



# Canterwood Water Co., Inc.

4026 Canterwood Drive NW • Suite B • Gig Harbor, WA 98332  
(253) 851-1645 • FAX (253) 851-9306

January 12, 2006

Carole Washburn  
Executive Secretary  
WUTC  
PO Box 47250  
Olympia, WA 98504-7250

RECEIVED  
REGISTRATION DIVISION  
06 JAN 17 AM 8:10  
STATE OF WASH.  
UTIL. AND TRANSP.  
COMMISSION

Re: Release of funds from escrow

Dear Ms. Washburn:

In early July 2005, the Company informally requested reimbursement for funds expended to develop a new source of supply for our water system. The need for a new source of supply was driven primarily because our customers were using more water than permitted by Ecology. Obtaining a new water right was not an option. We had to purchase an existing water right, transfer it to a new well, and decommission the old well.

The Company has met with Commission staff over the past several months and supplied supporting documentation. The Company asks that the material previously provided to Commission staff be included in consideration of this request.

At this time, we are formally requesting reimbursement for the new well. The new source has been approved by Washington State Department of Health (WSDOH). The total project cost exceeds the amount in the escrow account.

**Total Project Cost: \$298,470** (not including engineering and attorney time)

**Total Amount in Escrow: \$137,334.58** thru November 2005

**Recommended Percentage of Cost to Existing Customers: minimum: 59%**

This recommendation is from our engineer and is based on ERU's that are not available to new customers because of annual water use that exceeds Ecology's reasonable allotment and exceeds anticipated original planning expectations which were much higher than WSDOH design guidelines. If it were based on WSDOH design guidelines for average day and/or actual peak hourly demand this figure would be even higher. (See September 15, 2005 email from engineer to Commission staff for further clarification). We believe this methodology is reasonable and fair. We believe

RMS  
TA

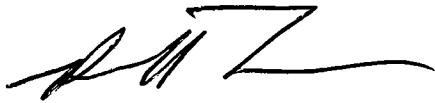
the reimbursement of these amounts is consistent with the intent behind the creation of the escrow account.

For the record, in our opinion at least two other capital expenditures documented in tariff filing under rate base that would also be eligible for payment out of escrow include: existing well upgrades at \$27,754 and booster station power supply upgrade at \$6,311. Both of these projects would be for existing customer base.

We respectfully request action upon this request at the Commission's earliest opportunity.

If you have any questions please feel free to contact our engineer, Lisa Raysby at (253) 857.1598 (office), (360) 870-9476 (cell), or [lisar@penlight.org](mailto:lisar@penlight.org) (email). I can be reached at (253) 851-1645.

Cordially,

A handwritten signature in black ink, appearing to read 'RT', with a long horizontal flourish extending to the right.

Russell Tanner  
President

Cc: Danny Kermod  
cc: Carole Washburn, WUTC  
Richard Finnigan, Attorney  
Lisa Raysby, Engineer

Filing Information - No change in current rate structure

Name	CANTERWOOD WATER COMPANY	UTC WN U-4	UTC WN U-57	Customer and Water Use Data			Other Methodology			
				Active Customer Accounts	Actual	Adjusted	Other	Beginning Year	End of Year	Average Customers Billed
Docket				2002	581	582		531	583	547 based on annual report filed with WUTC
				10/02 - 9/03	587	586		549	582	588 based on number of customers billed
				10/04 - 9/05	686	638		616	666	641 based on number of customers billed
Test Period		10/02 - 9/03	10/04 - 9/05							
Year Ending		12/31/2003	12/31/2005							
WUTC review of notice		TBD - 12/05	TBD - 12/05							
Filed		11/10/2003	TBD - 12/05	10/02 - 9/03	16,081,874	16,075,569	record dry summer since before year 1900			
Mail public notice		12/1/2003	TBD - 01/08	10/04 - 9/05	14,254,489	14,247,759				
Agenda				Average customer monthly use (cf/month)	2,181	2,298				
				2002						
Effective		1/1/2004	TBD	10/02 - 9/03	2,283	2,409	record dry summer since before year 1900			
Customers		550		10/04 - 9/05	1,784	1,881	average use from 2002 to test period; down 20%			
Avg Consumption		2,181	1,861 for test period							
Rates										
Flat										
Meter Base		16.70	0							
		0.75	1000							
		1.00	1001-2000							
		1.25	2001-4000							
		1.50	>4000							
Ready to Serve		16.70								
Serv Conn		429.42								
Fac Charge		0.00								
Late Fee		0.00								
New Account		20.00								
NSF		15.00								
Water Availability		35.00								
& Request for Service										

0 Three tiers (or less) recommended by Jim Ward.  
 1500 This tier exceeds WSDOH design standard and Ecology's annual water right of 400 gpd/ERU.  
 1501-4000 This tier exceeds WSDOH design standard and Ecology's annual water right of 800 gpd/ERU.  
 >4000 These customers are using greater than approximately 1,000 gpd/ERU.

Current (May 27, 2004)  
 \$16.50 reduced to same as base rate  
 \$429.42 PLC charge \$400 per meter install (avg. PLC cost)  
 \$0.00 no change proposed  
 \$0.00 no change proposed  
 \$20.00 no change proposed  
 \$30.00 no change proposed  
 \$210.00 no change proposed

14254489  
 15074930  
 34064  
 15040865  
 0.05228289

CANTERWOOD WATER COMPANY  
Revised - Proposed no change in rate

12/31/05

Attachment 1

	UM-940834		COMPANY		COMPANY		RESTATE		PER BOOK		PROFORMA		PROFORMA		PROPOSED		PROPOSED		REVISED		REVISED	
	31-Dec-02	12/31/03	10/04 - 9/31/05	per CWC	ADJ	ADJ	ADJ	ADJ	BEFORE	RATES	PERIOD	RATES	PERIOD	RATES	PERIOD	RATES	PERIOD	RATES	PERIOD			
<b>REVENUES</b>																						
Unmetered Sales	0	0	0	0					0					0				0		0		
Metered Sales, Residential	280,021	261,095	339,643						339,643					354,549				14,953		339,596		
Ready to Serve (incl. in metered sales)	0	0	0						0					0				0		0		
Utility Tax - State	0	0	0						0					0				0		(18,335)		
Other Income, Ancillary Charges	0	6,917	7,540						7,540					7,540						7,540		
<b>OPERATING REVENUE</b>	<b>\$280,021</b>	<b>\$268,012</b>	<b>\$347,183</b>		<b>\$0</b>	<b>\$347,183</b>		<b>\$0</b>	<b>\$347,183</b>		<b>\$14,906</b>	<b>\$362,089</b>		<b>\$362,089</b>		<b>0.00%</b>	<b>\$0</b>	<b>\$362,089</b>		<b>\$14,953</b>	<b>\$328,801</b>	
<b>EXPENSES</b>																						
Salary Employees	\$40,73	\$39,13	\$44,36						\$44,36					0				0		0		
Salary Officers	0	0	0						0					0				0		0		
Employee Pension/Benefit	0	0	0						0					0				0		0		
Purchased Power	25,302	22,565	25,267						25,267					25,267				25,267		25,267		
Chemicals	69	0	2,781						2,781					2,781				2,781		2,781		
Material & Supplies	0	0	25						25					25				25		25		
Contractual Engineer/Hydrogeologist	0	0	2,920						2,920					2,920				2,920		2,920		
Contractual Accounting	35,165	33,587	41,378						41,378					41,378				41,378		41,378		
Contractual Legal	2,344	1,190	5						5					5				5		5		
Contractual Op/Mgmt/SMA	16,728	15,256	36,342						36,342					36,342				36,342		36,342		
Water Quality and Pump Testing	0	1,224	5,030						5,030		(3,729)			1,301				1,301		1,301		
Rents / Building, Property	4,800	6,000	6,000						6,000					6,000				6,000		6,000		
Transportation	0	0	0						0					0				0		0		
Insurance	5,997	5,081	5,560						5,560					5,560				5,560		5,560		
Regulatory, Fees / Rate Case	0	439	2,376						2,376					2,376				2,376		2,376		
Bad Debt	0	0	0						0					0				0		0		
Travel/ Education/ Banq/ CCR & WHPP e	0	0	1,025						1,025					1,025				1,025		1,025		
Office/ Postage / Phone	1,611	119	76						76					76				76		76		
Repairs	5,352	15,206	18,645						18,645					18,645				18,645		18,645		
Depreciation	41,521	42,422	49,672						49,672					49,672				49,672		49,672		
Utility Excise Tax	0	13,148	14,497						14,497					14,497				14,497		14,497		
Property Tax	6,430	6,100	7,362						7,362					7,362				7,362		7,362		
Payroll Tax	0	0	0						0					0				0		0		
Other Tax & License	15,740	938	2,692						2,692					2,692				2,692		2,692		
<b>OPERATING EXPENSES</b>	<b>\$160,967</b>	<b>\$163,274</b>	<b>\$221,653</b>		<b>\$0</b>	<b>\$221,653</b>		<b>\$-139</b>	<b>\$221,515</b>		<b>\$1,923</b>	<b>\$223,438</b>		<b>\$223,438</b>		<b>\$1,923</b>	<b>\$223,438</b>		<b>\$1,923</b>	<b>\$223,438</b>		
<b>OPERATING INCOME</b>	<b>99,354</b>	<b>104,739</b>	<b>125,530</b>						<b>125,530</b>					<b>140,575</b>				<b>139,652</b>		<b>105,363</b>		
Interest Expense	(1,962)	0	(7,876)						(7,876)					(7,876)				(7,876)		(7,876)		
Fed Income Tax - 15%	0	0	(63,781)						(63,781)					(63,781)				(63,781)		(63,781)		
<b>TOTAL EXPENSE</b>	<b>158,675</b>	<b>163,274</b>	<b>149,996</b>						<b>149,996</b>					<b>149,858</b>				<b>151,781</b>		<b>151,781</b>		
<b>INCOME (LOSS)</b>	<b>\$101,346</b>	<b>\$104,739</b>	<b>\$197,187</b>		<b>\$0</b>	<b>\$197,187</b>		<b>\$0</b>	<b>\$197,187</b>		<b>\$212,232</b>			<b>\$212,232</b>		<b>(\$1,923)</b>	<b>\$210,309</b>		<b>\$177,020</b>		<b>\$177,020</b>	
<b>NET OPERATING INCOME</b>	<b>\$89,354</b>	<b>\$104,739</b>	<b>\$189,311</b>						<b>\$189,311</b>		<b>\$204,356</b>			<b>\$204,356</b>				<b>\$202,433</b>		<b>\$189,144</b>		
<b>BEYO</b>																						
UTIL PLANT IN SERV	1,501,028	1,533,823	1,650,273						363,863					2,014,136				2,029,007		2,029,007		
ACQUM DEPRECIATION	(307,770)	(337,463)	(385,766)						(51,143)					(436,909)				(448,052)		(448,052)		
ACQUISITION ADJUSTMENT	13,312	14,171	21,535						3,801					25,336				28,923		28,923		
CIAC PLANT IN SERV	(147,344)	(156,739)	(173,989)						(6,935)					(180,924)				(181,249)		(181,249)		
ACQUM AMORTIZATION	47,891	47,891	54,579						7,720					62,289				62,289		62,289		
<b>NET RATE BASE</b>	<b>\$1,107,115</b>	<b>\$1,102,863</b>	<b>\$1,166,632</b>		<b>\$317,306</b>	<b>\$1,483,938</b>		<b>\$7,131</b>	<b>\$1,491,069</b>		<b>\$1,923</b>	<b>\$1,491,928</b>		<b>\$1,491,928</b>		<b>\$0</b>	<b>\$1,491,928</b>		<b>\$1,491,928</b>		<b>\$0</b>	
<b>RATE OF RETURN %</b>	<b>8.97%</b>	<b>9.50%</b>	<b>16.23%</b>		<b>6.98%</b>	<b>12.76%</b>		<b>13.71%</b>	<b>13.71%</b>		<b>13.57%</b>		<b>11.34%</b>	<b>11.34%</b>		<b>11.34%</b>	<b>11.34%</b>	<b>11.34%</b>		<b>11.34%</b>		
Customer Count	532	556	638		638	638		638	638		638		638	638		638	638	638		638		
Seattle 8/1/03																						

Canterwoodwater's proposed no change in rate - WUTCXLS / Results

1/13/2006 / 1:44 PM

CANTERWOOD WATER COMPANY  
 REVISED - Based on current revenue generated  
 Revenue and Rate Calculations

1/13/2006

Test Year Ending : 12/31/05

311,830	Revenue Requirement for Customers		
339,596	Revenue Generation	27,767	Diff
666	Customer Count	509.90	Annual Revenue per customer
0	Growth	12	Months
		\$42.49	Average Monthly Revenue per customer

RESIDENTIAL RATE DESIGN	Average		Count	Monthly		Annual	
	Cubic Feet	Allowance		Cash Flow	Overage	Share	Cash Flow
Average 10/04-9/05 1,861	2,190						
Reduce 0 Reduction	0	Meter Base					
16.70		\$18.50	638	10,527		39.38%	126,324 39.38%
Usage Rate Per 100 Cubic feet		0					
0.75 0 - 1500	\$0.75	1,500	638		7,178	26.85%	86,130 26.85%
1.00 1501 - 4000	\$1.00	400	638		2,552	9.55%	30,624 9.55%
1.25 > 4,000	\$3.50	290	638		6,476	24.22%	77,708 24.22%
1.50	\$0.00	0	0		0	0.00%	0 0.00%
based on revenue generated for this test period		2,190					
		\$25.40					
		\$41.90			\$26,732	100%	320,786 100%
18.50 Ready To Serve		\$18.50	28	462			5,544 100.00%
0.00 Flat		\$0.00	0	0			0 0.00%
			666	10,989		\$27.194	5,544 100%
						326,330	
Difference With B&O Tax	0.00	\$17.33 Min charge					
	41.90						

	Last Case	This Case
Base	48.83% ?	126,324 38.71%
Usage	51.17% ?	194,462 59.59%
Flat	0.00%	0 0.00%
RTS	0.00%	5,544 1.70%
	532 228,182 100%	666 326,330 100%

LARGER THAN RESIDENTIAL RATE DESIGN			
	XF	Allowance	Base
3/4 inch meter	1	0	\$16.50
1 inch meter	1.70	0	28.05
1 1/2 inch meter	3.30	0	54.45
2 inch meter	5.30	0	87.45
3 inch meter	10.00	0	165.00
4 inch meter	16.70	0	275.55

XF = Factor for allowance size equal to 3/4 inch.

Count	Annual Revenue	3/4 Meter
9	3,029.40	Monthly Cuft 2,190
3	1,960.20	Months 12
6	6,296.40	Annual Cuft 26,280
1	1,980.00	Annual Gallons 196,574
0	0.00	
19	\$13,266.00	\$13,266

	Previous	Current	Proposed
Ready To Serve	16.70	16.50	\$16.50
Surcharge Cap Imp	0.00	0.00	\$0.00
Flat	0.00	0.00	\$0.00
Base Zero	16.70	16.50	\$16.50
revised 0 - 1500	0.75	0.75	\$0.75
revised 1501 - 4000	1.00	1.25	\$1.00
revised > 4,000	1.25	3.50	\$3.50
	1.50	0.00	\$0.00

Gross Revenue		\$339,596
AVG BILL		
\$41.90	Water	
\$0.00	Surcharge	\$41.90
\$0.00	Tax	
\$41.90	Total	

**CANTERWOOD WATER COMPANY**  
**UTC WN U-4**

**CAPITAL STRUCTURE**

For the Year ending December 31, 2005

	Principal	Percent of Total	Actual Cost Rate	Weighted Cost Rate
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DEBT

Accounts Payable	-		0.00%	0.00%
(1) Liabilities	33,225.15	11.92%	6.00%	0.71%
(2) Long-term Liabilities	245,625.87	88.08%	6.50%	5.73%

	278,851		100%	6.44%
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**EQUITY**

(3) Common Stock	615,671.34	40.67%		
Retained Earnings	385,902.19	25.49%		
Paid in Capital	386,973.80	25.57%		
Net Earnings	125,133.22	8.27%		
	1,513,681	100%	12.00%	12.00%

as of 12/31/05

as of 12/31/05

**ACTUAL**

	Principal	Percent of Total	Actual Cost Rate	Weighted Cost Rate	Staff Hypothetical?
Debt	278,851	15.56%	6.44%	1.00%	15%
Equity	1,513,681	84.44%	12.00%	10.13%	85%

	1,792,532		100%	
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Weighted Average Cost of Capital	11.14%	11.17%
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SEE Canterwood about this sheet

CANTERWOOD WATER COMPANY  
 UTC W/N U-4  
 UTC W/N U-5

BEOY - Before End of Year

Count	Yr 2002	Start of Test Period	End of Test Period	BEOY
532	10/1/2004	9/31/2005	12/31/2005	
616	6/66			

Assets	Count	CMC to Update:	1,501,026	1,650,273	2,014,135	
Well No. 1 upgrade	0					
Well No. 2 upgrade	0					
Well No. 3, 5 and 6 electrical upgr	0					
New Well Acquisition Testing	0					
Water Right	0					
#1201 Land & Water Rights			150,000	(12,491)		not included attorney and engineering time to recover mon
#1303 New Well #7			148,470	27,754		879 moved to another account and reclassd by accounttr
#1307 Existing Wells - upgrades			27,754	6,311		not included attorney and engineering time to recover mon
#1310 Booster Station power supply			17,140			7,391 both vents need to be replaced on each tank still
#1330 Tank inspection and repair			18,800			1,399
#1331 Purdy Line Extension			7,879			5,202 still in progress; not billed yet for work done in Nov ar
#1333 Services			363,863			BEOY
#1334 Meters installed						ADJ????
#1348 Comprehensive plan						14,871

Total	1,501,026	1,650,273	2,014,135	2,029,006	14,871
Depn	(307,770)	(385,766)	(436,909)	(448,052)	
Adds	0	0	0	(14,555)	
Total	(307,770)	(385,766)	(436,909)	(462,606)	(11,142)
CIAC	(147,344)	(173,989)	(180,924)	(184,859)	(3,835) thru end of 12/05 corrected 01/1/2006
CIAC Update		Adjustment R-1 (6,935)	(6,935)	(6,935)	
Rate Base	1,045,912	1,090,518	1,374,812	1,374,606	(207)
CAR	69.68%	66.08%	68.26%	67.75%	

Acquisition	12/31/2002	532	532	Adjustment R-1 (14,555)
End of Year	2003	556	556	
Growth	24	24	24	Company Depn (448,052)
Connection Charge	365	400	400	Total BYOY (462,606)
CIAC	(8,780)	(9,600)		Adjustment R-1 (14,555)
Growth CIAC	22	8,800		
EOY 02		(385,766)		
EOY 05		(482,606)		
Adjustment R-1		(76,840)		Adjust to Company Actual

Canterwoodlariff3 proposed no change in rate - WUTC.XLSRate Base

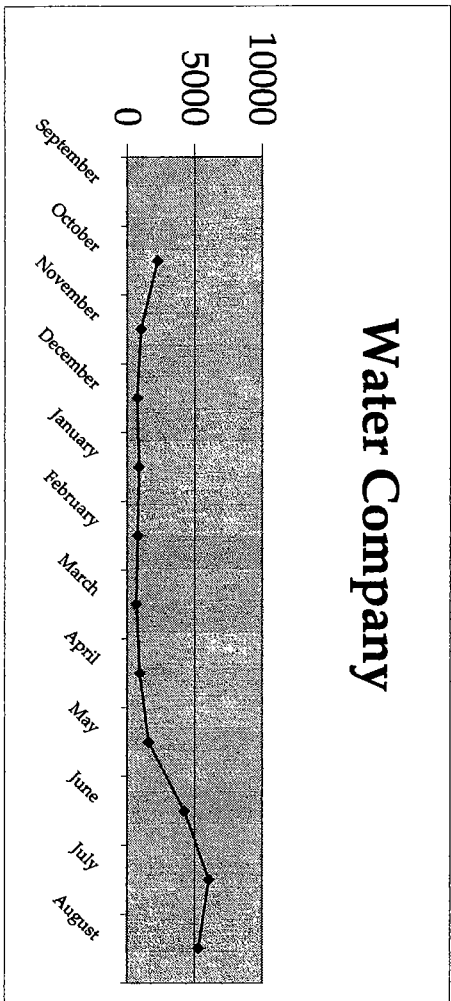
CANTERWOOD WATER COMPANY  
UTC W/N U-4

10/02 - 9/03

UTC to update if the want

Month Reading	September	October	November	December	January	February	March	April	May	June	July	August	September	TOTAL
Use	1,255,224	576,531	411,662	486,354	430,672	383,568	518,046	882,013	2,359,872	3,378,771	2,936,047	2,463,114	16,081,874	
Count	558	558	558	558	558	558	558	558	558	558	558	558	558	558
Average	0	2,250	1,033	738	872	772	687	928	4,229	6,055	5,262	4,414	2,402	2,402
Gallons	16,826	7,728	5,518	6,520	5,773	5,142	6,944	11,823	31,634	45,292	39,358	33,018	17,965	

# Water Company





Filing Information - Revenue Neutral - compared with 2002

Name	Doclet	Last	New	Year Ending	WUTC review of notice	Filed	Mail public notice	Agenda	Effective	Customers	Avg Consumption	Fees	Flat	Meter Base	Customer and Water Use Data			Other Methodology		
															Actual	Adjusted	Other	Beginning Year	End of Year	Average Customers Billed
CANTERWOOD WATER COMPANY	UTC WN U-4	UTC WN U-57													2002	customer avg > 100 cubic ft / month	631	663	547 based on annual report filed with WUTC	
				10/02 - 9/03											10/02 - 9/03	587	586	649	582 based on number of customers billed	
				10/04 - 9/05											10/04 - 9/05	686	638	616	666 based on number of customers billed	
				12/31/2003	12/31/2005										2002	14,679,723	14,670,128			
				11/10/2003	TBD - 12/05	requesting extension to 1/31/06									10/02 - 9/03	16,081,874	16,075,569	record dry summer since before year 1900		
					TBD - 12/05										10/02 - 9/03	15,331,938				
					TBD - 01/06										Average customer monthly use (cfr/month)	14,254,488	14,247,759			
															2002	2,181	2,298			
															10/02 - 9/03	2,283	2,409	record dry summer since before year 1900		
															10/04 - 9/05	1,784	1,861	average use from 2002 to test period; down 20%		
															Use smaller number of connections and reduce water use to get the actual consumption for the connections used.					
															0 Three tiers (or less) recommended by Jim Ward.					
															1500 This tier exceeds WSDOH design standard and Ecology's annual water right of 400 gpd/ERU.					
															1501-4000 This tier exceeds WSDOH design standard and Ecology's annual water right of 800 gpd/ERU.					
															>4000 These customers are using greater than approximately 1,000 gpd/ERU.					
Ready to Serve																				
Sew Conn																				
Fac Charge																				
Late Fee																				
New Account																				
NSF																				
Water Availability & Request for Service																				

reduced to same as base rate  
PLC charge \$400 per meter install (avg. PLC cost)

no change proposed  
no change proposed  
no change proposed  
no change proposed

14254489  
15074930  
34064  
15040866  
0.062228269



Test Year Ending : 12/31/05

311,830	Revenue Requirement for Customers			
326,402	Revenue Generation	14,573	Diff	1.82 per customer offage
666	Customer Count	490.09	Annual Revenue per customer	
0	Growth	12	Months	
		\$40.84	Average Monthly Revenue per customer	

OLD	RESIDENTIAL RATE DESIGN				Count	Monthly		Annual		
	Average 10/04-9/05 1,861	Average Cubic Feet	Allowance	Meter Base		Cash Flow	Overage	Share	Cash Flow	Share
16.70	Reduce 0	2,190	0	0	638	9,570		37.13%	114,840	37.13%
	Usage Rate Per 100 Cubic feet			0						
0.75	0 - 1500 \$0.75	1,500	\$11.25	0	638		7,178	27.85%	86,130	27.85%
1.00	1501 - 4000 \$1.00	400	\$4.00	0	638		2,552	9.90%	30,624	9.90%
1.25	> 4,000 \$3.50	290	\$10.15	0	638		6,476	25.12%	77,708	25.12%
1.50	\$0.00	0	\$0.00	0	0		0	0.00%	0	0.00%
	based on revenue generated for this test period	2,190	\$25.40				\$25,775	100%	309,302	100%
18.50	Ready To Serve		\$15.00		28	420			5,040	100.00%
0.00	Flat		\$0.00		0	0			0	0.00%
					666	9,990		\$26,195	5,040	100%
	Difference With B&O Tax	0.00		\$15.75 Min charge				314,342		

	Last Case	This Case
Base	114,840	114,840
Usage	118,700	194,462
Flat	0	0
RTS	0	5,040
	532	666
	228,182	314,342
	100%	100%

LARGER THAN RESIDENTIAL RATE DESIGN			
	XF	Allowance	Base
3/4 inch meter	1	0	\$15.00
1 inch meter	1.70	0	25.50
1 1/2 inch meter	3.30	0	49.50
2 inch meter	5.30	0	79.50
3 inch meter	10.00	0	150.00
4 inch meter	16.70	0	250.50

XF = Factor for allowance size equal to 3/4 inch.

Count	Annual Revenue	3/4 Meter
9	2,754.00	Monthly Cuft 2,190
3	1,782.00	Months 12
6	5,724.00	Annual Cuft 26,280
1	1,800.00	Annual Gallons 196,574
0	0.00	
19	\$12,060.00	\$12,060

Gross Revenue \$326,402

	Previous	Current	Proposed
Ready To Serve	16.70	16.50	\$15.00
Surcharge Cap Imp	0.00	0.00	\$0.00
Flat	0.00	0.00	\$0.00
Base Zero	16.70	16.50	\$15.00
revised 0 - 1500	0.75	0.75	\$0.75
revised 1501 - 4000	1.00	1.25	\$1.00
revised > 4,000	1.25	3.50	\$3.50
	1.50	0.00	\$0.00

AVG BILL		
\$40.40	Water	
\$0.00	Surcharge	\$40.40
\$0.00	Tax	
\$40.40	Total	

**CANTERWOOD WATER COMPANY**

UTC WN U-4

For the Year ending

December 31, 2005

**CAPITAL STRUCTURE**

	Principal	Percent of Total	Actual Cost Rate	Weighted Cost Rate		
<b>DEBT</b>						
Accounts Payable	-	0.00%	0.00%	0.00%		
(1) Liabilities	33,225.15	11.92%	6.00%	0.71%		
(2) Long-term Liabilities	245,625.87	88.08%	6.50%	5.73%		
	<u>278,851</u>	<u>100%</u>		<u>6.44%</u>		
<b>EQUITY</b>						
(3) Common Stock	615,671.34	40.67%				
Retained Earnings	385,902.19	25.49%				as of 12/31/05
Paid in Capital	386,973.80	25.57%				
Net Earnings	125,133.22	8.27%				as of 12/31/05
	<u>1,513,681</u>	<u>100%</u>	12.00%	<u>12.00%</u>		
<b>ACTUAL</b>						
Debt	278,851	15.56%	6.44%	1.00%	30%	1.93%
Equity	1,513,681	84.44%	12.00%	10.13%	70%	8.40%
	<u>1,792,532</u>	<u>100%</u>				
			<b>Weighted Average Cost of Capital</b>	<u>11.14%</u>		<u>10.33%</u>

SEE Carterwood about this sheet

CANTERWOOD WATER COMPANY  
UTC WN U-4  
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BEOY - Before End of Year

Count	Yr 2002	Start of Test Period	End of Test Period	BEOY
532		10/1/2004	9/31/2005	12/31/2005
616			666	

Assets	CWC to Update:	1,501,026	1,650,273	2,014,135	2,029,006	14,871
Well No. 1 upgrade		0				
Well No. 2 upgrade		0				
Well No. 3, 5 and 6 electrical upgr		0				
New Well Acquisition Testing		0				
Water Right		0				
Land & Water Rights		150,000	(12,491)			
New Well #7			148,470			
Existing Wells - upgrades			27,754			
Booster Station power supply			6,311			
Tank inspection and repair				17,140		
Purdy Line Extension						7,391 both vents need to be replaced on each tank still
Serv. fees						1,399
Meters installed				18,800		
Comprehensive plan				7,879		
				363,863		
Total		1,501,026	1,650,273	2,014,135	2,029,006	14,871

not included attorney and engineering time to recover money out of Escrow  
moved to another account and reclassified by accounting firm; moved to 120  
879 not included attorney and engineering time to recover money out of Escrow

5,202 still in progress; not billed yet for work done in Nov and Dec 2005, and 2006  
BEOY  
ADJ????

Depn	(307,770)	(385,766)	(436,909)	(448,052)	corrected 01/12/06
Adds	0	0	0	(14,555)	(14,555)
Total	(307,770)	(385,766)	(451,464)	(462,606)	(11,142)

CIAC	(147,344)	(173,989)	(180,924)	(184,859)	(3,935) thru end of 12/05 corrected 01/12/06
CIAC Update		Adjustment R-1	(6,935)	(6,935)	

Rate Base	1,045,912	1,090,518	1,374,812	1,374,606	(207)
CAR	69.68%	66.08%	68.26%	67.75%	

Company Depn (436,909)  
Total (451,464)

Acquisition	12/31/2002	532	532	Adjustment R-1	(14,555)
End of Year	2003	556	556		
Growth	24	24	Company Depn	(448,052)	
Connection Charge	365	400	Total BYOY	(462,606)	
CIAC (8,760)		(9,600)			
Growth CIAC	22	8,800	Adjustment R-1	(14,555)	

EOY 02 (385,766)  
EOY 05 (462,606)  
Adjustment R-1 (76,840) Adjust to Company Actual

CANTERWOOD WATER COMPANY  
 UTC WN U-4

10/02 - 9/03

UTC to update if the want

Month Reading	September	October	November	December	January	February	March	April	May	June	July	August	September	TOTAL
Use	1,255,224	576,531	411,662	486,354	430,672	383,568	518,046	882,013	2,359,872	3,378,771	2,936,047	2,463,114	16,081,874	
Count	558	558	558	558	558	558	558	558	558	558	558	558	558	558
Average	0	2,250	1,033	738	872	687	928	1,581	4,229	6,055	5,262	4,414	2,402	2,402
Gallons Cuf	16,826	7,728	5,518	6,520	772	5,142	6,944	11,823	31,634	45,292	39,358	33,018	17,955	

# Water Company

