.27
1640	354	834	Mueller Metal Building 2	3/5/2014	30	2,789.55	92.99	92.99	2,696.57	2,696.57
1650	354	83	Modupac	10/1/1982	50	225.00	4.50	149.72	75.28	75.28
1650	354	89	Cedar Fence	5/27/1983	50	1,183.00	23.66	771.77	411.23	411.23
1650	354	108	Hydro Tex	6/30/1985	50	143.04	2.86	87.32	55.72	55.72
1650	354	128	Texaco Canvas & Awning	6/30/1987	50	162.00	3.24	92.42	69.58	69.58
1650	354	185	Sewer Plant - Steel Gate	3/28/1991	10	488.53	-	488.53	-	-
1650	354	194	Sewer Plant - Entrance Gate	7/8/1991	10	910.49	-	910.49	-	-
1650	354	280	Afco Fence	5/11/1994	10	206.56	-	206.56	-	-
1650	354	417	Avalon Canvas	7/8/1997	10	208.22	-	208.22	-	-
1650	354	493	Gate - WW Plant	3/15/2000	50	331.10	6.62	104.66	226.44	226.44
1650	354	494	81 Tons Crushed Rock	3/16/2000	50	1,003.37	20.07	317.12	686.25	686.25
	<b>354 Total</b>					<b>24,789.07</b>	<b>713.31</b>	<b>7,474.05</b>	<b>17,315.02</b>	<b>17,315.02</b>
1620	361	4	Northline 8 Sewer Main 1555Ft+D	6/30/1960	50	22,655.00	-	22,655.00	-	-
1620	361	5	Carby 8 Sewer Main 2976Ft	6/30/1960	50	1,743.50	-	1,743.50	-	-
1620	361	6	Manholes(4@0-3.6@3-6 2@6-10)	6/30/1960	50	2,700.00	-	2,700.00	-	-
1620	361	12	Bellmar Terrace D/C	6/30/1965	50	15,075.50	139.60	15,075.50	-	-
1620	361	13	Bellmar Terrace (Manholes) D/C	6/30/1965	50	10,000.00	92.60	10,000.00	-	-
1620	361	14	Bellmar Estates D/C	6/30/1965	50	9,775.00	90.52	9,775.00	-	-
1620	361	27	Werner-59510Sewer Main	6/30/1968	50	3,867.50	77.35	3,676.77	190.73	190.73

**NITCH & SON UTILITIES CO., INC.**  
**Sewer Utility Plant For the year ended**  
**December 31, 2015**

Group Number	NARUC A/C Number	Asset Number	Description	Date	Life (Yr)	Original Cost		Reserve for Depreciation		Net Book Value
						Ending Balance	Depreciation	Ending Balance	Depreciation	
1620	361	31	Carby/Candler Easement(20278C	6/30/1969	50	12,165.90	243.32	11,322.62	843.28	
1620	361	32	Manholes	6/30/1969	50	1,575.00	31.50	1,465.83	109.17	
1620	361	53	Sewer Liner	8/1/1975	50	6,370.00	127.40	5,152.54	1,217.46	
1620	361	54	Sewer Liner	11/1/1975	50	7,326.00	146.52	5,888.90	1,437.10	
1620	361	56	Collection System	6/1/1980	50	20,815.00	416.30	14,822.56	5,992.44	
1620	361	58	M.A.N. Power Utility Service	6/30/1980	50	846.87	16.94	601.72	245.15	
1620	361	73	Sewer Extension	10/29/1981	50	10,000.00	200.00	6,838.90	3,161.10	
1620	361	75	Sewer Line	2/12/1982	50	13,629.00	272.58	9,241.58	4,387.42	
1620	361	87	Sewer Line	2/23/1983	50	7,610.00	152.20	5,003.42	2,606.58	
1620	361	88	Sewer Line	2/23/1983	50	9,206.00	184.12	6,052.76	3,153.24	
1620	361	92	Channel Construction	6/30/1983	50	875.60	17.51	569.60	306.00	
1620	361	102	Sewer Line	4/29/1985	50	15,579.00	311.58	9,563.37	6,015.63	
1620	361	114	Engineering Fees	6/1/1986	50	4,000.00	80.00	2,368.22	1,631.78	
1620	361	121	Jozwiak Plumbing	6/30/1986	50	250.00	5.00	147.62	102.38	
1620	361	127	U.S. Southland	6/30/1987	50	145.87	2.92	83.21	62.66	
1620	361	129	Vaquera Tech	6/30/1987	50	754.27	15.09	430.29	323.98	
1620	361	138	Slip Lining	12/3/1987	50	44,000.00	880.00	24,724.38	19,275.62	
1620	361	151	Naylor Pipe	6/30/1988	50	542.49	10.85	298.59	243.90	
1620	361	171	Slip Lining	9/14/1989	50	37,500.00	750.00	19,734.25	17,765.75	
1620	361	186	Cell Construction	6/30/1991	50	520.00	10.40	255.01	264.99	
1620	361	217	Sewer Main - Mitchell Rd	8/1/1992	50	13,992.00	279.84	6,556.69	7,435.31	
1620	361	228	Wilson Wendle	2/2/1993	50	100.00	2.00	45.85	54.15	
1620	361	232	Lamb	5/11/1993	50	3,000.00	60.00	1,359.29	1,640.71	
1620	361	234	Point Repair	5/20/1993	50	265.21	5.30	120.03	145.18	
1620	361	236	Point Repo	5/28/1993	50	310.00	6.20	140.17	169.83	
1620	361	238	B5	6/11/1993	50	497.31	9.95	224.48	272.83	
1620	361	251	Northside Plumbing	8/27/1993	50	225.05	4.50	100.64	124.41	
1620	361	255	Northside	9/29/1993	10	84.98	-	84.98	-	
1620	361	258	Rommel Construction	12/10/1993	50	786.10	15.72	347.00	439.10	
1620	361	260	Triple A Pipe Cleaning	12/27/1993	50	879.53	17.59	387.43	492.10	
1620	361	265	Collection Main	1/1/1994	50	435.88	8.72	191.88	244.00	
1620	361	268	Sewer Pipeline	1/1/1994	50	2,671.00	53.42	1,175.83	1,495.17	
1620	361	269	Sanitary Sewer	1/1/1994	50	3,000.96	60.02	1,321.08	1,679.88	
1620	361	273	Northside Plumbing	1/12/1994	50	199.15	3.98	87.55	111.60	

**NITCH & SON UTILITIES CO., INC.**  
**Sewer Utility Plant For the year ended**  
**December 31, 2015**

Group Number	NARUC A/C Number	Asset Number	Description	Date	Life (Yr)	Original Cost		Reserve for Depreciation		Net Book Value
						Ending Balance	Depreciation	Ending Balance	Depreciation	
1620	361	275	Northside Plumbing	2/22/1994	50	413.55	8.27	180.87	8.27	232.68
1620	361	278	CPR	5/4/1994	50	117.90	2.36	51.11	2.36	66.79
1620	361	286	Bellmar (Manholes) D/C	6/30/1994	50	10,225.00	204.50	4,400.39	204.50	5,824.61
1620	361	291	Lamb Construction	6/30/1994	30	3,609.00	120.30	2,588.59	120.30	1,020.41
1620	361	294	Davis McAllen Pipe	7/7/1994	50	1,183.66	23.67	508.94	23.67	674.72
1620	361	300	Northside Plumbing	10/26/1994	50	136.11	2.72	57.70	2.72	78.41
1620	361	305	Northside Plumbing	1/14/1995	50	370.85	7.42	155.57	7.42	215.28
1620	361	309	Northside	2/16/1995	10	173.77	-	173.77	-	-
1620	361	310	Northside Plumbing	2/25/1995	50	280.77	5.62	117.14	5.62	163.63
1620	361	312	CPR	4/2/1995	50	350.91	7.02	145.71	7.02	205.20
1620	361	314	Northside Plumbing	5/9/1995	50	296.83	5.94	122.65	5.94	174.18
1620	361	325	Northside Plumbing	8/10/1995	50	164.20	3.28	67.01	3.28	97.19
1620	361	333	Northside Plumbing	10/13/1995	50	552.39	11.05	223.50	11.05	328.89
1620	361	336	Northside	11/5/1995	10	211.37	-	211.37	-	-
1620	361	337	Northside Plumbing	11/28/1995	50	320.34	6.41	128.80	6.41	191.54
1620	361	338	6 Sch 40 PVC Main	1/3/1996	50	3,047.45	60.95	1,219.31	60.95	1,828.14
1620	361	349	CPR	4/29/1996	50	705.37	14.11	277.70	14.11	427.67
1620	361	351	Northside	5/9/1996	50	237.41	4.75	93.34	4.75	144.07
1620	361	352	Hertz	5/9/1996	50	321.29	6.43	126.32	6.43	194.97
1620	361	353	CPR	5/17/1996	50	429.51	8.59	168.67	8.59	260.84
1620	361	356	8 Sewer Extension	6/3/1996	50	8,261.87	165.24	3,236.84	165.24	5,025.03
1620	361	358	Sewer Pipe & Supplies	6/5/1996	50	8,129.84	162.60	3,184.22	162.60	4,945.62
1620	361	359	Kubiak Sewer Project	6/6/1996	50	382.77	7.66	149.90	7.66	232.87
1620	361	360	Kubiak Sewer Project	6/6/1996	50	840.00	16.80	328.96	16.80	511.04
1620	361	361	Kubiak Sewer	6/8/1996	50	512.52	10.25	200.66	10.25	311.86
1620	361	362	Concrete for Manholes	6/10/1996	50	606.20	12.12	237.27	12.12	368.93
1620	361	363	Concrete	6/11/1996	50	545.58	10.91	213.51	10.91	332.07
1620	361	364	Kubiak Sewer	6/14/1996	50	4,786.06	95.72	1,872.20	95.72	2,913.86
1620	361	366	Concrete	6/18/1996	50	398.76	7.98	155.90	7.98	242.86
1620	361	367	Sewer Pipe	6/18/1996	50	592.17	11.84	231.51	11.84	360.66
1620	361	368	J&R Contracting	6/18/1996	50	1,355.00	27.10	529.75	27.10	825.25
1620	361	369	Kubiak Sewer Project	6/18/1996	50	1,425.35	28.51	557.25	28.51	868.10
1620	361	371	Kubiak Sewer Project	7/5/1996	50	2,469.35	49.39	963.11	49.39	1,506.24
1620	361	372	Kubiak Sewer Project	7/5/1996	50	1,310.61	26.21	511.17	26.21	799.44

**NITCH & SON UTILITIES CO., INC.**  
**Sewer Utility Plant For the year ended**  
**December 31, 2015**

Group Number	NARUC A/C Number	Asset Number	Description	Date	Life (Yr)	Original Cost		Reserve for Depreciation		Net Book Value
						Ending Balance	Depreciation	Ending Balance	Depreciation	
1620	361	376	Concrete for Manholes	8/15/1996	50	340.99	6.82	132.23	6.82	208.76
1620	361	377	Concrete for Manholes	8/15/1996	50	397.82	7.96	154.27	7.96	243.55
1620	361	378	C(R Service Supplies	8/21/1996	50	1,383.43	27.67	536.01	27.67	847.42
1620	361	379	Manholes	9/4/1996	50	1,000.00	20.00	386.68	20.00	613.32
1620	361	391	Collection Main Line	12/1/1996	50	18,370.00	367.40	7,014.82	367.40	11,355.18
1620	361	392	Slip Lining 8514 Karen	12/5/1996	50	6,000.00	120.00	2,289.86	120.00	3,710.14
1620	361	401	Davis McCallen Pipe	1/23/1997	50	499.03	9.98	189.11	9.98	309.92
1620	361	404	Bell	2/17/1997	50	398.78	7.98	150.57	7.98	248.21
1620	361	414	B5	6/19/1997	50	471.88	9.44	175.02	9.44	296.86
1620	361	431	Bell	10/28/1997	50	1,039.50	20.79	378.09	20.79	661.41
1620	361	437	O&R Utilities	1/7/1998	50	485.07	9.70	174.55	9.70	310.52
1620	361	439	Lamb	4/21/1998	50	623.21	12.46	220.70	12.46	402.51
1620	361	440	A Aqua Pump	5/26/1998	50	7,638.34	152.77	2,690.37	152.77	4,947.97
1620	361	441	O&R Utilities	5/30/1998	50	228.86	4.58	80.56	4.58	148.30
1620	361	447	CPR	9/4/1998	50	253.38	5.07	87.84	5.07	165.54
1620	361	448	CPR	9/16/1998	50	275.00	5.50	95.16	5.50	179.84
1620	361	449	CPR	9/16/1998	50	585.85	11.72	202.72	11.72	383.13
1620	361	454	CPR	12/31/1998	50	206.60	4.13	70.29	4.13	136.31
1620	361	460	CPR	3/1/1999	50	112.23	2.24	37.81	2.24	74.42
1620	361	461	CPR	3/8/1999	50	725.10	14.50	244.03	14.50	481.07
1620	361	464	CPR	3/16/1999	50	159.05	3.18	53.46	3.18	105.59
1620	361	471	CPR	7/27/1999	50	216.74	4.33	71.27	4.33	145.47
1620	361	481	CPR	11/19/1999	50	358.96	7.18	115.77	7.18	243.19
1620	361	506	Pipe	11/10/2000	50	357.43	7.15	108.29	7.15	249.14
1620	361	512	CPR	12/4/2000	50	438.15	8.76	132.17	8.76	305.98
1620	361	521	CPR- Service-B	4/1/2001	50	355.59	7.11	104.77	7.11	250.82
1620	361	536	Clean and TV set	12/12/2001	50	1,747.50	34.95	491.41	34.95	1,256.09
1620	361	537	Test Leaks & Gr	12/12/2001	50	3,000.00	60.00	843.62	60.00	2,156.38
1620	361	539	Sipline Sanita	12/27/2001	50	9,431.60	188.63	2,644.47	188.63	6,787.13
1620	361	540	Water Engineers	1/15/2002	50	226.60	4.53	63.30	4.53	163.30
1620	361	543	Northside Plumb	1/31/2002	30	222.66	7.42	103.34	7.42	119.32
1620	361	546	Slip Lining	2/6/2002	30	1,757.90	58.60	814.90	58.60	943.00
1620	361	547	Chesley Plumbing	2/19/2002	50	832.24	16.64	230.88	16.64	601.36
1620	361	551	CPR Service	4/4/2002	30	622.21	20.74	285.19	20.74	337.02

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Group Number	NARUC A/C Number	Asset Number	Description	Date	Life (Yr)	Original Cost		Reserve for Depreciation			Net Book Value
						Ending Balance	Depreciation	Ending Balance	Depreciation	Ending Balance	
1620	361	566	Pipe and Repair	1/29/2003	10	276.84	-	-	276.84	-	-
1620	361	572	Sewer Line- Gr	3/11/2003	10	1,975.00	-	-	1,975.00	-	-
1620	361	573	Manhole Replace	3/13/2003	30	5,500.00	183.33	2,348.68	3,151.32	3,151.32	3,151.32
1620	361	575	Manholes	3/31/2003	30	265.36	8.85	112.88	152.48	152.48	152.48
1620	361	589	Clean & Television	6/23/2003	30	3,271.75	109.06	1,366.67	1,905.08	1,905.08	1,905.08
1620	361	597	Sewer Main	7/28/2003	30	27,425.30	914.18	11,368.35	16,056.95	16,056.95	16,056.95
1620	361	599	Lateral Line CI	8/14/2003	10	472.73	-	472.73	-	-	-
1620	361	607	Point Repair	12/15/2003	10	567.00	-	567.00	-	-	-
1620	361	617	Sewer Pipe	6/23/2004	30	1,210.56	40.35	465.21	745.35	745.35	745.35
1620	361	624	Sewer Pipe	9/14/2004	30	639.46	21.32	240.89	398.57	398.57	398.57
1620	361	637	Sewer Line to Subdivision	3/23/2005	30	15,216.21	507.21	5,468.11	9,748.10	9,748.10	9,748.10
1620	361	643	Sipline	8/16/2005	30	32,316.00	1,077.20	11,182.22	21,133.78	21,133.78	21,133.78
1620	361	679	Sewer Main Repair	8/22/2007	50	4,695.00	93.90	785.42	3,909.58	3,909.58	3,909.58
1620	361	702	CPR Service - Pipe	5/8/2008	50	674.29	13.49	103.19	571.10	571.10	571.10
1620	361	703	Chelsey - Pipe	5/8/2008	50	563.18	11.26	86.19	476.99	476.99	476.99
1620	361	704	CPR Service Supplies	6/13/2008	50	404.77	8.10	61.15	343.62	343.62	343.62
1620	361	705	CPR Service - Sewer Cover	8/14/2008	50	368.00	7.36	54.34	313.66	313.66	313.66
1620	361	725	CPR Service Supplies	8/14/2009	50	3,373.85	67.48	430.74	2,943.11	2,943.11	2,943.11
1620	361	726	Water/Sewer Line Extension	10/15/2009	50	1,747.65	34.95	217.19	1,530.46	1,530.46	1,530.46
1620	361	727	JH Mercer Engineering	11/17/2009	50	1,069.00	21.38	130.92	938.08	938.08	938.08
1620	361	728	JH Mercer Sewer Line Drawing	12/23/2009	50	522.70	10.45	62.98	459.72	459.72	459.72
1620	361	771	Collection Upgrades	9/14/2010	50	22,585.00	451.70	2,393.39	20,191.61	20,191.61	20,191.61
1620	361	785	Lamb Contruction Leasing- Install	2/11/2011	50	2,000.00	40.00	195.51	1,804.49	1,804.49	1,804.49
1620	361	807	North & South Wet Wells Reline	11/12/2013	50	7,300.00	146.00	311.60	6,988.40	6,988.40	6,988.40
	<b>361 Total</b>					<b>535,939.78</b>	<b>10,954.73</b>	<b>287,775.50</b>	<b>248,164.28</b>	<b>248,164.28</b>	<b>248,164.28</b>
1540	371	758	Sewage Pump	8/11/2010	50	930.00	18.60	100.29	829.71	829.71	829.71
1630	371	51	Pump	3/1/1975	10	734.00	-	734.00	-	-	-
1630	371	52	Pump	6/1/1975	10	1,642.00	-	1,642.00	-	-	-
1630	371	57	Cron Chemical	6/30/1980	50	680.69	13.61	483.64	197.05	197.05	197.05
1630	371	61	Quality Electric	6/30/1980	50	391.45	7.83	278.13	113.32	113.32	113.32
1630	371	65	4 Crown Pump	5/16/1981	10	1,130.00	-	1,130.00	-	-	-
1630	371	71	Walk - Sewer Plant	9/18/1981	50	776.00	15.52	532.44	243.56	243.56	243.56
1630	371	74	Sewer Pump	12/14/1981	10	808.50	-	808.50	-	-	-
1630	371	77	Three Phase Service	5/10/1982	50	640.00	12.80	430.92	209.08	209.08	209.08

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Group Number	NARUC A/C Number	Asset Number	Description	Date	Life (Yr)	Original Cost		Reserve for Depreciation		Net Book Value
						Ending Balance	Depreciation	Ending Balance	Depreciation	
1630	371	78	Control Panel	6/14/1982	50	2,934.00	58.68	1,969.88	58.68	964.12
1630	371	79	Quality Electric	6/30/1982	50	251.22	5.02	168.45	5.02	82.77
1630	371	80	Zenith Instrument	6/30/1982	50	381.00	7.62	255.47	7.62	125.53
1630	371	81	Quality Electric	6/30/1982	50	348.34	6.97	233.57	6.97	114.77
1630	371	82	Quality Electric	6/30/1982	50	240.63	4.81	161.35	4.81	79.28
1630	371	90	Cron Chemical	6/30/1983	50	137.70	2.75	89.58	2.75	48.12
1630	371	91	Quality Electric	6/30/1983	50	642.62	12.85	418.04	12.85	224.58
1630	371	106	Warren Electric	6/30/1985	50	49.76	1.00	30.38	1.00	19.38
1630	371	109	Zenith Instruments	6/30/1985	50	257.33	5.15	157.09	5.15	100.24
1630	371	110	Ribelin Sales	6/30/1985	50	287.30	5.75	175.39	5.75	111.91
1630	371	111	Zenith Instruments	6/30/1985	50	180.41	3.61	110.13	3.61	70.28
1630	371	130	Ribelin Sales	6/30/1987	50	518.06	10.36	295.54	10.36	222.52
1630	371	131	Ribelin Sales	6/30/1987	50	378.23	7.56	215.77	7.56	162.46
1630	371	132	Ribelin Sales	6/30/1987	50	359.70	7.19	205.20	7.19	154.50
1630	371	146	Timer Panels	5/3/1988	50	540.00	10.80	298.94	10.80	241.06
1630	371	150	Quality Electric	6/30/1988	50	213.64	4.27	117.59	4.27	96.05
1630	371	158	2 HP Electric Motor	7/19/1988	10	249.69	-	249.69	-	-
1630	371	159	Pump	9/1/1988	10	1,144.75	-	1,144.75	-	-
1630	371	168	Rhibin Equipment	6/30/1989	10	755.84	-	755.84	-	-
1630	371	172	Goulds Model wso-532bf Pump	12/5/1989	10	583.20	-	583.20	-	-
1630	371	175	Velasco Pump	3/8/1990	50	1,765.90	35.32	912.37	35.32	853.53
1630	371	187	Quality Electric	6/30/1991	10	183.59	-	183.59	-	-
1630	371	213	Dryer	6/30/1992	50	218.92	4.38	102.97	4.38	115.95
1630	371	230	Pump & Power	5/3/1993	10	112.36	-	112.36	-	-
1630	371	231	L. Station	5/10/1993	50	343.69	6.87	155.74	6.87	187.95
1630	371	239	Texas Electrical	6/18/1993	10	247.89	-	247.89	-	-
1630	371	240	Quality Electric	6/30/1993	10	911.46	-	911.46	-	-
1630	371	241	Quality Electric	6/30/1993	10	392.95	-	392.95	-	-
1630	371	242	Quality Electric	6/30/1993	10	421.09	-	421.09	-	-
1630	371	245	L.S.	7/14/1993	10	425.77	-	425.77	-	-
1630	371	248	Zenith	8/4/1993	50	206.43	4.13	92.57	4.13	113.86
1630	371	253	Quality Electric	9/10/1993	10	421.09	-	421.09	-	-
1630	371	256	Quality Electric	10/27/1993	10	392.95	-	392.95	-	-
1630	371	257	L.S. Panel	11/24/1993	50	409.86	8.20	181.28	8.20	228.58



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Group Number	NARUC A/C Number	Asset Number	Description	Date	Life (Yr)	Original Cost		Reserve for Depreciation		Net Book Value
						Ending Balance	Depreciation	Ending Balance	Depreciation	
1630	371	266	Lift Station	1/1/1994	50	420.00	8.40	184.89	235.11	
1630	371	267	Lift Station Fence	1/1/1994	50	544.25	10.89	239.59	304.66	
1630	371	270	Velasco Pump	1/1/1994	50	3,090.00	61.80	1,360.28	1,729.72	
1630	371	271	Lift Station - Pump	1/1/1994	50	544.25	10.89	239.59	304.66	
1630	371	276	Pump Parts	3/22/1994	50	1,100.00	22.00	479.42	620.58	
1630	371	295	Northside Electric	7/22/1994	10	730.69	-	730.69	-	
1630	371	296	Northside Electric	9/1/1994	10	259.80	-	259.80	-	
1630	371	303	Lift Station	1/1/1995	50	9,600.00	192.00	4,034.10	5,565.90	
1630	371	313	Quality Electric	5/1/1995	10	213.25	-	213.25	-	
1630	371	320	CPR	6/24/1995	50	193.76	3.88	79.57	114.19	
1630	371	322	Cortex L.S.	7/18/1995	50	938.42	18.77	384.16	554.26	
1630	371	323	Electric 7.5 H.P. Motor	7/29/1995	50	348.57	6.97	142.48	206.09	
1630	371	324	Lift Station Pipeline	8/4/1995	50	209.59	4.19	85.60	123.99	
1630	371	329	7.5 H.R. Motor	9/7/1995	50	334.39	6.69	135.95	198.44	
1630	371	330	2.5 H.P. Motor	9/22/1995	50	562.90	11.26	228.40	334.50	
1630	371	332	Pump	10/5/1995	50	1,274.53	25.49	516.24	758.29	
1630	371	335	L.S. Panel	10/20/1995	50	654.22	13.08	264.45	389.77	
1630	371	341	Quality Electric	1/17/1996	10	258.58	-	258.58	-	
1630	371	344	Quality Electric	2/28/1996	10	322.58	-	322.58	-	
1630	371	350	Evergreen	5/6/1996	50	200.00	4.00	78.66	121.34	
1630	371	354	Evergreen	5/24/1996	50	375.00	7.50	147.12	227.88	
1630	371	374	Load Center & Breakers	7/19/1996	50	377.22	7.54	146.84	230.38	
1630	371	426	Wholesale Electric	9/3/1997	10	448.16	-	448.16	-	
1630	371	451	Pump Parts	11/24/1998	10	1,266.36	-	1,266.36	-	
1630	371	452	Zenith	12/2/1998	50	244.65	4.89	83.62	161.03	
1630	371	453	Zenith	12/29/1998	50	466.56	9.33	158.78	307.78	
1630	371	469	Lift Station Fence	7/10/1999	10	494.10	-	494.10	-	
1630	371	470	Odessa Pumps	7/20/1999	50	1,865.02	37.30	613.97	1,251.05	
1630	371	472	Elect. Pts. Standby Generator	8/25/1999	50	366.62	7.33	119.97	246.65	
1630	371	478	Sewer Pump	11/10/1999	50	561.99	11.24	181.53	380.46	
1630	371	483	Electric Motor	11/30/1999	50	227.32	4.55	73.18	154.14	
1630	371	484	Seal & Impeller	11/30/1999	50	332.44	6.65	107.02	225.42	
1630	371	486	Sewer Pump	12/15/1999	50	286.86	5.74	92.11	194.75	
1630	371	508	Sewer Pump	11/10/2000	50	599.71	11.99	181.69	418.02	

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Group Number	NARUC A/C Number	Asset Number	Description	Date	Life (Yr)	Original Cost		Reserve for Depreciation		Net Book Value
						Ending Balance	Depreciation	Ending Balance	Depreciation	
1630	371	509	Pump	11/10/2000	50	1,996.44	39.93	604.84	1,391.60	
1630	371	517	Pump Repair	2/28/2001	50	3,712.50	74.25	1,102.36	2,610.14	
1630	371	531	Volute Impelle	7/13/2001	10	1,990.46	-	1,990.46	-	
1630	371	538	Gorman Rupp Pump	12/18/2001	50	2,762.54	55.25	775.93	1,986.61	
1630	371	548	Pump Repair	2/19/2002	10	937.59	-	937.59	-	
1630	371	559	Odessa Pumps	7/9/2002	30	147.08	4.90	66.13	80.95	
1630	371	568	Baldor Electric	2/12/2003	10	238.15	-	238.15	-	
1630	371	587	Electric Motor	6/17/2003	30	746.93	24.90	312.41	434.52	
1630	371	594	Volute Impelle	7/17/2003	30	2,663.35	88.78	1,106.69	1,556.66	
1630	371	598	Pressure Switch	8/5/2003	10	470.72	-	470.72	-	
1630	371	606	Lift Station Pu	11/26/2003	30	416.40	13.88	168.01	248.39	
1630	371	618	Dual Cover hinged Lid	6/25/2004	10	300.00	-	300.00	-	
1630	371	622	Pumps	7/28/2004	30	2,507.35	83.58	955.54	1,551.81	
1630	371	630	Pump	10/8/2004	10	239.99	-	239.99	-	
1630	371	636	Electrical Control	3/23/2005	10	342.94	7.52	342.94	-	
1630	371	644	Crown Pump	9/8/2005	30	3,533.33	117.78	1,215.21	2,318.12	
1630	371	645	Lift Station	9/16/2005	30	927.00	30.90	318.14	608.86	
1630	371	646	Valve/Gasket	9/29/2005	10	472.83	34.98	472.83	-	
1630	371	651	Crown Pump	12/8/2005	30	3,533.33	117.78	1,185.84	2,347.49	
1630	371	657	Sewer Pump	6/6/2006	10	250.00	25.00	239.38	10.62	
1630	371	658	Sewer Pump	6/12/2006	10	438.00	43.80	418.68	19.32	
1630	371	667	Pressure Switch Station	11/29/2006	50	591.00	11.82	107.48	483.52	
1630	371	672	Electric Pump Equipment	5/2/2007	5	147.38	-	147.38	-	
1630	371	673	Electric Pump Equipment	5/3/2007	5	361.00	-	361.00	-	
1630	371	680	Electric Pump Equipment	8/22/2007	5	271.00	-	271.00	-	
1630	371	681	Electric Pump Equipment	8/22/2007	5	298.13	-	298.13	-	
1630	371	682	Sewer Pump	8/22/2007	10	2,360.20	236.02	1,974.16	386.04	
1630	371	684	Sewer Pump	9/25/2007	10	2,388.02	238.80	1,975.19	412.83	
1630	371	689	Electric Motor	10/19/2007	30	233.82	7.79	63.95	169.87	
1630	371	692	Sewer Pipe Fittings	12/6/2007	30	70.33	2.34	18.93	51.40	
1630	371	695	Sewer Pipe Fittings	12/12/2007	30	1,313.22	43.77	352.71	960.51	
1630	371	706	Pump	1/31/2008	10	230.75	23.08	182.77	47.98	
1630	371	707	Wesr Plate Impeller	6/13/2008	30	370.70	12.36	93.34	277.36	
1630	371	708	Sewer Pump	9/17/2008	10	660.00	66.00	481.17	178.83	