

Roche Harbor Water System  
 UW-060583  
 Results of Operations

For the period ending  
 12/31/2005

Attachment 1  
 5/15/2006

	Ann Report 31-Dec-04	Ann Report 31-Dec-05	RESTATE ADJ	PER BOOK ADJ	PROFORMA ADJ	PROFORMA BEFORE	PROPOSED RATES	PROPOSED PERIOD	REVISED RATES	REVISED PERIOD		
<b>REVENUES</b>												
Ready to Serve			R1	9,525	9,525			9,525		9,525		
Metered Sales, Residential	220,797	231,606	R1	(12,713)	218,893	0	218,893 C1	89,398	308,291 S1	58,200	277,093	
Capital Surcharge			R2	75,646	75,646			75,646 S2	(75,646)	0		
Service Connections				0	0			0		0		
Other Income, Ancillary Charges			R1	4,092	4,092	PF5	(702)	3,390		3,390		
<b>OPERATING REVENUE</b>	<b>\$220,797</b>	<b>\$231,606</b>		<b>\$76,550</b>	<b>\$308,156</b>		<b>(\$702)</b>	<b>\$307,454</b>	<b>\$89,398</b>	<b>\$396,852</b>	<b>(\$17,446)</b>	<b>\$290,008</b>
							38.57%			25.11%		
<b>EXPENSES</b>												
Salary Employees	63,296	41,805		41,805	PF1	17,402	59,207		59,207		59,207	
Salary Officers				0			0		0		0	
Employee Pension/Benefit	6,973	5,924		5,924	PF!	832	6,756		6,756		6,756	
Purchased Power	7,686	8,255		8,255	PF3	2,014	10,269		10,269		10,269	
Chemicals	34,126	39,639		39,639			39,639		39,639		39,639	
Material & Supplies		7,309	R3	(7,309)			0		0		0	
Contractual Engineer	6,493			0			0		0		0	
Contractual Accounting				0			0		0		0	
Contractual Legal		15,690		15,690			15,690		15,690		15,690	
Contractual Ops/Mgmt/SMA	7,391	35,820		35,820	PF1	1,146	36,966		36,966		36,966	
Testing	8,531	9,840		9,840			9,840		9,840		9,840	
Rents / Building, Property				0			0		0		0	
Transportation	9,026	12,678		12,678			12,678		12,678		12,678	
Insurance	10,422	7,950		7,950			7,950		7,950		7,950	
Regulatory, Fees / Rate Case				0	PF4	1,100	1,100 C1	165	1,265 S1	108	1,208	
Bad Debt/Amortization				0			0		0		0	
Travel/ Education/ Bank/ CCR		5,214		5,214			5,214		5,214		5,214	
Office/ Postage / Phone	9,430	10,356		10,356			10,356		10,356		10,356	
Repairs	60,370	34,206		34,206			34,206		34,206		34,206	
Capital Surcharge			R2	72,943	72,943		72,943		72,943 S2	(72,943)	0	
Depreciation Net	16,396	15,878		15,878			15,878		15,878 S2	(15,878)	0	
Utility Excise Tax		14,396	R2	(2,703)	11,693		11,693 C1	4,496	16,189 S1	2,892	14,584	
Property Tax	2,936	2,738		2,738	PF2	6,052	8,790		8,790		8,790	
Payroll Tax	12,658	12,271		12,271	PF1	2,390	14,661		14,661		14,661	
Other Tax & License	4,664	1,958		1,958			1,958		1,958		1,958	
<b>OPERATING EXPENSES</b>	<b>\$260,398</b>	<b>\$281,927</b>		<b>\$62,931</b>	<b>\$344,858</b>		<b>\$30,936</b>	<b>\$375,794</b>	<b>\$4,661</b>	<b>\$380,455</b>	<b>(\$85,822)</b>	<b>\$289,972</b>
<b>OPERATING INCOME</b>	<b>(39,601)</b>	<b>(50,321)</b>		<b>13,619</b>	<b>(36,702)</b>		<b>(31,638)</b>	<b>(68,340)</b>	<b>84,737</b>	<b>16,397</b>	<b>68,376</b>	<b>36</b>
Interest Expense	25,467	22,814		22,814	S2	(22,814)	0		0		0	
Fed Income Tax - 15%	0	0		0			0 C1		0 S1	0	0	
<b>TOTAL EXPENSE</b>	<b>285,865</b>	<b>304,741</b>		<b>367,672</b>			<b>375,794</b>		<b>380,455</b>		<b>289,972</b>	
<b>INCOME (LOSS)</b>	<b>(\$65,068)</b>	<b>(\$73,135)</b>		<b>\$13,619</b>	<b>(\$59,516)</b>		<b>(\$31,638)</b>	<b>(\$68,340)</b>	<b>\$84,737</b>	<b>\$16,397</b>	<b>\$68,376</b>	<b>\$36</b>
<b>NET OPERATING INCOME</b>	<b>(\$39,601)</b>	<b>(\$50,321)</b>		<b>(\$36,702)</b>			<b>(\$68,340)</b>		<b>\$16,397</b>		<b>\$36</b>	
<b>BEOY</b>												
UTIL PLANT IN SERV	2,113,898	2,121,339		2,121,339		(3,721)	2,117,619 P6	0	2,117,619		2,117,619	
ACCUM DEPRECIATION	(181,887)	(239,859)		(239,859)		28,986	(210,873)		(210,873)		(210,873)	
ACQUISITION ADJUSTMENT		0		0		0	0		0		0	
CIAC PLANT IN SERV	(891,877)	(972,523)		(972,523)		40,323	(932,200)		(932,200) S2	(1,107,371)	(2,039,571)	
ACCUM AMORTIZATION	56,224	98,318		98,318		(21,047)	77,271		77,271		77,271	
<b>NET RATE BASE</b>	<b>\$1,096,358</b>	<b>\$1,007,275</b>		<b>\$0</b>	<b>\$1,007,275</b>		<b>\$44,542</b>	<b>\$1,051,817</b>	<b>\$0</b>	<b>\$1,051,817</b>	<b>(\$1,107,371)</b>	<b>-\$55,555</b>
<b>RATE OF RETURN %</b>	<b>-3.61%</b>	<b>-5.00%</b>		<b>-3.64%</b>			<b>-6.50%</b>		<b>1.56%</b>		<b>-0.06%</b>	
<b>Customer Count</b>	<b>445</b>	<b>497</b>		<b>497</b>			<b>497</b>		<b>497</b>		<b>497</b>	