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*Attorneys for Veolia Water Idaho, Inc.*

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	Case No. VEO-W-22-02
OF VEOLIA WATER IDAHO, INC. FOR	)	
AUTHORITY TO INCREASE ITS RATES	)	
AND CHARGES FOR WATER SERVICE	)	
IN THE STATE OF IDAHO	)	
	)	
	)	
	)	

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DIRECT TESTIMONY OF DAVID NJUGUNA  
FOR VEOLIA WATER IDAHO, INC.

SEPTEMBER 2022





1           5. Exhibit No. 11, Schedule 1 through Schedule 9-Rate Base Adjustments

2   **Q.     What level of increase is the Company seeking in this proceeding?**

3   **A.**     Veolia Water Idaho is seeking a revenue increase of \$12,107,227 or 23.4% over  
4           current rates for the Test Year period ending March 31, 2023 (“Test Year”). The  
5           Test Year consists of a 12-month historic period ending on June 30, 2022 (“Historic  
6           Test Year”) and a nine-month adjustment period ending on March 31, 2023.  
7           Company Witness Thompson provides in his testimony more detail about the  
8           drivers of this increase.

9   **Q.     What rate of return on rate base is this rate increase based upon?**

10   **A.**     The increase is based on an overall rate of return of 7.77% with a return on equity  
11           of 10.80% requested in this proceeding, which is supported in the Direct Testimony  
12           of Veolia witness Harold Walker, III.

13   **Q.     Have you prepared an Exhibit No. 6 that shows the calculation of the**  
14           **Company’s proposed overall Rate of Return of 7.77%?**

15   **A.**     Yes. Exhibit No. 6, page 1, shows the capital structure of Veolia Water Resources  
16           (“VWR”), the parent company of VWID, along with the cost of debt and the return  
17           on equity. VWR’s capitalization percentages for debt and equity are 44.43% and  
18           55.57%, respectively. The exhibit utilizes a 10.80% rate of return on common  
19           equity and a 3.99% cost of debt. The weighted average of these components is the  
20           7.77% overall requested rate of return.

21   **Q.     Has the Commission previously approved the Company’s use of Veolia Water**  
22           **Resources capital structure and cost of debt in its rate case filings?**

23   **A.**     In Commission Order No. 28505, in Case No. UWI-W-00-1, the Commission

1 found the use of the capital structure and cost of debt for VWID's then parent  
2 company United Waterworks Inc. to be reasonable for ratemaking purposes. United  
3 Waterworks Inc. has since been incorporated into SUEZ Water Resources Inc.  
4 which has been rebranded to Veolia Utility Resources, Inc.. The Company is  
5 utilizing the capital structure of Veolia Utility Resources, Inc.

6 **Q. Have you prepared an exhibit that indicates the Test Year operating income**  
7 **for the Company at existing and proposed rates?**

8 A. Yes. I have prepared Exhibit No. 9, titled "Statement of Operating Income Per  
9 Books and Pro Forma under Present and Proposed Rates For The Twelve Months  
10 Ending March 31, 2023".

11 Column 1 references the Exhibit Numbers (5, 6, 10 and 11) that detail the  
12 adjustments to the Historic Test Year results indicated on Exhibit No. 9. Column  
13 2 indicates the elements of operating income: operations and maintenance expense,  
14 depreciation and amortization expense, taxes other than income and income taxes.  
15 The amounts therein are per books, as shown on Exhibit No. 10, Schedules No. 1,  
16 2 and 3 respectively. Column 3 of Exhibit No. 9 shows a summary of Test Year  
17 adjustments made to revenues and expenses. The adjustment to operating revenue  
18 shown on line 1 is detailed on Exhibit No. 5, Schedule No.2 and will be explained  
19 by Company witness Michaelson. The adjustments to operation and maintenance  
20 expenses, summarized on line 2, are detailed on Exhibit No. 10, Schedule 1 and are  
21 supported in the testimony of Company Witnesses Cary, Wilson and Zerhouni. The  
22 adjustments to depreciation expense and amortization of utility plant acquisition  
23 adjustments, summarized on lines 3 and 4, are detailed in Exhibit No. 10, Schedule

1 2 and are further explained in my testimony and the testimony of Company witness  
2 Zerhouni. The adjustments to operating taxes summarized on lines 6 and 7 are  
3 detailed in Exhibit No. 10, Schedule 3, and are explained by Company witness  
4 Cary. Column 4 of Exhibit No. 9 shows the adjusted operating income at existing  
5 rates for the Test Year. Column 4 also indicates that based on the Test Year  
6 adjustments made, the Company will earn a 4.59% overall rate of return on its rate  
7 base investment as of March 31, 2023. Column 5 of Exhibit No. 9 shows the  
8 adjustments to operating revenue, operation and maintenance expenses, and income  
9 taxes under the increased rates proposed by the Company herein. The adjustment  
10 to operating revenues of \$12,107,227 was computed using a 7.77% rate of return  
11 on rate base as described above. Column 6 of Exhibit No. 9 calculates the adjusted  
12 operating income necessary to produce the requested rate of return, 7.77%. The  
13 income taxes shown on lines 11 and 12 were computed as indicated on Exhibit No.  
14 10, Schedule 4, and will be explained later in my testimony.

15 **Q. Please explain the adjustments to operating expenses as shown on Exhibit No.**  
16 **9.**

17 A. Operation and maintenance expenses have increased by \$4,731,018 (Exhibit No. 9,  
18 line 2). These costs are supported by the testimony of Company witnesses Cary,  
19 Wilson and Zerhouni. Depreciation and amortization expenses have increased by  
20 \$1,212,502 (Exhibit No. 9, line 5). Property Taxes have increased by \$375,507  
21 (Exhibit No. 9, line 6). Payroll taxes have increased by \$124,797 (Exhibit No. 9,  
22 line 7). Federal and State income taxes are calculated based upon the revenue

1 requirement. Federal income taxes have decreased by \$2,205,760 and State income  
2 taxes have increased by \$1,692,696 (Exhibit No. 9, lines 11 & 12).

3 The detailed support for adjustments to the operating expenses is shown on  
4 Exhibit No. 10, Schedule 1 through 4 . Schedule 1 provides details for adjustments  
5 made to operation and maintenance expenses that are explained by Company  
6 Witnesses Cary, Wilson and Zerhouni. Schedule 2 provides details for adjustments  
7 to depreciation and amortization expense and Schedule 3 provides details for  
8 adjustments to property and payroll taxes, which are further discussed by Company  
9 Witness Wilson. Exhibit No. 10, Schedule 4, provides details for adjustments to  
10 State and Federal income tax expenses. Exhibit No. 10, Schedule 4, shows the  
11 method I employed to compute the “Net to Gross Multiplier” utilized in this case  
12 to gross up the Net Operating Income deficiency to reflect the needed revenue  
13 increase.

14 **Q. Please explain Exhibit No. 10, Schedule 4.**

15 A. Exhibit No. 10, Schedule 4, Page 1 of 2, shows the calculation of State and Federal  
16 income taxes at both existing and proposed rates. The amounts shown on line 1 of  
17 columns 1 and 2 are the same as the amounts shown on line 10 of columns 4 and 6  
18 on Exhibit No. 9. These figures represent operating income before income taxes.  
19 From these figures, the applicable statutory deductions were included when  
20 computing the State and Federal income taxes.

21 The first deduction is interest expense and it is deductible in the  
22 computation of both State and Federal taxable income. The calculation for the

1 interest deduction is shown in Note A on lines 11 through 15. The deduction of  
2 interest expense is included in the total tax deductions amount on Line 4.

3 The second deduction is the excess of pro forma tax depreciation over pro  
4 forma book depreciation. The excess tax depreciation is deducted from State  
5 taxable income only since State income taxes are calculated on the basis of flow-  
6 through accounting, while Federal income taxes are calculated on the basis of  
7 normalization accounting. Lines 23, 24 and 25 indicate the amounts used in  
8 determining excess tax depreciation.

9 **Q. Please explain the adjustment shown on line 2, Column 5 of Exhibit No. 9.**

10 A. The adjustment shown on line 2, Column 5 of Exhibit No. 9 represents additional  
11 uncollectible expense and IPUC assessment as a result of the pro forma adjustment  
12 to operating revenue shown on line 1, Column 5 of Exhibit No. 9 as further detailed  
13 out on Exhibit No. 10, Schedule 4.

14 **Q. Why is an end of the Historical Test Year rate base method or a 13-month**  
15 **average rate base calculation not the most appropriate method of calculating**  
16 **rate base?**

17 A. When determining a Test Year for ratemaking purposes, it is appropriate to develop  
18 normalized results of financial and operational results that best reflect the  
19 infrastructure costs which will be in place during the time rates will be in effect as  
20 a result of a rate case filing. Adjustments to O&M expenses, taxes, other than  
21 income taxes, depreciation expense etc. are calculated with the same objective. In  
22 this case, utilizing an end of period rate base calculation, the rate base, depreciation  
23 expense, income taxes, interest costs etc. provide for a matching of those costs to



1 the rates then in effect. The Company has therefore included in its filing a test year  
2 ended March 31, 2023, which will coincide with rates will be effective in this case.  
3 Utilize an end of historic period rate base or 13-month average rate base does not  
4 provide for such matching and creates significant regulatory lag.

5 **Q. What is the level of rate base the Company is requesting in this proceeding?**

6 A. The Company's rate base for the test year ending March 31, 2023 is \$280,756,025.

7 **Q. Please explain Exhibit No. 11, Schedule 1.**

8 A. Exhibit No. 11, Schedule 1, Page 1 of 1, Rate Base Summary, shows the elements  
9 of the Company's rate base as of March 31, 2023, using an End of Test Year  
10 methodology. The elements of rate base are as follows: Utility Plant in Service;  
11 Accumulated Depreciation; Customer Advances for Construction; Contributions In  
12 Aid of Construction; Net Utility Plant Acquisition Adjustments; Accumulated  
13 Deferred Income Taxes; Deferred Charges; Working Capital and a Regulatory  
14 Liability as a result of the Tax Cuts and Jobs Act.

15 **Q. Please explain Exhibit No. 11, Schedule 2.**

16 A. Exhibit No. 11, Schedule 2, Page 1 of 1, End of Test Year Worksheet, shows the  
17 monthly balances, actual and forecasted, from March 31, 2022 to March 31, 2023  
18 for each the rate base component. Monthly balances are carried forward to this  
19 schedule from the supporting schedules, Utility Plant In Service with Forecast  
20 Additions and Retirements for (Schedule 3), Accumulated Depreciation and  
21 Accumulated Contribution in Aid of Capital ("CIAC") Amortization (Schedule 4),  
22 Developer Advances for Construction subject to Refund (Schedule 5),  
23 Contributions in Aid of Construction (Schedule 6), Summary of Net Utility Plant

1 Acquisition Adjustments (Schedule 7). The balances at March 31, 2023 are  
2 included in Exhibit 11, Schedule 1.

3 **Q. Please explain Exhibit No. 11, Schedule 3, Pages 1 through 3.**

4 A. Exhibit No. 11, Schedule 3, Pages 1 through 3, shows the Company's Utility Plant  
5 balance as of June 30, 2022 by plant account. Schedule 3 then summarizes the  
6 forecasted plant additions and retirements by plant account from July 2022 through  
7 March 2023. Exhibit No. 3, sponsored by the Company witness Cooper, forms the  
8 basis for the plant activity shown on this schedule.

9 **Q. Please explain Exhibit No. 11, Schedule 4, Page 1 of 1.**

10 A. Exhibit No.11, Schedule 4, Page 1 of 1, shows the Company's Accumulated  
11 Depreciation and CIAC Amortization. The schedule shows the recorded amounts  
12 for these rate base components for the months of March 2022 through June 2022.  
13 For the months beginning with July 2022, the amounts for both accumulated  
14 depreciation and amortization of CIAC were estimated based on the historical test  
15 year, adjusted for forecasted retirements and changes to cost of removal and salvage  
16 balances based on the information provided by the Company witness Cooper. The  
17 End of Test Year accumulated depreciation is \$140,442,405 and amortization of  
18 CIAC is \$50,825,136, for a combined total of \$191,267,542.

19 **Q. Please explain Exhibit No. 11, Schedule 5, Page 1 of 1.**

20 A. Exhibit No. 11, Schedule 5, Page 1 of 1, summarizes change to advances for  
21 construction for the test year. Since the issuance of Order No. 28505 in case UWI-  
22 W-00-1, the Company does not depreciate advanced property. This requires the  
23 Company to accurately track, by associated plant account, all additions and refunds

1 impacting the advance account. The End of Test Year balance of advances for  
2 construction is \$3,797,814.

3 **Q. Please explain Exhibit No. 11, Schedule 6, Page 1 of 1.**

4 A. Exhibit No. 11, Schedule 6, Page 1 of 1, indicates activity in CIAC during the Test  
5 Year. Like advances for construction, CIAC funded assets are not depreciated for  
6 rate-making purposes. The End of Test Year balance of net CIAC is \$112,913,720.

7 **Q. Please explain Exhibit No. 11, Schedule 7, Page 1 of 1.**

8 A. Exhibit No. 11, Schedule 7, Page 1 of 1, indicates the net change to the balance of  
9 Utility Plant Acquisition Adjustment (UPAA). The UPAA gross balance is  
10 comprised of both debit and credit balances. As shown on Schedule 7, lines 1  
11 through 6, the gross value of the six individual UPAA items, all approved by the  
12 Commission in various proceedings, is a positive \$600,762. As a result of the Eagle  
13 Water Company Acquisition, approved by the Idaho Commission in Docket No.  
14 SUZ-W-18-02, the Company was entitled to an acquisition adjustment of  
15 \$10,475,000 to be included for ratemaking treatment in its next rate case, to be  
16 amortized over 40 years. As of March 31, 2023 the net balance will be \$10,771,089.

17 **Q. Please explain Exhibit No. 11, Schedule 8, Page 1 of 1.**

18 A. Exhibit No. 11, Schedule 8, Page 1 of 1, indicates the composition of Accumulated  
19 Deferred Income Taxes (ADIT) at the end of the Test Year. The tax depreciation  
20 portion of this account was adjusted for assets in service as of March 31, 2023. The  
21 balance of ADIT reduces the rate base for rate-making purposes by \$5,307,577.

1     **Q.     Please explain Exhibit No. 11, Schedule 9, Page 1 of 1.**

2     A.     Exhibit No. 11, Schedule 9, Page 1 of 1, identifies the deferred items the Company  
3           has included in the rate base. The projected balance at March 31, 2023 is  
4           \$4,933,851. Of this balance, \$3,747,454 is the net unamortized balance of deferred  
5           items approved in the Company's six previous rate cases. The \$1,186,397 of new  
6           deferred charges, requested for inclusion in the rate base in this proceeding, is  
7           comprised of six line items. The Company is requesting a twenty-year amortization  
8           for tank painting expenditures, in line with the amortization of tank painting granted  
9           in case UWI-W-04-04 as well as in the stipulations to the 2006, 2009, 2011, 2015  
10          and 2020 rate cases. The Company is also requesting a 2-year amortization period  
11          for \$343,620 of the rate case expenses associated with this filing in addition to the  
12          unamortized balance of \$62,221 from the 2020 rate case.

13                 Also included in the Company's request are deferred power costs of \$  
14                 658,130, which the Company proposes to amortize over 2 years, along with  
15                 unamortized deferred power costs balance of \$411,427 from the 2020 Rate Case.  
16                 The Company is reflecting a \$456,680 decrease to its deferred debit account to be  
17                 amortized over 30 years at (\$15,223) annually. The treatment of AFUDC Equity is  
18                 further discussed in the testimony of Company witness Khan. The deferred debit  
19                 balance at March 31, 2023 is projected to be \$4,933,851.

20     **Q.     Please explain Exhibit No. 11, Schedule 10, Page 1 of 1.**

21     A.     Exhibit No. 11, Schedule 10, Page 1 of 1, indicates the calculation of the allowance  
22           for working capital prepared by the Company using the 1/8 of Operating Expenses  
23           method. The working capital allowance included in the rate base is \$3,552,571.

- 1   **Q.     Please explain Exhibit No. 11, Schedule 11, Page 1 of 1.**
- 2   A.   Exhibit No. 11, Schedule 11, Page 1 of 1, reflects the regulatory liability balance
- 3       projected at March 31, 2023 in the amount of (\$4,075,931) and is the result of the
- 4       Tax Cuts and Job Act, which reduced corporate income tax rate from 35% to 21%.
- 5       This is further explained in Company Witness Kahn's testimony and included in
- 6       Exhibit No. 12, Schedule 1.
- 7   **Q.     Does this conclude your direct testimony?**
- 8   A.   Yes.

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*Attorneys for Veolia Water Idaho, Inc.*

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF	)	Case No. VEO-W-22-02
VEOLIA WATER IDAHO, INC. FOR	)	
AUTHORITY TO INCREASE ITS RATES AND	)	
CHARGES FOR WATER SERVICE IN THE	)	
STATE OF IDAHO	)	
	)	
	)	
	)	

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

EXHIBITS 6, 9, 10, AND 11 TO ACCOMPANY THE  
DIRECT TESTIMONY OF DAVID NJUGUNA

**VEOLIA WATER IDAHO**  
**Calculation of Weighted Average Cost of Capital**  
**Case No. VEO-W-22-02**  
**Capital Structure and Cost of Debt of Veolia Utility Resources**

Line No.	Capital Structure Component	Amount	Percentage	Cost of Source	Weighted Avg. Cost of Capital
1	Debt	\$ 1,222,046,487	44.43%	3.99%	1.77%
2	Equity	\$ 1,528,664,904	55.57%	10.80%	6.00%
3	Total	\$ 2,750,711,391	100.00%		7.77%

Case No. VEO-W-22-02  
Exhibit No. 6  
D.Njuguna  
Page 1 of 1

**VEOLIA WATER IDAHO**  
**STATEMENT OF OPERATING INCOME PER BOOKS AND PROFORMA UNDER**  
**PRESENT AND PROPOSED RATES FOR THE TEST YEAR ENDING MARCH 31, 2023**

Line No.		Column (1)	Column (2)	Column (3)	Column (4)	Column (5)	Column (6)
	Description	Adjustment Reference	Per Books 06/30/22	Test Year Adjustment	Adjusted Test Year	Under Proposed Rates	
						Adjustments	Proforma
1	Operating Revenues	Exh No.5, Sch 1	\$49,459,567	\$2,258,292	\$51,717,859	\$12,107,227 23.4%	\$63,825,086
	<b>Operating Expenses</b>						
2	Operation & Maintenance	Exh No.10, Sch 1	17,656,607	4,731,018	22,387,625	95,570	22,483,194
3	Depreciation	Exh No.10, Sch 2	9,696,461	950,629	10,647,090	-	10,647,090
4	Amortization Of UPAA	Exh No.10, Sch 2	20,712	261,873	282,585	-	282,585
5	Total Depreciation and Amortization		9,717,173	1,212,502	10,929,675	-	10,929,675
	<b>Taxes Other Than Income</b>						
6	Ad Valorem	Exh No.10, Sch 3	1,769,525	375,507	2,145,032	-	2,145,032
7	Payroll Taxes	Exh No.10, Sch 3	773,986	124,797	898,783	-	898,783
8	Total Taxes Other Than Income		2,543,511	500,304	3,043,815	-	3,043,815
9	Total Operating Expenses Excluding Income Taxes		29,917,291	6,443,824	36,361,115	95,570	36,456,685
10	Operating Income Before Income Taxes		19,542,276	(4,185,532)	15,356,744	12,011,657	27,368,401
	<b>Income Taxes</b>						
11	State Income Taxes	Exh No.10, Sch 4	(1,257,899)	1,692,696	434,797	720,699	1,155,496
12	Federal Income Taxes	Exh No.10, Sch 4	4,246,014	(2,205,760)	2,040,254	2,371,101	4,411,355
13	Total Income Taxes		2,988,115	(513,064)	2,475,051	3,091,801	5,566,852
14	Utility Operating Income		\$16,554,161	(\$3,672,468)	\$12,881,693	\$8,919,857	\$21,801,550
15	Adjusted Rate Base	Exh No.11, Sch 1			\$280,756,025		\$280,756,025
16	Rate of Return on Rate Base				4.59%		7.77%
17	Required Rate of Return	Exh No.6, Page 1			7.77%		
18	Required Net Operating Income				\$21,814,743		
19	Operating Income Deficiency				\$8,933,050		
20	Gross Revenue Conversion Factor	Exh No.10, Sch 4			1.3573		
21	Revenue Deficiency less Intervenor Funding Order No. 35063)				\$12,107,227		



**VEOLIA WATER IDAHO, INC.**  
**Details of Adjustments to Operating and Maintenance Expenses At Present Rates**  
**SUMMARY - Exhibit 10, Schedule 1**

Historic Test Year ended June 30, 2022, as Adjusted

					(1)	(2)	(3)	(4)	(5)
Witness	Line No.	Description	Schedule Adjustment No.	Account Reference	Historic Test Year Ended 06/30/2022	Normalizing Adjustments	Adjusted Historic Test Year Ended 06/30/2022	Adjustments	Test Year Ending 03/31/2023
<b>EXHIBIT 10, Schedule 1</b>									
J.Cary	1	Payroll	1	50100 to 50125	\$ 6,672,277		\$ 6,672,277	\$ 989,331	\$ 7,661,608
J.Cary	2	Workers Compensation (excludes reserves, adds claims payments)	2	91460	\$ (159,397) 1/	\$ 255,715	\$ 96,318	\$ 19,889	\$ 116,207
J.Cary	3	Pension Cash Contributions	3	91500, 71257 & 26310	\$ 553,030		\$ 553,030	\$ 32,766	\$ 585,796
J.Cary	4	Post-retirement Benefits Other than Pension (PBOP)	4	91550, 71258	\$ (481,247)		\$ (481,247)	\$ (42,509)	\$ (523,756)
J.Cary	5	Employee Healthcare (excludes reserves)	5	91700	\$ 2,482,907 2/	\$ (25,894)	\$ 2,457,013	\$ (353,303)	\$ 2,103,710
M.Wilson	6	Employee 401k	6	91800	\$ 384,454		\$ 384,454	\$ 71,977	\$ 456,431
M.Wilson	7	Other Employee Benefits - Tuition	7	91850	\$ 13,032		\$ 13,032	\$ 1,602	\$ 14,634
J.Cary	8	Payroll Overheads (Fringe Benefits Allocation)	8	90950 & 90953	\$ (1,547,567)		\$ (1,547,567)	\$ 81,157	\$ (1,466,411)
M.Wilson	9	Purchased Water	9	50605	\$ 378,302		\$ 378,302	\$ (61,608)	\$ 316,694
J.Cary	10	Energy- Purchased Power and Other Utilities	10	50610 & 50620	\$ 2,498,030		\$ 2,498,030	\$ 97,600	\$ 2,595,630
J.Cary	11	Chemicals (reclassification amount in Adjusted Test Year to Materials or capitalized)	11	50635	\$ 472,422 3/	\$ (36,754)	\$ 435,668	\$ 158,707	\$ 594,376
J.Cary	12	Subcontractors	12	50400	\$ 811,173		\$ 811,173	\$ 19,282	\$ 830,455
J.Cary	13	Customer Billing Expenses	13	50405	\$ 301,338		\$ 301,338	\$ 22,125	\$ 323,463
M.Wilson	14	Bad Debts (reserves booked in separate 90405 account)	14	90400 & 90405	\$ (391,803) 4/	\$ 683,545	\$ 291,742	\$ 13,321	\$ 305,063
M.Wilson	15	Materials (reclassification amount in Adjusted Test Year from Chemicals)	15	50300	\$ 278,045 5/	\$ 28,279	\$ 306,324	\$ -	\$ 306,324
M.Wilson	16	Vehicle Allocation (excludes reserves, adds claims payments)	16	50645 & 50646	\$ 832,494 6/	\$ (274,913)	\$ 557,581	\$ 467,768	\$ 1,025,350
J.Cary	17	Office Expenses	17	50650	\$ 741,917		\$ 741,917	\$ 73,730	\$ 815,647
M.Wilson	18	Advertising Expense	18	50651	\$ 217,084		\$ 217,084	\$ 10,598	\$ 227,683
M.Zerhouni	19	Management & Service Fees	19	90850	\$ 4,066,814		\$ 4,066,814	\$ 499,821	\$ 4,566,635
J.Cary	20	General Insurance (excludes reserves, adds claims payments, does not include premiums captured in M&S Fees)	20	91400 & 91450	\$ 227,124 7/	\$ (135,776)	\$ 91,348	\$ 151,177	\$ 242,524
M.Wilson	21	IPUC Fees	21	91900	\$ 97,278		\$ 97,278	\$ 5,899	\$ 103,177
J.Cary	22	Safety	22	92200	\$ 154,824		\$ 154,824	\$ 40,582	\$ 195,406
M.Zerhouni	23	Amortization Expense - Deferred Rate Case (excludes Intervenor funding)	23	92000	\$ 51,960 8/	\$ (22,092)	\$ 29,868	\$ 173,055	\$ 202,923
M.Zerhouni	24	Amortization Expense - Deferred Pension	24	92056	\$ 477,384		\$ 477,384	\$ (454,166)	\$ 23,218
M.Zerhouni	25	Amortization Expense - Deferred Tank Painting	25	92053	\$ 145,217		\$ 145,217	\$ 32,066	\$ 177,283
M.Zerhouni	26	Amortization of Excess Deferred Income Taxes	26	92059	\$ (2,207,184)		\$ (2,207,184)	\$ 2,007,184	\$ (200,000)
M.Zerhouni	27	Amortization Expense - Deferred Power	27	92061	\$ 197,484		\$ 197,484	\$ 337,294	\$ 534,778
M.Zerhouni	28	AFUDC Equity Gross Up Amortization	28	92064	\$ 39,024		\$ 39,024	\$ (8,501)	\$ 30,523
J.Cary	29	Adjustment to Variable Expenses Due to Volume Normalization	29		\$ -		\$ -	\$ (127,937)	\$ (127,937)
	30	<b>Total Adjusted Operating &amp; Maintenance Expenses</b>			<b>\$ 17,306,417</b>	<b>\$ 472,111</b>	<b>\$ 17,778,528</b>	<b>\$ 4,258,907</b>	<b>\$ 22,037,435</b>
	31	<b>Total Unadjusted Operating &amp; Maintenance Expenses</b>			<b>\$ 350,189</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 350,189</b>
	32	<b>Total Operating and Maintenance Adjustments</b>			<b>\$ 17,656,607</b>	<b>\$ 472,111</b>	<b>\$ 17,778,528</b>	<b>\$ 4,258,907</b>	<b>\$ 22,387,625</b>
<b>EXHIBIT 10, Schedule 2</b>									
D.Njuguna	34	Adjustment to Depreciation Expense	1	70100 & 70101	\$ 9,696,461			\$ 950,629	\$ 10,647,090
M.Zerhouni	35	Amortization of Utility Plant Acquisition Adjustments (UPAA)	2	71255	\$ 20,712			\$ 261,873	\$ 282,585
	36	<b>Total Depreciation and Amortization</b>			<b>\$ 9,717,173</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,212,502</b>	<b>\$ 10,929,675</b>
<b>EXHIBIT 10, Schedule 3</b>									
J.Cary	38	Property Taxes	1	70203	\$ 1,769,525			\$ 375,507	\$ 2,145,032
M.Wilson	39	Payroll Taxes (combined FICA, FUI, SUI)	Pages 2, 3 & 4	70250	\$ 773,986			\$ 124,797	\$ 898,783
	40	<b>Total Taxes Other</b>			<b>\$ 2,543,511</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,304</b>	<b>\$ 3,043,815</b>
	41	<b>Total Operating Expenses</b>			<b>\$ 29,917,291</b>	<b>\$ 472,111</b>	<b>\$ 17,778,528</b>	<b>\$ 5,971,714</b>	<b>\$ 36,361,115</b>

**Normalizing Adjustments:**

1/	Workers Compensation (excludes reserves, adds claims payments GL account 26200)	Case No. VEO-W-22-02
2/	Employee Healthcare (excludes reserves)	Exhibit No. 10
3/	Chemicals (reclassification amount in Adjusted Test Year to Materials or capitalized)	Schedule 1-2-3
4/	Bad Debts (reserves booked in separate 90405 account)	Summary
5/	Materials (reclassification amount in Adjusted Test Year)	Cary/Wilson
6/	Vehicle Allocation (excludes reserves, adds claims payments GL account 26200)	Njuguna/Zerhouni
7/	General Insurance (excludes reserves, adds claims payments GL account 26200, does not include premiums captured in M&S Fees)	Page 1 of 1
8/	Rate Case Expense Amortization (excludes Intervenor funding)	

**Veolia Water Idaho**  
**Calculation of Depreciation Expense**  
**Case VEO-W-22-02**

Plant Account Number	Plant Account Description	A					B	
		Gross Plant In Service	CIAC	Advances	Net Depreciable Plant	Depreciation Rate	Depreciation Expense	
		03/31/2023	03/31/2023	03/31/2023	03/31/2023			
301-10	Organization	\$ 103,738	\$ -	\$ (6,986)	\$ 96,752	0.00%	\$ -	
	Organization-CIAC	-	(9,878)	-	(9,878)	0.00%	-	
302-10	Franchise Rights	41,182	-	-	41,182	0.00%	-	
303-20	Land & Land Rights - Source of Supply	2,799,807	-	(387,217)	2,412,590	0.00%	-	
303-2W	Water Rights - Source of Supply	8,673,782	-	-	8,673,782	0.00%	-	
303-30	Land & Land Rights - Water Treatment	889,034	-	-	889,034	0.00%	-	
303-40	Land & Land Rights - Trans. & Distrib.	1,083,954	-	3,644	1,087,598	0.00%	-	
303-50	Land & Land Rights - General Plant	213,383	-	-	213,383	0.00%	-	
	Land and Land Rights-CIAC	-	(341,987)	-	(341,987)	0.00%	-	
304-20	Structures and Improvements - Source of Supply	8,390,436	-	(566,333)	7,824,103	2.62%	205,224	
	Str & Imprv.-Source of Supply-CIAC	-	(406,800)	-	(406,800)	2.62%	(10,670)	
304-30	Structures and Improvements - Water Treatment	15,955,847	-	-	15,955,847	2.38%	379,025	
304-40	Structures and Improvements - Trans. & Distrib.	3,299,161	-	8,485	3,307,646	2.89%	95,597	
304-50	Structures and Improvements - General Plant	6,406,267	-	-	6,406,267	2.73%	174,705	
305-20	Collecting & Impounding Reservoirs - Source of Supply	44,944	-	-	44,944	1.67%	749	
	Coll. & Impound. Reservoirs-Source of Supply-CIAC	-	-	-	-	1.67%	-	
306-20	Lake, River & Other Intakes	1,518,794	(72,696)	-	1,446,098	1.68%	24,347	
307-20	Wells & Springs	9,705,834	-	(132,638)	9,573,197	1.74%	166,217	
	Wells & Springs-CIAC	-	(1,405,459)	-	(1,405,459)	1.74%	(24,403)	
308-20	Infiltration Galleries & Tunnels	-	-	-	-	0.00%	-	
309-20	Supply Mains	3,073,139	-	(40,115)	3,033,024	1.30%	39,474	
	Supply Mains-CIAC	-	(9,391)	-	(9,391)	1.30%	(122)	
310-20	Power Generation Equipment	3,598,737	-	1,761	3,600,498	4.25%	153,188	
311-20	Power Electric Pumping Equipment - Source of Supply	19,427,660	-	(473,841)	18,953,819	4.65%	881,458	
	Electric Pump. Equip.-Source of Supply-CIAC	-	(2,598,395)	-	(2,598,395)	4.65%	(120,840)	
311-20	Power Diesel Pumping Equipment - Source of Supply	-	-	-	-	4.65%	-	
311-30	Power Pumping Equipment - Water Treatment	4,672,578	-	-	4,672,578	4.65%	217,301	
311-40	Power Pumping Equipment - Trans. & Distrib.	10,059,400	-	66,937	10,126,337	4.65%	470,931	
320-30	Water Treatment Equipment	37,011,177	-	(12,775)	36,998,402	2.62%	970,595	
320-30	Water Treatment Equipment - Membranes	1,349,394	-	-	1,349,394	0.26%	3,476	
	Water Treatment Equipment-CIAC	-	(34,619)	-	(34,619)	2.62%	(908)	
330-40	Distribution Reservoirs & Standpipes	20,042,499	-	(827,861)	19,214,638	2.13%	409,186	
	Distribution Reservoirs & Standpipes-CIAC	-	(2,108,957)	-	(2,108,957)	2.13%	(44,911)	
331-10	Trans. & Distrib. Mains & Accessories - Intangible	-	-	-	-	0.00%	-	
331-20	Trans. & Distrib. Mains & Accessories - SOS	-	-	-	-	0.00%	-	
331-40	Trans. & Distrib. Mains & Accessories	263,828,307	-	(2,135,602)	261,692,705	1.82%	4,762,807	
	T&D Mains & Accessories-CIAC	-	(117,369,703)	-	(117,369,703)	1.82%	(2,136,129)	
333-40	Services	105,731,752	-	(228,199)	105,503,553	2.19%	2,310,528	
	Services-CIAC	-	(29,346,963)	-	(29,346,963)	2.19%	(642,698)	
334-40	Meters and Meter Installations	19,138,346	-	-	19,138,346	5.36%	1,026,354	
	Meters-CIAC	-	(116,799)	-	(116,799)	5.36%	(6,264)	
335-40	Hydrants	16,061,238	-	(6,986)	16,054,252	2.47%	395,950	
	Hydrants-CIAC	-	(4,958,160)	-	(4,958,160)	2.47%	(122,284)	
336-40	Backflow Prevention Devices	-	-	-	-	0.00%	-	
339-10	Other Plant & Misc. Equipment - Intangible	-	-	-	-	0.00%	-	
339-20	Other Plant & Misc. Equipment - Source of Supply	-	-	-	-	0.00%	-	
339-30	Other Plant & Misc. Equipment - Water Treatment	-	-	-	-	0.00%	-	
339-40	Other Plant & Misc. Equipment - Trans. & Distrib.	-	-	-	-	0.00%	-	
339-50	Other Plant & Misc. Equipment - General Plant	-	-	-	-	0.00%	-	
340-500	Office Furniture and Equipment	1,249,944	-	-	1,249,944	6.67%	83,330	
340-5A0	New CIS System	-	-	-	-	0.00%	-	
340-5A0	AM / FM System	-	-	-	-	0.00%	-	
340-5H0	Computer Equipment - Hardware	379,447	-	-	379,447	20.00%	75,889	
340-5I0	IT Initiatives	-	-	-	-	20.00%	-	
340-5S0	Computer Equipment - Software	71,891	-	-	71,891	20.00%	14,378	
	Office Furniture & Equipment-CIAC	-	(393)	-	(393)	6.67%	(26)	
341-50	Transportation Equipment	1,477,354	-	-	1,477,354	9.49%	140,248	
342-50	Stores Equipment	216,241	-	-	216,241	4.76%	10,297	
343-50	Tools, Shop and Garage Equipment	1,850,880	-	-	1,850,880	5.88%	108,875	
343-50	Confined Space Monitor, Generator, Trench Shield	-	-	-	-	5.88%	-	
344-50	Laboratory Equipment	74,312	-	-	74,312	10.00%	7,431	
	Laboratory Equipment-CIAC	-	(16,847)	-	(16,847)	10.00%	(1,685)	
345-50	Power Operated Equipment	877,766	-	-	877,766	8.78%	77,063	
345-50	Power Operated Equipment	-	-	-	-	8.78%	-	
346-50	Communications Equipment	5,714,512	(120,295)	206,779	5,800,996	5.53%	320,581	
347-50	Miscellaneous Equipment	316,609	-	-	316,609	6.67%	21,107	
347-50	Miscellaneous Equipment	-	-	-	-	6.67%	-	
348-50	Other Tangible Property	1,127,408	-	-	1,127,408	2.00%	22,548	
348-50	Master Plan	2,384,343	-	-	2,384,343	10.00%	238,434	
	Amortization of Reserve Balance Difference (10 Year Period)-See Depreciation Study (SUZ-W-20-02)						90,983	
<b>TOTAL</b>		<b>\$ 578,861,098</b>	<b>\$ (158,917,343)</b>	<b>\$ (4,530,948)</b>	<b>\$ 415,412,808</b>		<b>\$ 10,787,338</b>	

Total Test Year Depreciation Expense	\$ 10,787,338
Test Year Depr booked to Transportation Expense	\$ (140,248)
Net Test Year Depreciation Expense	\$ 10,647,090
Depreciation and Amortization Recorded at June 30, 2022	9,696,461
<b>Test Year Adjustment</b>	<b>\$ 950,629</b>

**VEOLIA WATER IDAHO**  
**Case VEO-W-22-02**  
**Computation of State and Federal Income Taxes**  
**At Present and Proposed Rates**

Line No.		PRESENT RATES (1)	PROPOSED RATES (2)
1.	OPERATING INCOME BEFORE INCOME TAXES	\$ 15,356,744	\$ 27,368,401
2	Interest Expense (A)	4,976,737	4,976,737
3	Excess Tax Over Book Depreciation (C)	3,133,391	3,133,391
4	TOTAL TAX DEDUCTIONS	8,110,128	8,110,128
5	Taxable Income-State	7,246,616	19,258,274
6	<b>State Income Tax at 6.000%</b>	<b>\$ 434,797</b>	<b>\$ 1,155,496</b>
7	Federal Taxable Income (L.1-L.2-L.6)	<u>\$ 9,945,210</u>	<u>\$ 21,236,168</u>
8	Federal Income Tax at 21%	\$ 2,088,494	\$ 4,459,595
9	Less: Amortization of ITC	\$ (48,240)	\$ (48,240)
10	<b>NET FEDERAL INCOME TAX EXPENSE</b>	<b><u>\$ 2,040,254</u></b>	<b><u>\$ 4,411,355</u></b>
11	(A) CALCULATION OF INTEREST EXPENSE DEDUCTION: Pro Forma Rate Base		\$ 280,756,025
12	Debt Percentage of Capitalization		<u>44.427%</u>
13	Debt Portion of Rate Base		<u>124,730,248</u>
14	Debt Rate		<u>3.99%</u>
15	INTEREST EXPENSE		<u>\$ 4,976,737</u>
16	(B) CALCULATION OF ADJUSTMENT TO INTEREST EXPENSE: Interest Expense for the 12 months ended June 30, 2022		\$ 4,326,018
17	Allocation of Amortization of additional debt costs		<u>115,052</u>
18	Interest expense net of the amortization of additional debt costs		4,210,965
19	Direct Amortization of additional debt costs		<u>122,942</u>
20	Adjusted per books interest expense		4,333,907
21	Pro-forma interest expense based upon rate base and capital structure		<u>\$ 4,976,737</u>
22	Adjustment to Interest Expense		<u>\$ 642,830</u>
23	(C) EXCESS TAX OVER BOOK DEPRECIATION:		
24	Pro Forma Tax Depreciation		\$ 10,766,376
25	Pro Forma Book Depreciation		<u>\$ 7,632,986</u>
26	EXCESS TAX OVER BOOK DEPRECIATION (C)		<u>\$ 3,133,391</u>

**VEOLIA WATER IDAHO**  
**Case No. VEO-W-22-02**  
**Calculation of Revenue Requirement & Net to Gross Multiplier**

Rate Base	\$ 280,756,025
Required Rate of Return	7.77%
Required Net Operating Income	<u>21,814,743</u>
Adjusted Net Operating Income Realized	12,881,693
Net Operating Income Deficiency	<u>8,933,050</u>
Net To Gross Multiplier	1.3573
Gross Revenue Increase less Intervenor Funding (Order 35603)	<u>\$ 12,107,227</u>

Net Operating Income Requirement	1.0000000	\$ 12,107,227
IPUC Assessment Rate	0.0019950	
Uncollectible Accounts Expense	0.0058986	
Rate Applicable to O&M Expense & IPUC Assessment	0.0078936	\$ 95,570
State Tax Rate	0.0600000	
Effective Net State Tax Rate	0.0595264	\$ 720,699
Federal Income Tax Residual	0.0674200	
Incremental Federal Income Tax Rate	0.2100000	
Effective Federal Tax Rate	0.1958418	\$ 2,371,101
Composite:IPUC Fees, Uncollectibles & Income Taxes	0.263262	\$ 3,187,370
Composite Residual	0.736738	\$ 8,919,857
Net to Gross Multiplier	<u>1.3573</u>	<u>\$ 12,107,227</u>

**Veolia Water Idaho  
Rate Case VEO-W-22-02  
Rate Base Summary  
For The Test Year Ending March 31, 2023**

<b>Line No.</b>	<b>Rate Base Element</b>	<b>Exhibit 11 Schedule Reference</b>	<b>Basis of Calculation</b>	<b>Amount</b>
1	Gross Utility Plant in Service	Schedule 3	End of Test Year	\$ 578,861,098
2	Total Accumulated Depreciation and CIAC Amortization	Schedule 4	End of Test Year	(191,267,542)
3	Net Utility Plant in Service			<u>387,593,556</u>
4	Customer Advances for Construction	Schedule 5	End of Test Year	(3,797,814)
5	Contributions in Aid of Construction (net of amortization)	Schedule 6	End of Test Year	(112,913,720)
6	Utility Plant Acquisition Adjustment Net	Schedule 7	End of Test Year	10,771,089
7	Accumulated Deferred Income Taxes	Schedule 8	End of Test Year	(5,307,577)
8	Deferred Charges Included in Rate Base	Schedule 9	End of Test Year	4,933,851
9	Working Capital Allowance	Schedule 10	End of Test Year	3,552,571
10	Regulatory Liability-New Federal Tax Law (TCJA)	Schedule 11	End of Test Year	(4,075,931)
11	Total Rate Base			<u>\$ 280,756,025</u>

**Case No. VEO-W-22-02  
Exhibit No. 11  
Schedule 1  
D. Njuguna  
Page 1 of 1**

Veolia Water Idaho  
Summary Rate Base Calculation  
Monthly Balance Worksheet  
Case VEO-W-22-02

Case VEO-W-22-02		Actual Amounts				Projected Amounts									
		03/31/2022	04/30/2022	05/31/2022	06/30/2022	07/31/2022	08/31/2022	09/30/2022	10/31/2022	11/30/2022	12/31/2022	01/31/2023	02/28/2023	03/31/2023	
Line No.	Rate Base Element														
1	Utility Plant in Service	\$ 543,931,773	\$ 547,633,749	\$ 548,809,064	\$ 553,641,392	\$ 556,909,475	\$ 558,201,890	\$ 556,339,598	\$ 559,437,531	\$ 566,901,734	\$ 570,485,467	\$ 571,495,864	\$ 572,516,963	\$ 578,861,098	
2	Gross Plant In Service	543,931,773	547,633,749	548,809,064	553,641,392	556,909,475	558,201,890	556,339,598	559,437,531	566,901,734	570,485,467	571,495,864	572,516,963	578,861,098	
3	Accumulated Depreciation-Utility Plant	(144,938,973)	(145,196,607)	(145,803,220)	(145,566,086)	(140,255,495)	(140,950,783)	(136,473,534)	(137,221,331)	(137,987,941)	(138,654,260)	(139,407,977)	(140,170,414)	(140,442,405)	
4	Retirement Work in Progress	6,357,438	7,346,577	1,020,192	1,761,044										
5	Cost of Removal Regulatory Asset	4,351,173	4,300,631	4,416,198	4,297,636										
6	Accumulated Amortization CIAC	(47,903,375)	(48,103,191)	(48,304,172)	(48,505,888)	(48,761,717)	(49,018,004)	(49,274,823)	(49,532,172)	(49,790,014)	(50,048,425)	(50,307,177)	(50,566,043)	(50,825,136)	
7	Total Accumulated Depreciation & Amortization	(182,133,737)	(181,652,589)	(188,671,003)	(188,013,295)	(189,017,212)	(189,968,787)	(185,748,357)	(186,753,503)	(187,777,955)	(188,702,685)	(189,715,154)	(190,736,457)	(191,267,542)	
8	Customer Advances for Construction	(3,888,694)	(3,841,414)	(3,841,414)	(3,841,414)	(3,806,314)	(3,806,314)	(3,806,314)	(3,797,814)	(3,797,814)	(3,797,814)	(3,797,814)	(3,797,814)	(3,797,814)	
9	Contributions in Aid of Construction-Net	(110,955,784)	(111,332,644)	(111,735,398)	(112,827,968)	(112,877,139)	(112,920,852)	(113,064,034)	(113,106,684)	(113,198,842)	(113,340,431)	(113,131,679)	(112,972,813)	(112,913,720)	
10	Utility Plant Acquisition Adjustment (Net)	10,813,622	10,811,896	10,810,170	10,808,444	10,806,718	10,804,992	10,803,267	10,801,541	10,799,815	10,798,089	10,796,363	10,794,638	10,771,089	
11	Accumulated Deferred Income Taxes	(4,021,800)	(4,137,805)	(4,255,516)	(4,355,877)	(4,461,622)	(4,567,366)	(4,673,111)	(4,778,855)	(4,884,599)	(4,990,344)	(5,096,088)	(5,201,832)	(5,307,577)	
12	Deferred Charges	4,206,740	4,167,105	4,128,955	4,090,805	4,052,655	4,014,505	3,976,355	3,938,204	3,900,054	3,861,904	3,823,754	3,785,604	4,933,851	
13	Working Capital	2,998,611	2,996,422	3,258,994	3,243,959	3,278,249	3,312,540	3,346,830	3,381,120	3,415,410	3,449,700	3,483,991	3,518,281	3,552,571	
14	Regulatory Liability-New Federal Tax Law (TCJA)	(4,436,578)	(4,284,018)	(4,265,101)	(4,246,184)	(4,227,267)	(4,208,350)	(4,189,433)	(4,170,516)	(4,151,599)	(4,132,682)	(4,113,765)	(4,094,848)	(4,075,931)	
15	Total Rate Base	\$ 260,950,732	\$ 264,644,720	\$ 258,503,853	\$ 262,746,047	\$ 264,884,811	\$ 265,070,608	\$ 267,174,234	\$ 269,121,541	\$ 275,357,803	\$ 277,763,887	\$ 277,859,237	\$ 273,811,720	\$ 280,756,025	

## 1

[illegible]

Case No. VEO-W-22-02  
Exhibit No. 11  
Schedule 3  
D.Njuguna  
Page 1 of 2

**VeoliaWater Idaho  
Utility Plant In Service with Forecast Additions and Retirements  
Case VEO-W-22-02**

Plant Account Number	Plant Account Description	Forecast November 2022		Plant In Service	Forecast December 2022		Plant In Service	Forecast January 2023		Plant In Service	Forecast February 2023		Plant In Service	Forecast March 2023		Plant In Service
		Additions	Retirements	11/30/2022	Additions	Retirements	12/31/2022	Additions	Retirements	01/31/2023	Additions	Retirements	02/28/2023	Additions	Retirements	03/31/2023
301-10	Organization			103,738			103,738			103,738			103,738			103,738
302-10	Franchise Rights			41,182			41,182			41,182			41,182			41,182
303-20	Land & Land Rights - Source of Supply			2,799,807			2,799,807			2,799,807			2,799,807			2,799,807
303-2W	Water Rights - Source of Supply	13,482		8,608,619	24,717		8,633,336	13,482		8,646,818	13,482		8,660,300	13,482		8,673,782
303-30	Land & Land Rights - Water Treatment			889,034			889,034			889,034			889,034			889,034
303-40	Land & Land Rights - Trans. & Distrib.			1,083,954			1,083,954			1,083,954			1,083,954			1,083,954
303-50	Land & Land Rights - General Plant			213,383			213,383			213,383			213,383			213,383
304-20	Structures and Improvements - Source of Supply	43,617	(2,500)	8,188,812	87,657	(12,000)	8,264,469	71,104	(7,500)	8,328,073	43,617	(2,000)	8,369,689	21,247	(500)	8,390,436
304-30	Structures and Improvements - Water Treatment			15,955,847			15,955,847			15,955,847			15,955,847			15,955,847
304-40	Structures and Improvements - Trans. & Distrib.			3,299,161			3,299,161			3,299,161			3,299,161			3,299,161
304-50	Structures and Improvements - General Plant			6,406,267			6,406,267			6,406,267			6,406,267			6,406,267
305-20	Collecting & Impounding Reservoirs - Source of Supply			44,944			44,944			44,944			44,944			44,944
306-20	Lake, River & Other Intakes			1,518,794			1,518,794			1,518,794			1,518,794			1,518,794
307-20	Wells & Springs			9,705,834			9,705,834			9,705,834			9,705,834			9,705,834
308-20	Infiltration Galleries & Tunnels			-			-			-			-			-
309-20	Supply Mains			3,073,139			3,073,139			3,073,139			3,073,139			3,073,139
310-20	Power Generation Equipment			3,598,737			3,598,737			3,598,737			3,598,737			3,598,737
311-20	Power Electric Pumping Equipment - Source of Supply	83,045	(5,800)	18,283,293	217,265	(10,800)	18,489,758	83,645	(5,800)	18,567,603	83,745	(5,800)	18,645,548	1,129,200	(347,088)	19,427,660
311-20	Power Diesel Pumping Equipment - Source of Supply			-			-			-			-			-
311-30	Power Pumping Equipment - Water Treatment			4,672,578			4,672,578			4,672,578			4,672,578			4,672,578
311-40	Power Pumping Equipment - Trans. & Distrib.	11,235	(2,000)	8,676,792	294,724	(4,000)	8,967,516	11,235	(2,000)	8,976,750	11,235	(2,000)	8,985,400	1,077,415	(4,000)	10,059,400
320-30	Water Treatment Equipment	136,867	(21,500)	35,822,181	132,967	(21,500)	35,933,648	136,967	(21,500)	36,049,115	136,967	(21,500)	36,164,582	892,395	(45,800)	37,011,177
320-30	Water Treatment Equipment - Membranes			1,349,394			1,349,394			1,349,394			1,349,394			1,349,394
330-40	Distribution Reservoirs & Standpipes	6,191,545		20,042,499			20,042,499			20,042,499			20,042,499			20,042,499
331-10	Trans. & Distrib. Mains & Accessories - Intangible			-			-			-			-			-
331-20	Trans. & Distrib. Mains & Accessories - SOS			-			-			-			-			-
331-40	Trans. & Distrib. Mains & Accessories	393,388	(1,330)	260,028,595	1,053,018	(22,330)	261,059,282	138,028	(2,330)	261,194,980	171,118	(330)	261,365,767	2,566,870	(104,330)	263,828,307
333-40	Services	300,445	(12,000)	104,577,972	300,445	(12,000)	104,866,417	300,445	(12,000)	105,154,862	300,445	(12,000)	105,443,307	300,445	(12,000)	105,731,752
334-40	Meters and Meter Installations	153,943	(30,000)	18,905,473	153,943	(30,000)	19,029,416	66,310	(30,000)	19,065,726	66,310	(30,000)	19,102,036	19,138,346		19,138,346
335-40	Hydrants	79,993		15,741,265	79,993		15,821,258	79,993		15,901,252	79,993		15,981,245	79,993		16,061,238
336-40	Backflow Prevention Devices			-			-			-			-			-
339-10	Other Plant & Misc. Equipment - Intangible			-			-			-			-			-
339-20	Other Plant & Misc. Equipment - Source of Supply			-			-			-			-			-
339-30	Other Plant & Misc. Equipment - Water Treatment			-			-			-			-			-
339-40	Other Plant & Misc. Equipment - Trans. & Distrib.			-			-			-			-			-
339-50	Other Plant & Misc. Equipment - General Plant			-			-			-			-			-
340-500	Office Furniture and Equipment			1,249,944			1,249,944			1,249,944			1,249,944			1,249,944
340-5A0	New CIS System			-			-			-			-			-
340-5A0	AM / FM System			-			-			-			-			-
340-5H0	Computer Equipment - Hardware	6,741	(800)	286,120	88,804	(12,800)	362,124	6,741	(800)	368,065	6,241	(800)	373,506	6,741	(800)	379,447
340-5I0	IT Initiatives			-			-			-			-			-
340-5S0	Computer Equipment - Software			71,891			71,891			71,891			71,891			71,891
341-50	Transportation Equipment			1,115,026	362,329		1,477,354			1,477,354			1,477,354			1,477,354
342-50	Stores Equipment			216,241			216,241			216,241			216,241			216,241
343-50	Tools, Shop and Garage Equipment	11,235		1,765,500	55,675	(4,000)	1,817,175	11,235		1,828,410	11,235		1,839,645	11,235		1,850,880
343-50	Confined Space Monitor, Generator, Trench Shield			-			-			-			-			-
344-50	Laboratory Equipment			74,312			74,312			74,312			74,312			74,312
345-50	Power Operated Equipment			877,766			877,766			877,766			877,766			877,766
345-50	Power Operated Equipment			-			-			-			-			-
346-50	Communications Equipment			4,880,760	356,327	(40,000)	5,197,086	198,142	(25,000)	5,370,228	196,142	(25,000)	5,541,370	198,142	(25,000)	5,714,512
347-50	Miscellaneous Equipment			176,171	140,438		316,609			316,609			316,609			316,609
347-50	Miscellaneous Equipment			-			-			-			-			-
348-50	Other Tangible Property			1,127,408			1,127,408			1,127,408			1,127,408			1,127,408
348-50	Master Plan	114,597		1,429,301	404,864		1,834,165			1,834,165			1,834,165	550,178		2,384,343
				-			-			-			-			-
				-			-			-			-			-
				-			-			-			-			-
				-			-			-			-			-
TOTAL		7,540,132	(75,930)	566,901,734	3,753,163	(169,430)	570,485,467	1,117,327	(106,930)	571,495,864	1,120,529	(99,430)	572,516,963	6,913,653	(569,518)	578,861,098

Case No. VEO-W-22-02  
Exhibit No. 11  
Schedule 3  
D.Njuguna  
Page 2 of 2



Veolia Water Idaho  
Case VEO-W-22-02  
Accumulated Depreciation And Accumulated CIAC Amortization

Line No.	Description	Recorded Amounts				Forecasted Amounts									
		03/31/2022	04/30/2022	05/31/2022	06/30/2022	07/31/2022	08/31/2022	09/30/2022	10/31/2022	11/30/2022	12/31/2022	01/31/2023	02/28/2023	03/31/2023	
1	Accumulated Depreciation-Recorded	\$ (134,230,362)	\$ (133,549,398)	\$ (140,366,831)	\$ (139,507,406)										
2	Incremental Depreciation					\$ (817,719)	\$ (823,017)	\$ (829,211)	\$ (835,827)	\$ (845,640)	\$ (859,949)	\$ (868,548)	\$ (871,167)	\$ (881,909)	
3	Retirements					67,030	123,030	5,298,159	73,930	75,930	169,430	106,930	99,430	569,518	
4	Cost of Removal					4,300	6,400	10,000	15,800	4,800	25,900	9,600	11,000	42,100	
5	Salvage					(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	
6	Total Accumulated Depreciation	(134,230,362)	(133,549,398)	(140,366,831)	(139,507,406)	(140,255,495)	(140,950,783)	(136,473,534)	(137,221,331)	(137,987,941)	(138,654,260)	(139,407,977)	(140,170,414)	(140,442,405)	
7	CIAC Amortization -Recorded	(47,903,375)	(48,103,191)	(48,304,172)	(48,505,888)										
8	Incremental CIAC Amortization					(255,829)	(256,288)	(256,818)	(257,349)	(257,842)	(258,411)	(258,752)	(258,866)	(259,093)	
9	Total CIAC Amortization	\$ (47,903,375)	\$ (48,103,191)	\$ (48,304,172)	\$ (48,505,888)	\$ (48,761,717)	\$ (49,018,004)	\$ (49,274,823)	\$ (49,532,172)	\$ (49,790,014)	\$ (50,048,425)	\$ (50,307,177)	\$ (50,566,043)	\$ (50,825,136)	

Veolia Water Idaho  
Case VEO-W-22-02  
Developer Advances for Construction Subject to Refund

Line No. Month

		Plant Account																	
		30110 Organization	30320 Source of Supply and Pumping Plant: Land & Land Rights	303.40 Source of Supply T&D: Land & Land Rights	30420 Source of Supply and Pumping Plant: Structures & Improvements	30440 Source of Supply: Structures & Improvement s T&D	30720 Source of Supply and Pumping Plant: Wells & Springs	30920 Source of Supply and Pumping Plant: Supply Mains	31020.00 Source of Supply and Pumping: Power Generation Equipment	31120 Source of Supply and Pumping Plant: Pumping Equipment	31140 Source of Supply and Pumping Plant: Pumping Equipment (T&D)	32030 Water Treatment Plant: Water Treatment Equipment	33040 T & D Plant: Distribution Reservoirs & Standpipes	33140 T & D Plant: Mains	33340 T & D Plant: Services	33540 T & D Hydrants	34650 General Plant: Communication Equipment	AIAC in CWIP	Monthly Balance
1	Beginning Balance Jun 30, 2022	\$6,986	\$387,217	(\$3,644)	\$566,333	(\$8,485)	\$132,638	\$40,115	(\$1,761)	\$473,841	(\$23,337)	\$12,775	\$827,861	\$2,135,602	\$228,199	\$6,986	(\$206,779)	(\$733,134)	\$3,841,414
2	Jul 22 Activity										(35,100)								(35,100)
3	Jul 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(58,437)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,806,314
4	Aug 22 Activity																		-
5	Aug 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(58,437)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,806,314
6	Sept 22 Activity																		-
7	Sept 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(58,437)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,806,314
8	Oct 22 Activity										(8,500)								(8,500)
9	Oct 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
10	Nov 22 Activity																		-
11	Nov 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
12	Dec 22 Activity																		-
13	Dec 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
14	Jan 23 Activity																		-
15	Jan 23 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
16	Feb 23 Activity																		-
17	Feb 23 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
18	Mar 23 Activity																		-
19	Ending Balance-March 2023	\$6,986	\$387,217	(\$3,644)	\$566,333	(\$8,485)	\$132,638	\$40,115	(\$1,761)	\$473,841	(\$66,937)	\$12,775	\$827,861	\$2,135,602	\$228,199	\$6,986	(\$206,779)	(\$733,134)	\$ 3,797,814

Veolia Water Idaho  
Case VEO-W-22-02  
Contributions In Aid of Construction

Line No	Month	Plant Account																	Monthly Balance Gross CIAC	Monthly Balance CIAC Amortization	Net CIAC
		30110 Organization	30320 & 40 Source of Supply and Pumping Plant and T&D Plant: Land & Land Rights	30420 Source of Supply and Pumping Plant: Structures & Improvements	30620 Source of Supply and Pumping Plant: Collecting & Impounding Reservoirs	30720 Source of Supply and Pumping Plant: Wells & Springs	30920 Source of Supply and Pumping Plant: Supply Mains	31120 Source of Supply and Pumping Plant: Pumping Equipment	32030 Water Treatment Plant: Water Treatment Equipment	33040 T & D Plant: Distribution Reservoirs & Standpipes	33140 T & D Plant: Mains	33340 T & D Plant: Services	33440 T & D Plant: Meters & Meter Installation	33540 T & D Plant: Hydrants	34050 General Plant: Office Furniture & Equipment	34450 General Plant: Laboratory Equipment	34650 Communica tion	CIAC IN CWIP			
1	Beginning Balance-Jun 30,2022	\$9,878	\$341,987	\$406,800	\$72,696	\$1,405,459	\$9,391	\$2,598,395	\$34,619	\$2,108,957	\$114,964,703	\$29,346,963	\$116,799	\$4,958,160	\$393	\$16,847	\$120,295	\$4,821,514	\$161,333,856	\$48,505,888	\$112,827,968
2	Jul 22 Activity										305,000								305,000		
3	Jul 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	115,269,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	161,638,856	(48,761,717)	112,877,139
4	Aug 22 Activity										300,000								300,000		
5	Aug 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	115,569,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	161,938,856	(49,018,004)	112,920,852
6	Sept 22 Activity										400,000								400,000		
7	Sept 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	115,969,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	162,338,856	(49,274,823)	113,064,034
8	Oct 22 Activity										300,000								300,000		
9	Oct 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	116,269,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	162,638,856	(49,532,172)	113,106,684
10	Nov 22 Activity										350,000								350,000		
11	Nov 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	116,619,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	162,988,856	(49,790,014)	113,198,842
12	Dec 22 Activity										400,000								400,000		
13	Dec 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	117,019,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	163,388,856	(50,048,425)	113,340,431
14	Jan 23 Activity										50,000								50,000		
15	Jan 23 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	117,069,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	163,438,856	(50,307,177)	113,131,679
16	Feb 23 Activity										100,000								100,000		
17	Feb 23 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	117,169,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	163,538,856	(50,566,043)	112,972,813
18	Mar 23 Activity										200,000								200,000		
19	Ending Balance-March 31, 2023	\$9,878	\$341,987	\$406,800	\$72,696	\$1,405,459	\$9,391	\$2,598,395	\$34,619	\$2,108,957	\$117,369,703	\$29,346,963	\$116,799	\$4,958,160	\$393	\$16,847	\$120,295	\$4,821,514	\$163,738,856	(\$50,825,136)	\$112,913,720

**Veolia Water Idaho**  
**Case VEO-W-22-02**  
**Summary of Net Utility Plant Acquisition Adjustments**

Line No.	Acquisition Description	Company Project ID	IPUC Order Month	Amortization Period	Utility Plant Acquisition Adjustment Amount	Accumulated Amortization of UPAA Through 06/30/22	Unamortized Balance at 06/30/22	Monthly Amortization Amount
1	Warm Springs Mesa	X00009	Aug-96	20 Years	\$62,302	(\$62,302)	\$0	\$0
2	Redwood Creek	X00010	May-95	20 Years	(110,249)	110,249	0	0
3	Island Woods	X00011	Apr-95	20 Years	(179,675)	179,675	0	0
4	Raintree	X00014	Sep-00	40 Years	(227,594)	124,262	(103,332)	474
5	South County Water	X00020	Jan-99	40 Years	1,009,011	(592,815)	416,196	(2,102)
6	Barber Water	X00027	Jan-99	40 Years	46,966	(26,386)	20,580	(98)
7	Eagle Water	ACQ_EAGLE	XXXX	40 Years	10,475,000	0	10,475,000	(21,823)
					<u>\$11,075,761</u>	<u>(\$267,317)</u>	<u>\$10,808,444</u>	<u>(\$1,726)</u>

Beginning 03/2023

Annual Amortization Amount **\$282,585**

	Month	Monthly Amortization	Ending Balance
8	June-22		\$10,808,444
9	July-22	(1,726)	10,806,718
10	August-22	(1,726)	10,804,992
11	September-22	(1,726)	10,803,267
12	October-22	(1,726)	10,801,541
13	November-22	(1,726)	10,799,815
14	December-22	(1,726)	10,798,089
15	January-23	(1,726)	10,796,363
16	February-23	(1,726)	10,794,638
17	March-23	(23,549)	10,771,089

Veolia Water Idaho  
Case VEO-W-22-02

Accumulated Deferred Income Taxes as of March 31, 2023

Line No.	Account & Description	Balance at Mar 31, 2022	Balance at Apr 30, 2022	Balance at May 31, 2022	Balance at Jun 30, 2022	Balance at Jul. 31, 2022	Balance at Aug 31, 2022	Balance at Sept 30, 2022	Balance at Oct 31, 2022	Balance at Nov 30, 2022	Balance at Dec 31, 2022	Balance at Jan 31, 2023	Balance at Feb 28, 2023	Balance at Mar 31, 2023	Balance at March 31, 2023	Test Year Adjustments
1	Accumulated Deferred FIT-MACRS	\$ 2,618,914	\$ 2,689,857	\$ 2,772,323	\$ 2,799,649	2,861,324	\$ 2,922,999	\$ 2,984,674	\$ 3,046,349	\$ 3,108,024	\$ 3,169,698	\$ 3,231,373	\$ 3,293,048	\$ 3,354,723	\$ 3,354,723	\$ 555,074
2	Accumulated Deferred FIT Cost of Removal	987,536	1,003,797	1,025,512	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	\$ -
3	Accumulated Deferred FIT AFUDC Equity	469,744	471,625	479,013	486,719	486,719	486,719	486,719	486,719	486,719	486,719	486,719	486,719	486,719	486,719	\$ -
4	Accumulated Deferred FIT AFUDC Equity Gross Up	156,520	156,670	158,610	160,762	189,219	217,676	246,134	274,591	303,048	331,505	359,962	388,419	416,876	416,876	\$ 256,114
5	Def. FIT-Tank Painting	467,462	465,155	465,206.47	462,817	471,283	479,749	488,215	496,681	505,147	513,613	522,079	530,545	539,011	539,011	\$ 76,193
6	Def FIT - New Federal Tax Rate	(875,781)	(845,665)	(841,931)	(838,197)	(834,463)	(830,728)	(826,994)	(823,260)	(819,526)	(815,791)	(812,057)	(808,323)	(804,589)	(804,589)	\$ 33,608
7	Def FIT - Deferred Power-(Approved)	168,005	167,603	168,507	168,802	173,505	178,208	182,912	187,615	192,318	197,021	201,724	206,427	211,131	211,131	\$ 42,329
8	Def FIT- Deferred Convenience Fees	29,399	28,762	28,275	27,635	26,344	25,053	23,762	22,471	21,180	19,889	18,598	17,307	16,017	16,017	\$ (11,618)
9	<b>Accumulated Deferred Income Taxes</b>	<b>\$ 4,021,800</b>	<b>\$ 4,137,805</b>	<b>\$ 4,255,516</b>	<b>\$ 4,355,877</b>	<b>\$ 4,461,622</b>	<b>\$ 4,567,366</b>	<b>\$ 4,673,111</b>	<b>\$ 4,778,855</b>	<b>\$ 4,884,599</b>	<b>\$ 4,990,344</b>	<b>\$ 5,096,088</b>	<b>\$ 5,201,832</b>	<b>\$ 5,307,577</b>	<b>\$ 5,307,577</b>	<b>\$ 951,699</b>
10	Pro Forma Tax Depreciation-State														\$ 10,766,376	
11	Pro Forma Book Depreciation														7,632,986	
12	Excess Tax Over Book Depreciation														\$ 3,133,391	
13	State Income Tax Rate														6.00%	
14	Incremental State Deferred Income Tax														188,003	
15	Pro Forma Tax Depreciation-Federal														\$ 10,464,199	
16	Pro Forma Book Depreciation														7,632,986	
17	Excess Tax Over Book Depreciation														2,831,213	
18	Less: State Deferred Income Tax														188,003	
19	Federal Amount														2,643,210	
20	Federal Income Tax Rate														21.00%	
21	Incremental Federal Deferred Income Tax														\$ 555,074	

Veolia Water Idaho  
Case VEO-W-22-02  
Deferred Debits Balance Included in Rate Base

Months

Line No. Amounts Approved In Case UWI-W-04-04:

Description		Approved Amounts	Unamortized Balance at June 30, 2022	Amortization Period in Months	Monthly Expense	Jul 21 through Mar. 23 Expense	Unamortized Balance at March 31, 2023	Unamortized Balance at Mar 31, 2022	Unamortized Balance at Apr 30, 2022	Unamortized Balance at May 31, 2022	Unamortized Balance at Jun 30, 2022	Unamortized Balance at Jul 31, 2022	Unamortized Balance at Aug 31, 2022	Unamortized Balance at Sept 30, 2022	Unamortized Balance at Oct 31, 2022	Unamortized Balance at Nov 30, 2022	Unamortized Balance at Dec 31, 2022	Unamortized Balance at Jan 31, 2023	Unamortized Balance at Feb 28, 2023	Unamortized Balance at Mar 31, 2023
1	Deferred Rents (Lakewood Well Lease)	\$ 19,090	\$ 10,028	\$ 600	\$ 46	\$ 414	\$ 9,614	\$ 10,166	\$ 10,120	\$ 10,074	\$ 10,028	\$ 9,982	\$ 9,936	\$ 9,890	\$ 9,844	\$ 9,798	\$ 9,752	\$ 9,706	\$ 9,660	\$ 9,614
2	Deferred Tank Painting-Gowen External	39,808	7,796	240	166	1,493	6,303	8,293	8,128	7,962	7,796	7,630	7,464	7,298	7,132	6,967	6,801	6,635	6,469	6,303
3	Deferred Tank Painting-Aeronica	21,100	4,132	240	88	791	3,341	4,396	4,308	4,220	4,132	4,044	3,956	3,869	3,781	3,693	3,605	3,517	3,429	3,341
4	Deferred AFUDC Equity Income	696,346	564,814	360	1,934	17,409	547,405	570,617	568,683	566,748	564,814	562,880	560,945	559,011	557,077	555,143	553,208	551,274	549,340	547,405
5	Sub Total	\$776,344	\$586,770		\$2,234	\$20,107	\$566,663	\$593,472	\$591,238	\$589,004	\$586,770	\$584,536	\$582,302	\$580,068	\$577,834	\$575,600	\$573,366	\$571,132	\$568,898	\$566,663
Amounts Approved In Case UWI-W-06-02:																				
6	Deferred Tank Painting-Federal Reservoir	162,895	40,045	240	679	6,109	33,937	42,081	41,403	40,724	40,045	39,366	38,688	38,009	37,330	36,651	35,973	35,294	34,615	33,937
7	Deferred AFUDC Equity Income	232,342	188,455	360	645	5,809	182,647	190,391	189,746	189,101	188,455	187,810	187,164	186,519	185,874	185,228	184,583	183,937	183,292	182,647
8	Sub Total	\$395,237	\$228,500		\$1,324	\$11,917	\$216,583	\$232,473	\$231,149	\$229,824	\$228,500	\$227,176	\$225,852	\$224,528	\$223,204	\$221,880	\$220,556	\$219,231	\$217,907	\$216,583
Amounts Approved In Case UWI-W-09-01:																				
9	Deferred Tank Painting-Ustick	74,183	31,517	240	309	2,782	28,735	32,444	32,135	31,826	31,517	31,208	30,899	30,589	30,280	29,971	29,662	29,353	29,044	28,735
10	Deferred Tank Painting-Steelhead	313,493	133,325	240	1,306	11,756	121,569	137,244	135,937	134,631	133,325	132,019	130,712	129,406	128,100	126,794	125,488	124,181	122,875	121,569
11	Deferred Tank Painting-Crestline	65,628	27,840	240	273	2,461	25,379	28,660	28,387	28,113	27,840	27,566	27,293	27,019	26,746	26,472	26,199	25,926	25,652	25,379
12	Sub Total	\$453,304	\$192,681		\$1,889	\$16,999	\$175,682	\$198,348	\$196,459	\$194,570	\$192,681	\$190,793	\$188,904	\$187,015	\$185,126	\$183,237	\$181,349	\$179,460	\$177,571	\$175,682
Amounts Approved In Case UWI-W-11-02:																				
13	Deferred Tank Painting-Hillcrest	230,134	119,877	240	959	8,630	111,247	122,753	121,794	120,835	119,877	118,918	117,959	117,000	116,041	115,082	114,123	113,164	112,205	111,247
14	Sub Total	\$230,134	\$119,877		\$959	\$8,630	\$111,247	\$122,753	\$121,794	\$120,835	\$119,877	\$118,918	\$117,959	\$117,000	\$116,041	\$115,082	\$114,123	\$113,164	\$112,205	\$111,247
Amounts Approved In Case UWI-W-15-01:																				
15	Deferred Tank Painting-Gowen Internal	208,050	149,102	240	867	7,802	141,300	151,702	150,835	149,968	149,102	148,235	147,368	146,501	145,634	144,767	143,900	143,033	142,167	141,300
16	Deferred AFUDC Equity Income	343,736	278,808	360	955	8,593	270,214	281,672	280,717	279,763	278,808	277,853	276,898	275,943	274,989	274,034	273,079	272,124	271,169	270,214
17	Sub Total	\$ 551,786	\$ 427,909		\$ 1,822	\$ 16,395	\$ 411,514	\$ 433,374	\$ 431,553	\$ 429,731	\$ 427,909	\$ 426,088	\$ 424,266	\$ 422,444	\$ 420,623	\$ 418,801	\$ 416,979	\$ 415,158	\$ 413,336	\$ 411,514
Amounts Approved In Case SUZ-W-20-02:																				
18	Deferred Tank Painting-Barber Tank-Internal	338,037	318,318	240	1,408	12,676	305,642	322,544	321,135	319,727	318,318	316,910	315,501	314,093	312,684	311,276	309,867	308,459	307,050	305,642
19	Deferred Tank Painting-Hulls Gulch Internal	1,135,161	1,068,943	240	4,730	42,569	1,026,374	1,067,862	1,078,403	1,073,673	1,068,943	1,064,213	1,059,483	1,054,753	1,050,023	1,045,294	1,040,564	1,035,834	1,031,104	1,026,374
20	Deferred Tank Painting-Hulls Gulch External	213,330	200,886	240	889	8,000	192,886	203,552	202,664	201,775	200,886	199,997	199,108	198,219	197,330	196,441	195,553	194,664	193,775	192,886
21	Deferred Tank Painting-Hidden Hollow (Exterior)	102,317	96,349	240	426	3,837	92,512	97,627	97,201	96,775	96,349	95,922	95,496	95,070	94,643	94,217	93,791	93,364	92,938	92,512
22	Deferred Rate Case Expense	119,464	84,620	48	2,489	22,400	62,221	92,087	89,598	87,109	84,620	82,132	79,643	77,154	74,665	72,176	69,687	67,199	64,710	62,221
23	Deferred Customer Payment Conv Fees (Order No.34405)	155,784	110,347	48	3,246	29,210	81,138	116,838	116,838	113,593	110,347	107,102	103,856	100,611	97,365	94,120	90,874	87,629	84,383	81,138
24	Deferred AFUDC Equity Income	99,951	96,064	360	278	2,499	93,565	98,897	96,619	96,342	96,064	95,786	95,509	95,231	94,953	94,676	94,398	94,120	93,843	93,565
25	Deferred Power Costs	789,940	559,541	48	16,457	148,114	411,427	608,912	592,455	575,998	559,541	543,084	526,627	510,170	493,713	477,255	460,798	444,341	427,884	411,427
26	Sub Total	\$ 2,953,984	\$ 2,535,067		\$ 29,923	\$ 269,303	\$ 2,265,764	\$ 2,626,319	\$ 2,594,913	\$ 2,564,990	\$ 2,535,067	\$ 2,505,145	\$ 2,475,222	\$ 2,445,300	\$ 2,415,377	\$ 2,385,455	\$ 2,355,532	\$ 2,325,609	\$ 2,295,687	\$ 2,265,764
Amounts Approved In Case UWI-W-15-02:																				
27	Deferred Tank Painting-Broken Horn	65,239		240	272	3,262	65,239	0	0	0	0	0	0	0	0	0	0	0	0	65,239
28	Deferred Tank Painting-Columbia	126,088		240	525	6,304	126,088	0	0	0	0	0	0	0	0	0	0	0	0	126,088
29	Deferred Tank Painting-Hidden Hollow (Interior)	450,000		240	1,875	22,500	450,000	0	0	0	0	0	0	0	0	0	0	0	0	450,000
30	Deferred Rate Case Expense	343,620		24	16,910	202,920	343,620	0	0	0	0	0	0	0	0	0	0	0	0	343,620
31	Deferred AFUDC Equity Income	(456,680)		360	(1,269)	(15,223)	(456,680)	0	0	0	0	0	0	0	0	0	0	0	0	(456,680)
32	Deferred Power Costs	658,130		24	44,565	534,779	658,130	0	0	0	0	0	0	0	0	0	0	0	0	658,130
33	Sub Total	\$1,186,397			\$62,879	\$764,543	\$1,186,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,186,397
34	Grand Total	\$5,277,202			\$101,029	\$1,097,894	\$4,933,881	\$4,206,740	\$4,167,105	\$4,128,955	\$4,090,805	\$4,052,655	\$4,014,505	\$3,976,355	\$3,938,204	\$3,900,054	\$3,861,904	\$3,823,754	\$3,785,604	\$4,933,881

Veolia Water Idaho  
Case No. VEO-W-22-02  
Working Capital Calculation

Working Capital Calculation															Test Year	
Line No.	Description	Working Capital : 03/31/2022	Working Capital : 04/30/2022	Working Capital : 05/31/2022	Working Capital : 06/30/2022	Working Capital : 07/31/2022	Working Capital : 08/31/2022	Working Capital : 09/30/2022	Working Capital : 10/31/2022	Working Capital : 11/30/2022	Working Capital : 12/31/2022	Working Capital : 01/31/2023	Working Capital : 02/28/2023	Working Capital : 03/31/2023	Working Capital: 03/31/2023	Adjustment
1	Total Operating & Maintenance Expense	\$ 15,617,772	\$ 15,483,789	\$ 17,611,086	\$ 17,656,607										\$ 22,387,625	\$ 4,731,018
2	Adjustments:															
3	Amortization-Deferred Rate Case Expenses	49,471	51,960	51,960	51,960										202,923	150,963
4	Amortization-Deferred Relocation	-	-	-	-										-	-
5	Amortization-Deferred Tank Painting	137,763	145,217	145,217	145,217										177,283	32,066
6	Amortization-Deferred Pension	437,602	477,384	477,384	477,384										23,218	(454,166)
7	Amortization-Deferred Power	181,027	197,484	197,484	197,484										534,778	337,294
8	Amortization-Deferred AFUDC Equity Gross U;	41,551	40,792	39,758	39,758										30,523	(9,235)
9	Amortization-Deferred Customer Payment															
10	Convenience Fees	35,695	38,940	38,940	38,940										38,940	-
11	Amortization-Deferred TCJA	(2,386,285)	(2,603,220)	(2,405,202)	(2,405,202)										(200,000)	2,205,202
12	Total Adjustments	1,503,176	1,651,444	1,454,459	1,454,459										(807,664)	(2,262,124)
13	Total Expense for CWC Allowance	17,120,949	17,135,233	19,065,545	19,111,066										21,579,960	2,468,894
14	Cash Working Capital Allowance %	12.50%	12.50%	12.50%	12.50%										12.50%	12.50%
15	Cash Working Capital Allowance	2,140,119	2,141,904	2,383,193	2,388,883										2,697,495	308,612
16	Materials and Supplies	748,442	761,794	800,404	797,006										797,006	-
17	Prepayments	110,051	92,724	75,397	58,070										58,070	-
18	Total Working Capital	<u>\$ 2,998,611</u>	<u>\$ 2,996,422</u>	<u>\$ 3,258,994</u>	<u>\$ 3,243,959</u>	<u>\$ 3,278,249</u>	<u>\$ 3,312,640</u>	<u>\$ 3,346,830</u>	<u>\$ 3,381,120</u>	<u>\$ 3,415,410</u>	<u>\$ 3,449,700</u>	<u>\$ 3,483,991</u>	<u>\$ 3,518,281</u>	<u>\$ 3,552,571</u>	<u>\$ 3,552,571</u>	<u>\$ 308,612</u>

Note:  
Change in Working Capital assumed to occur evenly over the projected 9 months to March 2023

**Veolia Water Idaho**  
**Case VEO-W-22-02**  
**Regulatory Liability-New Federal Tax Law as of March 31, 2023**

		Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	
Line No.	Account & Description	Balance at Mar 31, 2022	Balance at Apr 30, 2022	Balance at May 31, 2022	Balance at June 30, 2022	Balance at Jul 30, 2022	Balance at Aug 31, 2022	Balance at Sept 30, 2022	Balance at Oct 31, 2022	Balance at Nov 30, 2022	Balance at Dec 31, 2022	Balance at Jan 31, 2023	Balance at Feb 28, 2023	Balance at Mar 31, 2023	
1	Regulatory Liability-New Federal Tax Law (TCJA)	(4,436,578)	(4,284,018)	(4,265,101)	(4,246,184)	(4,227,267)	(4,208,350)	(4,189,433)	(4,170,516)	(4,151,599)	(4,132,682)	(4,113,765)	(4,094,848)	(4,075,931)	
2	Total	<u>(\$4,436,578)</u>	<u>(\$4,284,018)</u>	<u>(\$4,265,101)</u>	<u>(\$4,246,184)</u>	<u>(\$4,227,267)</u>	<u>(\$4,208,350)</u>	<u>(\$4,189,433)</u>	<u>(\$4,170,516)</u>	<u>(\$4,151,599)</u>	<u>(\$4,132,682)</u>	<u>(\$4,113,765)</u>	<u>(\$4,094,848)</u>	<u>(\$4,075,931)</u>	[1]
3	Deferred Federal Income Taxes	<u>\$ (875,781)</u>	<u>\$ (845,665)</u>	<u>\$ (841,931)</u>	<u>\$ (838,197)</u>	<u>\$ (834,463)</u>	<u>\$ (830,728)</u>	<u>\$ (826,994)</u>	<u>\$ (823,260)</u>	<u>\$ (819,526)</u>	<u>\$ (815,791)</u>	<u>\$ (812,057)</u>	<u>\$ (808,323)</u>	<u>\$ (804,589)</u>	

Note:

[1] Refer to Exhibit 12 sponsored by Witness M. Kahn

**Case No. VEO-W-22-02**  
**Exhibit No. 11**  
**Schedule 11**  
**D. Njuguna**  
**Page 1 of 1**