CASE: UW 190 WITNESS: JOSEPH BARTHOLOMEW

PUBLIC UTILITY COMMISSION OF OREGON

STAFF EXHIBIT 100

Testimony in Support of the Stipulation

November 3, 2022

A. My testimony is organized as follows:

1 Q. Please state your name, occupation, and business address. 2 A. My name is Joseph Bartholomew. I am a Senior Utility Analyst employed in the 3 Rates and Regulations section under the Rates, Finance, and Audit Division of 4 the Public Utility Commission of Oregon (Commission). My business address is 201 High Street SE, Suite 100, Salem, Oregon 97301. 5 6 Q. Please describe your educational background and work experience. 7 A. My witness qualification statement is found in Exhibit Staff/101. 8 Q. What is the purpose of your testimony? 9 A. The purpose of Staff's testimony is to introduce and support the stipulation 10 agreed to by the parties in Docket No. UW 190, Helton Water Company, LLC's 11 (Helton) request for a general rate revision. 12 Q. Did you prepare any exhibits for this docket? 13 A. Yes. I prepared Exhibit Staff/101, consisting of four pages; Exhibit Staff/102, 14 consisting of four pages; and Exhibit Staff/103, consisting of 12 pages. Q. Who are the parties to Docket No. UW 190? 15 16 A. The parties are Helton, Schroeder Law Office (Helton's legal counsel), 17 Commission Staff (Staff), and one Intervener (Theresa Swearingen). 18 Q. Did some or all of the parties reach a settlement in Docket No. UW 190? 19 A. Yes. The Stipulation entered into by two of the three parties; namely, Helton 20 and Staff (the Stipulating Parties) settles all issues in this docket. The one 21 intervener does not oppose the settlement. 22 Q. How is your testimony organized?

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ISSUE 1 – SUMMARY RECOMMENDATION

- Q. Briefly summarize the Stipulating Parties' recommendation in this case.
- A. The Stipulating Parties recommend that the Commission adopt the Stipulation agreed to by the Stipulating Parties in Docket No. UW 190. The Stipulating Parties agreed to a two-phase rate increase.

The Stipulating Parties agree to, and support, rates being effective for service rendered on and after January 1, 2023, or three business days after the date the Commission issues an order adopting the attached Stipulation, whichever is later and continues for 12 months after approval with a revenue requirement of \$26,755. This represents a 71 percent increase over the test period revenue and 75 percent of the total agreed increase.

The second increase goes into effect no sooner than 12 months after the effective date of the first increase with a revenue requirement of \$30,461. This represents a 14 percent increase over the first phase revenues.

The total revenue requirement results in a 94.8 percent increase over the 2021 test period revenues, and reflects an opportunity to earn a 9.5 percent rate of return on a rate base of \$94,306.

- Q. Please explain the necessity for the size of the rate increase the Stipulating Parties agreed to in this Stipulation.
- A. The Stipulating Parties agreed upon these increases after an in-depth review of Helton's expenses and capital investment. Several key factors drove the general size of the agreed increase, including adjustments to better reflect the expenses required to operate Helton, the rate case cost, and providing Helton

an opportunity to earn a return on its recent investment. Helton has not increased its rates in nearly five years.

Q. Please describe Helton

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A. Helton is located in Newberg, Oregon, and is a privately owned, for-profit, water utility. Helton provides water service to 29 customers and is a wholly-owned subsidiary of Hiland Water Corporation. Hiland Water Corporation purchased Helton in January 2007.

ISSUE 2 - HELTON'S DESCRIPTION AND REGULATORY HISTORY

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Q. Please describe Helton's regulatory history.

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A. Helton was not regulated by the OPUC until submittal of a Company petition for regulation in Docket No. WJ44, Order No. 22-070, effective March 9, 2022.

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ISSUE 3 – APPLICATION FOR A RATE INCREASE

- Q. Please describe Helton's current application for a general rate increase.
- A. Helton's current owner, Hiland Water Corporation, filed an application for a general rate increase on March 9, 2022, using a January 1, 2021, through December 31, 2021, test year. Helton proposed an overall increase of 155 percent or \$24,251 over test period revenues of \$15,637, resulting in an annual revenue requirement of \$39,888. The information in Helton's application and subsequent data responses that corrected amounts contained in the application would have translated to a proposed rate base of \$97,433, with a 10.4 percent rate of return.
- Q. What reason did Helton give for seeking a rate increase?
- A. Helton stated in its application: "The utility is seeking this change in rates because operating expenses far exceed revenue. Helton Water Company rates do not account for a fair rate of return on capital investments and have not been increased in nearly five years, so a rate adjustment is overdue."
- Q. What are Helton's current rates?
- A. Helton currently provides service to residential customers only. Helton currently charges all customers a base rate of \$45 which includes unlimited usage, with no commodity rate.
- Q. What rates did Helton propose in its general rate filing?
- A. Helton's proposed tariffs include a residential base rate of \$68.72, with no

¹ Helton Water Company, LLC Rate Case Application, Page 4, at 11.

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included usage, and a commodity rate of \$4.93 per 1,000 gallons water use.

According to Helton's application, the proposed average monthly bill would be \$114.53.

- Q. What procedural actions in this docket have taken place since Helton filed its application for a rate increase?
- A. Since the filing of the application in March 2022, the following procedural actions have taken place:
 - A public comment hearing and prehearing conference were held on May 4, 2022, via teleconference;
 - 2. A settlement conference was held via video-conference on July 27, 2022.
- Q. What Public Comments were received from customers of Helton in regard to rate filing?
- A. There was one customer who attended the Public Comment Hearing. The customer was concerned with the large rate increase who later petitioned and became an intervener. To the best of Staff's knowledge, there were no other comments received at the Public Comment Hearing, through the Commission's Administrative Hearings Division, or Consumer Services Section.
- Q. How did Staff respond to the Customers' concerns?
- A. Staff responded to the intervener's concerns, who was unable to attend the settlement conference, by providing all the Settlement documents via a confidential email with an explanation of why Staff and Helton believe the agreed to increase is justified and acceptable. Staff also provided an

explanation during a video conference with the intervener of how and why the
 Commission reviews and sets rates for regulated utilities.

ISSUE 4 – REVENUE REQUIREMENT ISSUES

- Q. Please summarize the Stipulating Parties' recommendation for the revenue requirement associated with a rate increase in this case.
- A. The Stipulating Parties have agreed that an overall revenue requirement of \$30,461 is warranted. The overall revenue requirement results in a 94.8 percent increase, or \$14,824 increase over the test period revenues. The revenue requirement reflects an opportunity to earn a 9.5 percent rate of return on a rate base of \$94,306.
- Q. How do the Stipulating Parties agree to implement the new rate increase in this case.
- A. The total agreed rate increase is \$14,824 to be split over two phases. The Phase one increase will account for 75 percent of the total increase, or \$11,118. This is a 71 percent increase over the current rates. The Phase two increase will account for the remaining 25 percent of the total increase, or \$3,706. This will be a 14 percent increase over the Phase one rates.
- Q. Please describe the issues Staff investigated.
- A. Staff's investigation and analysis of Helton's general rate filing included a comprehensive examination of Helton's revenues, expenses, proposed adjustments, rate spread, rate design, rate base, capital improvements, and cost of capital.
- Q. Please describe Staff's adjustments to Helton's test period.
- A. All of Staff's adjustments agreed to by the Company are listed in Exhibit Staff/102. During its investigation, Staff issued 21 data requests to

Helton. During Helton's preparations to respond to Staff's data requests, it was determined that there were mistakes Helton made in the initial application calculations. Consequently, Helton submitted corrected numbers for various accounts in response to Staff's Data Requests (DR) 15, 16, 17, 18, and 19.² Staff's adjustments resulting from the corrections, as well as other adjustments, were agreed to by the Stipulating Parties and are noted by account below.

- Purchase Power (Acct. 615): As a result of the response to DR 2, "purchased power costs are understated on the application but have been corrected in the accompanying Results of Operations for 2021," this account increases by \$1,188 from the initial application, from \$660 to \$1,848.
- 2. O&M Material/Supplies (Acct. 620): As a result of the response to DR 15, Staff moved \$230 from this account and applied it to account 642, Rental Equipment. Staff also removed \$778 and applied it to Account 101 Utility Plant in Service in the capitalization project "Main Pump House Rebuild." This account decreased by \$1,008 from the initial application, from \$1,745 to \$737.
- 3. Contract Services (Acct. 639): As a result of the response to DR 16, the test year amount proposed by Helton, \$726, was due to a winter storm in 2021 and is not necessarily an amount the Company would expect to spend each year. This account decreases by \$420 from the initial application, from \$726 to \$306.

² See Exhibit Staff/103, Bartholomew/1-21.

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- 4. Rental Equipment (Acct. 642): As a result of the response to DR 15, \$230 was moved from Account 620 and applied to this account. Additionally, based on Helton's response to DR 17 \$2,501 was applied to Account 101 Utility Plant in Service in the capitalized project "Main Pump House Rebuild." This account decreased by \$2,271 from the initial application, from \$2,555 to \$284.
- 5. Transportation (Acct. 650): As a result of the response to DR 18, Staff moved \$1,500 from this account and applied it to Account 101 Utility Plant in Service in the capitalized project "Main Pump House Rebuild." This account decreased by \$1,500 from the initial application, from \$1,894 to \$394.
- 6. Amortization Of Rate Case (Acct. 666): As a result of the response to DR 21 and an agreement between Staff and the Company during our Settlement conference held on July 27, 2022, Staff proposes to amortize a total of \$11,000 of rate case expenses incurred to date over a five-year period, or \$2,200 per year. This account decreased by \$2,800 from the initial application, from \$5,000 to \$2,200.
- 7. Miscellaneous Expense (Acct. 675): As a result of the response to DR 2, Staff found \$119 in this account that should have been allocated to Account 408.11 Property Tax. This account decreased by \$119, from the initial application, from \$390 to \$271.

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- 8. Depreciation Expense (Acct. 403): This is an auto calculated adjustment based on Staffs depreciation model. As a result, this account decreased by \$270 from the initial test application, from \$3,813 to \$3,543.
- Property Tax (Acct. 408.11): As a result of the response to DR 2, Staff added \$119 to this account from account 675. This account increased by \$119, from the initial application, from \$0 to \$119
- 10. Payroll Tax (Acct. 408.12): As a result of the response to DR 19, Staff found \$1,225 allocated to Account 408.13 in error. Therefore, this amount was re-allocated to this account and added a ten percent increase to this account because of inflation. Staff moved \$776 from this account and applied it to Account 101 Utility Plant in Service in the capitalized project "Main Pump House Rebuild." This account increased by \$500, from the initial application, from \$0 to \$500.
- 11. Other (Acct. 408.13): As a result of the response to DR 19, Staff found \$1,225 allocated to this account in error. Therefore, this amount was re-allocated to Account 408.12. This account decreased by \$1,225, from the initial application, from \$1,225 to \$0.
- 12. Federal Income Tax (Acct. 409.10): After adjustments, Staff removed \$374 from the Federal Tax Calculation, based on a 21 percent effective federal tax rate, moving it from \$2,715 to \$2,341.
- 13. Oregon Income Tax (Acct. 409.11): After adjustments, Staff removed \$65 from the State Tax Calculation, based on a 6.6 percent effective state tax rate, moving it from \$853 to \$788.

Docket No. UW 190

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14. Utility Plant in Service (A/C 101): As a result of the additional information provided by Helton during discovery and Settlement, this account increased by \$12,627, from the initial application, from \$92,019 to \$104,646.

15. Accumulated Depreciation of Plant (A/C 108): This is an auto calculated adjustment based on Staff's straight-line model. As a result, this account increased by \$3,627 from the initial test application, from \$8,893 to \$12,520.

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ISSUE 5 - COST OF CAPITAL

Q. What capital structure did Staff recommend?

A. Helton's capital structure is 100 percent owner equity, which is consistent with its parent company, Hiland. However, Staff recognizes that a split capital structure consisting of both equity and debt typically results in a lower rate of return borne by customers. As discussed during Settlement, a condition in the Stipulation requires the Company to attempt to obtain other financing options before making future capital investments over \$10,000. The Stipulating Parties included this condition to ensure that going forward, the Company will reasonably attempt to secure least-cost financing options for the benefit of its customers.

Q. What cost of capital did the company request in its application?

A. The Company requested a 10.4 percent cost of capital based on a 10.5 percent cost of equity, with no debt in its capital structure. Because the Company's proposed capital structure does not include debt, its proposed cost of capital is equal to the proposed cost of equity.

Q. What cost of equity did the parties agree to in this proceeding?

A. As shown in Staff Exhibit 102,³ the Stipulating Parties have agreed to a
 9.5 percent rate of return, which is in line with other recent similar cases.⁴

³ See Exhibit Staff/102, Bartholomew/3.

⁴ See Docket Nos. UW 177, Order No. 19-399 and UW 179, Order No. 20-084.

ISSUE 6 - RESOLVED RATE ISSUES

- Q. Please provide a brief explanation of the rate spread and rate design agreed to by the Stipulating Parties.
- A. There is one customer class, residential, with one meter size, five-eighths-inch.

 The rates are designed to recover 70 percent of revenues through the base charge and 30 percent of revenues through the commodity charge. The rates can be seen on the table in Staff Exhibit 102.⁵
- Q. What are the effects of the rates agreed to by the Stipulating Parties on the average customer bill?
- A. The effects of the rates on the average customer's monthly bills will be an increase of the base rate from \$45 (which includes unlimited usage) to \$61.27 (with no usage included) and a commodity rate of \$2.83 per 1,000 gallons of usage. With this adjustment, the average monthly water bill would increase from \$45 to \$87.53, assuming that the water usage remains the same as the test year.
- Q. Did all parties agree to and support the rates resulting from the stipulation?
- A. Yes.
- Q. Did the parties agree to and support an effective date for the new rates?
- A. Yes. The Stipulating Parties agree to, and support, rates being effective for service rendered on and after January 1, 2023, or three business days after the

⁵ Staff Exhibit/102, Bartholomew/4.

date the Commission issues an order adopting the attached Stipulation,whichever is later.

- Q. Does this conclude your testimony?
- 4 | A. Yes.

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CASE: UW 190 WITNESS: JOSEPH BARTHOLOMEW

PUBLIC UTILITY COMMISSION OF OREGON

STAFF EXHIBIT 101

Witness Qualifications Statement

November 3, 2022

WITNESS QUALIFICATIONS STATEMENT

NAME: Joseph Bartholomew

EMPLOYER: Public Utility Commission of Oregon

TITLE: Senior Telecom Analyst

Rates & Regulation

ADDRESS: 201 High Street SE. Suite 100

Salem, OR. 97301

EDUCATION: Portland Community College, Portland OR/Bellevue University,

Bellevue NE.

Computer Information Systems/Information Technology

Community College of the Air Force, Maxwell AFB, AL. Associate of Arts and Science in Applied Science

EXPERIENCE: 2021 - Present - Oregon Public Utility Commission Senior Analyst.

> Plans, prioritizes, and assigns some segments of a project to other analysts. Consults with utility or industry management in areas relating to regulatory issues concerning the regulated industries. Independently, evaluates the planning, design, construction, operation, and maintenance of large utility or energy systems. Reviews designs, directs tests, analyzes records and field inspects utility or energy facilities for safety, quality control, and reliability deficiencies. Evaluates economic, financial, scientific, accounting, and engineering studies submitted by utilities or developers for reasonable methods and assumptions. Serves as an expert witness and policy advisor in docketed cases, court cases, legislative hearings, and other proceedings on such issues as energy facility siting or utility industry structure. Presents findings,

recommendations, and formal testimony, defending technical accuracy of data and conclusions. Researches utility and/or energy issues and regulatory policies. Proposes policies and rules to address issues raised by institutional and technological changes in regulated industries (e.g., changes in Federal regulation, national codes, and industry standards, or increases in competition to provide regulated services). Responds to inquiries from the public, the utility or energy industry, and agency management and staff, interpreting and applying existing laws, contracts, rules, and policies of a variety of functional areas. Writes rules, policies, reports,

position papers, and correspondence on investigative findings, analyses, and recommendations for Commission or Council action.

2020 – 2021 – Unified Communications Group Area Manager. Oversee daily installation and repair technicians for CenturyLink Oregon and TDS Washington. Asses and complete timesheets for 20 direct reports. Establish daily workload as needed to ensure service order completion by the customer due date. Assist and coach with onsite issues for new and growing technicians. Handle all day-to-day issues from both technicians and clients. Conduct weekly safety meetings with the team and cover all relevant issues as well as have an open forum. Complete quality control inspection on all technicians making sure they are meeting Century Link and TDS industry standards of installation.

2020 – GTA Teleguam Planning Manager, Outside Plant Engineering. Oversaw daily work order process assisted by five direct and two indirect reports. Assessed designs for errors and issued revisions. Upgraded ArcGIS software with as-builts. Tracked and communicated team status on design completion to director of engineering and completed changes to maximize process.

2015 – 2020 – GTA Teleguam Planning Manager, Outside Plant Construction.

Directed permitting/utility locating/heavy equipment operator team with 12 direct and 72 in-direct reports. Trained and coached new and younger technicians about OSP processes and procedures. Followed and reported on permit stages with high value/customer-focused projects. Collaborated with Department of Public Works on new design needs guaranteeing faster project approval and fewer design revisions. Analyzed designs before starting permit process and sending revisions to engineers for quicker permit approval. Updated ArcGIS software with as-builts. Studied CAPEX money spent spreadsheets from accounting team to allocate money to correct Grand Parent.

2014 – 2015 – McKay Sposito Quality Control Technician. Checked quality of gravel road construction for new Bonneville Power high voltage lattice towers. Determined amount of gravel needed to finish build and compared to contractor invoice. Analyzed footings for new tower builds to measure proper depth and position. Inspected new towers for torqued bolts and three new cell site towers in Montana. Managed two subcontractor companies.

2012 – 2014 – General Dynamics Construction Manager. Guided 3G/4G upgrades for Sprint in Oregon and southern Washington. Collaborated with ten subcontractors ensuring projects met specifications. Analyzed antenna azimuth, center line, color code, mechanical down tilts, and electronic down tilts to match designs. Created protocol with all contractors and employees to ensure correct azimuth before leaving tower. Assessed fiber optic test and antenna coax sweep results for compliance and potential repair. Partnered with Samsung to maximize cell site for best possible reception. Investigated and approved heavy equipment to complete construction. Arranged and scheduled 3G cluster outages with Sprint to complete site build. Prepared and uploaded completion packages into Siterra Sprint's close out software after inspection.

2011 – 2012 – Yukon-Kuskokwim Health Corporation IT Specialist. Installed, fixed, and sustained telecommunications equipment. Configured all telecom equipment for new clinic. Re-routed and spliced internal telephone cable for renovations. Put thousands of miles of CAT5E cable and terminated ends for new customer installation.

2010 – 2011 – Qwest Communications Network Operations Manager.

Supervised 25 direct reports featuring ten-person I&R team, five fiber splicers, three Ariel and Underground, and seven copper splicers. Planned and tracked schedules of larger construction projects and reported status to corporate headquarters. Developed solutions to address stalled projects. Taught team members on proper splicing and installation of telecom equipment. Spoke on telecommunications careers at local high schools. Uploaded as-builts into Qwest software and completed work orders.

2005 – 2010 – Gaylord Utility Contractors Construction Manager. Liaised with ten subcontractors to complete outside construction work for Qwest. Reviewed work for depth and restoration compliance. Submitted Notice to Proceeds to contractors. Applied for state, county, city, and railroad permits. Inspected new copper cable and fiber optic cable splices for Windstream Communications. Utilized heavy equipment including backhoe, trenchers, plows, bore machines, utility locators, mini excavators, and suck vacs. Completed as-builts for both Qwest and Windstream. Helped contractors complete fiber optic and copper cable splices.

1999 – 2005 – United States Air Force Cable/Antenna Journeyman. Install, maintain, and repair various types of telecommunications equipment to include splicing of copper/fiber optic cable, installing remote switches, utility line locating, and repair of damage copper/fiber optic cable for both outside plant and inside plant construction.

CASE: UW 190 WITNESS: JOSEPH BARTHOLOMEW

PUBLIC UTILITY COMMISSION OF OREGON

STAFF EXHIBIT 102

Exhibits in Support of Testimony Summary Tables

November 3, 2022

Staff/102 Bartholomew/1

				_		
				Company		
				Proposed		Staff Proposed
				Increase		Increase
Reven	ue Requirement			155.09%		94.80%
11000				133.0370		3 1.0070
					Staff	
			Commons	Commonic		Staff Proposed
	DEVENUEC	Took Voor	Company	Company	Adjustments to	
	REVENUES	Test Year	Adjustments	Proposed Totals	Company Totals	Totals
460	Unmetered			\$ -		\$ -
461.1	Residential	15,637	24,251	\$ 39,888	(9,427)	
461.2	Commercial			\$ -	-	\$ -
462	Fire Protection Sales			\$ -	-	\$ -
465	Irrigation Water Sales			\$ -		\$ -
466	Water Sales for Resale			\$ -		\$ -
471	Miscellaneous Services			\$ -		\$ -
475	Cross Connection Control			\$ -		\$ -
	Other			\$ -		\$ -
				\$ -		\$ -
	Total Revenue	\$ 15,637	\$ 24,251	\$ 39,888	\$ (9,427)	
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Acct .	OPERATING EXPENSES					
601	Salaries and Wages - Employees	4,802	480	\$ 5,282	\$ -	\$ 5,282
603	Salaries and Wages - Officers	1,002	100	\$ -	\$ -	\$ -
604	Employee Pension & Benefits	488	49	\$ 537	\$ -	\$ 537
610	Purchased Water	100		\$ -	\$ -	\$ -
611	Telephone/Communications	103		\$ 103	\$ -	\$ 103
615	Purchased Power	660		\$ 660	\$ 1,188	\$ 1,848
616	Fuel for Power Production	000		\$ -	\$ 1,100	\$ -
617	Other Utilities			\$ -	\$ -	\$ -
618	Chemical / Treatment Expense			\$ -	\$ -	\$ -
619	Office Supplies	54		\$ 54	\$ -	\$ 54
619.1	Postage	93		\$ 93	\$ -	\$ 93
620	O&M Materials/Supplies	1,745		\$ 1,745	\$ (1,008)	\$ 737
621	Repairs to Water Plant	1,743		\$ 1,743	\$ (1,008) \$ -	\$ 737
631	Contract Svcs - Engineering			\$ -	\$ -	\$ -
632	Contract Svcs - Accounting	17		\$ 17	Ś -	\$ 17
633	Contract Svcs - Legal	17		\$ 17	\$ -	\$ 17
634	Contract Svcs - Management Fees	166		\$ 166	\$ -	\$ 166
635	Contract Svcs - Testing	675	338	\$ 1,013	\$ -	\$ 1,013
636	Contract Svcs - Labor	073	330	\$ -	Ś -	\$ -
637	Contract Svcs - Billing/Collection	102		\$ 102	\$ -	\$ 102
638	Contract Svcs - Meter Reading	102		\$ -	Ś -	\$ -
639	Contract Svcs - Other	726		\$ 726		
641	Rental of Building/Real Property	234		\$ 234		\$ 234
642	Rental of Equipment	2,555		\$ 2,555	_	'
643	Small Tools	2,333		\$ 2,333	\$ (2,271)	\$ -
648	Computer/Electronic Expenses	31		\$ 31	\$ -	\$ 31
650	Transportation	1,894		\$ 1,894	\$ (1,500)	· · · · · · · · · · · · · · · · · · ·
656	Vehicle Insurance	146		\$ 146	\$ (1,300)	\$ 146
657	General Liability Insurance	94		\$ 94	\$ -	\$ 94
658	Workers' Comp Insurance	52		\$ 52	\$ -	\$ 52
659	Insurance - Other			\$ -	\$ -	\$ -
666	Amortz. of Rate Case		5,000	\$ 5,000	\$ (2,800)	\$ 2,200
667	Gross Revenue Fee (PUC)	57	83	\$ 140	\$ (2,000)	
670	Bad Debt Expense			\$ -	\$ -	\$ -
671	Cross Connection Control Program			\$ -	\$ -	\$ -
673	Training and Certification	67		\$ 67	\$ -	\$ 67
674	Consumer Confidence Report			\$ -	\$ -	\$ -
675	Miscellaneous Expense	390		\$ 390	\$ (119)	· ·
OE1	Public Relations/Advertising	31		\$ 31	\$ -	\$ 31
OE2	Other Expense 2	<u> </u>		\$ -	\$ -	\$ -
OE3	Other Expense 3			\$ -	\$ -	\$ -
OE4	Other Expense 4			\$ -	\$ -	\$ -
OE5	Other Expense 5			\$ -	\$ -	\$ -
	TOTAL OPERATING EXPENSE	\$ 15,199	\$ 5,950	\$ 21,149		

					Staff	
			Company	Company	Adjustments to	Staff Proposed
	REVENUES	Test Year	Adjustments		Company Totals	Totals
	OTHER REVENUE DEDUCTIONS		,		, , , , , , , , , , , , , , , , , , , ,	
403	Depreciation Expense	1,925	1,888	\$ 3,813	\$ (270)	\$ 3,543
406	Amort of Plant Acquisition Adjustment			\$ -	\$ -	\$ -
407	Amortization Expense			\$ -	\$ -	\$ -
408.11	Property Tax			\$ -	\$ 119	\$ 119
408.12	Payroll Tax			\$ -	\$ 500	\$ 500
408.13	Other	1,114	111	\$ 1,225	\$ (1,225)	\$ -
409.10	Federal Income Tax		2,715	\$ 2,715	\$ (374)	\$ 2,341
409.11	Oregon Income Tax		853	\$ 853	\$ (65)	\$ 788
409.13	Extraordinary Items Income Tax			\$ -	\$ -	\$ -
	TOTAL REVENUE DEDUCTIONS	\$ 18,238	\$ 11,517	\$ 29,755	\$ (8,253)	\$ 21,502
	Net Operating Income	\$ (2,601)	\$ 12,734	\$ 10,133	\$ (1,174)	\$ 8,959
	UTILITY RATE BASE					
101	Utility Plant in Service	92,019	11,560	\$ 103,579	\$ 1,067	\$ 104,646
105	Construction Work in Progress			\$ -	\$ -	\$ -
108	- Accumulated Depreciation of Plant	8,893		\$ 8,893	\$ 3,627	\$ 12,520
271	- Contributions in Aid of Construction			\$ -	\$ -	\$ -
272	+ Accumulated Amortization of CIAC			\$ -	\$ -	\$ -
281	- Accumulated Deferred Income Tax			\$ -	\$ -	\$ -
	- Excess Capacity			\$ -	\$ -	\$ -
	= NET RATE BASE INVESTMENT	\$ 83,126	\$ 11,560	\$ 94,686	\$ (2,560)	\$ 92,126
	Plus: (working capital)					
151	Materials and Supplies Inventory	996		\$ 996	\$ -	\$ 996
	Working Cash (Total Op Exp /12)	1,751		\$ 1,751	\$ (567)	\$ 1,184
	TOTAL RATE BASE	\$ 85,873	\$ 11,560	\$ 97,433	\$ (3,127)	\$ 94,306
	Rate of Return	-3.03%		10.40%		9.50%

	REVENUES		mpany sed Totals	Adjust	staff ments to any Totals	St	taff Proposed Totals	Explanation of Adjustment
	Unmetered							
	Residential	\$	39,888	\$	(9,427)	\$	30,461	Auto calculated to match appropriate RoR
	Commercial	\$	-	\$	-	\$	-	
	Fire Protection Sales	\$		\$	-	\$	-	
	Irrigation Water Sales Water Sales for Resale	\$		\$	-	\$	-	
	Miscellaneous Services	\$		\$	-	\$	-	
	Cross Connection Control	\$	-	\$	-	\$	-	
	Other	\$	-	\$	-	\$	-	
		\$	-	\$	-	\$	-	
	Total Revenue	\$	39,888	\$	(9,427)	\$	30,461	
	2222222222222							
Acct . 601	OPERATING EXPENSES Salaries and Wages - Employees	\$	5,282	\$	_	Ś	5,282	
603	Salaries and Wages - Employees	\$		\$	-	\$	5,262	
604	Employee Pension & Benefits	\$	537	\$	-	\$	537	
610	Purchased Water	\$	-	\$	-	\$	-	
611	Telephone/Communications	\$	103	\$	-	\$	103	
615	Purchased Power	\$	660		1,188	\$		Updating cost based on DR #2 response. Added 9.1% for inflation (CPI)
616	Fuel for Power Production	\$	-	\$	-	\$	-	
617 618	Other Utilities Chemical / Treatment Expense	\$		\$	-	\$	-	
619	Office Supplies	\$	- 54	\$	-	\$	- 54	
619.1	Postage	\$	93	\$	-	\$	93	
620	O&M Materials/Supplies	\$	1,745		(1,008)	\$		Moved \$230 to Equipment Rental and \$778 was capitalized DR #15 response
621	Repairs to Water Plant	\$	-	\$	-	\$	-	
631	Contract Svcs - Engineering	\$	-	\$	-	\$	-	
632	Contract Svcs - Accounting	\$	17	\$		\$	17	
633	Contract Svcs - Legal	\$	17	\$	-	\$	17	
634	Contract Svcs - Management Fees	\$	166	\$	-	\$	166	
635 636	Contract Svcs - Testing Contract Svcs - Labor	\$	1,013	\$	-	\$	1,013	
637	Contract Svcs - Eabor Contract Svcs - Billing/Collection	\$	102	\$	-	\$	102	
638	Contract Svcs - Meter Reading	\$	-	\$	-	\$	-	
639	Contract Svcs - Other	\$	726	_	(420)	\$	306	3 year average based on response to DR #16
641	Rental of Building/Real Property	\$	234	\$	-	\$	234	· · · · · · · · · · · · · · · · · · ·
642	Rental of Equipment	\$	2,555	\$	(2,271)	\$	284	\$2,501 moved to plant per DR #17, \$230 added to account per DR #15.
643	Small Tools	\$	-	\$	-	\$	-	
648	Computer/Electronic Expenses	\$	31		-	\$	31	
650 656	Transportation	\$	1,894 146	\$	(1,500)	\$	394 146	Moved to Plant per DR# 18 response
657	Vehicle Insurance General Liability Insurance	\$	94		-	\$	94	
658	Workers' Comp Insurance	\$	52		-	\$	52	
659	Insurance - Other	\$	-	\$	-	\$	-	
666	Amortz. of Rate Case	\$	5,000	\$	(2,800)	\$	2,200	Staff proposes \$2,200.00 per year for 5 years as a result of the settlement confer
667	Gross Revenue Fee (PUC)	\$	140	_	(9)	\$	131	Auto Calculated
670	Bad Debt Expense	\$	-	\$	-	\$	-	
671	Cross Connection Control Program	\$	-	\$	-	\$	-	
673	Training and Certification Consumer Confidence Report	\$	67	\$	-	\$	67	
674 675	Miscellaneous Expense	\$	390	-	(119)	\$	271	Property Tax moved to account 408.11
OE1	Public Relations/Advertising	\$	31		- (113)	\$	31	Property Tax moved to account 405.11
OE2	Other Expense 2	\$	-	\$	-	\$	-	
OE3	Other Expense 3	\$	-	\$	-	\$	-	
OE4	Other Expense 4	\$	-	\$	-	\$	-	
OE5	Other Expense 5	\$	-	\$	-	\$	-	
	TOTAL OPERATING EXPENSE	\$	21,149	\$	(6,939)	\$	14,210	
	OTHER REVENUE DEDUCTIONS	-				H		
403	Depreciation Expense	\$	3,813	Ś	(270)	Ċ	3 2/15	Auto Calculated based on Staff's depreciation model
406	Amort of Plant Acquisition Adjustment	\$		\$	- (270)	\$		nate carcarated based of start's depreciation model
407	Amortization Expense	\$	-	\$	-	\$		
	Property Tax	\$	-	\$	119	\$		Moved from account 675
08.12	Payroll Tax	\$	-	\$	500	\$	500	\$1,225 was moved from account 408.13, \$776 was capatilized per DR #19, 10%
	Other	\$	1,225		(1,225)			Moved to account 408.12 per DR 19 resp
	Federal Income Tax	\$	2,715		(374)			Auto Calculated
	Oregon Income Tax	\$	853		(65)		788	Auto Calculated
M3.13	Extraordinary Items Income Tax TOTAL REVENUE DEDUCTIONS	\$ \$	29,755	\$	(8,253)	\$	21,502	
	Net Operating Income	\$	10,133		(1,174)		8,959	
		Ť		-	,=,=,=)	Ť	5,555	
	UTILITY RATE BASE							
101	Utility Plant in Service	\$	103,579		1,067	\$	104,646	Based on provided list of assets
105	Construction Work in Progress	\$	-	\$	-	\$	-	
108	- Accumulated Depreciation of Plant	\$	8,893		3,627	\$		Auto Calculated
271	- Contributions in Aid of Construction	\$	-	\$	-	\$	-	
272	+ Accumulated Amortization of CIAC	\$	-	\$	-	\$	-	
281	- Accumulated Deferred Income Tax	\$	-	\$	-	\$	-	
	- Excess Capacity = NET RATE BASE INVESTMENT	\$	94,686	_	(2,560)		92,126	
	Plus: (working capital)	٦	34,000	7	(4,300)	ڊ	32,120	
151	Materials and Supplies Inventory	\$	996	\$	-	\$	996	
	Working Cash (Total Op Exp /12)	\$	1,751		(567)	_		Auto Calculated
	TOTAL RATE BASE	\$	97,433		(3,127)			
	Rate of Return		10.40%	1	0.00%		9.50%	

		Current	Company P	roposed	Stip	ulated
Service	Size	Rate	Rate	Increase from Current	Rate	Increase from Current
Residential	5/8"-3/4"	\$ 44.85	\$ 49.67	11%	\$ 87.53	95%
Service	Size	Customers	Consumptior	Base Rate	Commodit y Rate	Revenue
Residential	5/8"-3/4"	29	3,234,600	\$ 61.27	\$ 2.83	\$ 30,461

CASE: UW 190

WITNESS: JOSEPH BARTHOLOMEW

PUBLIC UTILITY COMMISSION OF OREGON

STAFF EXHIBIT 103

Exhibits in Support of Testimony Data Request Responses & Attachments

November 3, 2022

Request: 1.

In regard to Helton Tracts Water Company, LLC's (Helton or the Company) response to the application Question No. 35, stating the estimated in-service date for the backup well pump is April 1, 2022, please provide the following information:

- a) A description of whether the pump is in service;
- b) If the pump is not in service, an explanation of when the company plans to complete the installation and put the pump in service;
- c) A description of the \$6,000 engineering cost, including whether that cost is limited to the backup well pump.

Response: 1.

- a) Yes, the pump is in service. The estimate in-service date was incorrect, however. The pump was put in service on May 3, 2022. An invoice has not yet been received, but an estimate from Ernst Irrigation is accompanying this response.
- b) Not applicable.
- c) The engineering cost was unrelated to the back well. Rather, the engineering cost is related to the design work associated with the main well pumphouse, the evaluation of the sanitary easement, and the effort to complete the waiver application to OHA. An invoice from HBH Consulting has been received and is accompanying this response. The actual invoiced amount was \$4,243.00 rather than the estimate of \$6,000.

Request: 2.

Please provide the Company's Results of Operations for 2019, 2020, and 2021 in a format similar to the attached spreadsheet labeled "DR 2 – Results of Operations."

Response: 2.

Please see accompanying spreadsheet completed as requested. Property taxes were misclassified as a miscellaneous expense (Account 675) in the original rate application and have been re-classified to Property Tax (Account 408.11) in the accompanying spreadsheet. Additionally, purchased power costs are understated on the application but have been corrected in the accompanying Results of Operations for 2021 (Cell N26). PGE failed to provide power bills during 2021 for the account that was re-activated in April 2021. A full accounting of PGE charges is being provided in response to Data Request 14.

Staff/103 Bartholomew/2

	ue Requirement												
	REVENUES	2019 Helton Non-MSA	2019 Hiland Direct Allocation "MSA"	2019 Hiland Indirect Allocation "MSA"	Total	020 Helton Non-MSA	2020 Hiland Direct Allocation "MSA"	2020 Hiland Indirect Allocation "MSA"	Total	2021 Helton Non-MSA	2021 Hiland Direct Allocation "MSA"	2021 Hiland Indirect Allocation "MSA"	Total
	Unmetered	14.005			14,965	1F 00C			- 15.006	15.30			- 15 201
	Residential Commercial	14,965			14,965	15,006			15,006	15,38			15,381
	Fire Protection Sales				-				-				-
	Irrigation Water Sales				-				-				-
	Water Sales for Resale				-				-				-
	Miscellaneous Services	297			297	290			290	251	<u>il</u>		256
	Cross Connection Control Other				-				-				-
	Total Revenue	\$ 15,261	\$ -	\$ -	\$ 15,261	\$ 15,296 \$	-	\$ -	\$ 15,296	\$ 15,63	\$ -	\$ -	\$ 15,637
	OPERATING EXPENSES Salaries and Wages - Employees		1,562	2,075	3,636		1,699	1,699	3,398		2,036	2,766	4,802
	Salaries and Wages - Officers				-			86	86				-
	Employee Pension & Benefits Purchased Water			383	383			396	396			488	488
	Telephone/Communications			87	87			105	105			103	103
	Purchased Power	1,616		21	1,637	2,012		18	2,030	1,39	i e	20	1,416
	Fuel for Power Production				-				-				-
	Other Utilities Chemical / Treatment Expense				-								
	Office Supplies			46	46			33	33			54	54
619.1	Postage			100	100			90	90			93	93
	O&M Materials/Supplies	215		517	732	256		479	735	1,219		525	1,745
	Repairs to Water Plant Contract Svcs - Engineering				-				-				-
	Contract Svcs - Engineering Contract Svcs - Accounting			21	21			20	20			17	17
633	Contract Svcs - Legal				-				-			17	17
	Contract Svcs - Management Fees	2 200		241	241	450		172	172	671		166	166
	Contract Svcs - Testing Contract Svcs - Labor	2,200			2,200	450			450	675	1		675
	Contract Svcs - Billing/Collection			85	85			96	96			102	102
	Contract Svcs - Meter Reading				-				-				-
	Contract Svcs - Other Rental of Building/Real Property	66		58 273	124 273			131 243	131 243	698	1	28	726 234
	Rental of Equipment		60		60		57	243	57		2,555		2,555
643	Small Tools				-				-		,,,,,		-
	Computer/Electronic Expenses		200	98			403	26	26		4.004	31	31
	Transportation Vehicle Insurance		380	114	380 114		403	144	403 144		1,894	146	1,894 146
	General Liability Insurance			94	94			94	94			94	94
	Workers' Comp Insurance			44	44			41	41			52	52
	Insurance - Other				-				-				-
	Amortz. of Rate Case Gross Revenue Fee (PUC)	47			47	53			53	5	,		57
	Bad Debt Expense				-				-				-
	Cross Connection Control Program				-				-				-
	Training and Certification Consumer Confidence Report			42	42			27	27			67	67
	Miscellaneous Expense	480		157	637	195		92	287	20:	i	66	271
660	Public Relation / Advertising Expense			53	53			109	109			31	31
	Other Expense 2				-				-				-
	Other Expense 3 Other Expense 4				-								-
	Other Expense 5				-				-				-
	TOTAL OPERATING EXPENSE	\$ 4,624	\$ 2,001	\$ 4,509	\$ 11,135	\$ 2,966 \$	2,160	\$ 4,101	\$ 9,227	\$ 4,250	\$ 6,485	\$ 5,100	\$ 15,836
	OTHER REVENUE DEDUCTIONS												
	Depreciation Expense	649			649	649			649	1,92	1		1,925
406	Amort of Plant Acquisition Adjustment				-				-				-
	Amortization Expense	112			- 112	111			- 111	119			- 119
	Property Tax Payroll Tax	112	183	238	421	111	199	103	302	11	990	123	1,114
408.13	Other				-				-				-
	Federal Income Tax	618			618				-	-			-
	Oregon Income Tax Extraordinary Items Income Tax	194			194				-	-			
	TOTAL REVENUE DEDUCTIONS	\$ 6,197				\$ 3,726 \$				\$ 6,29			
) \$ (4,747)	\$ 2,132	\$ 11,570 \$	(2,359)	\$ (4,204)	\$ 5,007	\$ 9,34	\$ (7,476	\$ (5,223)	\$ (3,356)
	Net Operating Income	\$ 9,064	\$ (2,184)										
	Net Operating Income	\$ 9,064	\$ (2,184,										
101	Net Operating Income UTILITY RATE BASE Utility Plant in Service	17,550			17,550	17,550			17,550	77,58			77,583
101 105	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress	17,550 25,273			25,273	28,307			28,307				-
101 105 108	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress - Accumulated Depreciation of Plant	17,550							28,307 6,969	77,583 8,894			77,583 - 8,894
101 105 108 271	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress - Accumulated Depreciation of Plant - Contributions in Aid of Construction	17,550 25,273			25,273	28,307			28,307 6,969				-
101 105 108 271 272	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress - Accumulated Depreciation of Plant - Contributions in Aid of Construction + Accumulated Amortization of CIAC - Accumulated Deferred Income Tax	17,550 25,273			25,273	28,307			28,307				-
101 105 108 271 272 281	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress - Accumulated Depreciation of Plant - Contributions in Aid of Construction + Accumulated Amortization of CIAC - Accumulated Deferred Income Tax - Excess Capacity	17,550 25,273 6,320			25,273 6,320 - - - -	28,307 6,969			28,307 6,969 - - - -	8,894			8,894 - - -
101 105 108 271 272 281	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress - Accumulated Depreciation of Plant - Contributions in Aid of Construction + Accumulated Amortization of CIAC - Accumulated Deferred Income Tax - Excess Capacity = NET RATE BASE INVESTMENT	17,550 25,273		\$ -	25,273	\$ 28,307	-	\$ -	28,307 6,969			\$ -	8,894 - - -
101 105 108 271 272 281	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress - Accumulated Depreciation of Plant - Contributions in Aid of Construction + Accumulated Amortization of CIAC - Accumulated Deferred Income Tax - Excess Capacity	17,550 25,273 6,320		\$ -	25,273 6,320 - - - -	\$ 28,307 6,969	-	\$ -	28,307 6,969 - - - -	8,894		\$ -	8,894 - - - - - \$ 68,689
101 105 108 271 272 281	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress - Accumulated Depreciation of Plant - Contributions in Aid of Construction + Accumulated Amortization of CIAC - Accumulated Amortization of CIAC - Accumulated Deferred Income Tax - Excess Capacity - NET RATE BASE INVESTMENT Plus: (working capital) Materials and Supplies Inventory Working Cash (Total Op Exp /12)	17,550 25,273 6,320 \$ 36,503	\$ -	1,099 928	25,273 6,320 - - - - \$ 36,503 1,099 928	28,307 6,969 38,888 \$		1,041 769	28,307 6,969 - - - - \$ 38,888 1,041 769	\$ 68,689	\$ -	996 1,320	\$,894 - - - \$ 68,689 996 1,320
101 105 108 271 272 281	Net Operating Income UTILITY RATE BASE Utility Plant in Service Construction Work in Progress - Accumulated Depreciation of Plant - Contributions in Aid of Construction - Accumulated Amortization of CIAC - Accumulated Deferred Income Tax - Excess Capacity = NET RATE BASE INVESTMENT - Plus: Working capital) Materials and Supplies Inventory	17,550 25,273 6,320	\$ -	1,099	25,273 6,320 - - - - \$ 36,503 1,099 928	\$ 28,307 6,969		1,041	28,307 6,969 - - - - \$ 38,888 1,041 769	8,894	\$ -	996	\$,894 - - - \$ 68,689 996 1,320

Request: 3.

Regarding the Master Service Affiliated Interest Contract (MSA) approved by the Commission through Order No. 16-101 in Docket No. UI 364, please provide:

- a) Exhibit 1 (the last four pages of UI 364 application) to that agreement updated to reflect allocated costs during 2021; and
- b) A copy of the Exhibit 1 to that agreement currently being used to allocate costs.

Response: 3.

Please reference the accompanying Excel workbook titled "DR3 MSA Exhibit 1 2021, 2022." There are two worksheets within the file. The first worksheet includes the information requested in data request 3a. During 2021, Hiland provided full operational, managerial, and administrative services to an average of 3,311 end users per month. Additionally, Hiland provided field services only to 14 clients, representing 21 percent of allocated indirect costs. The second worksheet still shows 2021 costs since 2022 costs have not yet been established, but the monthly average number of end users receiving full operational, managerial, and administrative services has been increased to 3,336. There are still 14 clients receiving field services only.

Staff/103 Bartholomew/4

	EXHIBIT 1 - 2021 Allocations				Total # Cust**		# of Cus	st for each ra	te-reg utility	
	HILAND WATER CORP.		21.00%		3311	21	15	64	488	82
	THEATER CORF.		Less 1.5% for		3311	21	15	04	400	02
t# /	AFFILIATED INTEREST ALLOCATIONS	Annual Cost	each Field Only Co	Adjusted Total	Cost Per Cust	Wildernes		Shadow	Illahe (Wtr &	
	S. I	5: .	0.210			s Canyon	Hillview	Wood	Sewer)	Westwoo
	Salaries/Wages Direct Exp	Direct				1	4			
	Salaries/Wages - Indirect/Busi/Warehouse	\$350,828.82	\$73,674.05	\$277,154.77	\$83.71	\$1,757.85	\$1,255.61	\$5,357.27	\$40,849.15	\$6,864.0
	Salaries/Wages - Indirect Officer Wage	\$12,000.00	\$2,520.00	\$9,480.00	\$2.86	\$60.13	\$42.95	\$183.24	\$1,397.23	\$234.7
	Employee Pension & Benefits Health Ins	\$70,575.88	\$14,820.93	\$55,754.95	\$16.84	\$353.63	\$252.59	\$1,077.72	\$8,217.58	\$1,380.8
	Purchased Water	Direct			4		4	4		
	Ofc Telephone/Communications	\$6,744.69	\$1,416.38	\$5,328.31	\$1.61	\$33.79	\$24.14	\$102.99	\$785.33	\$131.9
	Employee Cell Phone Allowance	\$8,173.00	\$1,716.33	\$6,456.67	\$1.95	\$40.95	\$29.25	\$124.80	\$951.63	\$159.9
	Ofc Warehouse Purchased Elec Power	\$2,850.01	\$598.50	\$2,251.51	\$0.68	\$14.28	\$10.20	\$43.52	\$331.84	\$55.76
	Fuel for Power Production	n/a								
617	Ofc/Warehouse Natural Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Water, Sewer, Garbage	n/a								
	Ofc Janitorial	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Chemical / Treatment Expense	Direct			\$0.00					
	Office / Warehouse Supplies	\$7,843.71	\$1,647.18	\$6,196.53	\$1.87	\$39.30	\$28.07	\$119.78	\$913.29	\$153.4
	Postage - Direct and Allocated	\$13,395.82	\$2,813.12	\$10,582.70	\$3.20	\$67.12	\$47.94	\$204.56	\$1,559.76	\$262.0
620	O&M Materials/Supplies	\$75,927.65	\$15,944.81	\$59,982.84	\$18.12	\$380.44	\$271.74	\$1,159.44	\$8,840.72	\$1,485.5
	Repairs to Water Plant	Direct								
	Contract Svcs - Engineering	Direct								
632	Contract Svcs - Accounting	\$2,400.00	\$504.00	\$1,896.00	\$0.57	\$12.03	\$8.59	\$36.65	\$279.45	\$46.96
	Contract Svcs - Legal	Direct								
634	Contract Svcs - Management	\$24,000.00	\$5,040.00	\$18,960.00	\$5.73	\$120.25	\$85.90	\$366.49	\$2,794.47	\$469.5
	Contract Svcs - Testing	Direct								
	Contract Svcs - Labor	Direct								
	Contract Svcs - Billing/Collection									
	(credit card & other payment processing)	\$14,682.84	\$3,083.40	\$11,599.44	\$3.50	\$73.57	\$52.55	\$224.21	\$1,709.61	\$287.2
	Contract Svcs - Meter Reading	Incl in wages								
	Contract Svcs - Other	\$4,020.72	\$844.35	\$3,176.37	\$0.96	\$20.15	\$14.39	\$61.40	\$468.16	\$78.67
	Rental of Building/Real Property	\$33,840.00	\$7,106.40	\$26,733.60	\$8.07	\$169.56	\$121.11	\$516.75	\$3,940.20	\$662.0
642	Rental Equipment	Direct Incl in warehouse				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Small Tools	supplies								
	Computer/Electronic Expenses	\$4,246.39	\$891.74	\$3,354.65	\$1.01	\$21.28	\$15.20	\$64.84	\$494.43	\$83.08
	Web Page	\$287.88	\$60.45	\$227.43	\$0.07	\$1.44	\$1.03	\$4.40	\$33.52	\$5.63
	Transportation	Direct	\$00.43	J227.43	Ç0.07	71.44	71.03	Ş4.40	433.32	φ3.03
	Vehicle Insurance	\$21,058.00	\$4,422.18	\$16,635.82	\$5.02	\$105.51	\$75.37	\$321.56	\$2,451.91	\$412.0
	General Liability Insurance	\$13,584.00	\$2,852.64	\$10,731.36	\$3.24	\$68.06	\$48.62	\$207.43	\$1,581.67	\$265.7
	Workers' Comp Insurance	\$7,578.17	\$1,591.42	\$5,986.75	\$1.81	\$37.97	\$27.12	\$115.72	\$882.37	\$148.2
	Insurance - Other	n/a	ψ1,331.42	43,300.73	Ų1.01	437.37	727.12	ÿ113.72	\$602.57	Ş140.Z
	Gross Revenue Fee (PUC)	Direct								
	Bad Debt Expense	Direct								
	Cross Connection Control Program	Direct								
			62.020.06	¢7.626.00	62.21	¢49.44	¢24.60	¢1.47.63	ć1 12F F0	¢100.1
	Training and Certification	\$9,666.94	\$2,030.06	\$7,636.88	\$2.31	\$48.44	\$34.60	\$147.62	\$1,125.58	\$189.1
	Consumer Confidence Report	Included in Wages	¢051.43	¢2 570 21	¢1.00	¢22.70	¢16.22	¢60.10	¢527.52	¢00.64
	Advertising/Public Relations	\$4,530.64	\$951.43	\$3,579.21	\$1.08	\$22.70	\$16.22	\$69.18	\$527.53	\$88.64
	Miscellaneous Expense	\$9,601.79	\$2,016.38	\$7,585.41	\$2.29	\$48.11	\$34.36	\$146.62	\$1,118.00	\$187.8
	Misc Indirect - License/Subscriptions/Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Misc Indirect - Checking Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Indirect Payroll Tax*	\$36,849.62	\$7,738.42	\$29,111.20	\$8.79	\$184.64	\$131.88	\$562.71	\$4,290.63	\$720.9
-	Inventory - Rate Base Component	\$143,991.04	\$30,238.12	\$113,752.92	\$34.36	\$721.48	\$515.34	\$2,198.79	\$16,765.76	\$2,817.
- I.	TOTAL	\$878,677.61	\$184,522.30	\$694,155.31	\$209.65	\$4,402.68	\$3,144.77	\$13,417.68	\$102,309.81	\$17,191

Request: 4.

Regarding the MSA Interest Contract filed by the Company on March 9, 2022, and docketed as UI 473, please provide:

a) The 2021 MSA costs provided in response to Question 2 above, modified to reflect the updated costs and allocations proposed by the Company in UI 473.

Response: 4.

Please see accompanying Excel workbook titled "DR#4 MSA Exhibit 1 2021, 2022." As shown in the Excel workbook, the MSA Interest Contract filed by the Company and docketed as UI 473 does not modify allocation methods or impact costs that are allocated to other rate regulated companies owned by Hiland Water Corporation. The purpose of the filing was simply to establish an affiliated interest agreement between Helton Tracts Water Company LLC and Hiland Water Corporation. Prior to Helton Tracts Water Company becoming rate regulated by the Oregon PUC, the methods used to allocate costs to Helton Tracts Water Company LLC were the same as the methods used to allocate costs to other rate regulated companies held by Hiland Water Corporation, in accordance with the approved MSA approved by the Commission through Order No. 16-101.

Marriage Service 1988 19		EXHIBIT 1 - 2021 Allocations				Total # Cust**			of Cust for	each rate-reg	gutility			EXHIBIT 1 - 2022 Allocations				Total # Cust**				of Cust for	each rate-reg	utility	
March Marc		HILAND WATER CORP.		21.00%		3311	29	21	15	64	488	82		HILAND WATER CORP.		21.00%		3336	2	9	21	15	64	488	82
March Marc		1		less 1 FW fee												1 mm 1 FW for						1 '			
March Marc		1			Adjusted	Cost Per									Annual Cost		Adjusted	Cost Per				1 '			
Secretary Control Secr	t#	AFFILIATED INTEREST ALLOCATIONS	Annual Cost	Only Co	Total	Cust		Wildernes		Shadow	Illahe (Wtr &		Act #	AFFILIATED INTEREST ALLOCATIONS	(2021)	Only Co		Cust		١.	Wildernes	1 '	Shadow	Illahe (Wtr &	
Mathematic properties from the control of the con				0.210			Helton	s Canyon	Hillview	Wood	Sewer)	Westwood				0.210			Helt	ton	s Canyon	Hillview	Wood	Sewer)	Westw
Second content from the content of																									
March Agent Agen																									\$6,812
Product Water Control					40,100.00		700.00									02,020.00		4	702						\$233.
Second Company Compa	604			\$14,820.93	\$55,754.95	\$16.84	\$488.34	\$353.63	\$252.59	\$1,077.72	\$8,217.58	\$1,380.82	60			\$14,820.93	\$55,754.95	\$16.71	\$484	.68	\$350.98	\$250.70	\$1,069.64	\$8,156.00	\$1,370
Communication Communicatio	611			\$1.416.29	¢5 229 21	\$1.61	\$46.67	\$22.70	\$24.14	\$102.00	6795 22	¢121.06	61			\$1.416.29	CE 229 21	\$1.60	546	22	622 54	\$22.06	\$102.22	6779.44	\$130.
Section Company Comp																									\$158.
Control Cont																									\$55.3
Martine Section Sect		Fuel for Power Production	n/a											Fuel for Power Production	n/a										
Solid Soli	617	Ofc/Warehouse Natural Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	61	7 Ofc/Warehouse Natural Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.0	00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.0
Control Principle Cont		Water, Sewer, Garbage	n/a																						
Second Second Control Second	639			\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	63			\$0.00	\$0.00		\$0.0	00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
500 Processes Contract Antibodies 1,515,852 1,515,152				l							1	1	-						l				l		
Communication																									\$152.3
Region Switzer Flant				4-,	,	70.20	452.05	+	#							0-,0-0	+	4.0	7-1-					+ -y	\$1,474
Contract fice - Informating Contract Contract fice - Information Contract fice - Informa	020			213,544.61	,33,304.84	210.12	3325.37	J380.44	J2/1./4	J1,135.44	30,040.72	V1,403.33	62			y13,544.61	JJ2,204.64	317.56	\$521	.~3	JJ11.39	2205.71	J1,13U./5	20,774.47	31,4/4.
Concent from 1,2,400.00 1,5,400.00 1																									
Contract five: Vestigname 3 124/0000 5 5,000 5 135/000 5	632		\$2,400.00	\$504.00	\$1,896.00	\$0.57	\$16.61	\$12.03	\$8.59	\$36.65	\$279.45	\$46.96	63			\$504.00	\$1,896.00	\$0.57	\$16	.48	\$11.94	\$8.53	\$36.37	\$277.35	\$46.6
Contract frost- Testing		Contract Svcs - Legal	Direct												Direct										
Contract fors: - Labor Contra	634	Contract Svcs - Management	\$24,000.00	\$5,040.00	\$18,960.00	\$5.73	\$166.06	\$120.25	\$85.90	\$366.49	\$2,794.47	\$469.56	63	4 Contract Svcs - Management	\$24,000.00	\$5,040.00	\$18,960.00	\$5.68	\$164	.82	\$119.35	\$85.25	\$363.74	\$2,773.53	\$466.0
Construction: Alliang/Collections Off) conditional Conference on Construction of Conference on Conference on Construction of Conference on Conferenc																						L			
687 Concast Card A other payment processing) 514,862.84 (3),088.04 (3),088.05 (3),089.04 (3),089.05 (3),099.05		Contract Svcs - Labor	Direct											Contract Svcs - Labor	Direct										
682 Compart Servi - Other S4,00.72 S84.85 S1,78.37 S31,84.00 S96.85 S7,106.40 S97,106.40 S7,106.40 S7,10	637	(credit card & other payment processing)		\$3,083.40	\$11,599.44	\$3.50	\$101.60	\$73.57	\$52.55	\$224.21	\$1,709.61	\$287.27	63	Contract Svcs - Billing/Collection 7 (credit card & other payment processing)		\$3,083.40	\$11 599 44	¢2.49	6100	.83	\$73.02	\$52.16	\$222.53	\$1.696.80	
641 Agental Falupiment Property S13,840.00 57,06.40 58,73.60 58,01 522,40 510.00 50.	620																	\$3.40	3100					4-,	\$285.1
Section Prince	035			4044.05	40 476 07	40.00	400.00	400 45	444.00	464.40	4460.46	430.63				4044.05	40.400.00	45.10			400.00	*****	400.04		
Small Tools	641		\$4,020.72											Ontract Svcs - Other	\$4,020.72			\$0.95	\$27					\$464.65	\$78.0
Second Computer			\$4,020.72 \$33,840.00				\$234.15	\$169.56	\$121.11	\$516.75	\$3,940.20	\$662.08	64	9 Contract Svcs - Other 1 Rental of Building/Real Property	\$4,020.72 \$33,840.00			\$0.95	\$27 \$232	.40	\$168.29	\$120.21	\$512.87	\$464.65 \$3,910.67	\$78.00 \$657.1
548 548			\$4,020.72 \$33,840.00 Direct				\$234.15	\$169.56	\$121.11	\$516.75	\$3,940.20	\$662.08	64	9 Contract Svcs - Other 1 Rental of Building/Real Property	\$4,020.72 \$33,840.00 Direct			\$0.95	\$27 \$232	.40	\$168.29	\$120.21	\$512.87	\$464.65 \$3,910.67	\$78.00 \$657.1
568 See Page Sp2788 Sp062 Sp278 Sp062		Rental Equipment	\$4,020.72 \$33,840.00 Direct Incl in warehouse				\$234.15	\$169.56	\$121.11	\$516.75	\$3,940.20	\$662.08	64	P Contract Svcs - Other Rental of Building/Real Property Rental Equipment	\$4,020.72 \$33,840.00 Direct Incl in warehouse			\$0.95	\$27 \$232	.40	\$168.29	\$120.21	\$512.87	\$464.65 \$3,910.67	\$78.00 \$657.1
656 Periode Intervance S110/860 S4,212,18 S10/860 S4,212,18 S10/87 S	642	Rental Equipment Small Tools	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies	\$7,106.40	\$26,733.60	\$8.07	\$234.15 \$0.00	\$169.56 \$0.00	\$121.11 \$0.00	\$516.75 \$0.00	\$3,940.20 \$0.00	\$662.08 \$0.00	64 64	Contract Svcs - Other I Rental of Building/Real Property Rental Equipment Small Tools	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies	\$7,106.40	\$26,733.60	\$0.95	\$27 \$232 \$0.1	.40	\$168.29 \$0.00	\$120.21 \$0.00	\$512.87 \$0.00	\$464.65 \$3,910.67 \$0.00	\$78.0 \$657.: \$0.00
657 General Liability Insurance	642	Rental Equipment Small Tools Computer/Electronic Expenses	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39	\$7,106.40	\$26,733.60	\$8.07	\$234.15 \$0.00 \$29.38	\$169.56 \$0.00 \$21.28	\$121.11 \$0.00 \$15.20	\$516.75 \$0.00 \$64.84	\$3,940.20 \$0.00 \$494.43	\$662.08 \$0.00 \$83.08	64 64	Contract Svcs - Other I. Rental of Building/Real Property Rental Equipment Small Tools Computer/Electronic Expenses	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39	\$7,106.40	\$26,733.60	\$0.95 \$8.01	\$27 \$232 \$0.1	.40	\$168.29 \$0.00 \$21.12	\$120.21 \$0.00 \$15.08	\$512.87 \$0.00 \$64.36	\$464.65 \$3,910.67 \$0.00 \$490.73	\$78.00 \$657.1 \$0.00
65 Workers Comp Insurance 57,778.17 51,591.42 59,86.75 51.9 552.44 537.89 527.22 5115.72 5182.7 548.27 548.	642	Rental Equipment Small Tools Computer/Electronic Expenses Web Page	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88	\$7,106.40	\$26,733.60	\$8.07	\$234.15 \$0.00 \$29.38	\$169.56 \$0.00 \$21.28	\$121.11 \$0.00 \$15.20	\$516.75 \$0.00 \$64.84	\$3,940.20 \$0.00 \$494.43	\$662.08 \$0.00 \$83.08	64 64	Contract 6vcs - Other Rental of Building/Real Property Rental Equipment Small Tools Computer/Electronic Expenses	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88	\$7,106.40	\$26,733.60 \$3,354.65 \$227.43	\$0.95 \$8.01	\$27 \$232 \$0.1	.40	\$168.29 \$0.00 \$21.12 \$1.43	\$120.21 \$0.00 \$15.08	\$512.87 \$0.00 \$64.36	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27	\$285.1 \$78.08 \$657.1 \$0.00 \$82.48 \$5.59
Massarker-Other Mg Cross Revenue (PLC) Direct Sad Obel Expense	648 648 656	Rental Equipment Small Tools Computer/Electronic Expenses Web Page Transportation Vehicle Insurance	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00	\$7,106.40 \$891.74 \$60.45 \$4,422.18	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82	\$8.07 \$1.01 \$0.07	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51	\$121.11 \$0.00 \$15.20 \$1.03	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91	\$662.08 \$0.00 \$83.08 \$5.63	64 64 64 64 65	Contract 6vcs - Other Rental of Building/Real Property Rental Equipment small Tools Computer/Electronic Expenses Web Page Transportation Vehicle Insurance	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00	\$7,106.40 \$891.74 \$60.45 \$4,422.18	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82	\$0.95 \$8.01 \$1.01 \$0.07	\$27 \$232 \$0.1 \$29 \$1.1	:.40 00 :.16 98	\$168.29 \$0.00 \$21.12 \$1.43 \$104.72	\$120.21 \$0.00 \$15.08 \$1.02	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54	\$78.00 \$657.1 \$0.00 \$82.40 \$5.59
Gross Remune Fee [PLX] Direct Suppose Suppose Direct Suppose Suppose Direct Suppose	648 648 656 657	Rental Equipment Small Tools Computer/Electronic Expenses Web Page Transportation Wehicle Insurance General Liability Insurance	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$8.07 \$1.01 \$0.07 \$5.02 \$3.24	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77	64 64 64 65 65	Contract Sixes - Other A sental of Building/Real Property Rental Equipment Small Tools Computer/Electronic Expenses Web Page Transportation Vehicle Insurance General Liability Insurance	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22	\$27 \$232 \$0.1 \$29 \$1.1 \$144 \$93	.40 00 .16 98	\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82	\$78.00 \$657.1 \$0.00 \$82.4 \$5.55 \$408.5 \$263.7
Bad Debt Egenne Coross Connection Centrel Program Direct Coross Connection Centrel Program Direct Consumer Confidence Report United States (1982) 1	648 648 656 657	Rental Equipment Small Tools Computer/fil ectronic Expenses Web Page Transportation Weblide Insurance General Liability Insurance Worders' Complisurance	\$4,020.72 \$33,840.00 Direct Inclin warehouse supplies \$4,246.39 \$27.88 Direct \$21,058.00 \$13,584.00 \$7,578.17	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$8.07 \$1.01 \$0.07 \$5.02 \$3.24	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77	64 64 64 65 65	Contract Svcs - Other Rental of Building/Real Property Rental Equipment Small Tools Computer/flectronic Expenses Web Page Transportation Vehicle Insurance General Labellity Insurance Worker' Comp Insurance	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22	\$27 \$232 \$0.1 \$29 \$1.1 \$144 \$93	.40 00 .16 98	\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82	\$78.00 \$657.1 \$0.00 \$82.40 \$5.59
Cross Connection Central Program Object Obje	648 648 656 657	Senal Equipment Small Tools Computer/Bectronic Expenses Web Page Transportation Whicle Insurance General Liability Insurance Workers' Complinaurance Insurance-Other	\$4,020.72 \$33,840.00 Direct Inclin warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$8.07 \$1.01 \$0.07 \$5.02 \$3.24	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77	64 64 64 65 65	Contract Secs - Other A senal of Building/Real Property Bental Equipment Small Tools Computer/Blectronic Expenses Web Page Transportation Vehicle Insurance General Liability Insurance Worker' Comp Insurance Sworker' Comp	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 ry/a	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22	\$27 \$232 \$0.1 \$29 \$1.1 \$144 \$93	.40 00 .16 98	\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82	\$78.00 \$657.1 \$0.00 \$82.4 \$5.55 \$408.5 \$263.7
673 Training and Certification 59,666-94 32,000 67,868.88 52,20 56,89 54,007 531,48 534,65 51,117.5 5 5 5 5 5 5 5 5 5	648 648 656 657	Sental Equipment Small Tools Computer/lectronic Expenses Web Page Transportation Whildel Insurance General Lability Insurance Insurance—Other Gross Revenue Fee (PUC)	\$4,020.72 \$33,840.00 Direct and in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$8.07 \$1.01 \$0.07 \$5.02 \$3.24	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77	64 64 64 65 65	Contract Secs - Other Rental of Building/Real Property Rental Equipment Small Tools Computer/Rectronic Expenses Web Page Transportation Vehicle Insurance General Labellity Insurance Insurance - Other Gross Revenue Fee (PUC)	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22	\$27 \$232 \$0.1 \$29 \$1.1 \$144 \$93	.40 00 .16 98	\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82	\$78.0 \$657.: \$0.00 \$82.4 \$5.59 \$408.5 \$263.:
Consumer Confidence Report Consumer Confidence Report	648 648 656 657	Sental Equipment Small Tools Computer/Reteroil Expenses Web Page Transportation Webicel Insurance General Liability Insurance Workers** Comp Insurance Insurance** Gross Revnue Fee (PUC) Bad Debt Expense	\$4,020.72 \$33,840.00 Direct supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$8.07 \$1.01 \$0.07 \$5.02 \$3.24	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77	64 64 64 65 65	Contract Secs - Other A senal of Building/Real Property Bental Equipment Small Tools Computer/Bleatonic Expenses Web Page Transportation Vehicle Insurance General Liability Insurance Worker's Compt Insurance General Liability Insurance Gross Revenue Fee (PUC) Bad Debt Expenses	\$4,020.72 \$33,840.00 Direct Inclin warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22	\$27 \$232 \$0.1 \$29 \$1.1 \$144 \$93	.40 00 .16 98	\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82	\$78.00 \$657.1 \$0.00 \$82.4 \$5.55 \$408.5 \$263.7
675 Misc Indirect - Checking Fees 50.0 \$50	648 648 648 656 657 658	Sental Equipment Small Tools Computer/lectronic Expenses Web Prage Transportation Whitelie Insurance General Liability Insurance Insurance - Other Gross Revenue Fee (PUC) Bad Obet Expense Cross Connection Control Program	\$4,020.72 \$33,840.00 Direct Inclin warehouse supplies \$4,246.39 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct Direct Direct	\$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75	\$1.01 \$0.07 \$5.02 \$3.24 \$1.81	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99 \$52.44	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06 \$37.97	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62 \$27.12	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43 \$115.72	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67 \$882.37	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77 \$148.27	64 64 64 65 65 65	Contract Secs - Other Rental of Building/Real Property Rental Equipment Small Tools Computer/flectronic Expenses Web Page Transportation Vehicle Insurance General Labellity Insurance Insurance - Other Gross Revenue Fee (PUC) Bad Obet Expense Cross Connection Control Program	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 Direct \$21,058.00 \$13,584.00 \$7,578.17 r/a Direct Direct Direct	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22 \$1.79	\$27 \$232 \$0.0 \$2.0 \$1.1 \$1.44 \$33 \$52	.40 00 .16 98 .62 29	\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55 \$37.69	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25 \$26.92	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88 \$114.85	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82 \$875.76	\$78.0 \$657.1 \$0.00 \$82.4 \$5.59 \$408.9 \$263.1 \$147.1
675 Mist. Indirect - Liemen/Subscriptions/Fees 50.00 5	642 648 648 656 657 658	Sental Equipment Small Tools Computer/lectronic Expenses Web Prage Transportation Whiteler Insurance General Lability Insurance Insurance-Other Gross Revenue Fee (PUC) Bad Obet Expense Cross Connection Control Program Training and Certification Consumer Confidence Report	\$4,020.72 \$33,840.00 Direct binclin warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct	\$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42	\$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75	\$1.01 \$0.07 \$5.02 \$3.24 \$1.81	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99 \$52.44	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06 \$37.97	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62 \$27.12	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43 \$115.72	\$3,940,20 \$0.00 \$494,43 \$33,52 \$2,451,91 \$1,581,67 \$882,37	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77 \$148.27	64 64 64 65 65 65	Contract Secs - Other Amend of Building/Real Property Rental Equipment Small Tools Computer/Rectronic Expenses Web Page Transportation Vehicle Insurance General Liability Insurance Insurance - Other Gross Revenue Fee (PUX) Bad Debt Expense Cross Connection Control Program Training and Certification Consumer Confidence Report	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22 \$1.79	\$27 \$233 \$0.1 \$29 \$1.1 \$144 \$93 \$52		\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55 \$37.69	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25 \$26.92	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88 \$114.85	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82 \$875.76	\$78.00 \$657.1 \$0.00 \$82.40 \$5.55 \$408.5 \$263.7 \$147.1
675 Miss. Indirest: One-kling Fee \$0.00 \$0	648 648 656 657 658	Sental Equipment Small Tools Compater // Rettonic Espenses Transportation White Insurance General Liability Insurance Workers* Compinituriance Insurance Office of the Compinituriance General Liability Insurance Workers* Compinituriance Insurance: Office of the Compinituriance Gross Remuse Fee (PUC) Base dobbt Espense Cross Connection Control Program Training and Certification Consumer Confidence Report Advertising/Public Relations	\$4,020.72 \$33,840.00 Direct total in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct Direct Direct 159,666.94 Included in Wages	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06 \$951.43	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75 \$7,636.88 \$3,579.21	\$1.01 \$0.07 \$5.02 \$3.24 \$1.81 \$2.31	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99 \$52.44	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06 \$37.97 \$48.44	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62 \$27.12	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43 \$115.72 \$147.62 \$69.18	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67 \$882.37	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77 \$148.27	64 64 64 65 65 65 65 65	Contract Secs - Other A Rental of Building/Real Property Rental Equipment Small Tools Computer/ Release Computer/ Release Web Page Transportation S which is insurance General Liability insurance General Liability insurance Worker* Comp Insurance Insurance Goneral Other Gross Revenue Fee (PUC) Bad Other Expense Transportation Training and Certification Consumer Confidence Report Consumer Confidence Report Consumer Confidence Report	\$4,020.72 \$33,840.00 Direct Incl in warehouse supplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct Direct Direct \$9,666.94 Included in Wages \$4,530.64	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06 \$951.43	\$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22 \$1.79	\$27 \$233 \$0.0 \$29 \$1.1 \$144 \$93 \$52 \$52		\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55 \$37.69 \$48.07	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25 \$26.92 \$34.34 \$16.09	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88 \$114.85	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82 \$875.76	\$78.0 \$657.1 \$0.00 \$82.4 \$5.55 \$408.5 \$147.1 \$187.1
601 Indirect Payroll Tax*	642 648 648 656 657 658 673	Sental Equipment Small Tools Computer/lectronic Expenses Web Prage Transportation Whitele Insurance General Lability Insurance Workers' Comp Insurance Insurance-Other Gross Revenue Fee (PUC) Bad Obet Expense Cross Connection Control Program Training and Certification Consumer Confidence Report Advertising/Public Relations Miscellaneous Expense	\$4,020.72 \$33,840.00 Direct tect in warehouse supplies \$4,246.39 \$21,058.00 \$13,584.00 \$7,578.17 nyl Direct \$9,666.94 Included in Wages \$4,330.64 \$5,601.79	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06 \$951.43 \$2,016.38	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75 \$7,636.88 \$3,579.21 \$7,585.41	\$1.01 \$0.07 \$5.02 \$3.24 \$1.81 \$2.31 \$1.08 \$2.29	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99 \$52.44 \$66.89	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06 \$37.97 \$48.44 \$22.70 \$48.11	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62 \$27.12 \$34.60 \$16.22 \$34.36	\$516.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43 \$115.72 \$147.62 \$69.18 \$146.62	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67 \$882.37 \$1,125.58	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77 \$148.27 \$189.13 \$88.64 \$187.86	64 64 64 65 65 65 65 65	Contract Secs - Other Rental of Building/Real Property Rental Equipment Small Tools Computer/Electronic Expenses Web Page Transportation Vehicle Insurance Contract Liability Insurance Vehicle Insurance Insurance - Other Corosa Revenue Fee (PUX) Bad Other Expenses Cross Connection Control Program Training and Certification Consumer Confidence Report Advertising/Public Relations Maccell annoss Expense	\$4,02.072 \$33,840.00 Direct lect in warehouse supplies \$4,246.39 Direct \$21,058.00 \$13,584.00 \$7,578.17 r/s Direct Direct Direct \$9,666.94 Included in Wages \$4,330.64 \$5,601.79	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06 \$951.43 \$2,016.38	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75 \$7,636.88 \$3,579.21 \$7,585.41	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22 \$1.79 \$2.29 \$1.07 \$2.29	\$277 \$333 \$0.6 \$0.6 \$1.5 \$1.4 \$1.5 \$1.5 \$1.5 \$1.5 \$1.5 \$1.5 \$1.5 \$1.5		\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55 \$37.69 \$48.07 \$22.53 \$47.75	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25 \$26.92 \$34.34 \$16.09 \$34.11	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88 \$114.85 \$146.51 \$68.67 \$145.52	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82 \$875.76 \$1,117.15 \$523.58 \$1,109.62	\$78.0 \$657.1 \$0.00 \$82.4 \$5.55 \$408.5 \$263.1 \$147.1 \$187.1 \$87.9 \$186.4
Newtrory - Rate Base Component 5143,991.04 530,238.12 5113,752.92 534.36 5996.33 5721.48 5515.34 52,987.9 516,765.76 52,817.20 Inventory - Rate Base Component 5143,991.04 530,238.12 5113,752.92 534.10 5988.86 5716.07 5511.48 52,182.31 516,640.12 570.00 5988.86 5716.07 5511.48 52,182.31 516,640.12 570.00 5988.86 5716.07 5511.48 52,182.31 516,640.12 570.00 5988.86 5716.07 5511.48 52,182.31 516,640.12 570.00 5988.86 5716.07 5511.48 52,182.31 516,640.12 570.00 5988.86 5716.07 5511.48 52,182.31 516,640.12 570.00 5988.86 5716.07 5511.48 52,182.31 516,640.12 570.00 5988.86 5716.07 5511.48 52,182.31 570.00 5988.86 5716.07 571.48 571	6422 6488 6488 656 657 658 675 675	Senatal Equipment Small Tools Companie //Il ectronic Expenses Web Page W	\$4,020.72 \$33,840.00 Direct btd in warehouse topplies \$4,246.39 \$187.88 Direct Direct Direct Direct Direct Direct Direct Direct Direct Direct S9,666.94	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06 \$951.43 \$2,016.38 \$5.00	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75 \$7,636.88 \$3,579.21 \$7,585.41 \$0.00	\$1.01 \$0.07 \$5.02 \$3.24 \$1.81 \$2.31 \$1.08 \$2.29 \$0.00	\$224.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99 \$52.44 \$66.89	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06 \$37.97 \$48.44 \$22.70 \$48.11 \$0.00	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62 \$27.12 \$34.60 \$16.22 \$34.36 \$0.00	\$16.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43 \$115.72 \$147.62 \$69.18 \$146.62 \$0.00	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67 \$882.37 \$1,125.58 \$527.53 \$1,118.00 \$0.00	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$265.77 \$148.27 \$189.13 \$88.64 \$187.86 \$0.00	64 64 64 65 65 65 65 67 67	Contract Secs - Other A senal of Building/Real Property Rental Equipment Small Tools Computer/ Release Foreign Web Page Transportation Syehical insurance General Liability insurance General Liability insurance General Liability insurance General Liability insurance Toolers of Computer Compu	\$4,020.72 \$33,840.00 Direct lect in warehouse supplies \$4,246.39 \$187.88 Direct \$21,058.00 \$13,584.00 \$7,578.17 n/a Direct Direct Direct Direct Direct \$9,666.94 Hercladed in Wages \$4,530.64 \$9,601.79	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06 \$951.43 \$2,016.38 \$0.00	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75 \$7,636.88 \$3,579.21 \$7,585.41 \$0.00	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22 \$1.79 \$2.29 \$1.07 \$2.27 \$0.00	\$27 \$222 \$0.0 \$1.0 \$1.0 \$1.0 \$1.0 \$1.0 \$1.0 \$1.0		\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55 \$37.69 \$48.07 \$22.53 \$47.75 \$0.00	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25 \$26.92 \$34.34 \$16.09 \$34.11 \$0.00	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88 \$114.85 \$146.51 \$68.67 \$145.52	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82 \$875.76 \$1,117.15 \$523.58 \$1,109.62 \$0.00	\$78.0 \$657. \$0.0 \$82.4 \$5.5: \$408. \$263. \$147. \$187. \$87.9 \$186. \$0.0
TOTAL \$5878,677.61 \$184,522.30 \$694,155.31 \$209.65\$ \$6,079.89 \$4.402.68 \$3,144.77 \$13,417.68 \$102,309.81 \$17,191.40\$ TOTAL \$878,677.61 \$184,522.30 \$694,155.31 \$208.08 \$6,034.32 \$4,869.68 \$3,121.20 \$13,317.13 \$101,543.10 \$1	642 648 648 656 657 658 673 660 675 675	Sental Equipment Small Tools Computer/lectronic Expenses Web Prage Transportation Whitele Insurance General Labellity Insurance Workers' Comp Insurance Insurance-Other Gross Revenue Fee (PUC) Bad Debt Expense Cross Connection Control Program Training and Certification Consumer Confidence Report Advertising/Public Relations Misc Indirect - Ucense/Subscriptions/Fees	\$4,020.72 \$33,840.00 Direct bloc in warehouse isopplies \$4,246.39 \$287.88 Direct \$21,058.00 \$13,580.01 \$15,580.17 pirect Direct Direct Direct Direct Direct S5,666.94 included in Wages \$4,601.79 \$0.000 \$0.000	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06 \$951.43 \$2,016.38 \$0.00 \$0.00	\$26,733.60 \$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75 \$7,636.88 \$3,579.21 \$7,585.41 \$0.00 \$0.00	\$1.01 \$0.07 \$5.02 \$3.24 \$1.81 \$2.31 \$1.08 \$2.29 \$0.00 \$0.00	\$234.15 \$0.00 \$29.38 \$1.99 \$145.71 \$93.99 \$52.44 \$66.89 \$31.35 \$66.44 \$0.00	\$169.56 \$0.00 \$21.28 \$1.44 \$105.51 \$68.06 \$37.97 \$48.44 \$22.70 \$48.11 \$0.00 \$0.00	\$121.11 \$0.00 \$15.20 \$1.03 \$75.37 \$48.62 \$27.12 \$34.60 \$16.22 \$34.36 \$0.00 \$0.00	\$16.75 \$0.00 \$64.84 \$4.40 \$321.56 \$207.43 \$115.72 \$147.62 \$69.18 \$146.62 \$0.00	\$3,940.20 \$0.00 \$494.43 \$33.52 \$2,451.91 \$1,581.67 \$882.37 \$1,125.58 \$527.53 \$1,118.00 \$0.00	\$662.08 \$0.00 \$83.08 \$5.63 \$412.00 \$2.65.77 \$148.27 \$189.13 \$88.64 \$187.86 \$0.00 \$0.00	64 64 64 65 65 65 65 67 67	Contract Secs - Other Anestal of Building/Real Property Rental Equipment Small Tools Computer/Rectronic Expenses Web Page Transportation Vehicle Insurance Ceneral Libelliny Insurance Vehicle Insurance Ceneral Libelliny Insurance Insurance - Other Ceneral Libelliny Insurance Insurance - Other Ceneral Libelliny Insurance Insurance - Other Ceneral Libelliny Insurance Training and Certification Cross Connection Control Program Training and Certification Consumer Confidence Report Adversing/Public Relations Maccial Annous Expenses Macc Indirect - License/Subscriptions/Fees Maccindrect - License/Subscriptions/Fees	\$4,020.72 \$33,840.00 Direct lect in queribouse supplies \$4,246.39 \$2827.88 Direct \$21,058.00 \$13,584.00 \$15,578.17 n/a Direct Direct Direct Direct Direct Direct S9,666.94 Included in Wages \$4,601.79 \$0.00 \$50.00	\$7,106.40 \$891.74 \$60.45 \$4,422.18 \$2,852.64 \$1,591.42 \$2,030.06 \$951.43 \$2,016.38 \$0.00 \$0.00	\$3,354.65 \$227.43 \$16,635.82 \$10,731.36 \$5,986.75 \$7,636.88 \$3,579.21 \$7,585.41 \$0.00 \$0.00	\$0.95 \$8.01 \$1.01 \$0.07 \$4.99 \$3.22 \$1.79 \$2.29 \$1.07 \$2.27 \$0.00 \$0.00	\$277 \$232 \$0.1 \$1.1 \$1.1 \$1.2 \$1.2 \$1.2 \$1.2 \$1.2 \$1		\$168.29 \$0.00 \$21.12 \$1.43 \$104.72 \$67.55 \$37.69 \$48.07 \$22.53 \$47.75 \$0.00 \$0.00	\$120.21 \$0.00 \$15.08 \$1.02 \$74.80 \$48.25 \$26.92 \$34.34 \$16.09 \$34.11 \$0.00 \$0.00	\$512.87 \$0.00 \$64.36 \$4.36 \$319.15 \$205.88 \$114.85 \$146.51 \$68.67 \$145.52 \$0.00 \$0.00	\$464.65 \$3,910.67 \$0.00 \$490.73 \$33.27 \$2,433.54 \$1,569.82 \$875.76 \$1,117.15 \$523.58 \$1,109.62 \$0.00 \$0.00	\$78.0 \$657. \$0.0 \$82.4 \$5.5: \$408. \$147. \$187. \$87.9 \$186. \$0.0 \$0.0
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Request: 5.

Please provide a detailed justification in narrative format for the Company's proposed Depreciation Expense (Account 403) increase of \$1,888 compared to the Test Year.

Response: 5.

In the application, the Test Year depreciation was reported as \$1,925, which included \$1,276 for capital improvements that were put in service during 2021. For a full year, the 2021 capital improvements will depreciate by \$2,134, which represents an increase of \$858. Additional capital improvements have already been completed in 2022. The annual depreciation for those items is \$452. The remaining requested additional depreciation of \$578 is simply five percent of the estimated cost of the backup well pump and the engineering costs that had not yet been billed for the main well reconstruction and pumphouse rebuild (20-year depreciation schedule).

Capital Improvement	2021 Depreciation	Annual Depreciation	Capital Improvement	Annual Depreciation 2022
Main well reconstruction	\$849.00	\$1,132.00	Main pumphouse permanent power	\$313.00
Main well pump	\$168.00	\$224.00	Backup well recovery	\$139.00
Main pumphouse (complete rebuild)	\$259.00	\$778.00		
			Total	\$452.00
Total	\$1,276.00	\$2,134.00		

Request: 6.

Regarding the capitalization of Hiland and/or Company labor associated with capital projects:

- a) Please describe whether the Company capitalizes any Company labor associated with work on capital projects, and if not, please explain how the labor cost associated with that Company labor gets incorporated into plant in service;
- b) Please describe whether Hiland capitalizes any Hiland labor associated with work on Helton capital projects, and if not, please explain how the labor cost associated with that Hiland labor gets incorporated into plant in service.
- c) If Hiland and/or the Company capitalized labor in 2021, what was the impact of that capitalization on 2021 labor expense for Helton?

Response: 6.

- a) Since Helton Tracts Water Company LLC does not have its own employees, it does not have labor to capitalize. The labor cost associated with the Company that is incorporated into plant in service is direct labor performed by Hiland Water. Hiland labor costs associated with Helton capital improvement projects are capitalized rather than expensed.
- b) The Company capitalizes Hiland labor associated with work on Helton capital projects. Labor associated with capital projects would not be properly considered an operational expense and would contribute to instability in annual operating expenses. Therefore, rather than applying Hiland labor associated with Helton capital projects as a direct expense attributable to Helton, it is treated as part of the capital project.

c) In 2021, \$9,734.34 of labor was capitalized rather than treated as an expense. The impact of this action reduced the direct operating expenses of the Test Year and increased the rate base from which depreciation and return on investment are calculated. Because direct expenses are generally allowed to be recovered in full annually, capitalizing labor associated with capital projects reduced the rates that were proposed in the rate case application.

Request: 7.

Please explain whether the Company's Test Year amount in Employee Pensions & Benefits (Account 604) includes any amounts attributable to meals and refreshments, parties, gifts from the Company to its employees, or abnormal costs that are not expected to recur. If it does, please provide an Excel spreadsheet identifying all such costs, and include a short description and the amount associated with each.

Response: 7.

The Company's Test Year amount in Employee Pensions & Benefits does not include any amounts attributable to meals and refreshments, parties, gifts from the Company to its employees, or abnormal costs that are not expected to recur. The Employee Pensions & Benefits consist of health insurance costs incurred by the company and IRA contributions made by the company. Both are applied to Helton as an indirect cost and calculated as follows:

IRA matching contribution:	\$18,864.88
Employer paid health insurance:	\$51,711.00
2021 Total Employee Pensions & Benefits:	\$70,575.88
Total allocated to "field only" clients (21%):	\$14,820.93
Adjusted total:	\$55,754.95
Cost per customer (\$55,754.95 / 3,311):	\$16.84
Allocated to Helton Tracts in test year (\$16.84 x 29):	\$488.34

Request: 8.

The Company's proposed Amortization for Rate Case (Account 666) is \$5,000 for the Test Year. Please provide detailed narrative and financial justification for this amount.

Response: 8.

There was no Amortization of Rate Case during the Test Year. It was the utility's intention, however, to propose an adjustment for ratemaking purposes. At this time, it is unknown how much rate case expense will be incurred throughout the ratemaking process for Helton Tracts Company LLC. Beyond Hiland staff time, there will be legal costs incurred to compensate for legal representation by Schroeder Law Offices, PC. Our best estimate of total rate case cost for Hiland staff time and Schroeder Law legal representation is \$15,000-\$25,000, depending on the amount of effort required to complete the rate case. The utility would prefer to amortize rate case costs over three years. If the actual costs exceed \$15,000, it may be more realistic to amortize over the course of four or five years.

Request: 9.

In its response to Question 34 in the application, the Company listed all the capital additions it has made since 2007. Regarding each of those additions, please provide a narrative description of each addition and an explanation of why that addition was necessary.

Response: 9.

Back pumphouse structure: This is the estimated cost of the pumphouse that holds the backup well. The backup well was the only well in service from August 2012 through April 2021. Since April 2021, it has reverted to the backup well for use when the main well is unavailable. A pumphouse structure is necessary to protect the well, above ground piping, electrical panels, pressure tanks, and other plant components from tampering and weather.

Blow off for transmission line: The distribution system lacked a point at which the water could be flushed. It is important to periodically flush out the lines to prevent stagnation and keep mainlines clear of buildup.

Back well contact chambers – 4-log disinfection: When the primary well was taken out of commission in 2012, OHA held concerns about possible contamination of the backup well. Construction of 4-log disinfection contact chambers ensured that the chlorine would have adequate contact time with the water to deactivate any potential E. coli before entry into the distribution system.

Back pumphouse improvements: Half of the existing pumphouse was inaccessible for ongoing maintenance needs. A full-size door was installed.

Main Well reconstruction: Due to well failure and contamination, the primary well was taken out of service in 2012. Additionally, the pumphouse at that location was beyond its useful life and had deteriorated to the point that it was no longer useable. The pumphouse was completely demolished and the well was reconstructed. The vast majority of the cost shown was paid to AM Jannsen Well Drilling (\$23,729.50). OHA viewed the reconstructed well as it would a new well, which required additional engineering in order to determine whether the sanitary radius around the well was adequate. HBH Consulting Engineers were retained to do this work. Upon verifying that the sanitary radius around the well was adequate, they completed a waiver request to exempt the primary well from the typical radius requirement. The waiver application was approved by OHA.

Request: 10.

In its response to Question 35 in the application, the Company proposed an \$11,560 increase in Utility Plant in Service (Account 101). Regarding each of those additions, please provide a narrative description of each addition and an explanation of why that addition was necessary.

Response: 10.

There are two major components to the proposed increase in Utility Plant:

1. Engineering costs associated with the Main well pumphouse. Most of the

engineering work has been completed but the engineer had not submitted an invoice for the services provided at the time the rate application was submitted. Engineering was required to establish construction plans and obtain approval from the Oregon Health Authority to construct the facility and to connect the main well to the distribution system.

2. Contractor costs associated with installation of a well pump for the backup well. Helton Tracts has relied on the availability of a backup well for use whenever the primary well is unavailable. Helton Tracts water system is very old and when the primary well failed in 2012, the availability of a backup well was crucial to the Company's ability to continue to provide safe and reliable drinking water to the community. After the failure of the backup well pump in 2021, it was deemed necessary to replace but highest priority was given first to the permanent reactivation of the primary well.

Request: 11.

Please provide a three-year average cost of all independent contractors listed in Question 24 of the application.

Response: 11.

2019-2021				
Name of Independent Contractor	Description of Services	Total Direct Charges	Total Indirect Allocated Charges	Combined Average Annual Charges
HBH Consulting Engineers	Engineering	\$3,034.00*	\$0.00	\$1,011.33
Want & Emery CPA's	Accounting	\$0.00	\$57.43	\$19.14
Schroeder Law Offices, P. C.	Legal	\$0.00**	\$8.72	\$2.91
Hiland Water	Management, Labor, Billing and Collection, Meter Reading	\$10,646.00	\$13,710.00	\$8,119.00
Alexin Analytical	Water Testing	\$3,325.00	\$0.00	\$1,108.33
Ernst Irrigation	Electrician/Pump Install	\$6,542.29***	\$2.55	\$2,181.61

^{*}These charges were part of a capital improvement project and were not included as an expense. A final invoice pertaining to the capital improvement projects listed is expected but has not yet been received. The estimated cost was included in the application as WIP.

Request: 12.

Regarding Question 28 of the Company's application, please describe in detail what the proposed \$1,225 in Taxes Other Than Income (Account 408) is for.

Response: 12.

The proposed Taxes Other Than Income are Payroll Taxes (Acct 408.12).

Request: 13.

Please provide information, in narrative format, regarding growth in either number of

^{**}Direct charges have been incurred in 2022 pertaining to the Helton Tracts Water Company PUC rate case.

^{***\$5,982.98} pertained to capital improvement projects. \$559.31 was for parts that were expensed.

customers or usage per customer the Company expects to realize over the next three years.

Response: 13.

Hiland Water acquired Helton Tracts water in 2007. At that time, there were 29 customers on the water system. There have not been any services added or subtracted during the past 15 years and there is no expectation that the number of customers at Helton Tracts Water Company will change over the next three years. Likewise, it is not expected that usage per customer will increase over the next three years. The current rate structure offers no financial incentive to conserve water since unlimited usage is included in the base fee. The Company's expectation is that usage will decrease when charges based on usage are implemented.

Request: 15.

In regard to Account 620 O&M Materials/Supplies, please provide a narrative explanation for why:

- a) The average amount spent in 2019 and 2020 was \$733.50 but the 2021 Test Year increased to \$1,745.00.
- b) Helton believes the 2021 Test Year amount will be representative of a typical year going forward.

Response: 15.

- a) The large increase in costs was due to direct expenses rather than indirect allocations. The following costs were classified as O&M Materials/Supplies and account for the difference from previous years: See DR 15 Response tab. The Reid Rental expense could have been classified as equipment rental. A trailer was rented during the winter storm that caused power outages in many areas served by Hiland-owned utilities. Although Hiland was able to furnish a generator and propane tank for short-term use at Helton, a trailer was necessary to deliver and hold the generator and propane tank while in use until power was restored. In April 2021, a generator was needed again, but for a different well and a longer period of time to power the front well until PGE could provide temporary power. Propane was purchased from McMinnville Gas to keep the rented generator running. This cost could be associated with the capital improvement work and could be allocated to the Main well pumphouse, or Main pumphouse permanent power projects discussed in Data Request 9 as a capital expenditure rather than as an expense because the cost was necessary to operate the well while capital improvements were made. Ernst Irrigation furnished parts pertaining to capital improvements. These costs were wrongly classified as expenses and should be reallocated to the Main well pumphouse, or Main pumphouse permanent power projects discussed in Data Request 9 as capital expenditures.
- b) Helton is experiencing rising operating costs overall and O&M Materials/Supplies are no exception. While all three costs itemized above could be reallocated elsewhere to reduce these costs to 2019-2020 levels, average costs are likely to continue increasing in the coming years. The winter storm power outages in recent years have also created instability in the cost structure for very small utilities such as Helton. A single weather event can drastically impact the

operating costs in any given year.

Vendor	Description	Invoice Date	Amount
Reid Rental	Trailer Rental	02/24/21	\$230.00
McMinnville Gas	Propane	04/17/21	\$218.63
Ernst Irrigation	Parts	11/09/21	\$559.31

Request: 16.

In regard to Account 639 Contract Services – Other, please provide a narrative explanation for why:

- a) The average amount spent in 2019 and 2020 was \$127.50 but the 2021 Test Year raised to \$726.00.
- b) Helton believes the 2021 Test Year amount will be representative of a typical year going forward.

Response: 16.

- a) The additional charges to Account 639 were due to electrician costs to repair damaged electrical equipment. The invoice from Ernst Irrigation was \$695.75. The damage occurred during a January 2021 winter storm.
- b) Helton believes that unexpected expenses such as this one will and do occur at small water utilities. Although future unexpected expenses may not affect Account 629 Contract Services every year, they impact the total operating costs of the water system. Such costs should be accounted for in the ratemaking process.

Request: 17.

In regard to Account 642 Rental Equipment, please provide a narrative explanation for why:

- a) The average amount spent in 2019 and 2020 was \$58.50 but the 2021 Test Year increased to \$2,555.00.
- b) Helton believes the 2021 Test Year amount will be representative of a typical year going forward.

Response: 17.

a) A generator was rented from United Rentals at a cost of \$2,284.80 during April 2021. This was necessary because Hiland didn't have any acceptable generators available for extended use to power the pump in the primary well until PGE could provide temporary power. This expense was incurred due to the urgent need to pump water from the front well to serve the community. Like the propane that was purchased and addressed in Data Request 15, this cost could be added to the Main well pumphouse, or Main pumphouse permanent power capital improvement projects rather than being treated as an expense. From April to November 2021, Hiland rented a service truck to Helton for 18 hours of use. In accordance with its approved affiliated interest application and master services agreement, \$216.00 was charged for this equipment rental. After reviewing the work associated with the service truck use, it would be justifiable to re-classify these costs from rental expense to capital improvement as part of the Main well

- pumphouse project.
- b) Helton does not believe the 2021 Test Year amount to be representative of a typical year going forward but would note that equipment rental in response to power outages during winter storms has become more frequent in recent years. Additionally, there were no water line leak repairs in 2021 at Helton. Not many leaks have been identified or repaired at this water system in recent years, but the pipelines are very old, and the calculated loss factor indicates that leaks exist. Helton believes leak repair will likely become a regular part of the operating cost, which would include the rental of equipment from Hiland and unaffiliated rental companies.

Request: 18.

In regard to Account 650 Transportation, please provide a narrative explanation for why:

- a) The average amount spent in 2019 and 2020 was \$391.50 but the 2021 Test Year increased to \$1,894.00.
- b) Helton believes the 2021 Test Year amount will be representative of a typical year going forward.

Response: 18.

- a) There were more miles travelled to service the Helton water system in 2021 than in previous years. In accordance with the approved affiliated interest application, mileage was charged to Helton based on the federal mileage rate for 2021. The additional travel, however, was due to the capital improvement projects that have been previously detailed. Helton is not opposed to re-classifying the costs in excess of a typical year from transportation expense to the capital improvement projects that took place during 2021, particularly the Main well pumphouse project.
- b) Helton believes the 2021 Test Year amount reflects increased activity at the water system due to 2021 capital improvement projects and is not representative of a typical year.

Request: 19.

In regard to Account 408.12 Payroll Tax, please provide a narrative explanation for why:

- a) The average amount spent in 2019 and 2020 was \$361.50 but the 2021 Test Year increased to \$1,114.00.
- b) Helton believes the 2021 Test Year amount will be representative of a typical year going forward.
- c) Helton's application did not have any dollar amounts associated with this account but Helton's response to DR 2 did include a dollar amount for this account.

Response: 19.

a) A portion of wages and salary that would have typically been a Direct Allocation to Helton were allocated to capital improvements performed in 2021, because the effort was associated with the capital improvements that took place, specifically the Main well pumphouse project. The payroll taxes connected to those wages were inadvertently allocated to Account 408.12 instead of capital improvements. In total, \$776.00 should be reduced from the reported payroll tax and allocated to the Main well pumphouse project.

b) The resulting Test Year payroll tax amount would not be representative of a typical year going forward. Due to rapid inflation and rising labor costs, the Test Year payroll tax amount would underrepresent the expected payroll tax burden to the utility. Helton believes a minimum increase of ten percent should be allotted to account for associated cost increases.

c) Helton is unable to find any place in the application downloaded from the Oregon PUC website where Account 408.12 is mentioned. Rather, there is a line for Account 408 labelled "Taxes Other Than Income" within Question 28 that was used to report payroll taxes in the initial application because that was believed to be the most appropriate option available.