



Quarterly Rate  
Q2 2006

Rate Class	EC	EC Adj	HC	PCG & LOC	RM	NEC	TC	PTC	NEC Adj	Q2 2006 Rate (\$/MWh)	Q2 2006 Rate (¢/kWh)
Residential	\$52.56	(\$1.31)	\$0.08	\$0.06	\$3.64	\$0.96	\$0.00	\$0.14	\$0.01	\$56.15	5.615
Commercial	\$53.30	(\$1.35)	\$0.08	\$0.06	\$3.64	\$0.96	\$0.00	\$0.14	\$0.01	\$56.85	5.685
Industrial	\$50.01	(\$1.35)	\$0.07	\$0.06	\$3.64	\$0.96	\$0.00	\$0.14	\$0.01	\$53.55	5.355
Farming (Includes REA)	\$51.82	(\$1.63)	\$0.08	\$0.06	\$3.64	\$0.96	\$0.00	\$0.14	\$0.01	\$55.09	5.509
Irrigation (Includes REA)	\$50.23	\$0.85	\$0.08	\$0.06	\$3.64	\$0.96	\$0.00	\$0.14	\$0.01	\$55.98	5.598
Oil & Gas	\$50.14	(\$1.12)	\$0.07	\$0.06	\$3.64	\$0.96	\$0.00	\$0.14	\$0.01	\$53.92	5.392
Lighting	\$28.54	(\$2.16)	\$0.04	\$0.06	\$3.64	\$0.96	\$0.00	\$0.14	\$0.01	\$31.23	3.123
	<i>Schedule 3</i>	<i>Schedule 6</i>	<i>0.15%</i>	<i>Schedule 4</i>	<i>Schedule 4</i>	<i>Schedule 4</i>	<i>Schedule 3</i>	<i>Schedule 3</i>	<i>Schedule 7</i>		

$$\text{Quarterly Energy Rate}_{rc} = [(\text{EC}_{rc} \text{ (Schedule 3 (line 2:8))} + \text{ECAdj} \text{ (Schedule 6 line 9:15)}) \times 1.0015] + \text{PCG\&LOC} \text{ (Schedule 4 (line 3))} + \text{RM} \text{ (Schedule 4 (line 9))} + \text{NEC} \text{ (Schedule 4 (line 15))} + \text{TC}_{rc} \text{ (Schedule 3 (line 11:17))} + \text{PTC}_{rc} \text{ (Schedule 3 (line 20:26))} + \text{NEC Adjustment} \text{ (Schedule 7 Q1 06)}$$

Irrigation energy rate includes Q4 2005 (Sept and Oct) carry-forward adjustment in Q2 2006 rates

**Schedule 1 - Quarterly Energy Rates by Rate Class (\$/MWh)**

Rate Class	2005	2006	Forecast
	Q4	Q1	2006 Q2
Residential	\$74.75	\$81.94	\$56.15
Commercial	\$74.41	\$82.28	\$56.85
Industrial	\$70.36	\$78.06	\$53.55
Farming (Includes REA)	\$73.39	\$80.44	\$55.09
Irrigation (Includes REA)	\$71.15	\$78.91	\$55.98
Oil & Gas	\$70.87	\$79.08	\$53.92
Lighting	\$58.21	\$62.77	\$31.23

**Quarterly Energy Rates by Rate Class (¢/kWh)**

Rate Class	2005	2006	2006
	Q4	Q1	Q2
Residential	7.475	8.194	5.615
Commercial	7.442	8.228	5.685
Industrial	7.036	7.806	5.355
Farming (Includes REA)	7.339	8.044	5.509
Irrigation (Includes REA)	7.115	7.891	5.598
Oil & Gas	7.087	7.908	5.392
Lighting	5.821	6.277	3.123

Schedule 2 - Off-Peak and Peak Energy Portfolio Costs by Rate Class

Line No	Description	Units	2005				2006			
			Q3	Q3	Q4	Q4	Q1	Q1	Q2	Q2
			Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak
1	Total Energy Cost	\$ '000	22,082	2,789	30,654	3,723	34,069	4,520	17,473	2,253
2	Residential	\$ '000	9,871	1,152	14,102	1,528	15,648	1,905	8,115	979
3	Commercial	\$ '000	5,675	622	6,797	764	7,471	897	4,043	448
4	Industrial	\$ '000	1,949	334	2,389	394	2,610	448	1,486	254
5	Farming	\$ '000	4,003	553	6,605	887	7,732	1,143	3,470	493
6	Irrigation	\$ '000	72	13	25	4	0	0	32	6
7	Oil & Gas	\$ '000	493	89	655	113	546	98	320	57
8	Lighting	\$ '000	19	27	81	32	62	30	8	16

$$\text{Energy Costs}_{rc} = \text{PEC}_{(\text{Schedule 2 (line 1)})} \times \text{RCFPLP}_{rc(\text{Schedule 5})} \text{ and } \text{OPEC}_{(\text{Schedule 2 (line 1)})} \times \text{RCFOPLP}_{rc(\text{Schedule 5})}$$

Schedule 3 - Energy Charge, Transaction Costs and Pool Trading Charges by Rate Class

Line No	Description	Units	2005 Q4	2006 Q1	Forecast 2006 Q2
1	<b>Energy Charge</b>				
2	Residential	\$/MWh	70.24	75.67	52.56
3	Commercial	\$/MWh	69.92	75.89	53.30
4	Industrial	\$/MWh	65.87	71.87	50.01
5	Farming	\$/MWh	68.86	74.34	51.82
6	Irrigation	\$/MWh	66.81	74.34	50.23
7	Oil & Gas	\$/MWh	66.36	72.41	50.14
8	Lighting	\$/MWh	53.68	56.85	28.54
9	Energy Charge <sub>rc</sub> = (On-Peak Costs <sub>rc</sub> + Off-Peak Energy Costs <sub>rc</sub> ) (Schedule 2 - line 2:8) ÷ LDMLF <sub>rc</sub> (Schedule 5)				
10	<b>Transaction Costs</b>	(\$)	3,800	4,733	1,781
11	Residential	\$/MWh	0.0076	0.0092	0.0047
12	Commercial	\$/MWh	0.0076	0.0092	0.0047
13	Industrial	\$/MWh	0.0077	0.0092	0.0047
14	Farming	\$/MWh	0.0077	0.0093	0.0048
15	Irrigation	\$/MWh	0.0078	0.0093	0.0048
16	Oil & Gas	\$/MWh	0.0078	0.0093	0.0048
17	Lighting	\$/MWh	0.0076	0.0092	0.0047
18	TC <sub>rc</sub> = {TC (Schedule 3 (line 10)) X (LDTLF <sub>rc</sub> (Schedule 5) ÷ LDTLF (Schedule 5))} ÷ LDMLF <sub>rc</sub> (Schedule 5)				
19	<b>Pool Trading Charges</b>	\$/MWh	0.134	0.134	0.134
20	Residential	\$/MWh	0.1415	0.1413	0.1416
21	Commercial	\$/MWh	0.1416	0.1415	0.1418
22	Industrial	\$/MWh	0.1422	0.1420	0.1425
23	Farming	\$/MWh	0.1434	0.1432	0.1431
24	Irrigation	\$/MWh	0.1450	0.1432	0.1441
25	Oil & Gas	\$/MWh	0.1444	0.1442	0.1441
26	Lighting	\$/MWh	0.1409	0.1416	0.1417
27	PTC <sub>rc</sub> = PTC (Schedule 3 (line 19)) X (LDTLF <sub>rc</sub> (Schedule 5) ÷ LDMLF <sub>rc</sub> (Schedule 5))				

Schedule 4 - Non-energy Costs, Return Margin and PCG & LOC Costs

Line No	Description	Units	2005 Q4	2006 Q1	Forecast 2006 Q2
1	<b>LDMLF</b> <i>(Schedule 5)</i>	MWh	495,831	514,682	377,645
2	<b>PCG &amp; LOC charges*</b>	\$	21,876	21,876	21,876
3		\$/MWh	<b>0.0441</b>	<b>0.0425</b>	<b>0.0579</b>
4	<b>Return Margin</b>				
5	Pre-Determined Return Margin	\$	1,624,084	1,737,801	1,275,103
6	Incentive Payments	\$	100,000	100,000	100,000
7	Credit default Risk	\$	4,763	1,081	-
8	<b>Total Return Margin</b>		1,728,847	1,838,882	1,375,103
9		\$/MWh	<b>3.4868</b>	<b>3.5729</b>	<b>3.6413</b>
10	<b>Non-Energy Costs</b>				
11	Operating & Capital Costs	\$	243,000	243,000	243,000
12	Hearing/Negotiation Costs*	\$	89,523	89,523	89,523
13	Confidential Information Costs (EPCOR)*	\$	30,000	30,000	30,000
14	<b>Total Non-Energy Costs</b>		362,523	362,523	362,523
15		\$/MWh	<b>0.7311</b>	<b>0.7044</b>	<b>0.9600</b>

\*These amounts are placeholders and are subject to deferral accounts

Schedule 5 - Forecast Load Data to Support Quarterly Energy Charge

Off-Peak Rate Class Share - Including Losses and UFE (RCFOPLP)

	2004 Q3	2004 Q4	2005 Q1	2005 Q2	2005 Q3	2005 Q4	2006 Q1	2006 Q2
Residential	41%	42%	42%	42%	41%	41%	42%	43%
Commercial	23%	20%	20%	21%	22%	21%	20%	20%
Industrial	12%	10%	10%	11%	12%	11%	10%	11%
Farming	20%	24%	25%	21%	20%	24%	25%	22%
Irrigation	0%	0%	0%	0%	0%	0%	0%	0%
Oil & Gas	3%	3%	3%	3%	3%	3%	2%	3%
Lighting	1%	1%	1%	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%	100%	100%

On-Peak Rate Class Share - Including Losses and UFE (RCFPLP)

	2004 Q3	2004 Q4	2005 Q1	2005 Q2	2005 Q3	2005 Q4	2006 Q1	2006 Q2
Residential	45%	47%	45%	45%	45%	46%	46%	46%
Commercial	25%	22%	22%	25%	26%	22%	22%	23%
Industrial	9%	7%	7%	9%	9%	8%	8%	9%
Farming	18%	22%	23%	19%	18%	22%	23%	20%
Irrigation	0%	0%	0%	0%	0%	0%	0%	0%
Oil & Gas	2%	2%	2%	2%	2%	2%	2%	2%
Lighting	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%

LDTLF<sub>rc</sub> - Including Losses and UFE (MWh)

	2004 Q3	2004 Q4	2005 Q1	2005 Q2	2005 Q3	2005 Q4	2006 Q1	2006 Q2
Residential	187,800	238,369	246,719	189,979	188,867	234,950	244,677	182,760
Commercial	104,273	113,802	120,386	102,003	106,944	114,248	116,401	89,161
Industrial	40,286	42,744	44,229	39,615	41,588	44,833	45,094	37,004
Farming	79,417	118,884	130,104	82,966	80,048	116,395	127,543	81,675
Irrigation	1,511	5	61	1,561	1,554	466	0	813
Oil & Gas	9,755	11,082	11,820	10,913	10,702	12,469	9,578	8,099
Lighting	1,163	1,903	1,852	1,163	1,363	2,220	1,701	886
Total	424,207	526,790	555,172	428,201	431,067	525,581	544,993	400,400

LDMLF<sub>rc</sub> - Excluding Losses and UFE (MWh)

	2004 Q3	2004 Q4	2005 Q1	2005 Q2	2005 Q3	2005 Q4	2006 Q1	2006 Q2
Residential	177,982	225,908	233,619	179,547	178,410	222,533	231,983	173,004
Commercial	98,727	107,684	113,893	96,296	100,921	108,135	110,263	84,240
Industrial	38,007	40,294	41,674	37,273	39,108	42,260	42,544	34,792
Farming	76,008	111,166	121,626	77,495	74,717	108,790	119,384	76,485
Irrigation	1,410	5	60	1,441	1,432	431	0	756
Oil & Gas	9,068	10,284	10,966	10,118	9,916	11,570	8,897	7,531
Lighting	1,101	1,811	1,751	1,098	1,287	2,112	1,610	838
Total	402,303	497,151	523,589	403,268	405,790	495,831	514,682	377,645

Schedule 6 - Energy Adjustment by Rate Class

2005

Line No	Description	Units	Sept	Sept	Oct	Oct	Nov	Nov	Dec	Dec
			Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak
1	Total Monthly Energy /	\$ '000	39	0	201	(3)	628	(1)	269	(1)
2	Residential	\$ '000	17.742	0.007	92.607	(1.038)	284.413	(0.549)	125.455	(0.308)
3	Commercial	\$ '000	9.532	0.003	46.794	(0.532)	143.689	(0.277)	55.602	(0.149)
4	Industrial	\$ '000	3.073	0.002	17.425	(0.300)	48.752	(0.140)	19.171	(0.073)
5	Farming	\$ '000	7.624	0.003	38.970	(0.553)	136.485	(0.317)	62.254	(0.191)
6	Irrigation	\$ '000	0.113	0.000	0.540	(0.010)	-	-	-	-
7	Oil & Gas	\$ '000	0.851	0.001	4.524	(0.082)	13.349	(0.041)	5.529	(0.022)
8	Lighting	\$ '000	0.056	0.000	0.458	(0.025)	1.724	(0.011)	0.770	(0.006)

$$\text{Energy Adjustment}_{rc} = \text{PE Adj}_{(\text{Schedule 6 (line 1)})} \times \text{RCFPLP}_{rc(\text{adj month}) (\text{Schedule 5})} \text{ and } \text{OPE Adj}_{(\text{Schedule 6 (line 1)})} \times \text{RCFOPLP}_{rc(\text{Adj month}) (\text{Sche}}$$

Energy Adjustments are allocated to rate class, by on-peak and off-peak monthly share in which the adjustm

\*Irrigation Energy Adjustments from Sept-Dec 2005 will be carried forward to Q1 2006

			2005 Q4 Adjustment (Jun/Jul/Aug)	2006 Q1 Adjustment (Sep/Oct /Nov)
11	Residential	\$/MWh	(0.04)	1.69
12	Commercial	\$/MWh	(0.06)	1.81
13	Industrial	\$/MWh	(0.06)	1.62
14	Farming	\$/MWh	(0.03)	1.53
15	Irrigation	\$/MWh	(0.22)	0.00
16	Oil & Gas	\$/MWh	(0.05)	2.09
17	Lighting	\$/MWh	0.00	1.37

Energy Adjustment Rate is derived by taking the allocated amounts from above and divided by upcoming quarterly energ  
These amounts get added to the Quarterly Average Energy Rate on Schedule 1

Schedule 6 - Energy Adjustment by Rate Class

Line No	Description	Units	Carry-over Amount from 2005	2006					
				Jan		Feb		Mar	
				Peak	Off Peak	Peak	Off Peak	Peak	Off Peak
1	Total Monthly Energy <sup>A</sup>	\$ '000	269	(95)	(79)	(327)	(165)	(124)	-
2	Residential	\$ '000	125.148	(44.85)	(33.89)	(148.12)	(68.55)	(56.09)	0.00
3	Commercial	\$ '000	55.453	(19.92)	(15.38)	(72.68)	(32.83)	(28.43)	0.00
4	Industrial	\$ '000	19.098	(6.84)	(7.33)	(25.27)	(16.48)	(10.16)	0.00
5	Farming	\$ '000	62.063	(22.10)	(20.07)	(75.29)	(42.08)	(27.03)	0.00
6	Irrigation	\$ '000	0.644	0.00	0.00	0.00	0.00	0.00	0.00
7	Oil & Gas	\$ '000	5.508	(1.45)	(1.62)	(5.21)	(3.53)	(2.13)	0.00
8	Lighting	\$ '000	0.764	(0.20)	(0.48)	(0.61)	(1.11)	(0.17)	0.00

$$\text{Energy Adjustment}_{rc} = \text{PE Adj}_{(\text{Schedule 6 (line 1)})} \times \text{RCFPLP}_{rc(\text{adj month})} (\text{Schedule 5}) \text{ and } \text{OPE Adj}_{(\text{Schedule 6 (line 1)})} \times \text{RCFOPLP}_{rc(\text{Adj month})} (\text{Schedule 5 (line 61:75)})$$

Energy Adjustments are allocated to rate class, by on-peak and off-peak monthly share in which the adjustment relates to  
Carry over amount from 2005 includes December adjustments for all rate classes. Irrigation carry over amount includes September and October Adjustments

2006 Q2 Adjustment (Dec/Jan/Feb)			
11	Residential	\$/MWh	(1.31)
12	Commercial	\$/MWh	(1.35)
13	Industrial	\$/MWh	(1.35)
14	Farming	\$/MWh	(1.63)
15	Irrigation	\$/MWh	0.85
16	Oil & Gas	\$/MWh	(1.12)
17	Lighting	\$/MWh	(2.16)

Energy Adjustment Rate is derived by taking the allocated amounts from above and divided by  
upcoming quarterly energy

**These amounts get added to the Quarterly Average Energy Rate on Schedule 1**

March Adjustment includes any adjustments known at the time of rate calculation (March 21, 2006)



Schedule 7 - Quarterly Non-energy Costs Adjustment Q2 2006

Line No	Description	Units	Forecast 2006			Actual 2005	Actual 2006		Forecast 2006	NEC Adjustment 2006
			Jan	Feb	Mar	Dec	Jan	Feb	Mar	Q2
1	Monthly Metered Load (Forecast/Actual)	MWh	195,963	158,282	160,437		177,462	154,734	160,437	LDMLF (Q1 06) 377,645
2	Monthly Revenue for Deferral Items						\$ 42,683	\$ 46,076	\$ 47,133	\$ 135,892
3	PCG & LOC charges	\$	\$ 7,292	\$ 7,292	\$ 7,292		\$ 7,292	\$ 7,292	\$ 7,292	\$ -
4	Hearing/Negotiation Costs	\$	\$ 29,841	\$ 29,841	\$ 29,841		\$ 29,545	\$ 29,545	\$ 29,545	\$ (886)
5	Confidential Information Costs (EPCOR)	\$	\$ 10,000	\$ 10,000	\$ 10,000		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
6	Pool Trading Charge Adjustment									
7	Total Deferral Items	\$	\$ 47,133	\$ 47,133	\$ 47,133		\$ 46,837	\$ 46,837	\$ 46,837	\$ 140,512
8	Rate	\$/MWh	\$ 0.241	\$ 0.298	\$ 0.294					
9	Differences in Cost and Revenues (line 6-line2)					\$ 944	\$ 4,154	\$ 761	\$ (295)	\$ 5,564
10						(Note 1)				\$ 0.015

Note 1: See Schedule 7 NEC Adj Q1 06



**Negotiation/Ongoing Cost Reconciliation**

<b>Negotiation Costs</b>		<b>Initial Estimate</b>	<b>Filed Cost</b>	<b>Approved Cost</b>
<b>Line No.</b>	<b>Claimant</b>	<b>Negotiation Costs</b>	<b>Claim for Negotiation Costs</b>	<b>Claim for Negotiation Costs</b>
1	St. Michael's	7,767.50	7,767.50	7,767.50
2	ABCOM	7,767.50	7,767.50	7,767.50
3	PICA	28,011.30	28,011.30	28,011.30
4	AAMD&C	21,301.97	21,301.97	21,301.97
5	CCA	16,776.26	15,678.75	15,678.75
6	REA	10,464.41	10,464.41	10,464.41
7	AIPA	22,442.17	22,442.17	22,442.17
8	AUMA	14,286.03	23,966.65	23,966.65
9	IPPCA	13,226.82	13,226.82	13,226.82
10	DERS Internal	13,059.08	3,106.66	15,022.76
11	DERS Internal Expenses		7,191.14	
12	Newspaper ads/printing	4,049.90	4,724.96	
13	BDP	6,939.56	18,004.98	11,650.98
14	BC&G	28,854.62	52,902.42	28,818.92
15	Funk and Associates	105,998.33	106,108.36	106,108.36
16	EDC Associates	46,962.50	46,962.50	46,962.50
17	Forte Bus. Services	46,764.04	36,990.04	36,990.04
18	Total	394,671.99	426,618.13	396,180.63
19				
20	Quarterly amount for Negotiation Costs	<b>49,334.00</b>	<b>53,327.27</b>	<b>49,522.58</b>

  

<b>Ongoing Costs</b>		<b>Invoiced for Q3 04 Rates</b>	<b>Invoiced for Q4 04 Rates</b>	<b>Invoiced for Q1 05 Rates</b>	<b>Invoiced for Q2 05 Rates</b>	<b>Invoiced for Q3 05 Rates</b>	<b>Invoiced for Q4 05 Rates</b>	<b>Invoiced for Q1 06 Rates</b>
21	St. Michael's	6,872.15	7,354.09	3,762.50	7,179.08	4,987.50	9,524.06	4,462.50
22	ABCOM		4,875.00		6,750.00	1,712.50	4,362.50	5,900.00
23	PICA	1,750.00		1,680.00			782.00	
24	AAMD&C	532.00	2,555.43	2,002.39	1,828.40	388.50		
25	CCA		9,752.00					
26	REA	532.00	2,555.43		252.00	388.50		
27	AIPA		4,807.50		2,407.25	1,886.50	851.00	1,202.50
28	AUMA		14,286.03	9,901.14	8,220.64	7,565.48	4,451.35	1,698.85
29	IPPCA							
30	DERS Internal	1,086.00	280.10					
36	Forte Bus. Services	31,930.00	38,925.00	4,425.00	15,250.00	31,792.00	10,475.00	25,850.00
37	Total Invoiced Quarterly Costs	42,702.15	85,390.58	21,771.03	41,887.37	48,720.98	30,445.91	39,113.85
38	Estimated Quarterly Costs	20,000.00	40,000.00	55,000.00	30,000.00	40,000.00	40,000.00	40,000.00

  

<b>Negotiation and Ongoing Costs included in Rates</b>		<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>
39	Negotiation Costs								
	Costs included in Rates	49,334	49,334	49,334	49,523	49,523	49,523	49,523	49,523
40	Updated Costs	49,523	49,523	49,523	49,523	49,523	49,523	49,523	49,523
41	Difference	189	189	189	-	-	-	-	-
42	Adjustment		189	189	189	-	-	-	-
	Ongoing Costs								
43	Forecast	20,000	40,000	55,000	30,000	40,000	40,000	40,000	40,000
44	Actual	42,702	85,391	21,771	41,887	48,721	30,446	39,114	
45	Deferral Amount	22,702	45,391	(33,229)	11,887	8,721	(9,554)	(886)	(40,000)
46	Adjustment		22,702	45,391	(33,229)	11,887	8,721	(9,554)	(886)
47	Total Negotiation/Ongoing Costs included in Rates	69,334	89,334	104,334	79,523	89,523	89,523	89,523	89,523
48	Actual Invoiced Costs	92,225	134,913	71,294	91,410	98,244	79,968	88,636	
49	Adjustment to previously included costs		22,891	45,579	(33,040)	11,887	8,721	(9,554)	(886)