

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION  
Water Utilities Branch

RESOLUTION NO. W-3398  
June 8, 1988

R E S O L U T I O N

(RES. W-3398) GRAND VIEW GARDENS WATER COMPANY (GVGWC).  
ORDER AUTHORIZING A GENERAL RATE INCREASE PRODUCING  
\$7,055 OR 59.5% ADDITIONAL ANNUAL REVENUE.

GVGWC, by draft advice letter initially accepted by the Water Utilities Branch (Branch) on October 20, 1987, requested authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to increase rates for water service by \$5,230 or 43.4%. GVGWC subsequently amended its request to \$8,310 or 69.8% to cover the cost of liability insurance. GVGWC's estimate of 1988 gross revenue of \$11,906 at present rates would increase to \$20,216 at requested rates and produce a rate of return of 11.59% on rate base. GVGWC serves 102 customers about 1/2 mile northwest of Porterville, Tulare County.

The present rates have been in effect since May 31, 1983 pursuant to Resolution No. W-3096 dated May 18, 1983 which authorized a general rate increase.

The Branch made an independent analysis of GVGWC's summary of earnings. Appendix A shows GVGWC's and the Branch's estimated summary of earnings at present, requested and adopted rates. GVGWC and the Branch differ in their estimates of operating expenses, depreciation, income taxes and rate base.

The differences in estimated operating expenses are in purchased power, materials, contract work, vehicle expense, other plant maintenance, office salaries, management salaries, uncollectibles, office services and rent, office supplies, professional services, insurance, regulatory commission expense, depreciation and income taxes.

The Branch's estimate of purchased power is lower than GVGWC's. GVGWC estimated purchased power expense by escalating its recorded 1986 expense by an arbitrary 10% per year to arrive at \$3,600 for test year 1988. The Branch used the average energy consumption recorded for 1985 through 1987 and applied Southern California Edison's rate schedule PA-1 effective March 18, 1988 to arrive at \$3,090 for test year 1988.

The Branch's estimate for materials expense is higher than GVGWC's. GVGWC used its recorded 1986 materials expense of \$50 as its test year estimate. The Branch used the average of the last three years' recorded expenses adjusted for inflation and customer growth to arrive at \$85 for test year 1988. The escalation factors used by the Branch for this and other accounts were those provided by the Advisory Branch of the Commission Advisory and Compliance Division.

The Branch's estimate for contract work is slightly higher than GVGWC's. GVGWC had extraordinary repair expenses of \$2,015 in 1986 and \$370 in 1987, so it arbitrarily estimated \$1,000 as its test year figure. The Branch's \$1,050 estimate includes \$255 for normal contract work based on the last three years' recorded expenses adjusted for inflation and customer growth, plus \$795 to amortize 1986's and 1987's extraordinary expenses over the three year rate case cycle.

The Branch's estimate of vehicle expense is slightly lower than GVGWC's because the Branch excluded a small portion of the company owner's vehicle mileage as being for personal use. The Branch's estimate is based on an average of the last three years' recorded expenses adjusted for inflation and customer growth.

GVGWC did not estimate an amount for other plant maintenance. The Branch included \$210 for monthly water testing done by Tulare County and \$250 for additional nitrate and mineral tests for a total of \$460. GVGWC had included these expenses in its estimate of office services and rent as noted later.

GVGWC did not estimate separate amounts for office salaries and management salaries but included them in its professional services expense estimate. The Branch estimated \$2,310 and \$2,400 respectively for these items by using the average of the last three years' recorded expenses adjusted for inflation and customer growth. As noted below, GVGWC and the Branch differ only slightly on the sum of office and management salaries and professional services.

The Branch's estimate of uncollectibles is somewhat lower than GVGWC's. In 1987 GVGWC had allowed a customer to fall behind twenty-four months in his payments. When GVGWC tried to collect, the customer complained and the Consumer Affairs Branch negotiated a settlement of half the bill. The Water Branch believes that this is an unusual and preventable occurrence that should not be passed on to other customers in the form of an increased uncollectibles allowance for future years.

GVGWC estimated \$1,600 for office services and rent by applying a 20% per year escalation factor to its 1986 recorded expense. The Branch estimated \$1,040 based on the average of the last three years' recorded expenses adjusted for inflation and customer growth. GVGWC's \$1,600 figure included water testing expenses that the Branch estimated at \$460 and reclassified as properly belonging in the other plant maintenance account as explained earlier.

The Branch's estimate of office supplies and expense is higher than GVGWC's. GVGWC estimated \$820 for test year 1988 by arbitrarily increasing the recorded 1986 expense without support. The Branch took the average of the last three years' recorded expenses adjusted for inflation and customer growth to arrive at \$935 for the test year.

GVGWC's professional services estimate included allowances for office and management salaries which the Branch shifted to those accounts as explained earlier. The Branch estimated the remaining professional services amount of \$325 by averaging the last three years' recorded amounts and escalating for inflation and growth. GVGWC's workpapers did not break its estimate down in a way that would allow comparison of the components, but the Branch's \$5,035 total estimate for professional services, office salaries and management salaries was only slightly less than GVGWC's \$5,280 for the corresponding items.

In its initial rate increase request, GVGWC included insurance expense of only \$94 because it did not carry liability insurance. It subsequently obtained bids for varying amounts of liability coverage and modified its increase request accordingly. The \$3,000 amount shown by the Branch is the annual premium for the policy GVGWC ultimately purchased.

GVGWC did not estimate regulatory commission expense. The Branch included the cost of renting a hall for the public meeting and amortized it over the three year rate case cycle.

The difference in depreciation expense is due to the difference in average plant-in-service discussed below.

GVGWC did not include amounts for income taxes. The Branch estimated income taxes using current federal tax rates under the Tax Reform Act of 1986 and the corresponding state tax rates.

GVGWC requested to be reimbursed for \$450 in interest expense on a loan from a relative for repairs to the water system. Interest is not an allowable expense for ratemaking so the Branch disregarded it. Loans of this type are common with small water companies and the Commission's practice is to treat the loan proceeds as equity capital, in part because the borrowings have not been approved as long term debt. The owner's return on rate base compensates for interest on the capital borrowed and used to finance plant.

The differences between GVGWC and the Branch in rate base are due to differences in utility plant, depreciation reserve and working cash.

In preparing its rate base estimate, GVGWC included \$4,000 for possible replacement of its well pump after only three years of service. GVGWC's well pump has burned out prematurely in the past because of serious plant deficiencies in the system as discussed in the service section later. The Branch recommends that GVGWC correct its system's deficiencies rather than simply continue to replace burned out equipment. Eliminating the projected \$4,000 addition reduces the Branch's average plant estimate by \$2,000 for the test year.

The small difference in depreciation reserve estimates is due to the Branch's having corrected a minor mathematical error in GVGWC's calculations and to the differences in plant and depreciation expense explained earlier.

The Branch's estimate of working cash is lower than GVGWC's. GVGWC did not explicitly calculate a working cash allowance but included \$1,500 based on its view of the cash needed to keep the utility operating. The Branch used the simplified method for a water utility using monthly flat rate billing as prescribed in the Commission's Standard Practice U-16, "Determination of Working Cash Allowance" to arrive at its estimate of \$1,000.

GVGWC was informed of the Branch's differing views of expenses and rate base and has stated that it accepts the Branch's estimates.

GVGWC initially requested a rate of return of 10.50% on rate base, and the Water Branch concurs. The summary of earnings submitted by GVGWC contained mathematical errors which, after correction, resulted in the 11.59% rate of return shown in Appendix A. 10.50% is the midpoint of the 10.25% to 10.75% standard rate of return range recommended by the Accounting and Financial Branch of Commission Advisory and Compliance Division for small water utilities with 100% equity financing.

GVGWC has never been required by the Commission to establish a balancing account and it has not done so.

A notice of the proposed rate increase and public meeting was mailed to all customers on November 1, 1987. Two letters complaining about poor service and protesting the proposed rate increase were received. A revised notice mailed to each customer on March 1, 1988 explained that the amount requested had been increased from 43.4% to 69.4% to cover the cost of liability insurance. Letters protesting any increase in rates without making service improvements were subsequently received from two additional customers. The Branch recently sent a letter of reply explaining the results of its investigation and its recommendations to the customers who protested. None of those who wrote in attended the public meeting.

Two engineers from the Branch and a representative of GVGWC were available at a public meeting to explain the increase request and answer questions in Porterville on the evening of November 18, 1987. Seven people attended, six of whom made comments. All complained about sand in the water causing plumbing problems, and several also said that they are not notified when the water is to be shut off for repairs. GVGWC's owner stated that the water is only turned off when there are emergency repairs made and in those circumstances there is no time to notify the customers.

Field inspections of GVGWC's system were made by a Branch engineer on October 27, 1987 and November 19, 1987. The inspections revealed that service is marginal and the system is in need of improvements:

- a) Water pressures barely meet the requirements of General Order (G.O.) 103, "Rules Governing Water Service Including Minimum Standards for Design and Construction."

- b) There is sand in the water.
- c) Well pumps have been failing at three to five year intervals.
- d) There is no production meter at the well. G.O. 103 requires that every source of supply have some means for determining water production. Production metering is needed to monitor system water losses and reveal major leaks, and to measure pumping efficiency.

The Branch believes that the short pump life may be caused by its excessive cycling on and off and the fact that sand is being pumped into the system. Excessive cycling, in turn, is probably due to the inadequate capacity of the pressure tank. This suggests that possible remedies to the problems would be increasing the size of the pressure tank and installing sand traps. These problems need to be resolved and the Branch believes that GVGWC should consider its suggestions while making a thorough investigation.

The Branch recognizes that making all the needed improvements to correct these deficiencies immediately might cause a severe cash flow problem for a small company like GVGWC. Despite low pressures, there is an adequate supply of potable water and the situation is tolerable for the present. GVGWC's rates, even with the proposed increase, are low in comparison to those of other water utilities.

Therefore, rather than recommend the Commission order immediate plant revisions, the Branch believes that GVGWC should be required to engage a qualified person to study the system and prepare a plan of improvements, including a proposed schedule and a breakdown of costs, to be submitted to the Branch within 180 days. The reasonable costs of such studies are typically included in ratemaking, and the Branch recommends that GVGWC submit those costs for consideration at its next general rate increase proceeding. Within 90 days after submitting its plan, GVGWC should hold a public meeting with its customers following the requirements of the Commission's Service Improvement Policy for water utilities. The Service Improvement Policy specifies that if water service is inadequate but the water is not unhealthful, the utility should seek the consensus of its customers as to whether to make needed improvements in light of the increased rates that would result. If its customers' consensus is to support some or all of the improvements, the utility should implement the plan accordingly.

Although there are problems with GVGWC's source and distribution system, it does have an excellent ground water supply. Despite drought conditions in California during the past two winters, it has not experienced a significant drop in the water table. There is an abundant supply available; the problem is extracting and distributing it efficiently and reliably to its customers. Although it has no present plans to meter its customers, the Branch is recommending that the Commission authorize GVGWC to establish a metered schedule and give it the authority to meter customers as a conservation measure. No other conservation measures are needed at this time.

According to the Tulare County Department of Health Services (TCHS), GVGWC's water presently meets all state quality standards. In 1984, 1985 and 1986, there were water samples taken in which the level of nitrates exceeded the state standards. TCHS has ordered GVGWC to submit water samples every six months for testing and to notify customers whenever nitrates exceed 45 parts per million. TCHS has periodically ordered GVGWC to chlorinate the water but it is not required to do so on a permanent basis. TCHS has no present plans to order system improvements.

GVGWC's rates consist of a residential flat rate schedule that became effective May 31, 1983 and a public fire hydrant service schedule that dates back to 1962. GVGWC does not have a maintenance contract with the county fire department and does not collect revenue under the public fire hydrant schedule. The Branch recommends that Schedule No. 5, Public Fire Hydrant Service, be canceled. The Branch proposes to increase the flat rate schedule by the system average increase authorized by this resolution.

GVGWC currently has no metered customers and no plans to install meters in the immediate future. However, the Branch has prepared a metered rate schedule and added the option in its flat rate tariff to convert customers to meters. The Branch's proposed metered rate schedule includes a service charge which would recover revenue in proportion to 50% of GVGWC's fixed expenses, and a single metered quantity rate. This is consistent with the Commission's rate design policy for water companies established by Decision 86-05-064 effective May 28, 1986 which calls for phasing out lifeline rates, allows for reduction of multiple blocks to a single block and recovery of up to 50% of fixed expenses through the service charge.

The level of the proposed metered rate schedule is such that the average customer's charges would be the same under it as under the flat rate schedule. Since there are no metered customers, neither the utility's revenues nor customers' bills are affected by the new schedule.

The Branch recommends that the Commission authorize an increase in gross revenue of \$7,055 or 59.5%. This increase provides a 10.50% estimated rate of return on rate base in test year 1988.

At the recommended rates shown in Appendix B, the monthly bill for a typical flat rate residential customer would increase from \$9.11 to \$14.53 or 59.5%. A comparison of the present and recommended rates is shown in Appendix C.

## FINDINGS


1. The Branch's recommended summary of earnings (Appendix A) is reasonable and should be adopted.
2. The rates recommended by the Branch (Appendix B) are reasonable and should be authorized.
3. The quantities (Appendix D) used to develop the Branch's recommendation are reasonable and should be adopted.
4. GVGWC should be required to engage a qualified person to study the system and prepare a plan of improvements, including a proposed schedule and a breakdown of costs, to be submitted to the Water Utilities Branch for review within 180 days.
5. Within 90 days after submitting its plan to the Water Utilities Branch, GVGWC should hold a public meeting with its customers following the requirements of the Commission's Service Improvement Policy for water utilities. If its customers' consensus is to support some or all of the improvements, GVGWC should implement the plan accordingly.
6. GVGWC should be ordered to comply with G.O. 103 by installing a suitable measuring device or otherwise determining production at its source of supply. GVGWC should be allowed to file an advice letter to begin recovering the reasonable cost of the installation after it has been put into operation.
7. GVGWC should be ordered to provide at least twenty-four hours notice to all affected customers for any non-emergency water outages.
8. Tariff Schedule No. 5, Public Fire Hydrant Service, should be canceled.

IT IS ORDERED that:

1. Authority is granted under Public Utilities Code Section 454 for Grand View Gardens Water Company to file an advice letter incorporating the summary of earnings and revised rate schedules attached to this resolution as Appendices A and B respectively, and concurrently to cancel its presently effective rate Schedule Nos. 2R and 5. Its filing shall comply with General Order 96-A. The effective date of the revised rate schedules shall be the date of filing.
2. Grand View Gardens Water Company shall engage a qualified person to study the system and prepare a plan of improvements, including a proposed schedule and a breakdown of costs, to be submitted to the Water Utilities Branch for review within 180 days of the effective date of this resolution.
3. Within 90 days of its submittal of the improvement plan required by Ordering Paragraph 2 above, Grand View Gardens Water Company shall hold a public meeting with its customers following the requirements of the Commission's Service Improvement Policy for water utilities. If its customers' consensus is to support some or all of the improvements, it shall implement the plan accordingly. Recovery of the reasonable costs of the improvement plan and any resulting system improvements are to be considered in its next general rate case.
4. Grand View Gardens Water Company shall comply with General Order 103 by installing a suitable measuring device or otherwise determining production at its source of supply within one year of the effective date of this resolution. Grand View Gardens Water Company is authorized to file an advice letter to begin recovering the reasonable cost of its installation after it has been put into operation.
5. Grand View Gardens Water Company shall provide at least twenty-four hours notice to all affected customers for any non-emergency water outages.
6. This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on June 8, 1988. The following Commissioners approved it:

STANLEY W. HULETT  
President  
DONALD VIAL  
FREDERICK R. DUDA  
G. MITCHELL WILK  
JOHN B. OHANIAN  
Commissioners

  
VICTOR R. WEISSER  
Executive Director



APPENDIX A

GRAND VIEW GARDENS WATER COMPANY

SUMMARY OF EARNINGS  
(Test Year 1988)

| Item                      | Utility Estimated |                 | Branch Estimated |                 | Adopted Rates |
|---------------------------|-------------------|-----------------|------------------|-----------------|---------------|
|                           | Present Rates     | Requested Rates | Present Rates    | Requested Rates |               |
| <u>Operating Revenues</u> |                   |                 |                  |                 |               |
| Flat Rate                 | \$11,860          | \$20,170        | \$11,860         | \$20,170        | \$18,915      |
| Other Revenues            | 46                | 46              | 0                | 0               | 0             |
| Total Revenue             | <u>11,906</u>     | <u>20,216</u>   | <u>11,860</u>    | <u>20,170</u>   | <u>18,915</u> |
| <u>Operating Expenses</u> |                   |                 |                  |                 |               |
| Purchased Power           | 3,600             | 3,600           | 3,090            | 3,090           | 3,090         |
| Materials Expense         | 50                | 50              | 85               | 85              | 85            |
| Contract Work             | 1,000             | 1,000           | 1,050            | 1,050           | 1,050         |
| Vehicle Expense           | 285               | 285             | 240              | 240             | 240           |
| Other Plant Maintenance   | 0                 | 0               | 460              | 460             | 460           |
| Office Salaries           | 0                 | 0               | 2,310            | 2,310           | 2,310         |
| Management Salaries       | 0                 | 0               | 2,400            | 2,400           | 2,400         |
| Uncollectibles            | 200               | 200             | 60               | 100             | 100           |
| Office Serv. & Rental     | 1,600             | 1,600           | 1,040            | 1,040           | 1,040         |
| Office Supplies           | 820               | 820             | 935              | 935             | 935           |
| Professional              | 5,280             | 5,280           | 325              | 325             | 325           |
| Insurance                 | 3,130             | 3,130           | 3,000            | 3,000           | 3,000         |
| Reg. Conn. Exp.           | 0                 | 0               | 20               | 20              | 20            |
| General Expense           | 5                 | 5               | 5                | 5               | 5             |
| Subtotal Expenses         | <u>15,970</u>     | <u>15,970</u>   | <u>15,020</u>    | <u>15,060</u>   | <u>15,060</u> |
| Depreciation              | 910               | 910             | 785              | 785             | 785           |
| Property Taxes            | 220               | 220             | 220              | 220             | 220           |
| Income Taxes              | 0                 | 0               | 300              | 940             | 685           |
| Interest Expense          | 450               | 450             | -                | -               | -             |
| Total Deductions          | <u>17,550</u>     | <u>17,550</u>   | <u>16,325</u>    | <u>17,005</u>   | <u>16,750</u> |
| Net Revenue               | (5,644)           | 2,666           | (4,465)          | 3,165           | 2,165         |
| <u>Rate Base</u>          |                   |                 |                  |                 |               |
| Average Plant             | 30,330            | 30,330          | 28,330           | 28,330          | 28,330        |
| Average Depr. Reserve     | 8,825             | 8,825           | 8,730            | 8,730           | 8,730         |
| Net Plant                 | 21,505            | 21,505          | 19,600           | 19,600          | 19,600        |
| Less: Advances            | 0                 | 0               | 0                | 0               | 0             |
| Contributions             | 0                 | 0               | 0                | 0               | 0             |
| Plus: Working Cash        | 1,500             | 1,500           | 1,000            | 1,000           | 1,000         |
| Mat'l & Supp.             | 0                 | 0               | 0                | 0               | 0             |
| Rate Base                 | \$23,005          | \$23,005        | \$20,600         | \$20,600        | \$20,600      |
| Rate of Return            | (Loss)            | 11.59%          | (Loss)           | 15.36%          | 10.50%        |

APPENDIX B  
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GRAND VIEW GARDENS WATER COMPANY

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The area known as Tract No. 313 and vicinity, located one-half mile northwest of Porterville, Tulare County.

RATES

|                               | <u>Per Meter</u><br><u>Per Month</u> |
|-------------------------------|--------------------------------------|
| Quantity Rate:                |                                      |
| All water, per 100 cu.ft..... | \$ 0.30                              |
| Service Charge:               |                                      |
| For 5/8 x 3/4-inch meter..... | \$ 6.15                              |
| For 3/4-inch meter.....       | 6.75                                 |
| For 1-inch meter.....         | 9.20                                 |
| For 1 1/2-inch meter.....     | 12.30                                |
| For 2-inch meter.....         | 16.60                                |

The service charge is a readiness-to-serve charge which is applicable to all metered service and to which is to be added the monthly charge computed at the Quantity Rate.

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GRAND VIEW GARDENS WATER COMPANY

Schedule No. 2R

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service.

TERRITORY

The area known as Tract No. 313, and vicinity, located one-half mile northwest of Porterville, Tulare County.

RATES

|  | <u>Per Service Connection<br/>Per Month</u> |     |
|--|---|-----|
| For a single family residential unit,<br>including premises not exceeding<br>10,000 sq.ft. in area ..... | \$14.53                                     | (I) |
| For each 100 sq.ft. of premises<br>in excess of 10,000 sq.ft. ....                                       | .095  | (I) |

SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger than one inch in diameter.

2. All service not covered by the above classification will be furnished only on a metered basis. (N)  
|  
|

3. A meter may be installed at the option of the utility, in which event service thereafter will be furnished only on the basis of Schedule No. 1, General Metered Service. (N)  
|  
|

APPENDIX C

GRAND VIEW GARDENS WATER COMPANY

COMPARISON OF RATES

Comparisons of present rates with rates recommended by the Branch are shown below.

Schedule No. 2R

RESIDENTIAL FLAT RATE SERVICE

|  | <u>Per Service</u> | <u>Connection</u>  | <u>Per Month</u> |
|--|--------------------|--------------------|------------------|
|  | <u>Present</u>     | <u>Recommended</u> | <u>Increase</u>  |
| For a single family residential unit, including premises not exceeding 10,000 sq.ft. in area ..... | \$9.11             | \$14.53            | 59.5%            |
| For each 100 sq.ft. of premises in excess of 10,000 sq.ft. ....                                    | \$0.059            | \$ 0.095           | 61.0%            |

APPENDIX D  
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GRAND VIEW GARDENS WATER COMPANY

ADOPTED QUANTITIES  
1988 Test Year

|                    |  |
|--------------------|--|
| Name of Company:   | Grand View Gardens Water Company, Inc. |
| Federal Tax Rate   | 15%                                    |
| State Tax Rate     | 9.3% (\$300 minimum)                   |
| Business License   | None                                   |
| Uncollectible Rate | 0.5%                                   |

Expenses - Test Year 1988

|                            |          |
|----------------------------|----------|
| 1. Purchased Power         |          |
| Electric:                  |          |
| Southern California Edison |          |
| Rate Schedule              | PA-1     |
| Effective Date of Schedule | 3/18/88  |
| Kwh                        | 35,000   |
| \$/kwh                     | 0.07972  |
| Customer Charge            | \$ 120   |
| Service Charge             | \$ 180   |
| Total Cost                 | \$ 3,090 |
| 2. Payroll                 |          |
| Office Salaries            | \$ 2,310 |
| Management Salaries        | \$ 2,400 |
| 3. Ad Valorem Taxes        | \$ 220   |
| Tax Rate                   | 1.0090%  |
| Assessed Value             | \$21,800 |

Service Connections

|   |      |
|---|------|
| 1. Flat Rate Service  |      |
| Single family residential units, including premises not exceeding 10,000 sq.ft. in area ..... | 69   |
| Units with premises in excess of 10,000 sq.ft. (99,800 sq.ft.) .....                          | 33   |
| Total Services .....  | 102  |
| 2. Metered Rate Service .....   | None |

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GRAND VIEW GARDENS WATER COMPANY

ADOPTED TAX CALCULATIONS  
1988 Test Year

| Line No. | Item                         | State Tax | Federal Tax |
|----------|------------------------------|-----------|-------------|
| 1.       | Operating Revenues           | \$18,915  | \$18,915    |
| 2.       | O & M Expenses               | 15,060    | 15,060      |
| 3.       | Taxes Other Than Income      | 220       | 220         |
| 4.       | Depreciation Expense         | 785       | 785         |
| 5.       | Interest                     | 0         | 0           |
| 6.       | State Tax                    |           | 300         |
| 7.       | Taxable Income for State Tax | 2,850     |             |
| 8.       | State Tax (\$300 minimum)    | 300       |             |
| 9.       | Taxable Income for FIT       |           | 2,550       |
| 10.      | Federal Income Tax (15%)     |           | 383         |
| 11.      | Use                          |           | 385         |
| 12.      | Total Income Tax             |           | 685         |