

Buddy Garcia, *Chairman*
Larry R. Soward, *Commissioner*
Bryan W. Shaw, Ph.D., *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 1, 2009

LaDonna Castañuela
Office of the Chief Clerk
Texas Commission on Environmental Quality
Office of the Chief Clerk, MC-105
P.O. Box 13087
Austin, Texas 78711-3087

CHIEF CLERKS OFFICE

2009 APR -1 PM 4:53

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

Re: Executive Director's Exceptions to ALJ's Proposal for Decision regarding Rate/Tariff
Change Application of HHJ, Inc. dba Decker Utilities; SOAH Docket No.582-08-1719;
TCEQ Docket No. 2008-0164-UCR.

Dear Ms. Castañuela:

Enclosed please find a copy of the Executive Director's Exceptions to ALJ's Proposal for
Decision for the above-referenced matter.

If you have any questions, please call me at 239- 6033.

Sincerely,

A handwritten signature in cursive script that reads "Erin Selvera".

Erin Selvera
Staff Attorney
Environmental Law Division

Enclosure

SOAH DOCKET NO. 582-08-1719
TCEQ DOCKET NO. 2008-0164-UCR

APPLICATION OF HHJ, INC.
DBA DECKER UTILITIES,
TO CHANGE ITS WATER
AND SEWER RATES

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BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY
2009 APR -1 PM 4:53
CHIEF CLERKS OFFICE

**THE EXECUTIVE DIRECTOR'S RESPONSE TO ADMINISTRATIVE LAW JUDGE'S
REQUEST FOR RECALCULATION OF CERTAIN RATE SETTING DATA AND THE
EXECUTIVE DIRECTOR'S EXCEPTIONS TO THE PROPOSAL FOR DECISION**

TO THE HONORABLE COMMISSIONERS OF THE TCEQ:

COMES NOW the Executive Director (ED) of the Texas Commission on Environmental Quality (TCEQ or Commission) and files the following response to the ALJ's requested calculations and the Executive Director's Exceptions to the Administrative Law Judge's (ALJ) Proposal for Decision (PFD) in the above captioned matter.

I. EXECUTIVE DIRECTOR'S RESPONSE TO ALJ'S REQUESTED CLARIFICATIONS

The ALJ requested in her Proposal for Decision (PFD) that the Executive Director provide in his exceptions, calculations of revenue requirement and rates that will incorporate the ALJ's recommended changes.¹ The Executive Director has made the following calculations in accordance with the ALJ's directive:

A. Revenue Requirement

The ED has recalculated the revenue requirement based on the ALJs recommendation to allow all of the expenses claimed by the Applicant with the exception of a repair and maintenance expense invoice that was outside the test year, and to add \$14, 417 to the utility

¹ PFD at 2.

expenses for what the ALJ found to be a “*bona fide* known and measurable expense.”² The recalculation resulted in a total revenue requirement of \$ 809,514.00 consisting of \$250,276.00 for water and \$559,238.00 for sewer.³

B. Rate Design

The ED has recalculated the rate design using the above noted revenue requirement, and the corrected meter equivalents. The resulting water rate yields a base rate of \$22.29 with a gallonage charge of \$2.29 per thousand gallons.⁴ The resulting sewer rate calculation yields a base rate of \$64.84 with a gallonage charge of 4.00 per thousand gallons.

II. THE EXECUTIVE DIRECTOR’S EXCEPTIONS TO THE PFD

The ALJ's recommendations differ from the Executive Director's Recommendations on three primary issues. First, the ALJ recommends inclusion of costs and expenses even where no receipts or supporting documentation was provided to justify the amounts noted in the general ledger. Second, the ALJ recommends adding \$14, 417 to the operations and maintenance costs as a known and measurable even though the Decker Utilities did not include it in the application. Third, the ALJ recommends use of the Applicant's trended depreciation analysis with some corrections to the calculation errors made by the Applicant's consultant. The excepts to the each of these recommendations on the following bases:

A. The ALJ Improperly Allowed Expenses or Which No Supporting Documentation Was Provided.

² PFD at 31.

³ See attachments 1-7 to the ED’s exceptions for detailed calculations of the revenue requirement, rate design, and all other underlying calculations for water and attachments 8-14 for sewer.

⁴ See attachment 1 for a chart showing the minimum bill amounts for all connections sizes.

In the PFD, ALJ Cloninger recommends that the expenses unsupported by invoices, receipts, and/or check stubs not be disallowed stating that disallowing them would not preserve the financial integrity of the utility.⁵ The ED respectfully disagrees. The ALJ begins her analysis of this issue by recommending that the Commission take the ED's expenses disallowed for lack of supporting documentation into consideration in determining Decker's water and sewer rates,⁶ but goes on to recommend that Ms. Loockerman's calculations for allowable expenses be adopted by the Commission.⁷ The ED excepts to this recommendation for the following reasons: First, the Judge acknowledges the applicable statute and TCEQ rules regarding allowance of costs when a utility fails to provide necessary documentation or other evidence to support the costs. Specifically, the ALJ cites to Texas Water Code section 13.187 (c) and Texas Administrative code section 291.28(4) to indicate that the Commission may disallow the unsupported costs or expenses when that information has been requested and the utility has failed to provide the information.⁸ The ALJ correctly notes that application of these provisions is discretionary. The ED acknowledges the discretionary nature of the statute and rule and agrees that there may be situations where all receipts or supporting documentation are not available due to fire, other natural disaster, or circumstances beyond the control of the applicant. However, there is no evidence in the record to indicate that this was the cause of the failure to provide the supporting documentation. Therefore, the ED asserts that implementing this requirement is necessary to preserve the sanctity of TCEQ's regulatory authority over the retail public utilities

⁵ PFD at 12.

⁶ PFD at 10

⁷ PFD at 31.

⁸ PFD at 10.

that are by definition monopolies in the areas they serve.⁹ TCEQ's has a statutory obligation to protect the public interest regarding rates and services charged retail public utilities.¹⁰ To adequately protect this interest, the ED's staff must be able to scrutinize the records and requests submitted by utilities to ensure that the rates requested are reasonable and necessary. Second, failure to apply this rule would eliminate the need for Executive Director review of rate applications, and the hearing process in general. If an applicant's unsupported claim of costs can form the basis for a rate increase, there is no need for ED review or for a hearing on the matter. The process would become procedurally ministerial. Third, allowing applicants to receive rate increases based on unsubstantiated costs, in effect, removes the Applicant's burden to demonstrate that the rate is just and reasonable.¹¹ Applicants would have no incentive to submit rate requests calculated based on the recovery of costs and a reasonable rate of return but could request rates that are unnecessarily exorbitant which of which the customers would be forced to pay because of the monopoly nature of these types of utilities. Furthermore, to allow Decker Utilities to ignore the ED's requests for supporting documentation and to not require verification of costs to support their request for rate increase in would conflict with prior decisions by the Commission on this issue, and would set a precedent for future rate change applicants that they could simply claim that compromise of the financial integrity of the utility as the basis for the rate change without further support.¹²

⁹ Tex Water Code §13.001 (b).

¹⁰ Tex Water Code §13.001(a).

¹¹ OPIC also points out that Decker's strategy ignores its burden to demonstrate that the rate is just and reasonable as required by 30 TAC § 291.12. OPIC Closing Argument at 5. PFD at 9.

¹² TCEQ Docket No. 582-08-2245; Application of Beuna Vista Water System to Change Its Water Rates and Tarriff considered at TCEQ Commission Meeting on March 25, 2009.

In an attempt to support their assertion that production of receipts is not a mandatory requirement when requested, the Applicant asserts that there is no rule or law that requires retail public utilities to keep invoices, check stubs to support information contained in its general ledger. However, the Applicant's own exhibit 7 files in the face of this assertion. Specifically, HHJ exhibit 7 is a copy of Texas Water Code section 13.131 which state the following " (a) every water and sewer utility shall keep and **render to the regulatory authority in the manner and form prescribed by the commission uniform accounts of all business transacted.** The commission may also prescribe forms of books, accounts, records and memoranda to be kept by those utilities, including the books, accounts, records, and memoranda of the rendition of and capacity for service **as well as the receipts and expenditures of money, and any other forms, records and memoranda that in the judgment of the commission may be necessary to carry out this chapter.**"¹³ To confirm this practice, testimony was admitted from ED witness, Sheresia Perryman, that auditors rely on invoices, receipts, and/or check stubs to verify the figures contained in the general ledgers.¹⁴ Decker Utilities provides no reason or basis for not providing the supporting documentation. Furthermore, the ED notes that Decker Utilities was represented by seasoned counsel and consultants and thus unlike a pro-se applicant that may not be astute as to the requirements applicable in the situation, Decker Utilities had access to professional assistance in the preparation and defense of the application.¹⁵ Even with this assistance, Decker Utilities did not provide the supporting documentation.

¹³ *Emphasis added.*

¹⁴ PFD at 10 citing to the recording of November 6, 2008 reconvened hearing, beginning at approximately 39:30 minutes.

¹⁵ HHJ consultant Debi Loockerman states that she has over 15 years of experience in public water and wastewater rate accounting, regulatory including rate filings and Consultation. HHJ exhibit 1 at 1-2. HHJ Consultant Bret Fenner testified that his company specializes in utility regulatory filings and Rate/Tariff Change Applications for

In the ALJ analysis regarding why unsupported costs should be allowed to calculate the revenue requirement, the ALJ acknowledges that Decker filed for bankruptcy in 2007 based on testimony provided by Mr. Weeden that the affiliated development companies could no longer afford to subsidize the utility at about \$20,000 per month.¹⁶ However, no evidence was admitted into the record to substantiate this contention thus the ED asserts that it should not be the basis for allowing the utility to claim costs for which no supporting documentation was provided. Furthermore, the ALJ appears to rely on this information stating that due to the subsidy, Decker's customers paid artificially low water and sewer rates until the proposed rates were imposed in February 2008. To this end, the ED asserts that there is no information in the record to indicate that the Applicant has ever been prohibited from submitting a rate change application to establish new rates consistent with current costs that could have prevented the necessity of bankruptcy. In accordance with TCEQ rules at 30 TAC 291.23, a utility can file a notice of rate change at a minimum, once every twelve months, potentially more often if the regulatory authority determines that a financial hardship exists.¹⁷ There is no evidence in the record that the Decker utilities has requested a rate change based on this provision when it may have qualified to do so

submission to the TCEQ.HHJ exhibit 2 at 2. HHJ counsel, Mark Zeppa testified that he specializes in water and wastewater regulation and that he was retained in this case to prepare and prosecute the rate change application. Recording of October 14, 2008 hearing beginning at approximately 1:27.09 hours in segment HOM 2 of 4.

¹⁶ PFD at 11.

¹⁷ 30 TAC 291.23 states " Unless the commission requires it to deliver a corrected statement of intent, a utility or two or more utilities under common control or ownership may not file a notice of intent to increase rates more than once in a 12-month period except: (1) to implement an approved purchase water pass through provision; (2) to adjust the rates of a newly acquired utility system; or (3) to comply with a commission order; (4) to adjust rates authorized by §291.21(b)(2) of this title (relating to Form and Filing of Tariffs); or (5) unless the regulatory authority determines that a financial hardship exists. A utility may be considered to be experiencing a financial hardship if revenues are insufficient to: A) cover reasonable and necessary operating expenses; or (B) cover cash flow needs which may include regulatory sampling requirements, unusual repair and maintenance expenses, revenues to finance required capital improvements or, in certain instances, existing debt service requirements."

and thus the current customers should not have to bear the costs associated with a utilities failure to properly manage its finances and regulatory options.

Assuming arguendo, that the reason for HHJ's bankruptcy was that the affiliated development companies had been subsidizing the utility at about \$20,000 per month, and were no longer able to do so, there would still be a great disparity between the revenue requirement requested by the Applicant and the revenue requirement based on an addition \$20,000 per month or \$240,000 per year.¹⁸ For example, if 20,000 per month is the deficit that is needed to cover the costs of service, then the annual increase would need to be \$240,000, not the \$351,760 as requested by the Decker.¹⁹ The total revenue requirement, if \$20,000 per month were added to address the subsidy deficit, equates to \$715,483. This is a difference of \$111,760 from what the Applicant requested. As noted above, the ED's proposed rates would produce an annual revenue requirement of \$704,486, which is within \$11,000 of the total annual revenue requirement under this scenario.²⁰

In summary, the ED respectfully requests that the Commission disallow any unsupported costs associated with the rate change application and adopt the ED's recommended revenue requirement as just and reasonable.

B. The ALJ inappropriately added expenses to the expenses and revenue requirement claimed in Decker Utilities application.

¹⁸ PFD at 11. Note that there is not reference to the record for these statements and the ED could not locate such information in the record either written or audio recording. The ED does not dispute that the Utility claimed bankruptcy but the basis for the bankruptcy is not substantiated by the record.

¹⁹ See PFD footnote 1 that references the Applicants requested annual revenue increase as indicated on the Notice of Proposed Rate Change for HHJ Inc. DBA Decker Utilities admitted as ED Exh. A.

²⁰ The difference is \$10,997 more than what the ED is recommending.

In the PFD, ALJ Cloninger acknowledges that Applicant consultant, Debi Loockerman did not include \$14,417 that could have been counted as a known and measurable.²¹ However, she goes on to recommend that this amount be included in the cost of service.²² The ED respectfully disagrees and excepts to this recommendation for the following reasons: First, the Applicant did not request this amount in the application when it was submitted in November of 2007, therefore addition of this cost would violate the Texas Water Code and TCEQ rules.²³ In accordance with Texas Water Code, §13.187, A utility filing for a change in rates shall be prepared to go forward at a hearing on the data which has been submitted under subsection (a) of this section and sustain the burden of proof of establishing that its proposed changes are just and reasonable. TCEQ rules at 30 Tex. Admin. Code § 291.25(b) mirrors the statutory requirement specifying that a utility shall be prepared to go forward at a hearing on the data which has been submitted under subsection (a) of this rule which refers to the submission of a rate filing package consisting of a rate/tariff change application form, or such other forms as prescribed by the commission, a statement of intent to change rates, and a copy of the notice the applicant has provided to customers and other affected parties. The point being that the Applicant did not request this amount in its rate filing package and thus is not be entitled to have this amount included as a utility expense for this rate making proceeding.

Second, inclusion of the recommended costs would raise the revenue requirement in violation of the TCEQ's rules regarding notice of rate change applications. Specifically, 30 TAC 291.22 lays out the requirements for notice of rate change applications stating in pertinent part "

²¹ PFD at 17.

²² PFD at 31. Judge Cloninger states that "the ALJ finds this a *bona fide* known and measurable expense that should be included in the cost of service."

²³ HHJ Exhibit 1 pages 25-65.

Notice must be provided on the notice form included in the commission's rate application package and must contain the following information: (1) the utility name and address, current rates, the proposed rates, the effective date of the proposed rate change, *the increase or decrease requested over test year revenues as adjusted for test year customer growth and annualization of test year rate increases, stated as a dollar amount, and the classes of utility customers affected...*²⁴ Therefore in addition to the conflicts with the requirements under 30 TAC 291.25, inclusion of the additional costs violates 30 TAC 291.22.

Third, although there was testimony regarding this potential known and measurable cost, no supporting documentation was provided to verify the amount. Therefore, the ED asserts that this amount should not be included, as it would be contrary to the requirements under Texas Water Code section 13.187 (c) and Texas Administrative code section 291.28(4) as discussed *supra*.

Fourth, the Applicant's own witness testified that she did not include the \$14,417 increase in known and measurable expenses and noted that Decker will recover enough revenue to do without the added \$14,417 if it is recommended cost of service and a reasonable rate of return are approved by the Commission.²⁵

Fifth, as noted above regarding the ED's exception to other unsupported expenses, allowing the inclusion of additional funds without verification, constrains the ED's regulatory authority and oversight in conflict with its statutory obligations, removes the need for a hearing process and essentially eliminates the applicant's burden of proof.

²⁴ Emphasis added.

²⁵ PFD at 17 citing to Recording of October 14, 2008 proceeding, beginning at approximately 1:05:28 hours in segment HOM 1 of 4.

Sixth, in addition to the policy considerations noted previously, this practice would again prejudice the rights of rate payers who become Protestants by creating a unfair moving target of data upon which they are to examine and scrutinize. The Ed acknowledges that TCEQ rules do allow a utility to alter information in its original application. However, there must be basis for the change. Specifically, 30 TAC § 291.25(g) states "The items in the rate filing package may be modified on a showing of good cause." The Applicant has made no such showing.

In summary, allowing the addition of costs at this juncture would compromise the TCEQ regulatory authority, be prejudicial to the Protestants, and foremost violate TCEQ rules and state. Therefore, the ED recommends that the ALJ's recommendation regarding the addition of \$14, 417.00 to the Applicant's cost of service be rejected.

C. The ALJ's recommendation regarding use of the Applicant's depreciation expense calculations is not supported by the evidence.

In the PFD, the ALJ acknowledges that Decker Utilities did not provide any receipts to verify original costs or explain how the costs submitted in the application were developed.²⁶ The ALJ goes on to acknowledge the calculation errors contained in the Applicant's depreciation analysis.²⁷ However, the ALJ recommends that Mr. Fenner's calculations for depreciation be adopted by the commission except for a change to the accumulated depreciation for man holes. In addition to the arguments above regarding allowing costs where no supporting documentation is provided, t

he ED respectfully asserts that the numerous admitted calculation errors found in the Applicant's depreciation analysis, which affect the final rate calculation, are so flawed that it would be

²⁶ PFD at 26.

²⁷ PFD at 27 and 32.

inappropriate to adopt them. Therefore the ED respectfully requests that the Commission adopt the ED's depreciation analysis as prepared by Mr. Kha Mach.

IV. CONCLUSION AND PRAYER

For the foregoing reasons, the ED respectfully requests that the Commission reject the ALJ's recommendations regarding allowance of unsupported costs and the addition of funds to the cost of service not requested in Decker Utilities rate change application.



Texas Commission on Environmental Quality
Mark R. Vickery, Executive Director

Stephanie Bergeron Perdue, Deputy Director
Office of Legal Services

Robert Martinez, Director
Environmental Law Division



Erin Selvera, Staff Attorney
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REPRESENTING THE EXECUTIVE DIRECTOR
OF THE TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

CERTIFICATE OF SERVICE

This is to certify that the original and seven copies of the foregoing Executive Director's Response to Administrative Law Judge's Request for Clarification of Certain Rate Setting Data and The Executive Director's Exceptions to The Proposal for Decision in accordance with SOAH rules on April 1, 2009.

This is to certify that the Administrative Law Judge, SOAH docket Clerk and all parties on the attached Service List have been sent a copy of the foregoing Executive Director's Response to Administrative Law Judge's Request for Clarification of Certain Rate Setting Data and The Executive Director's Exceptions to The Proposal for Decision in accordance with SOAH rules on April 1, 2009.



Erin Selvera
Staff Attorney
Environmental Law Division

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

2009 APR -1 PM 4:53

CHIEF CLERKS OFFICE

SERVICE LIST
HHJ, Inc. dba Decker Utilities
TCEQ Docket No. 2008-0164-UCR
SOAH Docket No. 582-08-1719

FOR SOAH

VIA: Facsimile
The Honorable Sharon Cloninger
Administrative Law Judge
State Office of Administrative Hearings
300 West 15th Street
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ATTACHMENT 1
WATER RATE DESIGN

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

DOCKET # 35893-R **UTILITY:** HHJ, Inc. dba Decker Utilities

Printed on: 1-Apr-09 time: 9:54 AM

version: 20070403

REVENUE REQUIREMENT

COST OF SERVICE ITEM	Item Cost	%	Fixed	%	Variable
SALARIES	73,000	50	36,500	50	36,500
CONTRACT SERVICES	13,200	90	11,880	10	1,320
PURCHASED SERVICE	0	0	0	100	0
CHEMICALS AND TREATMENT	0	0	0	100	0
UTILITIES	30,349	0	0	100	30,349
REPAIRS AND MAINTENANCE	15,064	50	7,532	50	7,532
OFFICE EXPENSE	12,359	50	6,180	50	6,180
ACCOUNTING & LEGAL	4,536	100	4,536	0	0
INSURANCE	9,371	100	9,371	0	0
RATE CASE EXPENSE	1,625	100	1,625	0	0
MISCELLANEOUS	472	100	472	0	0
DEPRECIATION & AMORTIZATION	20,255	100	20,255	0	0
TAXES OTHER THAN INCOME	8,856	100	8,856	0	0
			0	100	0
			0	100	0
SUB-TOTAL (LESS FIT & RETURN)	189,086		107,206		81,880
% OF TOTAL (FIXED + VARIABLE)		0.57		0.43	
FEDERAL INCOME TAXES	6,469		3,668		2,801
RETURN	54,720		31,025		23,695
LESS OTHER REVENUES	0		0		0
TOTAL	\$250,276		\$141,899		\$108,377

APPLICANT'S REQUESTED RATES	
Minimum bill:	
(includes	0 gallons)
5/8 x 3/4"	\$25.88
1"	64.70
1-1/2"	129.40
2"	207.04
3"	388.20
4"	517.60
6"	569.36
8"	
Gallage rate:	
	\$2.29 /1,000 gallons
Rev. Reqes'd:	\$269,120
Rev. Gen'd :	\$269,245

RATE CALCULATION

GALLONAGE CHARGE

Variable Cost/Test Year Gallons/1,000 =====>

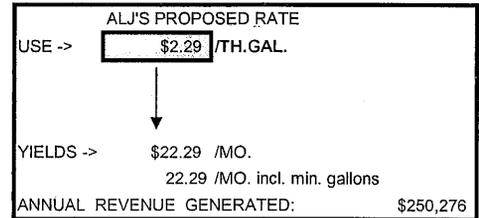
Calculating a flat rate? y

\$3.15 /TH.GAL.

MINIMUM BILL

Fixed Cost/12/Connection Equivalent =====>

\$18.43 /MO.
\$18.43 /MO. incl. min. gallons



REVENUE GENERATED SUMMARY:

Connection Size	# of Connections	Minimum Bill			Rev./Year
		Min. Bill	Including Gals	Rev./Month	
5/8", 3/4"	520	22.29	\$22.29	\$11,589	\$139,066
1"	17	55.72	55.72	947	11,366
1-1/2"	1	111.43	111.43	111	1,337
2"	3	178.29	178.29	535	6,418
3"	0	334.29	334.29	0	0
4"	0	557.15	557.15	0	0
6"	1	1114.31	1114.31	1,114	13,372
8"	0	1782.89	1782.89	0	0

TOTAL MINIMUM CHARGES=>		\$171,559
GALLONAGE CHARGES=>	34,374 @	\$2.29 /1,000 GAL 78,716
TOTAL REVENUE GENERATED=>		\$250,276

ATTACHMENT 2
WATER METER CONSUMPTION

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

version: 20070403

Utility Name: HHJ, Inc. dba Decker Utilities
Docket Number: 35893-R

Customer Meters	No.:	Multiplier:	Conn. Equiv.
Number of 5/8" connections:	520	1.00	520.00
Number of 1" connections:	17	2.50	42.50
Number of 1-1/2" connections:	1	5.00	5.00
Number of 2" connections:	3	8.00	24.00
Number of 3" connections:		15.00	0.00
Number of 4" connections:		25.00	0.00
Number of 6" connections:	1	50.00	50.00
Number of 8" connections:		80.00	0.00

Total = **542.00** **641.50** Connection Equivalents

Utility/Customer Water Usage

Proposed Gallons Included In Minimum Bill =	0
Test Year Gallons Pumped (x 1,000) =	34,374
Test Year Gallons Billed (x 1,000) =	34,374

0.0% = percent lost

ATTACHMENT 3
WATER OPERATIONS, MAINTENANCE AND TAXES CALCULATIONS

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Utility Name: HHJ, Inc. dba Decker Utilities

Docket Number: 35893-R

version: 20070403

Test Period: From: 1/1/2006 To: 12/31/2006

9:53 AM

1-Apr-09

SCHEDULE I(a) - OPERATIONS & MAINTENANCE

	TEST PERIOD PER COMPANY (a)	COMPANY ADJUST (b)	COMPANY TEST YEAR (c)=(a)+(b)	ALJ ADJUST (d)	STAFF TEST YEAR (e)=(c)+(d)
SALARIES	\$52,374	\$20,626	\$73,000		\$73,000
CONTRACT SERVICES	\$12,035	\$1,165	\$13,200		\$13,200
PURCHASED WATER	\$0	\$0	\$0		\$0
CHEMICALS AND TREATMENT	\$0	\$0	\$0		\$0
UTILITIES	\$23,140		\$23,140	\$7,208.5	\$30,349
REPAIRS AND MAINTENANCE	\$20,306	-\$5,165	\$15,141	-\$77	\$15,064
OFFICE EXPENSE	\$13,460	-\$1,101	\$12,359	\$0	\$12,359
ACCOUNTING AND LEGAL	\$4,923	-\$387	\$4,536	\$0	\$4,536
INSURANCE	\$9,757	-\$386	\$9,371		\$9,371
RATE CASE EXPENSE	\$0	\$1,625	\$1,625		\$1,625
MISCELLANEOUS	\$3,360	-\$2,888	\$472		\$472
TOTAL	\$139,355	\$13,489	\$152,844	\$7,131	\$159,975

SCHEDULE I(b) - OTHER TAXES

	TEST YEAR PER COMPANY (a)	COMPANY ADJUST (b)	COMPANY TEST YEAR (c)=(a)+(b)	ALJ ADJUST (d)	STAFF TEST YEAR (e)=(c)+(d)
AD VALOREM TAXES	\$0	\$0	\$0		\$0
PAYROLL TAXES	\$0	\$7,300	\$7,300		\$7,300
OTHER TAXES-MISC	\$3,482	-\$1,926	\$1,556		\$1,556
NON-REVENUE RELATED	\$3,482	\$5,374	\$8,856	\$0	\$8,856
TWC ASSESSMENT			\$0		\$0
REVENUE RELATED TAXES	\$0	\$0	\$0		\$0
TOTAL OTHER TAXES	\$3,482	\$5,374	\$8,856	\$0	\$8,856

SCHEDULE I(c) - FEDERAL INCOME TAXES

REVENUE REQUIREMENT	\$250,276
LESS:	
OPERATIONS AND MAINTENANCE	-\$159,975
DEPRECIATION AND AMORTIZATION	-\$20,255
OTHER TAXES	-\$8,856
INTEREST EXPENSE	-\$18,061
TAXABLE INCOME	\$43,129
TAXES @ FACTOR :	\$0
SUB-TOTAL	\$6,469
LESS:	
SURTAX EXEMPTION :	\$0
FEDERAL INCOME TAXES	\$6,469

ATTACHMENT 4
WATER REVENUE REQUIREMENT

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Utility Name: HHJ, Inc. dba Decker Utilities

35893-R

Docket Number:

version: 20070403

9:54 AM

1-Apr-09

SCHEDULE I - REVENUE REQUIREMENT

	TEST PERIOD PER COMPANY (a)	COMPANY ADJUST (b)	COMPANY TEST YEAR (c)=(a)+(b)	AJ ADJUST (d)	STAFF TEST YEAR (e)=(c)+(d)
Operations and Maintenance	\$139,355	\$13,489	\$152,844	\$7,131	\$159,975
Depreciation and Amortization	\$0	\$20,255	\$20,255	\$0	\$20,255
Other Taxes	\$3,482	\$5,374	\$8,856	\$0	\$8,856
Federal Income Taxes	\$0	\$34,758	\$34,758	-\$28,289	\$6,469
Return	\$0	\$55,532	\$55,532	-\$812	\$54,720
Revenue Requirement	\$142,837	\$129,408	\$272,245	-\$21,969	\$250,276
Other Revenues - Taps	-\$16,415	\$13,290	-\$3,125	\$3,125	\$0
Base Rate Revenue	\$126,422	\$142,698	\$269,120	-\$18,844	\$250,276
Base Rate Revenue Deficiency			\$0	-\$18,844	-\$18,844

ATTACHMENT 5
WATER WEIGHTED AND INVESTED CAPITAL CALCULATIONS

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Utility Name: HHJ, Inc. dba Decker Utilities
 Docket Number: 35893-R

version: 20070403

10:13 AM

1-Apr-09

SCHEDULE I(d) - WEIGHTED COST OF CAPITAL

PAYEE	PRINCIPAL AS OF 12/31/06	INTEREST RATE	PERCENTAGE	WEIGHTED AVERAGE
Hybernia National Bank	\$267,567.00	6.75%	46.69%	3.15%
Universal Premium Accep. Corp.	\$0.00	12.74%	0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
EQUITY	\$305,495.81	12.00%	53.31%	6.40%
TOTAL	\$573,062.81		100.00%	9.5487%

SCHEDULE I(e) - INVESTED CAPITAL & RETURN

	COMPANY AMOUNT (a)	ALJ ADJUST (b)=(c)-(a)	STAFF AMOUNT (c)
PLANT IN SERVICE	669,258	0	669,258
ACCUMULATED DEPRECIATION	\$105,182.00	11,010	116,192
NET PLANT	564,076	-11,010	553,066
WORKING CASH ALLOWANCE	\$40,175.00	-20,178	19,997
MATERIALS AND SUPPLIES	\$0.00	0	\$0.00
CUSTOMERS DEPOSITS	\$0.00	0	\$0.00
INVESTMENT TAX CREDITS	\$0.00	0	\$0.00
DCIAC	\$0.00	0	0
TOTAL INVESTED CAPITAL	604,251	-31,188	573,063
RATE OF RETURN	9.1902%	0.3585%	9.5487%
RETURN	55,532	-812	54,720

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ATTACHMENT 6
WATER TAX CALCULATIONS

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Utility Name: HHJ, Inc. dba Decker Utilities
Docket Number: 2008-0164-UCR

version: 20070403

10:13 AM
1-Apr-09

RETURN 54,720
 INTEREST 18,061 (TOTAL INVESTED CAPITAL * WEIGHTED AVERAGE LT DEBT)
 TAXABLE INCOME 36,659

TAX CALCULATIONS FYE 07-01-87

RATE	BRACKET	SURTAX
15%	0 - 50,000	
25%	50,001 - 75,000	5,000
34%	75,001 - 100,000	11,750
39%	100,001 - 335,000	16,750
34%	335,001 -	

USE THE FOLLOWING RULE TO DETERMINE THE APPROPRIATE TAX BRACKET:

IF TAXABLE INCOME (RETURN - INTEREST) IS:

- 0 - 42,500 USE 15%
- 42,501 - 61,250 USE 25%
- 61,251 - 77,750 USE 34%
- 77,751 - 221,100 USE 39%
- 221,101 OR OVER USE 34%

INCOME RANGE	IF TAXABLE INCOME IS	THE TAX RATE IS	THE TAX INCLUDING THE SURTAX EXEMPTION IS	AND THE SURTAX EXEMPTION IS
0 - 42,500	36,659	15.00%	6,469	0
42,501 - 61,250	0	0.00%	0	0
61,251 - 77,750	0	0.00%	0	0
77,751 - 221,100	0	0.00%	0	0
221,100 -	0	0.00%	0	0
Total	36,659	15.00%	6,469	0

ATTACHMENT 7
WATER DEPRECIATION ANALYSIS

Utility Name: HHJ, Inc. dba Decker Utilities
 Docket Number: 2008-0164-
 Date Examined: 1-Apr-09 9:53 AM
 Date Referenced: 31-Dec-06

DEPRECIATION ANALYSIS

Description	Acquired Date	Claimed Economic Life, yrs	Claimed Original Cost	% Used & Useful	Ver./Est. Original Cost	Economic Life, yrs	Actual Deprec. Life	Annual Deprec.	Accum. Deprec.	Net Plant* (* reflects CIAC)
Land		n/a	21,500	100%	21,500	n/a	n/a	n/a		21,500
Structures:										
Masonry										
Wood										
	1-Jul-05	30	2,828	100%	2,828	30	1.50	\$189	283	2,545
Well										
6" Dia	1-Jul-97	50	10,810	100%	10,810	50	9.50	\$216	2,054	8,756
6" Dia	1-Jul-97	50	10,810	100%	10,810	50	9.50	\$216	2,054	8,756
Pumps:										
Well pump 25hp	1-Jul-05	10	6,580	100%	6,580	10.00	1.50	\$658	987	5,593
Well pump 25hp	1-Jul-05	10	6,580	100%	6,580	10.00	1.50	\$658	987	5,593
Booster pump 7.5hp	1-Jul-97	10	2,280	100%	2,280	10.00	9.50	\$228	2,166	114
Booster pump 7.5hp	1-Jul-97	10	2,280	100%	2,280	10.00	9.50	\$228	2,166	114
Booster pump 20hp	1-Jul-05	10	4,112	100%	4,112	10.00	1.50	\$411	617	3,495
Booster pump 25hp	1-Jul-05	10	4,112	100%	4,112	10.00	1.50	\$411	617	3,495
Booster pump 25hp	1-Jul-05	10	4,112	100%	4,112	10.00	1.50	\$411	617	3,495
Booster pump 25hp	1-Jul-05	10	4,112	100%	4,112	10.00	1.50	\$411	617	3,495
Booster pump 25hp	1-Jul-05	10	4,112	100%	4,112	10.00	1.50	\$411	617	3,495
Gas Chlorinator	1-Jul-97	10	2,579	100%	2,579	10	9.50	\$258	2,450	129
Gas Chlorinator	1-Jul-05	10	3,290	100%	3,290	10	1.50	\$329	494	2,796
Tanks:										
48 k gal GST	1-Jul-05	50	23,064	100%	23,064	50	1.50	\$461	692	22,372
25 k gal GST	1-Jul-97	50	34,747	100%	34,747	50	9.50	\$695	6,602	28,145
5k gal PST	1-Jul-05	50	16,400	100%	16,400	50	1.50	\$328	492	15,908
2 k gal PST	1-Jul-98	50	8,216	100%	8,216	50	8.50	\$164	1,397	6,819
Distrib. System										
8"	1-Jul-97	50	157,547	100%	157,547	50	9.50	\$3,151	29,935	127,612
6"	1-Jul-97	50	131,000	100%	131,000	50	9.50	\$2,620	24,891	106,109
4"	1-Jul-97	50	17,311	100%	17,311	50	9.50	\$346	3,289	14,022
3"	1-Jul-97	50	12,193	100%	12,193	50	9.50	\$244	2,317	9,876
2"	1-Jul-97	50	35,367	100%	35,367	50	9.50	\$707	6,720	28,647
22 Hydrants	1-Jul-97	50	60,368	100%	60,368	50	9.50	\$1,207	11,470	48,898
Generator - 50 kw	1-Jul-05	10	22,953	100%	22,953	10	1.50	\$2,295	3,444	19,509
Fencing	1-Jul-97	20	9,291	100%	9,291	20	9.50	\$465	4,413	4,878
Fencing	1-Jul-05	20	50,704	100%	50,704	20	1.50	\$2,535	3,804	46,900
		0	0		0					
		0	0		0					
		0	0		0					
		0	0		0					
Total			\$669,258		\$669,258			\$20,255	\$116,192	\$553,066

ATTACHMENT 8
SEWER RATE DESIGN

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

DOCKET # 35894-R **UTILITY:** HHJ, Inc. dba Decker Utilities

Printed on: 1-Apr-09 time: 9:54 AM

version: 20070403

REVENUE REQUIREMENT

COST OF SERVICE ITEM	Item Cost	%	Fixed	%	Variable
SALARIES	\$73,000.00	50	\$36,500.00	50	\$36,500.00
CONTRACT SERVICES	\$13,200.00	90	\$11,880.00	10	\$1,320.00
PURCHASED SERVICE	\$0.00	0	\$0.00	100	\$0.00
CHEMICALS AND TREATMENT	\$0.00	0	\$0.00	100	\$0.00
UTILITIES	\$30,348.50	0	\$0.00	100	\$30,348.50
REPAIRS AND MAINTENANCE	\$30,855.00	50	\$15,427.50	50	\$15,427.50
OFFICE EXPENSE	\$12,358.00	50	\$6,179.00	50	\$6,179.00
ACCOUNTING & LEGAL	\$4,535.00	100	\$4,535.00	0	\$0.00
INSURANCE	\$9,371.00	100	\$9,371.00	0	\$0.00
RATE CASE EXPENSE	\$1,625.00	100	\$1,625.00	0	\$0.00
MISCELLANEOUS	\$472.00	100	\$472.00	0	\$0.00
DEPRECIATION & AMORTIZATION	\$57,017.99	100	\$57,017.99	0	\$0.00
TAXES OTHER THAN INCOME	\$9,944.00	100	\$9,944.00	0	\$0.00
			\$0.00	100	\$0.00
			\$0.00	100	\$0.00
SUB-TOTAL (LESS FIT & RETURN)	242,726		\$152,951		\$89,775
% OF TOTAL (FIXED + VARIABLE)		0.63		0.37	
FEDERAL INCOME TAXES	74,602		47,009		27,592
RETURN	241,910		152,437		89,473
LESS OTHER REVENUES	0		0		0
TOTAL	\$559,238		\$352,398		\$206,840

APPLICANT'S REQUESTED RATES	
Minimum bill:	
(includes	0 gallons)
5/8 x 3/4"	\$64.67
1"	64.67
1-1/2"	64.67
2"	64.67
3"	64.67
4"	64.67
6"	64.67
8"	
Gallonge rate:	
	\$4.00 /1,000 gallons
Rev. Reqes'd:	\$558,123
Rev. Gen'd :	\$558,110

RATE CALCULATION

GALLONAGE CHARGE

Variable Cost/Test Year Gallons/1,000 =====>

Calculating a flat rate? y

\$6.02 /TH.GAL.

MINIMUM BILL

Fixed Cost/12/Connection Equivalents =====>

\$54.18 /MO.

\$54.18 /MO. incl. min. gallons

ALJ'S PROPOSED RATE	
USE ->	\$4.00 /TH.GAL.
YIELDS ->	\$64.84 /MO.
	64.84 /MO. incl. min. gallons
ANNUAL REVENUE GENERATED:	\$559,238

REVENUE GENERATED SUMMARY:

Minimum Bill

Connection Size	# of Connections	Min. Bill	Including Gals	Rev./Month	Rev./Year
5/8", 3/4"	520	64.84	\$64.84	\$33,719	\$404,623
1"	17	64.84	64.84	1,102	13,228
1-1/2"	1	64.84	64.84	65	778
2"	3	64.84	64.84	195	2,334
3"	0	64.84	64.84	0	0
4"	0	64.84	64.84	0	0
6"	1	64.84	64.84	65	778
8"	0	64.84	64.84	0	0

TOTAL MINIMUM CHARGES=> \$421,742
 GALLONAGE CHARGES=> 34,374 @ \$4.00 /1,000 GAL 137,496
TOTAL REVENUE GENERATED=> \$559,238

ATTACHMENT 9
SEWER METER CONSUMPTION

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

version: 20070403

Utility Name: HHJ, Inc. dba Decker Utilities
Docket Number: 35894-R

Customer Meters	No.:	Multiplier:	Conn. Equiv.
Number of 5/8" connections:	520	1.00	520.00
Number of 1" connections:	17	1.00	17.00
Number of 1-1/2" connections:	1	1.00	1.00
Number of 2" connections:	3	1.00	3.00
Number of 3" connections:		1.00	0.00
Number of 4" connections:		1.00	0.00
Number of 6" connections:	1	1.00	1.00
Number of 8" connections:		1.00	0.00

Total = **542.00** **542.00** Connection Equivalents

Utility/Customer Water Usage

Proposed Gallons Included In Minimum Bill =	0
Test Year Gallons Pumped (x 1,000) =	34,374
Test Year Gallons Billed (x 1,000) =	34,374

0.0% = percent lost

ATTACHMENT 10
SEWER OPERATIONS, MAINTENANCE AND TAXES CALCULATIONS

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Utility Name: HHJ, Inc. dba Decker Utilities
 Docket Number: 35894-R
 Test Period: From: 1/1/2006 To: 12/31/2006

version: 20070403

9:54 AM
1-Apr-09

SCHEDULE I(a) - OPERATIONS & MAINTENANCE

	TEST PERIOD PER COMPANY (a)	COMPANY ADJUST (b)	COMPANY TEST YEAR (c)=(a)+(b)	ALJ ADJUST (d)	STAFF TEST YEAR (e)=(c)+(d)
SALARIES	\$52,374.00	\$20,626.00	\$73,000.00		\$73,000.00
CONTRACT SERVICES	\$12,035.00	\$1,165.00	\$13,200.00		\$13,200.00
PURCHASED WATER	\$0.00	\$0.00	\$0.00		\$0.00
CHEMICALS AND TREATMENT	\$0.00	\$0.00	\$0.00		\$0.00
UTILITIES	\$23,140.00	\$0.00	\$23,140.00	\$7,208.50	\$30,348.50
REPAIRS AND MAINTENANCE	\$37,524.00	-\$6,669.00	\$30,855.00	\$0.00	\$30,855.00
OFFICE EXPENSE	\$13,459.00	-\$1,101.00	\$12,358.00	\$0.00	\$12,358.00
ACCOUNTING AND LEGAL	\$4,922.00	-\$387.00	\$4,535.00	\$0.00	\$4,535.00
INSURANCE	\$9,757.00	-\$386.00	\$9,371.00		\$9,371.00
RATE CASE EXPENSE	\$0.00	\$1,625.00	\$1,625.00		\$1,625.00
MISCELLANEOUS	\$3,359.00	-\$2,887.00	\$472.00		\$472.00
TOTAL	\$156,570.00	\$11,986.00	\$168,556.00	\$7,208.50	\$175,764.50

SCHEDULE I(b) - OTHER TAXES

	TEST YEAR PER COMPANY (a)	COMPANY ADJUST (b)	COMPANY TEST YEAR (c)=(a)+(b)	ALJ ADJUST (d)	STAFF TEST YEAR (e)=(c)+(d)
AD VALOREM TAXES	\$0.00	\$0.00	\$0.00		\$0.00
PAYROLL TAXES	\$0.00	\$7,300.00	\$7,300.00		\$7,300.00
OTHER TAXES-MISC	\$3,482.00	-\$838.00	\$2,644.00		\$2,644.00
NON-REVENUE RELATED	\$3,482.00	\$6,462.00	\$9,944.00	\$0.00	\$9,944.00
TWC ASSESSMENT			\$0.00		\$0.00
REVENUE RELATED TAXES	\$0.00	\$0.00	\$0.00		\$0.00
TOTAL OTHER TAXES	\$3,482.00	\$6,462.00	\$9,944.00	\$0.00	\$9,944.00

SCHEDULE I(c) - FEDERAL INCOME TAXES

REVENUE REQUIREMENT	\$559,238.01
LESS:	
OPERATIONS AND MAINTENANCE	-\$175,764.50
DEPRECIATION AND AMORTIZATION	-\$57,017.99
OTHER TAXES	-\$9,944.00
INTEREST EXPENSE	-\$82,276.89
TAXABLE INCOME	\$234,234.62
TAXES @ FACTOR :	\$0.39
SUB-TOTAL	\$91,351.50
LESS:	
SURTAX EXEMPTION :	-\$16,750.00
FEDERAL INCOME TAXES	\$74,601.50

ATTACHMENT 11
SEWER REVENUE REQUIREMENT

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Utility Name: HHJ, Inc. dba Decker Utilities
 Docket Number: 35894-R

version:

SCHEDULE I(d) - WEIGHTED COST OF CAPITAL

PAYEE	PRINCIPAL AS OF 12/31/06	INTEREST RATE	PERCENTAGE	WEIGHTED AVERAGE
Hybernia National Bank	\$1,218,916.88	6.75%	47.82%	3.23%
Universal Premium Accep. Corp.	\$0.00	12.74%	0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
			0.00%	0.00%
EQUITY	\$1,330,272.66	12.00%	52.18%	6.26%
TOTAL	\$2,549,189.54		100.00%	9.4897%

SCHEDULE I(e) - INVESTED CAPITAL & RETURN

	COMPANY AMOUNT (a)	ALJ ADJUST (b)=(c)-(a)
PLANT IN SERVICE,	2827441	0
ACCUMULATED DEPRECIATION	300222	0
NET PLANT	2527219	0
WORKING CASH ALLOWANCE	0	21971
MATERIALS AND SUPPLIES	0	0
CUSTOMERS DEPOSITS	0	0
INVESTMENT TAX CREDITS	0	0
DCIAC	0	0
TOTAL INVESTED CAPITAL	2527219	21971
RATE OF RETURN	10.0101%	-0.5204%
RETURN	252977	-11067

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20070403

9:54 AM

1-Apr-09

STAFF AMOUNT (c)
2827441
300222
2527219
21971
0
0
0
0
0
2549190
9.4897%
241910

ATTACHMENT 12
SEWER WEIGHTED AND INVESTED CAPITAL CALCULATIONS

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Utility Name: HHJ, Inc. dba Decker Utilities

Docket Number: 35894-R

version: 20070403

9:54 AM

1-Apr-09

SCHEDULE I - REVENUE REQUIREMENT

	TEST PERIOD PER COMPANY (a)	COMPANY ADJUST (b)	COMPANY TEST YEAR (c)=(a)+(b)	ALJ ADJUST (d)	STAFF TEST YEAR (e)=(c)+(d)
Operations and Maintenance	\$156,570	\$11,986	\$168,556	\$7,209	\$175,765
Depreciation and Amortization	\$0	\$57,018	\$57,018	\$0	\$57,018
Other Taxes	\$3,482	\$6,462	\$9,944	\$0	\$9,944
Federal Income Taxes	\$0	\$72,753	\$72,753	\$1,849	\$74,602
Return	\$0	\$252,977	\$252,977	-\$11,067	\$241,910
Revenue Requirement	\$160,052	\$401,196	\$561,248	-\$2,010	\$559,238
Other Revenues - Taps	-\$16,415	\$13,290	-\$3,125	\$3,125	\$0
Base Rate Revenue	\$143,637	\$414,486	\$558,123	\$1,115	\$559,238
Base Rate Revenue Deficiency			\$0	\$1,115	\$1,115

ATTACHMENT 13
SEWER TAX CALCULATIONS

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Utility Name: HHJ Inc. dba Decker Utilities
Docket Number: 2008-0164-UCR

version: 20070403

9:54 AM
1-Apr-09

RETURN 241,910
 INTEREST 82,277 (TOTAL INVESTED CAPITAL * WEIGHTED AVERAGE LT DEBT)
 TAXABLE INCOME 159,633

TAX CALCULATIONS FYE 07-01-87

RATE	BRACKET	SURTAX
15%	0 - 50,000	
25%	50,001 - 75,000	5,000
34%	75,001 - 100,000	11,750
39%	100,001 - 335,000	16,750
34%	335,001 -	

USE THE FOLLOWING RULE TO DETERMINE THE APPROPRIATE TAX BRACKET:

IF TAXABLE INCOME (RETURN - INTEREST) IS:

- 0 - 42,500 USE 15%
- 42,501 - 61,250 USE 25%
- 61,251 - 77,750 USE 34%
- 77,751 - 221,100 USE 39%
- 221,101 OR OVER USE 34%

INCOME RANGE	IF TAXABLE INCOME IS	THE TAX RATE IS	THE TAX INCLUDING THE SURTAX EXEMPTION IS	AND THE SURTAX EXEMPTION IS
0 - 42,500	0	0.00%	0	0
42,501 - 61,250	0	0.00%	0	0
61,251 - 77,750	0	0.00%	0	0
77,751 - 221,100	159,633	39.00%	74,602	16,750
221,100 -	0	0.00%	0	0
Total	159,633	39.00%	74,602	16,750

ATTACHMENT 14
SEWER DEPRECIATION ANALYSIS

Utility Name: HHJ Inc. dba Decker Utilities
Docket Number: 2008-0164-
Date Examined: 1-Apr-09 9:54 AM
Date Referenced: 31-Dec-06

Version: 20070403

DEPRECIATION ANALYSIS

Description	Acquired Date	Claimed Economic Life, yrs	Claimed Original Cost	% Used & Useful	Ver./Est. Original Cost	Economic Life, yrs	Actual Deprec. Life	Annual Deprec.	Accum. Deprec.	Net Plant*
Land		n/a	16520	100%	16,520	n/a	n/a	n/a		(* reflects CIA/C)
Structures:										
Masonry		30		100%	0	30		--		
Plant 87k gpd	1-Nov-05	15	2828	100%	2,828	15	1.16	\$189	219	2,609
Plant 400k gpd	1-Jul-04	50	268658	100%	268,658	50	2.50	\$5,373	13,431	255,227
Blower 40 hp	1-Nov-05	10	1,184,357	100%	1,184,357	50.00	1.16	\$23,687	27,562	1,156,795
Blower 40 hp	1-Nov-05	10	2883	100%	2,883	10	1.16	\$288	335	2,548
Gas Chlorinator	1-Nov-05	10	2883	100%	2,883	10	1.16	\$288	335	2,548
Collection System	1-Jul-97	5	2579	100%	2,579	10	9.50	\$258	2,450	129
10" - 7022 lf	1-Jul-97	50	242234	100%	242,234	50	9.50	\$4,845	46,026	196,208
8" - 18470 lf	1-Jul-97	50	535785	100%	535,785	50	9.50	\$10,716	101,803	433,982
6" - 6401 lf	1-Jul-97	50	17,562	100%	17,562	50.00	9.50	\$351	3,337	14,225
Man Holes - 146	1-Jul-97	50	515088	100%	515,088	50	9.50	\$10,302	97,870	417,218
Lift Stations - 2 ea.	1-Jul-97	50	36064	100%	36,064	50	9.50	\$721	6,852	29,212
		0			0			--		
Total			\$2,827,441		\$2,827,441			\$57,018	\$300,222	\$2,527,219