

SUMMARY1

| RAINIER VIEW WATER CO., INC. | | | | |
|--|--|------------------|--------------------|--------------------|
| PRO FORMA INCOME STATEMENT | | | | |
| FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 | | | | |
| (WITH FEDERAL INCOME TAXES IMPUTED) | | | | |
| INITIAL ORDER DECISION | | | | |
| Line | Description | Source | As Recorded | Total |
| No. | (A) | (B) | Results of | Restating |
| | | | Operations | Adjustments |
| | | | (C) | (D) |
| | OPERATING REVENUES | | | |
| 1 | Unmetered Sales | Input | \$61,772 | \$0 |
| 2 | Metered Sales | Input | 2706447 | 0 |
| 3 | Treatment Surcharge Expense | Input | 436467 | -190201 |
| 4 | Fire Flow | Input | 12177 | 0 |
| 5 | Ready to Serve Revenue | Input | 0 | 0 |
| 6 | Co-Bank Patronage Refund | Input | 0 | 0 |
| 7 | Sub-Total Operating Revenue | Ln 1 thru 7 | 3216863 | -190201 |
| 8 | Miscellaneous Service Revenue | Input | 42912 | 0 |
| 9 | TOTAL OPERATING REVENUE | Ln 7+8 | 3259775 | -190201 |
| | OPERATING & MAINTENANCE EXPENSE | | | |
| 10 | Salaries-Employees | Input | 621844 | 0 |
| 11 | Salaries-Officers | Input | 76440 | 0 |
| 12 | Employment Benefits | Input | 155856 | 0 |
| 13 | Purchase Power | Input | 173896 | 0 |
| 14 | Chemical Testing | Input | 79313 | 0 |
| 15 | Materials & Supplies | Input | 376036 | 0 |
| 16 | Contract Services-Engineering | Input | 37709 | 0 |
| 17 | Contract Services-Accounting | Input | 26961 | 0 |
| 18 | Contract Services-Legal | Input | 29681 | -1558 |
| 19 | Contract Services-Other | Input | 7138 | 0 |
| 20 | Building Rent | Input | 49740 | 0 |
| 21 | Equipment Rent | Input | 200 | 0 |
| 22 | Transportation Expense | Input | 89840 | 0 |
| 23 | Insurance-Vehicle | Input | 34259 | 0 |
| 24 | Insurance-General Liability | Input | 14785 | 0 |
| 25 | Regulatory Commission Expense | Input | 5479 | 918 |
| 26 | Miscellaneous Expense | Input | 17197 | 0 |
| 27 | Depreciation | Input | 579476 | -115266 |
| 28 | Amortization | Input | 5443 | 0 |
| 29 | Amortization of CIAC | Input | -182387 | 0 |
| 28 | Bad Debt | Input | -627 | 0 |
| 29 | Taxes Other Than Income | Input | 295886 | -9565 |
| 30 | Rate Case Expense | Input | 0 | 0 |
| 31 | TOTAL OPERATING EXPENSES | +Ln 10 thru 30 | 2494165 | -125471 |
| 32 | UTILITY OPERATING INCOME BEFORE FIT | Ln 9-31 | 765610 | -64730 |
| 33 | FEDERAL INCOME TAX (C-Corp Rates) | From Ln 48 or 49 | 167639.04 | -46520.16 |
| 34 | TOTAL OPERATING EXPENSE. & FIT | Ln 31+33 | 2661804.04 | -171991.16 |
| 35 | NET OPERATING INCOME | Ln 9-34 | \$597,971 | (\$18,210) |
| | RATE BASE | | | |
| 36 | Total Plant In Service | From Ln 55 | ##### | (\$357,142) |
| 37 | Total Accumulated Depreciation & Amort. | From Ln 58 | 2,663,652 | (287,831) |
| 38 | Net Plant In Service | Ln 36-37 | 10,387,584 | (69,311) |

| | | | | |
|----|---|------------------|--------------------|--------------------|
| 39 | Net Contributions In Aid of Construction | From Ln 59 | (5,317,673) | (52,712) |
| 40 | Total Accumulated Deferred Taxes | From Ln 60 | 0 | (39,190) |
| 41 | Investor-Supplied Working Capital Allowance | From Ln 61 | 0 | 0 |
| 42 | TOTAL RATE BASE | Ln 38+39+40+41 | \$5,069,911 | (\$161,213) |
| 43 | RATE OF RETURN ON RATE BASE- % | (Ln 35/42) x 100 | 11.79% | |

SUMMARY2

| RAINIER VIEW WATER CO., INC. | | | | |
|--|---|-------------------|---------------------------------------|---------------------------------|
| PRO FORMA INCOME STATEMENT | | | | |
| DETAIL OF INCOME TAXES AND RATE BASE | | | | |
| FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 | | | | |
| (WITH FEDERAL INCOME TAXES IMPUTED) | | | | |
| Line No. | Description | Source | As Recorded Results of Operations (C) | Total Restating Adjustments (D) |
| | (A) | (B) | (C) | (D) |
| FEDERAL INCOME TAXES: | | | | |
| 44 | Operating Income Before FIT: | From Ln 32 | \$765,610 | (\$64,730) |
| 45 | Other Income | Input | 72,094 | (72,094) |
| 46 | FIT - Net Deductions (Including Interest Expense) | Input | -344,648 | 0 |
| 47 | Taxable Income | Ln 44+45+46 | 493,056 | (136,824) |
| 48 | Net Federal Income Tax *** OR *** | Ln 47 x (34.00%) | 167,639 | (46,520) |
| 49 | Federal Income Taxes - Direct Input | Input | 167,639 | -46,520.16 |
| RATE BASE | | | | |
| PLANT IN SERVICE | | | | |
| 50 | Utility Plant In Service | Input | ##### | (\$357,142) |
| 51 | | Input | 0 | 0 |
| 52 | | Input | 0 | 0 |
| 53 | | Input | 0 | 0 |
| 54 | | Input | 0 | 0 |
| 55 | TOTAL PLANT IN SERVICE | Ln +50...+54 | 13051236 | -357142 |
| 56 | ACCUMULATED DEPRECIATION | Input | 2663652 | (287,831) |
| 57 | ACCUM. PROVISION FOR AMORTIZATION | Input | 0 | 0 |
| 58 | TOTAL ACCUM. DEPR. & AMORT. | Ln 56+57 | 2663652 | -287831 |
| 59 | NET CONTRIB. IN AID OF CONSTRUCTION | Input | -5317673 | (52,712) |
| 60 | ACCUMULATED DEFERRED TAXES | Input | 0 | (39,190) |
| 61 | INVESTOR SUPPLIED WORKING CAPITAL | Input | 0 | 0 |
| 62 | | | 0 | 0 |
| 63 | | | 0 | 0 |
| 64 | | | 0 | 0 |
| 65 | | | 0 | 0 |
| 66 | NET RATE BASE | Ln 55-58+59+60+61 | \$5,069,911 | (\$161,213) |

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RESTATING1

| RAINIER VIEW WATER CO., INC. | |
|--|---------------------------|
| RESTATING ADJUSTMENTS TO INCOME | |
| FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 | |
| (WITH FEDERAL INCOME TAXES IMPUTED) | |
| | S-RA-1/ C-RA-1 |

| Line No. | Description | Source | Total Restating Adjustments | Restate Surcharge Revenues |
|----------|---|------------------|-----------------------------|----------------------------|
| | (A) | (B) | (C) | (D) |
| | OPERATING REVENUES | | | |
| 1 | Unmetered Sales | Input | \$0 | \$0 |
| 2 | Metered Sales | Input | 0 | 0 |
| 3 | Treatment Surcharge Expense | Input | (190,201) | -190201 |
| 4 | Fire Flow | Input | 0 | 0 |
| 5 | Ready to Serve Revenue | Input | 0 | 0 |
| 6 | Co-Bank Patronage Refund | Input | 0 | 0 |
| 7 | Sub-Total Operating Revenue | Ln 1 thru 7 | -190201 | -190201 |
| 8 | Miscellaneous Service Revenue | Input | 0 | 0 |
| 9 | TOTAL OPERATING REVENUE | Ln 7+8 | -190201 | -190201 |
| | OPERATING & MAINTENANCE EXPENSE | | | |
| 10 | Salaries-Employees | Input | 0 | 0 |
| 11 | Salaries-Officers | Input | 0 | 0 |
| 12 | Employment Benefits | Input | 0 | 0 |
| 13 | Purchase Power | Input | 0 | 0 |
| 14 | Chemical Testing | Input | 0 | 0 |
| 15 | Materials & Supplies | Input | 0 | 0 |
| 16 | Contract Services-Engineering | Input | 0 | 0 |
| 17 | Contract Services-Accounting | Input | 0 | 0 |
| 18 | Contract Services-Legal | Input | (1,558) | 0 |
| 19 | Contract Services-Other | Input | 0 | 0 |
| 20 | Building Rent | Input | 0 | 0 |
| 21 | Equipment Rent | Input | 0 | 0 |
| 22 | Transportation Expense | Input | 0 | 0 |
| 23 | Insurance-Vehicle | Input | 0 | 0 |
| 24 | Insurance-General Liability | Input | 0 | 0 |
| 25 | Regulatory Commission Expense | Input | 918 | 0 |
| 26 | Miscellaneous Expense | Input | 0 | 0 |
| 27 | Depreciation | Input | (115,266) | 0 |
| 28 | Amortization | Input | 0 | 0 |
| 29 | Amortization of CIAC | Input | 0 | 0 |
| 30 | Bad Debt | Input | 0 | 0 |
| 31 | Taxes Other Than Income | Input | (9,565) | -9565 |
| 32 | Rate Case Expense | Input | 0 | 0 |
| 33 | TOTAL OPERATING EXPENSES | +Ln 10 thru 32 | -125471 | -9565 |
| 34 | UTILITY OPERATING INCOME BEFORE FIT | Ln 9-33 | -64730 | -180636 |
| 35 | FEDERAL INCOME TAX (C-Corp Rates) | From Ln 49 or 50 | (46,520) | -61416.24 |
| 36 | TOTAL OPERATING EXPENSE. & FIT | Ln 33+35 | -171991.16 | -70981.24 |
| 37 | NET OPERATING INCOME | Ln 9-36 | (\$18,210) | (\$119,220) |
| | RATE BASE | | | |
| 38 | Total Plant In Service | From Ln 56 | (357,142) | \$0 |
| 39 | Total Accumulated Depreciation & Amort. | From Ln 59 | (287,831) | 0 |
| 40 | Net Plant In Service | Ln 38-39 | (69,311) | 0 |
| 41 | Net Contributions In Aid of Construction | From Ln 60 | (52,712) | 0 |
| 42 | Total Accumulated Deferred Taxes | From Ln 61 | (39,190) | 0 |
| 43 | Investor-Supplied Working Capital Allowance | From Ln 62 | 0 | 0 |
| 44 | TOTAL RATE BASE | Ln 40+41+42+43 | (\$161,213) | \$0 |
| | | (Ln 37/44) x 100 | | |

RESTATING2

| RAINIER VIEW WATER CO., INC. RESTATING ADJUSTMENTS DETAIL OF ADJUSTMENTS TO TAXES AND RATE BASE FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 (WITH FEDERAL INCOME TAXES IMPUTED) | | | | |
|--|--|-------------------|-----------------------------|---|
| Line No. | Description | Source | Total Restating Adjustments | S-RA-1/ C-RA-1 Restate Surcharge Revenues |
| | (A) | (B) | (C) | (D) |
| | FEDERAL INCOME TAXES: | | | |
| 45 | Operating Income Before FIT: | From Ln 34 | (\$64,730) | (\$180,636) |
| 46 | Other Operating Income | Input | (72,094) | 0 |
| 47 | FIT - Net Deductions | Input | 0 | 0 |
| 48 | Taxable Income | Ln 45+46+47 | -136824 | -180636 |
| 49 | Net Federal Income Tax *** OR *** | Ln 48 x (34.00%) | (46,520) | (61,416) |
| 50 | Federal Income Taxes - Direct Input | Input | (46,520) | (61,416) |
| | RATE BASE | | | |
| | PLANT IN SERVICE | | | |
| 51 | Utility Plant In Service | Input | (\$357,142) | \$0 |
| 52 | | Input | 0 | 0 |
| 53 | | Input | 0 | 0 |
| 54 | | Input | 0 | 0 |
| 55 | | Input | 0 | 0 |
| 56 | TOTAL PLANT IN SERVICE | Ln +51...+55 | -357142 | 0 |
| 57 | ACCUMULATED DEPRECIATION | Input | (287,831) | 0 |
| 58 | ACCUM. PROVISION FOR AMORTIZATION | Input | 0 | 0 |
| 59 | TOTAL ACCUM. DEPR. & AMORT. | Ln 57+58 | -287831 | 0 |
| 60 | NET CONTRIB. IN AID OF CONSTRUCTION | Input | (52,712) | 0 |
| 61 | ACCUMULATED DEFERRED TAXES | Input | (39,190) | 0 |
| 62 | INVESTOR SUPPLIED WORKING CAPITAL | Input | 0 | 0 |
| 63 | | | 0 | 0 |
| 64 | | | 0 | 0 |
| 65 | | | 0 | 0 |
| 66 | | | 0 | 0 |
| 67 | NET RATE BASE | Ln 56-59+60+61+62 | (\$161,213) | \$0 |

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PROFORMA1

| RAINIER VIEW WATER CO., INC. PROFORMA ADJUSTMENTS TO INCOME FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 (WITH FEDERAL INCOME TAXES IMPUTED) | | | | |
|--|-------------|--------|-----------------------------|--------------------------------|
| Line No. | Description | Source | Total Pro Forma Adjustments | S-PA-1/ C-PA-1A Salaries |
| | (A) | (B) | (C) | (D) |
| | | | | |

| | | | | |
|----|--|------------------|--------------------|-------------------|
| | OPERATING REVENUES | | | |
| 1 | Unmetered Sales | Input | \$0 | \$0 |
| 2 | Metered Sales | Input | (45,433) | 0 |
| 3 | Treatment Surcharge Expense | Input | 0 | 0 |
| 4 | Fire Flow | Input | 0 | 0 |
| 5 | Ready to Serve Revenue | Input | 0 | 0 |
| 6 | Co-Bank Patronage Refund | Input | 0 | 0 |
| 7 | Sub-Total Operating Revenue | Ln 1 thru 7 | -45433 | 0 |
| 8 | Miscellaneous Service Revenue | Input | 0 | 0 |
| 9 | TOTAL OPERATING REVENUE | Ln 7+8 | -45433 | 0 |
| | OPERATING & MAINTENANCE EXPENSE | | | |
| 10 | Salaries-Employees | Input | 133,056 | 133056 |
| 11 | Salaries-Officers | Input | 5,773 | 0 |
| 12 | Employment Benefits | Input | 49,798 | 0 |
| 13 | Purchase Power | Input | 46,345 | 0 |
| 14 | Chemical Testing | Input | 0 | 0 |
| 15 | Materials & Supplies | Input | 23,918 | 0 |
| 16 | Contract Services-Engineering | Input | 0 | 0 |
| 17 | Contract Services-Accounting | Input | 0 | 0 |
| 18 | Contract Services-Legal | Input | 0 | 0 |
| 19 | Contract Services-Other | Input | 0 | 0 |
| 20 | Building Rent | Input | 0 | 0 |
| 21 | Equipment Rent | Input | 0 | 0 |
| 22 | Transportation Expense | Input | 0 | 0 |
| 23 | Insurance-Vehicle | Input | (6,911) | 0 |
| 24 | Insurance-General Liability | Input | 55,069 | 0 |
| 25 | Regulatory Commission Expense | Input | 0 | 0 |
| 26 | Miscellaneous Expense | Input | (3,500) | 0 |
| 27 | Depreciation | Input | 9,239 | 0 |
| 28 | Amortization | Input | 0 | 0 |
| 29 | Amortization of CIAC | Input | 0 | 0 |
| 30 | Bad Debt | Input | 19,153 | 0 |
| 31 | Taxes Other Than Income | Input | 6,966 | 9445 |
| 32 | Rate Case Expense | Input | 22,567 | 0 |
| 33 | TOTAL OPERATING EXPENSES | Ln 10 thru 32 | 361472.667 | 142501 |
| 34 | UTILITY OPERATING INCOME BEFORE FIT | Ln 9-33 | -406905.67 | -142501 |
| 35 | FEDERAL INCOME TAX (C-Corp Rates) | From Ln 49 or 50 | (91,364) | -48450.34 |
| 36 | TOTAL OPERATING EXPENSE. & FIT | Ln 33+35 | 270108.885 | 94050.66 |
| 37 | NET OPERATING INCOME | Ln 9-36 | (\$315,542) | (\$94,051) |
| | RATE BASE | | | |
| 38 | Total Plant In Service | From Ln 56 | 42,506 | \$0 |
| 39 | Total Accumulated Depreciation & Amort. | From Ln 59 | 0 | 0 |
| 40 | Net Plant In Service | Ln 38-39 | 42,506 | 0 |
| 41 | Net Contributions In Aid of Construction | From Ln 60 | 0 | 0 |
| 42 | Total Accumulated Deferred Taxes | From Ln 61 | 0 | 0 |
| 43 | Investor-Supplied Working Capital Allowanc | From Ln 62 | 0 | 0 |
| 44 | TOTAL RATE BASE | Ln 40+41+42+43 | \$42,506 | \$0 |

7.10%

PROFORMA2

RAINIER VIEW WATER CO., INC.

**PROFORMA ADJUSTMENTS
DETAIL OF ADJUSTMENTS TO TAXES AND RATE BASE
FOR THE 12 MONTHS ENDED DECEMBER 31, 2000**

**S-PA-1/
C-PA-1A**

(WITH FEDERAL INCOME TAXES IMPUTED)

| Line No. | Description | Source | Total Pro Forma Adjustments | Salaries |
|----------|--|-------------------|-----------------------------|-----------------|
| | (A) | (B) | (C) | (D) |
| | FEDERAL INCOME TAXES: | | | |
| 45 | Operating Income Before FIT: | From Ln 34 | (\$406,906) | (\$142,501) |
| 46 | Other Operating Income | Input | 0 | 0 |
| 47 | FIT - Net Deductions | Input | 138,189 | 0 |
| 48 | Taxable Income | Ln 45+46+47 | -268717.01 | -142501 |
| 49 | Net Federal Income Tax *** OR *** | Ln 48 x (34.00%) | (91,364) | (48,450) |
| 50 | Federal Income Taxes - Direct Input | Input | (91,364) | (48,450) |
| | RATE BASE | | | |
| | PLANT IN SERVICE | | | |
| 51 | Utility Plant In Service | Input | \$42,506 | \$0 |
| 52 | | Input | 0 | 0 |
| 53 | | Input | 0 | 0 |
| 54 | | Input | 0 | 0 |
| 55 | | Input | 0 | 0 |
| 56 | TOTAL PLANT IN SERVICE | Ln +51...+55 | 42506 | 0 |
| 57 | ACCUMULATED DEPRECIATION | Input | 0 | 0 |
| 58 | ACCUM. PROVISION FOR AMORTIZATION | Input | 0 | 0 |
| 59 | TOTAL ACCUM. DEPR. & AMORT. | Ln 57+58 | 0 | 0 |
| 60 | NET CONTRIB. IN AID OF CONSTRUCTION | Input | 0 | 0 |
| 61 | ACCUMULATED DEFERRED TAXES | Input | 0 | 0 |
| 62 | INVESTOR SUPPLIED WORKING CAPITAL | Input | 0 | 0 |
| 63 | | | 0 | 0 |
| 64 | | | 0 | 0 |
| 65 | | | 0 | 0 |
| 66 | | | | |
| 67 | NET RATE BASE | Ln 56-59+60+61+62 | \$42,506 | \$0 |

FACTOR INPUT SHEET

**RAINIER VIEW WATER CO., INC.
PRO FORMA INCOME STATEMENT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2000**

**FACTOR INPUT SHEET
(WITH FEDERAL INCOME TAXES IMPUTED)**

| Ln # | Description | Percent Recommend | Decimal Factor |
|------|--|-------------------|----------------|
| | (A) | (B) | (C) |
| 1 | Test Period 12 Months Ending Year | 2000 | N/a |
| 2 | Net-To-Gross Revenue Conversion Factor | 62.1199% | ##### |
| 3 | Recommended Rate of Return | 8.76% | ##### |
| 4 | Uncollectible Factor | 0.6500% | ##### |
| 5 | Utility Tax | 5.0290% | ##### |

FACTOR INPUT

| | | | |
|---|---------------------|----------|-------|
| 6 | WUTC Regulatory Fee | 0.2000% | ##### |
| 7 | Federal Tax Rate | 34.0000% | ##### |
| 8 | | 0.0000% | ##### |
| 9 | | 0.0000% | ##### |

CONVERSION FACTOR

RAINIER VIEW WATER CO., INC.
GROSS REVENUE CONVERSION FACTOR
FOR THE 12 MONTHS ENDED DECEMBER 31, 2000
(WITH FEDERAL INCOME TAXES IMPUTED)

| Ln # | DESCRIPTION (A) | SOURCE (B) | REVENUE SENSITIVE RATES (C) |
|------|--|---------------|--------------------------------------|
| 1 | REVENUES | Constant | |
| | EXPENSES: | | |
| 2 | LESS: PROVISION FOR UNCOLLECTIBLES | Input | 0.6500% |
| 3 | WUTC REGULATORY FEE | Input | 0.2000% |
| 4 | UTILITY TAX | Input | 5.0290% |
| 5 | | Input | 0.0000% |
| 6 | | Input | 0.0000% |
| 7 | TOTAL REVENUE SENSITIVE EXPENSES | + Ln 2...Ln 6 | |
| 8 | TAXABLE INCOME BEFORE FIT | Ln 1 - Ln 7 | |
| 9 | LESS: FEDERAL INCOME TAX | Input | 34.0000% |
| 10 | NET TO GROSS CONVERSION FACTOR | Ln 8 - Ln 9 | |
| 11 | GROSS REVENUE CONVERSION FACTOR - MULTIPLIER | 1/Ln 9 | |

COST OF CAPITAL

RAINIER VIEW WATER CO., INC.
REVIEW OF COST OF CAPITAL
FOR THE 12 MONTHS ENDED DECEMBER 31, 2000
(WITH FEDERAL INCOME TAXES IMPUTED)

| Ln # | DESCRIPTION (A) | AMOUNT (\$000) [See Note] (B) | CAPITAL STRUCTURE (%) (C) |
|------|--------------------|--|------------------------------------|
| 1 | DEBT | \$3,747,442 | 61.76% |
| 2 | COMMON EQUITY | 1,548,413 | 38.24% |
| 3 | TOTALS | <u>\$5,295,855</u> | <u>100.00%</u> |

| | |
|--|--|
| | |
|--|--|

check ==> 100.00%

Note: Amount of \$5,295,855, at Line 3, Column (B), came from

PROFORMA DEBT

| RAINIER VIEW WATER CO., INC. | | | | |
|---|------------------------------|-----------------|----------------|--------------|
| PRO FORMA INCOME STATEMENT | | | | |
| CALCULATION OF PRO FORMA DEBT ADJUSTMENT S-PA-10 | | | | |
| FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 | | | | |
| (WITH FEDERAL INCOME TAXES IMPUTED) | | | | |
| LINE NO. | DESCRIPTION | SOURCE | FEDERAL AMOUNT | OTHER AMOUNT |
| | (A) | (B) | (C) | (D) |
| 1 | TOTAL PRO FORMA RATE BASE | PRO FORMA PG | \$4,951,204 | \$0 |
| 2 | ADDED CWIP | INPUT | 0 | 0 |
| 3 | TOTAL RATE BASE & CWIP | Ln 1 + Ln 2 | \$4,951,204 | \$0 |
| 4 | WEIGHTED COST OF DEBT | RECOMMENDED | 4.17% | 4.17% |
| 5 | PRO FORMA INTEREST EXPENSE | Ln 3 x Ln 4 | \$206,459 | \$0 |
| 6 | ACTUAL INTEREST EXPENSE | PER BOOKS | 344,648 | 0 |
| 7 | CHANGE IN INTEREST EXPENSE | Ln 5 - Ln 6 | (\$138,189) | (\$0) |
| 8 | FEDERAL/OTHER INC. TAX RATE | CURRENT RATE | 34.00% | 0.00% |
| 9 | FED./OTHER INCOME TAX EFFECT | Ln 7 x Ln 8 | \$46,984 | \$0 |
| 10 | LESS DEDUCTION FOR "OTHER" | OTHER x FIT RAT | 0 | 0 |
| 11 | NET OPERATING INCOME EFFECT | - Ln 9 + Ln 10 | (\$46,984) | \$0 |

REVENUE REQUIREMENT

| RAINIER VIEW WATER CO., INC. | | | |
|--|---|-------------------|-----------------------------|
| CALCULATION OF REVENUE REQUIREMENT | | | Docket No. UW-010877 |
| FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 | | | Page 1 of 1 |
| (WITH FEDERAL INCOME TAXES IMPUTED) | | | |
| LN # | DESCRIPTION | SOURCE | AMOUNT |
| | (A) | (B) | (C) |
| 1 | Total Pro Forma Rate Base | Input | \$4,951,204 |
| 2 | Proposed Rate of Return | Input | 8.76% |
| 3 | Net Operating Income Requirement | Ln 1 x (Ln 2/100) | \$433,725 |
| 4 | Pro Forma Net Operating Income | Input | \$264,219 |
| 5 | Net Operating Income (Excess) or Deficiency | Ln 3 - Ln 4 | \$169,506 |

| | | | |
|---|--|-------------|------------------|
| 6 | Conversion Factor | Input | 0.6211986 |
| 7 | Revenue (Excess) or Deficiency | Ln 5 / Ln 6 | \$272,870 |
| 8 | Recommended Percent (Decrease) or Increase | Calculated | 9.02% |

SUMMARY_CASE

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'SUMMARY PRO FORMA INCOME STATEMENT

+B358

**NOT USED, NEEDS TO
BE UPDATED FOR
COMPANY ADJUSTMENTS**

(WITH FEDERAL INCOME TAXES IMPUTED)

| Line No. | Description (A) | Net Operating Income (B) | Rate Base (C) | Revenue (Excess) Or Deficiency At 8.76% (D) |
|----------|--|--------------------------|--------------------|---|
| 1 | ACTUAL RESULTS OF OPERATIONS | \$597,971 | \$5,069,911 | |
| | RESTATING ADJUSTMENTS | | | |
| S-RA-01 | S-RA-01 Restate Surcharge Revenues | (119,220) | 0 | |
| S-RA-02 | S-RA-02 Ready-To-Serve Revenues | 0 | (77,033) | |
| S-RA-03 | S-RA-03 CoBank Refund | 0 | 0 | |
| S-RA-04 | S-RA-04 Salaries & Wages | 0 | 0 | |
| S-RA-05 | S-RA-05 Legal Adjustment | 1,028 | 0 | |
| S-RA-06 | S-RA-06 Building Rent | 0 | 0 | |
| S-RA-07 | S-RA-07 Vehicle Insurance | 0 | 0 | |
| S-RA-08 | S-RA-08 Regulatory Commission Expense | (606) | 0 | |
| S-RA-09 | S-RA-09 Depreciation Adjustment | 76,076 | 18,423 | |
| S-RA-10 | S-RA-10 CIAC Adjustment | 0 | 0 | |
| S-RA-11 | S-RA-11 Excise Tax Adjustment | 0 | 0 | |
| S-RA-12 | S-RA-12 Interest Income Adjustment | 24,512 | 0 | |
| S-RA-13 | S-RA-13 Income Tax Adjustment | 0 | 0 | |
| S-RA-14 | S-RA-14 Adjust to Average Rate Base | 0 | (102,603) | |
| S-RA-15 | S-RA-15 Adjust to Average CIAC | 0 | #VALUE! | |
| S-RA-16 | S-RA-16 Working Capital Allowance | 0 | 0 | |
| 11 | TOTAL RESTATING ADJUSTMENTS | (\$18,210) | #VALUE! | |
| 12 | RESTATED RESULTS OF OPERATIONS | \$579,761 | #VALUE! | |
| | PRO FORMA ADJUSTMENTS | | | |
| S-PA-01 | S-PA-01 Salaries | (94,051) | 0 | |
| S-PA-02 | S-PA-02 Medical/Dental Increase Adj. | (32,867) | 0 | |
| S-PA-03 | S-PA-03 Power Increase | (30,588) | 0 | |
| S-PA-04 | S-PA-04 Generator O&M | (15,786) | 0 | |
| S-PA-05 | S-PA-05 Reduce Insurance Adj. | (31,784) | 0 | |
| S-PA-06 | S-PA-06 Liability Insurance Adj. | 0 | 0 | |
| S-PA-07 | S-PA-07 Rate Case Expense | (12,584) | 0 | |
| S-PA-08 | S-PA-08 Bad Debt Adjustment | (12,005) | 0 | |
| S-PA-9A | S-PA-9A Depreciation Adj. Jeeps & Software | (6,098) | 42,506 | |
| S-PA-9B | S-PA-9B Depreciation Adj. Owners' Vehicle | 0 | 0 | |
| S-PA-10 | S-PA-10 Interest Expense Adjustment | (46,984) | 0 | |
| 24 | TOTAL PRO FORMA ADJUSTMENTS | (\$282,746) | \$42,506 | |
| 25 | PRO FORMA RESULTS OF OPERATIONS | \$297,015 | #VALUE! | |
| 26 | NOI & REV. (EXCESS) OR DEFICIENCY | \$169,506 | \$0 | \$272,870 |

Input adjustment number
See Column S =====>

| | | | |
|----|---------------------------|-----------|---------|
| 27 | RESULTS AT PROPOSED RATES | \$466,521 | #VALUE! |
|----|---------------------------|-----------|---------|

| | |
|---|-------------------|
| TOTAL RESTATING & PRO FORMA ADJUSTMENTS | Balance Check |
| | (300,956) #VALUE! |

| RAINIER VIEW WATER CO., INC. REVENUE REQUIREMENT DISTRIBUTION TO CUSTOMERS FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 (WITH FEDERAL INCOME TAXES IMPUTED) | | | | |
|---|--------------------------------------|-----------------|--------------------------|-----------------------------|
| LINE NO. | DESCRIPTION | SOURCE | REVENUE AT PRESENT RATES | REVENUE INCREASE (DECREASE) |
| | (A) | (B) | (C) | (D) |
| 1 | REVENUE REQUIREMENT UN-METERED SALES | PRO FORMA PG | \$61,772 | \$8,492 |
| 2 | METERED SALES | INPUT | 2661014 | 479559 |
| 3 | TOTAL REVENUE INCREASE (DECREASE) | Ln 1 + Ln 2 | \$2,722,786 | \$488,051 |
| 4 | TOTAL UN-METERED CUSTOMERS | PER COMPANY | 313 | |
| 5 | TOTAL METERED CUSTOMERS | PER COMPANY | 10856 | |
| 6 | AVERAGE USAGE PER CUSTOMER | PER COMPANY | 15 | |
| | | | CURRENT | PROPOSED |
| 7 | UN-METERED | PER TARIFFS | \$19.17 | \$22.00 |
| 8 | METERED BASE RATE | PER TARIFFS | 14.45 | 16.45 |
| 9 | METERED OVERAGE | PER TARIFFS | 0.78 | 0.95 |
| | | | UN-METERED | BASE RATE |
| 10 | PROPOSED INCREASE IN RATES | FROM COLUMN (B) | \$2.83 | \$2.00 |
| 11 | | | | |
| 12 | | | | |
| 13 | TOTAL CUSTOMERS | | 313 | 10856 |
| 14 | MONTHLY INCREASE | | \$886 | \$21,712 |
| 15 | x 12 MONTHS TO ANNUALIZE | | x 12 | x 12 |
| 16 | ANNUAL INCREASE | | \$10,629 | \$260,544 |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |

BALANCE SHEET ANALYSIS - REVIEW OF COMPANY'S RESPONSE TO BENCH REQUES

AS OF DECEMBER 31, 1999 & 2000

| Line No. | Description | Balance At | Balance At | Average |
|----------|--|-------------------|-------------------|-------------------------------|
| | | December 31, 1999 | December 31, 2000 | Beginning-Ending Year Balance |
| | (A) | (B) | (C) | (D) |
| | Utility Plant | | | |
| 1 | Plant In Service | \$12,217,913 | ##### | ##### |
| 2 | Accumulated depreciation and amortization | (2,084,176) | (2,663,652) | (2,373,914) |
| 3 | Net Utility Plant | 10,133,737 | 10,387,584 | 10,260,660 |
| | Current Assets | | | |
| 4 | Cash in Checking | 98,202 | 58,251 | 78,227 |
| 5 | Special Deposits-Savings | 42,263 | 65,494 | 53,878 |
| 6 | Offsite Facilities-Bank | 525,229 | 736,358 | 630,793 |
| 7 | Petty Cash | 525 | 525 | 525 |
| 8 | Accounts Receivable-net of allowance | 375,120 | 385,492 | 380,306 |
| 9 | Prepaid Expenses | 27,959 | 62,618 | 45,289 |
| 10 | Total Current Assets | 1,069,298 | 1,308,738 | 1,189,018 |
| | Other Assets | | | |
| 11 | Debt Service Reserves | 343,131 | 361,284 | 352,208 |
| 12 | Loan Fees | 27,810 | 25,211 | 26,511 |
| 13 | Investments | 28,540 | 44,193 | 36,366 |
| 14 | Total Other Assets | 399,481 | 430,688 | 415,085 |
| 15 | TOTAL ASSETS | 11,602,516 | 12,127,009 | 11,864,763 |
| | Stockholder's Equity and Liabilities | | | |
| 16 | Common Stock | \$256,193 | \$256,193 | 256,193 |
| 17 | Retained Earnings | 1,389,417 | 1,850,410 | 1,619,913 |
| 18 | Total Stockholder Equity | 1,645,610 | 2,106,603 | 1,876,106 |
| | Current Liabilities | | | |
| 19 | Note Payable - line of credit | 99,081 | 62,081 | 80,581 |
| 20 | Accounts Payable | 53,560 | 67,909 | 60,734 |
| 21 | Accrued Expenses | 101,975 | 63,258 | 82,616 |
| 22 | Deposits of advances for construction | 640,131 | 818,060 | 729,095 |
| 23 | Total Current Liabilities | 894,747 | 1,011,307 | 953,027 |
| | Long Term Debt | | | |
| 23 | Long Term Debt | 3,793,128 | 3,691,427 | 3,742,278 |
| 24 | Total Long Term Debt | 3,793,128 | 3,691,427 | 3,742,278 |
| | Contributions in Aid of Construction (CIAC) | | | |
| 25 | Contributions in aid of construction | 6,198,710 | 6,421,728 | 6,310,219 |
| 26 | Less: Accumulated Amortization | (929,678) | (1,104,055) | (1,016,867) |
| 27 | Total CIAC | 5,269,032 | 5,317,673 | 5,293,352 |
| 28 | TOTAL STOCKHOLDER'S EQUITY AND | 11,602,516 | 12,127,009 | 11,864,763 |
| | RATE BASE | | | |
| 29 | Total Average Rate Base Before Adjustments | | | |
| 30 | Add: Two Meter Jeeps | | | |
| 31 | Add: Working Capital Allowance | | | |
| 32 | TOTAL PRO FORMA RATE BASE | | | |
| | CAPITAL STRUCTURE AT 12/31/2000 | | | |

| | | | | |
|----|---|---------|--|--|
| 33 | Stockholder's Equity | | | |
| 34 | Long Term Debt | | | |
| 35 | Total Capitalization | | | |
| | CAPITAL STRUCTURE AT 9/30/2001 | | | |
| 36 | Stockholder's Equity | | | |
| 37 | Long Term Debt | | | |
| 38 | Total Capitalization | | | |
| | AVERAGE TEST PERIOD CAPITAL STRUCTURE | | | |
| 39 | Stockholder's Equity | | | |
| 40 | Long Term Debt | | | |
| 41 | Total Capitalization | | | |
| | COMPANY PROPOSED CAPITAL STRUCTURE | | | |
| 42 | Stockholder's Equity | | | |
| 43 | Long Term Debt | | | |
| 44 | Total Capitalization | | | |
| | WUTC STAFF PROPOSED CAPITAL STRUCTURE | | | |
| 45 | Stockholder's Equity | | | |
| 46 | Long Term Debt | | | |
| 47 | Total Capitalization per Exhibit No. _____ | (DPK-8) | | |
| | WUTC STAFF PROPOSED CAPITAL STRUCTURE | | | |
| 48 | Stockholder's Equity | | | |
| 49 | Long Term Debt | | | |
| 50 | Total Capitalization per Exhibit No. _____ | (DPK-2) | | |
| | SUPPORT STAFF RECOMMENDED - USE 9/30/2001 | | | |
| 51 | Stockholder's Equity | | | |
| 52 | Long Term Debt | | | |
| 53 | Total Capitalization | | | |
| | INVESTOR-SUPPLIED WORKING CAPITAL 1/ | | | |
| 54 | Average Shareholder's Equity | | | |
| 55 | Average Long-Term Debt | | | |
| 56 | Total Equity and Long-Term Debt | | | |
| 57 | Less: Debt Service Reserves | | | |
| 58 | Loan Fees | | | |
| 59 | Average Net Investor-Supplied Capital | | | |
| 58 | Average "Per Books" Rate Base | | | |
| 59 | Average Investor-Supplied Working Capital 1/ Per Support Staff | | | |

| Company | Taxable Income | Tax | + % on Excess | Cumulative Tax |
|---------|-------------------|---------|---------------|----------------|
| | \$ 0 - 43,850 | 0 | 15.00% | 6577.5 |
| | 43,850 - 105,950 | 6577.5 | 28.00% | 23965.5 |
| | 105,950 - 161,450 | 23965.5 | 31.00% | 41170.5 |
| | 161,450 - 288,350 | 41170.5 | 36.00% | 86854.5 |
| | 288,350 - | 86854.5 | 39.60% | #VALUE! |

| Net Oper. Income | #VALUE! | #VALUE! | |
|-------------------|------------|---------------|------------|
| | | | I |
| | | | Cumulative |
| Taxable Income | Tax | + % on Excess | Tax |
| \$ 0 - 43,850 | 0 | 15.00% | 6577.5 |
| 43,850 - 105,950 | 6577.5 | 28.00% | 23965.5 |
| 105,950 - 161,450 | 23965.5 | 31.00% | 41170.5 |
| 161,450 - 288,350 | 41170.5 | 36.00% | 86854.5 |
| 288,350 - | 86854.5 | 39.60% | 190785.454 |
| Net Oper. Income | 550801.904 | | 190785.454 |

CTRL-F - PRINT MACRO

```
{SET "PRINT-ORIENTATION";"PORTRAIT"}
{SET "PRINT-HEADER-LEFT-TEXT";"
"}
{SET "PRINT-SIZE";"FIT-ALL"}
{SET "PRINT-CENTERED";"HORIZONTAL"}
{SET "PRINT-MARGIN-TOP";"1.0in"}
{SET "PRINT-MARGIN-BOTTOM";"1.0in"}
{SET "PRINT-MARGIN-LEFT";"0.75in"}
{SET "PRINT-HEADER-LEFT-TEXT";"INITIAL ORDER DECISIO
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 1
{SELECT "SUMMARY1"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 2
{SELECT "SUMMARY2"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 3
{SELECT "RA1A"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 4
{SELECT "RA1B"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 5 OF 18"}
{SELECT "RA2A"}
{PRINT "SELECTION"}
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{SELECT "RA2B"}
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{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 7 OF 18"}
{SELECT "RA3A"}
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{SELECT "RA3B"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 9 OF 18"}
{SELECT "P1_A"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 10 OF 18"}
{SELECT "P1_B"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 11 OF 18"}
{SELECT "P2_A"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX C, PAGE 12 OF 18"}
{SELECT "P2_B"}
```

CTRL-A - PRINT MACRO

```
{SET "PRINT-ORIENTATI
{SET "PRINT-SIZE";"FIT-A
{SET "PRINT-HEADER-LE
{SET "PRINT-HEADER-RI
{SET "PRINT-CENTERED
{SET "PRINT-MARGIN-TC
{SET "PRINT-MARGIN-BC
{SET "PRINT-MARGIN-LE
{SET "PRINT-MARGIN-RI
{SELECT "CASECOMPAF
{PRINT "SELECTION"}
{SELECT "CASECOMPAF
{PRINT "SELECTION"}
{SELECT "CASECOMPAF
{PRINT "SELECTION"}
{SELECT "UNCONTESTE
{GOTO}A:B593~
{SET "PRINT-HEADER-RI
{SELECT-APPEND "RATE
{SELECT-APPEND "CASE
{SELECT-APPEND "BALA
{SELECT "UNCONTESTE
```

```

{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT"," APPENDIX C, PAGE 13 OF 18"}
{SELECT "P3_A"}
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{SET "PRINT-HEADER-RIGHT-TEXT"," APPENDIX C, PAGE 14 OF 18"}
{SELECT "P3_B"}
{PRINT "SELECTION"}
{SET "PRINT-HEADER-RIGHT-TEXT"," APPENDIX C, PAGE 15 OF 18"}
{SELECT "PRODEBT"}
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{SET "PRINT-HEADER-RIGHT-TEXT"," APPENDIX C, PAGE 16 OF 18"}
{SELECT "CAPCOST"}
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{SELECT "NET_GROSS"}
{PRINT "SELECTION"}
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{SELECT "REVENUE_REQUIRE"}
{PRINT "SELECTION"}
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```

| RAINIER VIEW WATER CO., INC. PRO FORMA INCOME STATEMENT WUTC STAFF VS. COMPANY CONTESTED & UNCONTESTED ADJUSTMENTS FOR THE 12 MONTHS ENDED DECEMBER 31, 2000 (WITH FEDERAL INCOME TAXES IMPUTED) | | | | Page 1 of 1 |
|---|--|-----------------------------------|------------------------|-----------------------|
| Line No. | Description (A) | Total Net Operating Income (B) | Total Rate Base (C) | Rate Of Return (D) |
| 1 | ACTUAL RESULTS OF OPERATIONS | \$597,971 | \$5,069,911 | 11.79% |
| | <u>UNCONTESTED ADJUSTMENTS</u> | | | |
| 2 | S-RA-1/C-RA-1 Restate Surcharge Revenues | (119,220) | 0 | |
| 3 | S-PA-2/C-PA-3 Medical/Dental | (32,867) | 0 | |
| 4 | S-PA-4/C-PA-6 Generator O&M (Materials & S | (15,786) | 0 | |
| 5 | S-PA-3/C-PA-7 Power Increases | (30,588) | 0 | |
| 6 | S-PA-9A/C-PA-9A Jeeps and Software | (6,098) | 42,506 | |
| 7 | S-RA-6 Building Rent | 0 | 0 | |
| 8 | S-RA-10 CIAC Adjustment | 0 | 0 | |
| 9 | TOTAL UNCONTESTED ADJUSTMENTS | (\$204,558) | \$42,506 | |
| | <u>CONTESTED ADJUSTMENTS</u> | | | |
| 10 | S-PA-8/C-RA-2 Bad Debts | (12,005) | 0 | |
| 11 | S-RA-9/C-RA-3B Depreciation Expense Adjus | 76,076 | 18,423 | |
| 12 | S-RA-2 & S-RA-11 Ready-To Serve Revenues | 0 | (77,033) | |
| 13 | S-RA-3 CoBank Refund | 0 | 0 | |
| 14 | S-RA-4/C-PA-1B Salaries & Wages (Owner)) | (4,318) | 0 | |
| 15 | S-RA-5 Legal Adjustment | 1,028 | 0 | |
| 16 | S-RA-8 Regulatory Expense | (606) | 0 | |
| 17 | S-RA-12 Interest Income Adjustment | 24,512 | 0 | |
| 18 | S-RA-13 Income Tax Adjustment | 0 | 0 | |
| 19 | S-RA-14&15/C-PA-3A Adjust to Average Rate | 0 | (102,603) | |
| 20 | S-RA-16/C-PA-16 Working Capital Allowance | 0 | 0 | |
| 21 | S-PA-1A/C-PA-1A Salaries - Employees | (94,051) | 0 | |

| | | | | |
|----|---|--------------------|--------------------|--------------|
| 22 | C-PA-2 Reduce Indian Springs Rates | (28,478) | 0 | |
| 23 | S-PA-7/C-PA-4 Rate Case Expense | (12,584) | 0 | |
| 24 | S-PA-5&6/C-PA-5 Insurance Adjustments | (31,784) | 0 | |
| 25 | C-PA-10 Developer Lawsuit | 0 | 0 | |
| 26 | S-PA-10 Interest Expense Adjustment | (46,984) | 0 | |
| 27 | S-PA-9B/C-PA-9B Depreciation Adj. Owner's | 0 | 0 | |
| 28 | S-RA-7 Vehicle Insurance | 0 | 0 | |
| 28 | TOTAL CONTESTED ADJUSTMENTS | (\$129,194) | (\$161,213) | |
| 29 | PRO FORMA RESULTS OF OPERATIONS | \$264,219 | \$4,951,204 | 5.34% |
| 30 | NOI. (EXCESS) OR DEFICIENCY | \$169,506 | \$0 | |
| 31 | RESULTS AT RECOMMENDED RATE LEVEL | \$433,725 | \$4,951,204 | 8.76% |

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Summary Page 1

Adjusted
Restated Total Pro forma Revenue Pro Forma
Results of Pro Forma Results of (Excess) or Results of
Operations Adjustment Operations Deficiency Operations
(E) (F) (G) (H) (I)

| | | | | |
|----------------|---------------|----------------|------------------|------------------|
| \$61,772 | \$0 | \$61,772 | \$0 | \$61,772 |
| 2706447 | -45433 | 2661014 | 272,870 | 2,933,884 |
| 246266 | 0 | 246266 | | 246,266 |
| 12177 | 0 | 12177 | 0 | 12,177 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 3026662 | -45433 | 2981229 | 272,870 | 3,254,099 |
| 42912 | 0 | 42912 | 0 | 42,912 |
| 3069574 | -45433 | 3024141 | 272869.57 | 3297010.6 |

272869.57 9.02%

| | | | | |
|----------------|------------------|------------------|------------------|------------------|
| 621844 | 133056 | 754900 | 0 | 754,900 |
| 76440 | 5773 | 82213 | 0 | 82,213 |
| 155856 | 49798 | 205654 | 0 | 205,654 |
| 173896 | 46345 | 220241 | 0 | 220,241 |
| 79313 | 0 | 79313 | 0 | 79,313 |
| 376036 | 23918 | 399954 | 0 | 399,954 |
| 37709 | 0 | 37709 | 0 | 37,709 |
| 26961 | 0 | 26961 | 0 | 26,961 |
| 28123 | 0 | 28123 | 0 | 28,123 |
| 7138 | 0 | 7138 | 0 | 7,138 |
| 49740 | 0 | 49740 | 0 | 49,740 |
| 200 | 0 | 200 | 0 | 200 |
| 89840 | 0 | 89840 | 0 | 89,840 |
| 34259 | -6911 | 27348 | 0 | 27,348 |
| 14785 | 55069 | 69854 | 0 | 69,854 |
| 6397 | 0 | 6397 | 545.73915 | 6,943 |
| 17197 | -3500 | 13697 | 0 | 13,697 |
| 464210 | 9239 | 473449 | 0 | 473,449 |
| 5443 | 0 | 5443 | 0 | 5,443 |
| -182387 | 0 | -182387 | 0 | (182,387) |
| -627 | 19153 | 18526 | 1773.6522 | 20,300 |
| 286321 | 6966 | 293287 | 13722.611 | 307,010 |
| 0 | 22566.667 | 22566.667 | 0 | 22,567 |
| 2368694 | 361472.67 | 2730166.7 | 16042.002 | 2746208.7 |

157055 24076.532
754382 41710
23999

373

5280.45

9052

| | | | | |
|------------------|--------------------|------------------|------------------|------------------|
| 700880 | -406905.7 | 293974.33 | 256827.57 | 550,802 |
| 121118.88 | -91363.78 | 29755.098 | 87321.374 | 117076.47 |
| 2489812.9 | 270108.88 | 2759921.8 | 103363.38 | 2863285.1 |
| \$579,761 | (\$315,542) | \$264,219 | \$169,506 | \$433,725 |

| | | | | |
|-----------|----------|-----------|-----|-----------|
| ##### | \$42,506 | ##### | \$0 | ##### |
| 2,375,821 | 0 | 2,375,821 | 0 | 2,375,821 |
| ##### | 42,506 | ##### | 0 | ##### |

| | | | | |
|-------------|---|-------------|---|-------------|
| (5,370,385) | 0 | (5,370,385) | 0 | (5,370,385) |
| (39,190) | 0 | (39,190) | 0 | (39,190) |
| 0 | 0 | 0 | 0 | 0 |

\$42,506 ##### \$0

11.81% 5.34% 8.76%

NOI (EXCESS) or DEFICIENCY 169506.2

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Summary Page 2**

**Restated Total Pro forma Revenue Adjusted
Results of Pro Forma Results of (Excess) or Results of
Operations Adjustments Operations Deficiency Operations**

(E) (F) (G) (H) (I)

| | | | | |
|-----------|-------------|-----------|-----------|-----------|
| \$700,880 | (\$406,906) | \$293,974 | \$256,828 | \$550,802 |
| 0 | 0 | 0 | 0 | 0 |
| (344,648) | 138188.66 | (206,459) | 0 | (206,459) |
| 356232 | -268717 | 87514.994 | 256827.57 | 344342.57 |

121,119 (91,364) 29,755 87,321 117,076

121,119 -91363.78 29,755 87,321 117,076

\$42,506 ##### \$0

| | | | | |
|---|---|---|---|---|
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |

12694094 42506 12736600 0 12736600

2,375,821 0 2,375,821 0 2,375,821

0 0 0 0 0

2375821 0 2375821 0 2375821

(5,370,385) 0 (5,370,385) 0 (5,370,385)

(39,190) 0 -39190.44 0 (39,190)

0 0 0 0 0

0 0 0 0 0

0 0 0 0 0

0 0 0 0 0

\$42,506 ##### \$0

X X X X X X X X X X

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Restating Adj. Page 3**

S-RA-2&11/ None S-RA-3/ None S-RA-4/ see C-PA-1E S-RA-5/ None S-RA-6/ None S-RA-7/ None S-RA-8/ None S-RA-9/ C-RA-3B S-RA-10/ None S-RA-11 (See

| S-PA-2/ C-PA-3 Medical/ Dental Increase Adj | S-PA-3/ C-PA-7 Power Increase | S-PA-4/ C-PA-6 Generator O&M | S-PA-5&6/ C-PA-5 Insurance Adjustment | S-PA-6 <=== Liability Insurance Adjustment | S-PA-7/ C-PA-4 Rate Case Expense | S-PA-8/ C-RA-2 Bad Debt Adjustment | S-PA-9A/ C-PA-9A Depreciation Adj. Jeeps & Software | S-PA-10/ None Interest Expense Adjustment | S-PA-9B/ C-PA-9B Depreciation Adj. Owner's Vehicle |
|---|--|---------------------------------------|--|--|---|--|---|---|--|
| (E) | (F) | (G) | (H) | (I) | (J) | (K) | (L) | (M) | (N) |
| (\$49,798) | (\$46,345) | (\$23,918) | (\$48,158) | \$0 | (\$19,067) | (\$18,190) | (\$9,239) | \$0 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 138188.66 | 0 |
| -49798 | -46345 | -23918 | -48158 | 0 | -19066.67 | -18190 | -9239 | 138188.66 | 0 |
| (16,931) | (15,757) | (8,132) | (16,374) | 0 | (6,483) | (6,185) | (3,141) | 46,984 | 0 |
| (16,931) | (15,757) | (8,132) | (16,374) | 0 | (6,483) | (6,185) | (3,141) | 46,984 | 0 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$42,506 | \$0 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42506 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$42,506 | \$0 | \$0 |

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Page 1 of 1

ctor

| | |
|--|--|
| | |
|--|--|

180000

373

#####

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**STATUTORY
 TAX RATE**

| | |
|------------------|--|
| (D) | |
| 1.0000000 | |
| 0.0065000 | |
| 0.0020000 | |
| 0.0502900 | |
| 0.0000000 | |
| 0.0000000 | |
| 0.0587900 | |
| 0.9412100 | |
| 0.3200114 | |
| 0.6211986 | |
| | |
| 1.6097911 | |
| | |

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| COST RATES (%) (D) | WEIGHTED COST RATES (%) (E) |
|--------------------|-----------------------------|
| 6.75% | 4.17% |
| 12.00% | 4.59% |
| | 8.76% |

| | | | | |
|-----------|---------------------------|-----------|-----------|--------|
| \$201,339 | | | | |
| \$208,047 | | | | |
| \$6,708 | | | | |
| | new weighted cost of debt | | | |
| | 0.00% | | | |
| | 6.75% | | | |
| | | 4.169882% | 4.17% | |
| | | 4.589314% | 11.82% | 4.52% |
| | | 8.759196% | 8.760000% | 15.83% |
| | | | 8.69% | |

| |
|--|
| |
|--|

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| | |
|-------------------|--|
| TOTAL AMOUNT | |
| (E) | |
| | |
| | |
| \$46,984 | |
| 0 | |
| (\$46,984) | |
| | |

8.760000%

| | |
|---------|--|
| #VALUE! | |
| | |

| | |
|--|---------|
| | #VALUE! |
|--|---------|

cross check

| |
|---------|
| #VALUE! |
| #VALUE! |

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REVENUE AT
PROPOSED PERCENT
RATES INCREASE

| (E) | (F) |
|-----------|------------|
| \$70,264 | 13.75% |
| ##### | 18.02% |
| ##### | 17.92% |
| 313 | |
| 10,856 | |
| 15 | |
| INCREASE | % INCREASE |
| \$2.83 | 14.76% |
| \$2.00 | 13.84% |
| \$0.17 | 21.79% |
| OVERAGE | TOTAL |
| \$0.17 | |
| x 10 | |
| \$1.70 | |
| 10856 | |
| \$18,455 | \$41,053 |
| x 12 | |
| \$221,462 | \$492,636 |
| | |

| RATE BASE | | CAPITAL STRUCTURE | | |
|---------------------------------|-------------------------------|---------------------------------|---------------------------------|---------------------------|
| Company Average Rate Base | Staff Average Rate Base | Various Dates Amount - \$ | Various Dates Percent - % | Proposed Cost Rates |
| (E) | (F) | (G) | (H) | (I) |
| #VALUE! | ##### | | | |
| #VALUE! | (2,375,821) | | | |
| #VALUE! | ##### | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | \$256,193 | | |
| | | 1,850,410 | | |
| | | 2,106,603 | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | 3,691,427 | | |
| | | 3,691,427 | | |
| | | | | |
| #VALUE! | (5,370,385) | | | |
| | | | | |
| | | | | |
| #VALUE! | 4,947,888 | | | |
| #VALUE! | 42,506 | | | |
| #VALUE! | 0 | | | |
| #VALUE! | 4,990,394 | | | |
| | | | | |

| | | | |
|-----------|-----------|---------|--------------|
| | 2,106,603 | 36.33% | |
| | 3,691,427 | 63.67% | |
| | 5,798,030 | 100.00% | |
| | | | |
| | 2,323,992 | 38.24% | |
| | 3,752,712 | 61.76% | |
| | 6,076,704 | 100.00% | |
| | | | |
| | 1,876,106 | 33.39% | |
| | 3,742,278 | 66.61% | |
| | 5,618,384 | 100.00% | |
| | | | |
| | 2,927,023 | 50.00% | 12.00% |
| | 2,927,023 | 50.00% | 6.93% |
| | 5,854,046 | 100.00% | 9.47% |
| | | | |
| | 1,548,413 | 29.24% | 15.83% |
| | 3,747,442 | 70.76% | 5.55% |
| | 5,295,855 | 100.00% | 8.56% |
| | | | |
| | 1,548,413 | 29.24% | 16.29% |
| | 3,747,442 | 70.76% | 5.55% |
| | 5,295,855 | 100.00% | 8.69% |
| | | | |
| | 2,323,992 | 38.24% | 12.00% |
| | 3,752,712 | 61.76% | 6.93% |
| | 6,076,704 | 100.00% | 8.87% |
| | | | |
| ##### | | | |
| 3,742,278 | | | |
| 5,362,191 | | | |
| 352,208 | | | |
| 26,511 | | | |
| 4,983,472 | | | |
| #VALUE! | | | |
| #VALUE! | | | |
| | | | |

Effective Tax
Rate

X X X X X

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S-RA-12/ S-RA-13/ S-RA-14&15 S-RA-15 S-RA-16/
None None C-PA-3A <==== C-PA-16

RA-18 RA-19 RA-## RA-##

ENT ON ROR

ADJUSTMENT INPUT DESCRIPTION

Restate Surcharge Revenues
Ready-To-Serve Revenues
CoBank Refund
Salaries & Wages
Legal Adjustment
Building Rent
Vehicle Insurance
Regulatory Commission Expense
Depreciation Adjustment
CIAC Adjustment
Excise Tax Adjustment
Interest Income Adjustment
Income Tax Adjustment
Adjust to Average Rate Base
Adjust to Average CIAC
Working Capital Allowance

Salaries
Medical/Dental Increase Adj.
Power Increase
Generator O&M
Reduce Insurance Adj.
Liability Insurance Adj.
Rate Case Expense
Bad Debt Adjustment
Depreciation Adj. Jeeps & Software
Depreciation Adj. Owners' Vehicle
Interest Expense Adjustment

O
 TION";"PORTRAIT"
 "-ALL"
 RIGHT-TEXT";"APPENDIX D, PAGE
 :D","HORIZONTAL"
 TOP";"0.5in"
 BOTTOM";"0.5in"
 _LEFT";"1.00in"
 RIGHT";"0.75in"
 T"}

CTRL-R - PRINT MACRO

{SET "PRINT-ORIENTATION";"PORTRAIT"
 {SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX F, PAGE 1 OF 15"
 {SET "PRINT-HEADER-LEFT-TEXT";"RAINIER'S CASE PER BRIEF: EXI
 {SET "PRINT-SIZE";"FIT-ALL"
 {SET "PRINT-CENTERED";"HORIZONTAL"
 {SET "PRINT-MARGIN-TOP";"1.0in"
 {SET "PRINT-MARGIN-BOTTOM";"1.0in"
 {SET "PRINT-MARGIN-LEFT";"0.75in"
 {SELECT "SUMMARY_CASEAA"
 {PRINT "SELECTION"
 {SET "PRINT-HEADER-RIGHT-TEXT";" APPENDIX F, PAGE # OF %"
 {SELECT "SUMMARY_CASEAA"
 {SELECT-APPEND "SUMMARY1AA"
 {SELECT-APPEND "SUMMARY2AA"
 {SELECT-APPEND "RA1AAA"
 {SELECT-APPEND "RA1BAA"
 {SELECT-APPEND "P1_AAA"
 {SELECT-APPEND "P1_BAA"
 {SELECT-APPEND "P2_AAA"
 {SELECT-APPEND "P2_BAA"
 {SELECT-APPEND "P3_AAA"
 {SELECT-APPEND "P3_BAA"
 {SELECT-APPEND "CAPCOSTAA"
 {SELECT-APPEND "NET_GROSSAA"
 {SELECT-APPEND "PRODEBTAA"
 {SELECT-APPEND "REVENUE_REQAA"
 {PRINT "SELECTION"
 {GOTO}A:A1~

CTRL-U - P

{SET "PRIN
 {SET "PRIN
 {SET "PRIN
 {SET "PRIN
 {SET "PRIN
 {SET "PRIN
 {SET "PRIN
 {SELECT "C
 {PRINT "SE
 {PRINT "SE
 {SELECT "L

ODEBT"
 VENUE_REQUIRE"
 CASE"}

2AAA"
 2BAA"
 3AAA"
 3BAA"}

16357.1333 663253.11
0 16357.1333 4951203.6 -4287950

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Docket No. UW-010877
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| | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|
| RA-## | RA-## | RA-## | RA-#3 | RA-## | RA-## | RA-## | RA-## |
|-------|-------|-------|-------|-------|-------|-------|-------|

RINT MACRO

```
T-ORIENTATION";"PORTRAIT"}
T-HEADER-LEFT-TEXT";"
T-SIZE";"FIT-ALL"}
T-HEADER-RIGHT-TEXT";"INITIAL ORDER DECISION, APPENDIX D, PAGE 1 OF 1"}
T-CENTERED";"HORIZONTAL"}
T-MARGIN-TOP";"0.5in"}
T-MARGIN-BOTTOM";"0.5in"}
T-MARGIN-LEFT";"1.00in"}
T-MARGIN-RIGHT";"0.75in"}
DECISION"}
LECTION"}

LECTION"}

INCONTESTED2"}

```

CTRL-C - PRINT MACRO

```
{SET "PRINT-ORIENTA"
{SET "PRINT-HEADER-
{SET "PRINT-SIZE";"FIT
{SET "PRINT-CENTERE
{SET "PRINT-MARGIN-
{SET "PRINT-MARGIN-
{SET "PRINT-MARGIN-
{SET "PRINT-HEADER-
{SET "PRINT-HEADER-
{SELECT "REVENUE_R
{PRINT "SELECTION"}
{GOTO}A:A1~

```


