

Revised

KENT COUNTY WATER AUTHORITY
RATE SCHEDULE

Page 1
KCWA PUC DOCKET# 3942
EFFECTIVE: 11-1-2008

METER SALES VOLUME:

Applicable to all metered water in the Kent County system for residential, commercial and industrial consumption.

<u>Rates:</u>	<u>Rate Per 100 cu. ft.</u>
Small (5/8" to 2" meters)	\$4.643
Medium (3" to 4" meters)	\$3.957
Large (6" meters and up)	\$3.373

Terms of payment:

All metered sales bills are rendered quarterly or monthly and are due and payable in full when rendered.

METERED SALES SERVICE CHARGE:

Applicable to all metered sales of customers of Kent County Water Authority exclusive of fire service connections.

<u>Rates:</u>	<u>Meter Size (in)</u>	<u>Quarterly Accounts</u>	<u>Monthly Accounts</u>
	5/8 & 3/4	\$ 9.49	\$ 6.94
	1	\$ 12.55	\$ 7.96
	1 1/2	\$ 18.29	\$ 9.87
	2	\$ 23.27	\$11.53
	3	\$ 29.77	\$13.70
	4	\$ 42.40	\$17.91
	6	\$ 70.35	\$27.22
	8	\$ 118.96	\$43.43

Terms of Payment:

All customer service charges are billed quarterly or monthly in advance, and are due and payable in full when rendered.

PUBLIC FIRE SERVICE:

Applicable for service to public fire hydrants in the Kent County service area.

<u>Rates:</u>	<u>Quarterly</u>
Hydrant	\$128.83/hydrant
Plus	\$ 5.66/billing

Terms of Payment:

All bills for public fire service are rendered quarterly in advance and are due payable in full when rendered.

PRIVATE FIRE SERVICE:

Applicable for service to private fire protection systems and private hydrants in the Kent County service area.

<u>Rates:</u>	<u>Service Size (in.)</u>	<u>Quarterly Accounts</u>
	4	\$ 51.49
	6	\$138.78
	8	\$289.35
	10	\$515.83
	12	\$829.72
	hydrant	\$138.78

Terms of Payment:

All bills for private fire services are rendered quarterly in advance and are due and payable in full when rendered.

OTHER CHARGES

WHOLESALE RATE WARWICK WATER DEPARTMENT: Same rate as charged by Providence Water Supply Board. Rate will change upon changes to Providence Water Supply Board wholesale rate charge.

INTEREST ON DELINQUENT ACCOUNTS: Applicable to all water account balances over 30 days from billing date. Interest charges are payable as incurred.

CHARGE: 1.5% per month on unpaid balances.

TURN OFF CHARGE: Applicable to all services turned off due to a specific violation which resulted in the requirement to terminate service and requests prior to 8:00 a.m. and after 3:00 p.m., Monday thru Friday and all day Saturday, Sunday, and any Holiday. Charges payable in full prior to subsequent turn-on.

CHARGE: \$55.00 per occurrence

TURN ON CHARGE: Applicable to all services turned on after the interruption of a service due to a specific violation which resulted in the service shut off and requests prior to 8:00 a.m. and after 3:00 p.m., Monday thru Friday and all day Saturday, Sunday, and any Holiday. Charges payable in full prior to turn-on.

CHARGE: \$45.00 per occurrence

INSTALLATION AND REPAIR WORK: Applicable to all installation and repair work.

CHARGE: Cost of all material, labor and equipment plus applicable overhead, as determined by the Kent County Water Authority on a yearly basis, usually on July 1.

CHLORINATION CHARGE: Applicable to all main extensions to existing systems.

CHARGE: Cost of laboratory and labor to collect, transport to lab, flush and test sample, as determined by the Kent County Water Authority on a yearly basis, usually on July 1.

MATERIAL PURCHASE: Applicable to all material sales.

CHARGE: Cost of material plus handling and applicable overhead, as determined by the Kent County Water Authority on a yearly basis, usually on July 1.

INSUFFICIENT FUND RETURNED CHECKS: Applicable to all payment checks returned to Kent County Water Authority by our bank due to insufficient funds available or account problems will bear a charge for our handling and bank charges.

CHARGE: \$20.00 Per occurrence.

METER TESTING: Applicable to all meter testing services.

CHARGE: \$50.00 Per occurrence.

INSPECTION FEE'S: Applicable to all developer installation work, public or private, in regards to all main or service extensions.

CHARGE: \$5.00/ft of installed main or for service pipe from main to curb stop.

LEGAL FEE'S: Applicable to all services requiring legal assistance by the Kent County Water Authority's legal counsel including but not limited to easement description preparation or review, deed restriction preparation or review, involvement with actions necessary for review or approvals of any water service request to the Authority.

CHARGE: Cost as billed to Kent County Water Authority by legal counsel on a monthly basis.

Terms Of Payment For All Other Charges: All bills rendered quarterly or monthly are due and payable in full when rendered.

PRO FORMA EXPENSES

Expense Item	Test Year FY 2007	Summary of Adjustments	PUC Approved RY 11/1/08 - 10/31/09	Labor Increase (CPNW Sch 1B)	Adjustments Detail			Non-Labor Inflation
					Time Costs	Other Adjustments	Supporting Schedule	
SOURCE OF SUPPLY								
operations & labor purchased water	\$14,597 3,643,939 3,658,536	\$10,403 \$603,979 614,382	\$25,000 4,247,918 4,272,918	0 0 0	10,403 603,979 614,382	Sch. 1D Sch. 1C	0 0 0	
PUMPING OPERATIONS								
fuel for pumping	8,450	\$1,635	10,084	0			1,635	
power-pumping	521,284	\$100,843	622,127	0			100,843	
labor-pumping	64,875	\$4,129	69,004	4,129			0	
pumping expense	2,187	\$120	2,308	0			120	
maint. - structures & improv	34,808	\$2,175	36,983	1,923			252	
diesel oil	0	\$0	0	0			0	
maint. - equip	36,264	\$2,209	38,473	1,581			628	
Subtotal	667,868	111,111	778,979	7,633	0	0	103,479	
WATER TREATMENT								
chemicals	102,910	\$126,133	229,043	0	126,133	Sch. 1D/1E	0	
labor	74,507	\$4,742	79,248	4,742			0	
operating	28,804	\$1,584	30,388	0			1,584	
maint. - water treat equip	1,608	\$88	1,697	0			88	
maint. - structure	0	\$0	0	0			0	
Subtotal	207,829	132,547	340,376	4,742	0	126,133	1,672	
TRANS & DISTR. EXPENSE								
storage facilities exp.	520	\$29	549	0			29	
labor	29,163	\$1,856	31,019	1,856			0	
supplies	39,804	\$2,189	41,993	0			2,189	
labor-meter	30,775	\$2,188	32,962	2,188			0	
material-meter	5,963	\$328	6,291	0			328	
cust. install.	0	\$0	0	0			0	
misc.	15,389	\$846	16,235	0			846	
maint. - struct. & improv.	223	\$12	235	0			12	
maint.- res & stdp	50,799	\$2,896	53,695	754			2,141	
maint. - mains	912,017	-\$199,915	712,102	23,647		-223,562	4,276	
maint. - service	168,421	\$10,045	178,467	5,770			1,361	
maint. - meters	80,044	\$4,880	84,924	3,519			2,308	
maint. - hydrants	84,307	\$5,002	89,309	2,694			0	
construction labor	-7,567	-\$416	-7,983	0			-416	
Subtotal	1,409,859	-170,061	1,239,798	40,428	0	-223,562	13,074	

PRO FORMA EXPENSES

Expense Item	Test Year FY 2007	Summary of Adjustments	Rate Year 11/1/08 - 10/31/09	Labor Increase (CPNW Sch 1B)	Adjustments Detail			Non-Labor Inflation
					Time Costs	Other Adjustments	Supporting Schedule	
CUSTOMER ACCOUNT								
labor- meter read	74,300	\$4,728	79,029	4,728			0	
cust record labor	155,527	\$9,898	165,425	9,898			0	
cust records exp	56,775	\$3,122	59,897	0			3,122	
meter read supplies	0	\$0	0	0			0	
uncollectible	0	\$0	0	0			0	
Subtotal	286,602	17,748	304,350	14,626	0	0	3,122	
ADMIN. & GENERAL								
salaries	322,654	\$60,524	383,178	60,466			58	
office supplies & expenses	119,366	\$6,564	125,930	0			6,564	
insurance (property/liability)	128,228	\$0	128,228	0		0	0	
Insurance (worker's comp)	30,456	\$11,660	42,116	0		11,660	0	
injuries & damages	283	\$16	298	0			16	
employee benefits	683,739	\$23,944	707,683	325		23,619	0	
fees	25,000	\$7,500	32,500	0		7,500	0	
maint. - plant	198,157	\$11,986	210,143	8,015			3,971	
maint. - vehicles	105,368	\$5,962	111,329	1,233			4,728	
miscellaneous	25,083	\$1,509	26,592	955			554	
vacation, holiday, sick	244,044	\$15,531	259,575	15,531			0	
regul. exp.	45,694	\$71,606	117,300	0		71,606	0	
other	0	\$0	0	0			0	
outside service	126,625	\$6,963	133,588	0			6,963	
Subtotal	2,954,697	223,763	2,278,459	86,524	0	114,385	22,854	
TOTAL O&M	\$8,285,390	\$929,490	\$9,214,881	\$153,952	\$0	\$631,338	\$144,201	

PRO FORMA EXPENSES

Expense Item	Test Year FY 2007	Summary of Adjustments	PUC Approved RY 11/1/08 - 10/31/09	Labor Increase (CPNW Sch. 1B)	Adjustments Detail			Non-Labor Inflation
					Time Costs	One Adjustments	Other Supporting Schedule	
FIXED CHARGES								
Debt Service	\$3,901,944	\$30,375	\$3,932,319		30,375	Sch. 1D		
	0	\$0	\$0		0			
Reserves and Coverage								
O&M Reserve	0	\$193,620	\$193,620		193,620	Sch. 1D		
R&R Reserve	0	\$200,000	\$200,000		200,000	Sch. 1D		
Renewal & Replacement - Equip	100,000	\$0	100,000					
Infrastructure Replacement	4,004,478	1,395,522	5,400,000		1,395,522	Sch. 1D		
Payroll Taxes	138,876	11,899	150,775		11,899	Sch. 1D		
PILOT	23,123	0	23,123		0			
SUBTOTAL FIXED	\$8,168,421	\$1,831,416	\$9,999,837	\$0	\$1,831,416			\$0
OPERATING REVENUE	\$0	\$583,313	583,313		583,313			
TOTAL EXPENSES	\$16,453,811	\$3,344,219	\$19,798,031	\$153,952	\$0			\$144,201
Less:								
Available Restrict Debt	0	0	0					
Miscellaneous Income	(179,384)	0	(179,384)			Sch. 1A		
Interest Income	(112,596)	0	(112,596)			Sch. 1A		
Merchand & Jobbing	(2,384)	0	(2,384)			Sch. 1A		
6.9% of Water Prot Fee	(56,722)	-3,173	(59,895)			Sch. 1A		
NET REQUIRED FROM RATES	\$16,102,726	\$3,341,046	\$19,443,771		(\$3,173)	Sch. 1A		\$144,201

TEST YEAR & PRO FORMA REVENUES

<u>Revenues</u>	<u>Test Year</u> <u>Revenues</u>	<u>Adjustments</u>	<u>Normalized</u> <u>Test Year</u>
Miscellaneous			
Available Restrict Debt	\$0	\$0	\$0
Miscellaneous Income	\$179,384	\$0	\$179,384
Interest Income	\$112,596	\$0	\$112,596
Merchand & Jobbing	\$2,384	\$0	\$2,384
6.9% of Water Prot Fee	\$56,722	(\$3,173)	\$53,549
Total Misc.	\$351,086	\$347,912	(2)
Metered Rates	\$14,572,977	\$171,858	(1)
Public Fire	\$1,089,366	\$17,190	(1)
Private Fire	\$179,137	(\$3,454)	(1)
Total Revenue	\$16,192,566	\$185,595	\$16,374,987
	\$16,079,965		
<u>Required Revenue</u>			\$19,798,031
<u>Required Revenue from Rates</u>			\$19,450,118
<u>Rate Increase Needed</u>			\$3,423,044
			21.36%

NOTES:

(1) Normalized Test Year Revenues at Current Rates based on Sch. 11 - current rates for full year.

(2) WP revenue based on rate of \$0.01511 with 95% non-exempt customers.

Non-exempt Use RY = 3,543,914 ccf

Rate (\$/ccf) \$0.01511

RY Revenue \$53,549

TEST YEAR & RATE YEAR LABOR COSTS

EXPENSE ITEM	Test Year FY 2007	Adjustments (1)	Rate Year 11/1/08 - 10/31/09
PUMPING OPERATIONS			
labor-pumping	\$64,875	4,129	\$69,004
maint. - structures & improv	\$30,223	1,923	\$32,146
maint. - equip	\$24,840	1,581	\$26,421
WATER TREATMENT			
labor	\$74,507	4,742	\$79,248
TRANS & DISTR. EXPENSE			
labor	\$29,163	1,856	\$31,019
labor-meter	\$34,375	2,188	\$36,562
maint.- res & stdp	\$11,856	754	\$12,610
maint. - mains	\$371,581	23,647	\$395,228
maint. - service	\$90,660	5,770	\$96,430
maint. - meters	\$55,302	3,519	\$58,822
maint. - hydrants	\$42,331	2,694	\$45,025
CUSTOMER ACCOUNT			
labor-meter read	\$74,300	4,728	\$79,029
cust record labor	\$155,527	9,898	\$165,425
ADMIN. & GENERAL			
salaries	\$321,593	60,466	\$382,059
employee benefits	\$5,100	325	\$5,425
maint. - plant	\$125,943	8,015	\$133,958
maint. - vehicles	\$19,378	1,233	\$20,611
miscellaneous	\$15,000	955	\$15,955
vacation, holiday, sick	\$244,044	15,531	\$259,575
SUBTOTAL LABOR	\$1,790,600	\$153,952	\$1,944,551
Capitalized Labor	\$24,788	1,577	\$26,366
TOTAL LABOR COSTS	\$1,815,388	\$155,529	\$1,970,917
(1) See Schedule 1D			

Includes New GIS Operator

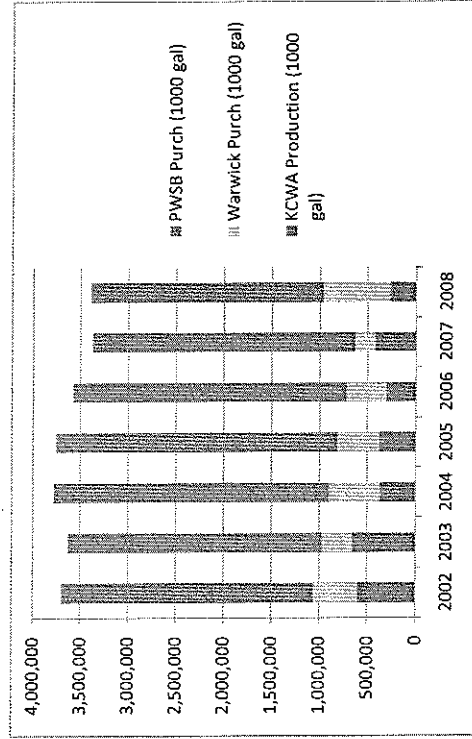
WHOLESALE WATER COSTS

Wholesale Water Purchases

PWSB Rate (/mg)	Rate (\$/mg)	Purchases (mg)	Cost
	\$1,455.77	2,917.99	\$4,247,918
Net Wholesale Purchases (gallons) - Rate Year			
Warwick Purchases		698,573,000	
PWSB Purchases		2,433,557,000	
Total Purchases		3,132,130,000	
Sales To Warwick		-91,967,000	
Net Purchases		3,040,163,000	
Less Clariant 2008		-122,175,852	
Rate Year Sales		2,917,987,148	

	Fiscal Yr -->	2004*	2005	2006	2007	2008	4 Year Avg	Pro Forma
KCWA Production (1000 gal)		370,545	382,069	307,398	427,900	267,800	346,292	267,800
Warwick Purch (1000 gal)		528,561	424,640	418,184	202,630	698,573	436,007	698,573
PWSB Purch (1000 gal)		<u>2,719,906</u>	<u>2,947,455</u>	<u>2,849,405</u>	<u>2,745,719</u>	<u>2,433,557</u>	<u>2,744,034</u>	<u>2,433,557</u>
Total		3,619,012	3,754,164	3,574,987	3,376,249	3,399,930	3,526,332	3,399,930
Total Purchased		3,248,467	3,372,094	3,267,589	2,948,349	3,132,130	3,180,040	3,132,130
Sales To Warwick (1000 gal)		67,277	69,138	78,660	82,138	91,967	80,476	91,967
Net Purchases		3,181,189	3,302,957	3,188,929	2,866,211	3,040,163	3,134,822	3,040,163
			3.8%	-3.5%	-10.1%	6.1%		

* PWSB FY2004 Purchases reduced for loss of On Semiconductor



EXPLANATION OF ADJUSTMENTS TO TEST YEAR COSTS

<u>Adjustment to:</u>	<u>Explanation</u>	<u>Weighted Avg</u>	<u>cur. \$/lb or gal ***</u>	<u>Annual Cost</u>
<u>Treatment: Chemicals</u>		<u>lbs. or gal/yr **</u>		
	Pot. Hydrox. (lbs)	407,495	\$0.5000	\$203,747
	Tetra Potassium Pyrophosphate (gals)	368	\$11.4550	\$4,217
	Chlorine (gal)	760	\$1.6000	\$1,215
	Fuel Charge		Annual Amount	\$3,123
			Plus Inflation*	\$212,302
			Rate Year Amount	\$16,741
				\$229,043

* Cost of chemicals is dependant on energy prices more than general inflation index; chemical costs were increased at an annual rate that is twice that of the general inflation rate or 7.89%/year.

** See Sch. 1E, page 2

*** Most current prices - Supplier notified that price for Potassium Hydroxide was increased to \$.50/pound effective July 1, 2008

Fixed Charges Associated with Debt Service:

O&M Reserve	Set to achieve reserve level equal to 25% of operating costs.	
	"O&M" Costs (Sch. 1) =	\$9,214,881
	Payroll Taxes	\$150,775
	PILOT	\$23,123
	Total Operating	\$9,388,779
	Required O&M Reserve	\$2,347,195
	Balance 5/7/08	\$1,898,250
	Estimated Additions to 10/31/09	255,325
	Estim. Balance 11/1/09	2,153,575
	Required deposit =	\$193,620
R&R Reserve	Set to equal 1% of Net Utility Plant (NUP)	
	NUP Value (6/30/07)	\$78,515,214
	Estimated Additions	\$20,000,000
	Pro Forma NUP	\$98,515,214
	Required Balance (1%)	\$985,152
	Balance 6/30/07	\$521,820
	Estimated Additions to 10/31/09	263,332
	Estim. Balance 11/1/09	785,152
	Addition to Reserve Required	\$200,000

Admin - Fees

Based on March 2008 notice from Dept. of Health, license fees are proposed to increase effective July 1, 2009. KCWA will see fee increase from \$25,000 to \$32,500/yr

EXPLANATION OF ADJUSTMENTS TO TEST YEAR COSTS

Debt Service

2004 Series A (Refunded 1994)

Principal	FY 2007	FY 2008	CY 2009 *
Interest	\$950,000	980,000	1,030,000
Total	\$303,500	274,700	234,900
	\$1,253,500	\$1,254,700	\$1,264,900

2001 Bonds (\$10 million)

Principal	\$380,000	\$395,000	\$430,000
Interest	\$398,861	\$383,836	\$359,536
Total	\$778,861	\$778,836	\$789,536

2002 Bonds (\$24.39 million)

Principal	\$870,000	\$895,000	\$955,000
Interest	\$999,583	\$973,108	\$922,883
Total	\$1,869,583	\$1,868,108	\$1,877,883
	\$3,901,944	\$3,901,644	\$3,932,319

Total Existing
* CY 2009 used for Rate Year

Infrastructure Replacement

Based on the June 2003 IFR Report for KCWA the annual IFR requirement is approximately \$6 million. In this case we are requesting the full annual funding of \$5,400,000. Increase over test year = \$1,395,522

Source of Supply Operations (studies)

Cost of Water Supply, Engin, & IFR Plans = \$125,000
Amortize over 5 yrs \$25,000
Change over Test Year \$10,403

Payroll Taxes

FICA set at 7.65% of salary 150,775

Worker's Comp

Based on
FY 05 30,983
FY 06 31,662
FY 07 30,456
FY 08 39,975
Estim RY 42,116 estimated based 4% increase for 1 1/3 years

Insurance - Liability/Property

Liability/Property	FY 06	FY 07	FY 08	Rate Year	Avg Increase
	\$122,514	128,228	134,814	143,670	4.90%

EXPLANATION OF ADJUSTMENTS TO TEST YEAR COSTS

Benefits/Pension	Test Year	FY 2008	Rate Year	% of TY Salary
Medical - Blue Cross	413,300	\$422,500	\$420,505	per DIV 1-23/TSC-6 90.00%
Blue Cross Dental	39,877	\$46,600	\$37,092	per DIV 1-23/TSC-6
Group P-65 Retirees	61,451	\$51,100	\$79,333	per DIV 1-23/TSC-6
Life/Disability insurance	10,634	\$11,400	\$12,390	0.6286%
Pension	143,927	\$209,100	\$215,000	see below
RIEAP	1,200	\$1,300	\$1,300	no change
Education/Bonus	13,350	\$10,100	\$10,100	no change
Totals	683,739	\$752,100	\$775,719	
Increase over Test Year			23,619	

Past pension funding based on actuarially determined rates. Past amounts paid in Feb - June time frame:

CY 06	215,654
CY 07	143,927
CY 08	209,100
RY Estimate	215,000

PILOT

based on following payments in lieu of taxes:

City & Towns	Totals
W. Warwick	\$8,264.82
Warwick	\$58.00
Coventry	\$12,813.37
Scituate	\$260.05
W. Greenwich	\$364.43
Fire Districts	
Coventry	\$302.50
Harris	\$50.00
Tiogue	\$121.00
Cent Coventry	\$349.00
Hopkins Hills	\$540.00
	\$23,123.17

Labor Adjustments - Based on Test Year Labor costs

A. All items labor increased by 3.2% per year for 1/3 years + 2% for one year. Includes longevity and certification upgrades.
 B. Added cost of New GIS Operator position to Admin. Salaries at \$40,000 plus benefits.

Non-Labor Inflation

Non-labor items were increased from the test year by 2.32%
 per year or 5.50% over 2 1/3 years to account for inflation.
 Power and Energy Costs increased at twice this rate = 19.35%

EXPLANATION OF ADJUSTMENTS TO TEST YEAR COSTS

Operating Revenue

See testimony-operating revenue based on total rate revenues (total less misc. revenues) at 3.00%

Restricted Funds Activity FY 2007

	<u>R&R Reserve</u>	<u>O&M Reserve</u>	<u>Debt ***</u>	<u>IFR **</u>	<u>R&R Equip</u>
Beginning Balance (7/1/06)	\$521,820	\$1,898,250	\$2,973,005	\$6,883,741	\$83,808
Funding	\$0	\$0	\$4,052,999	\$4,004,478	\$100,000
Interest	\$24,250	\$88,214	\$76,258	\$367,673	\$4,317
Expenditures (actual) *	\$24,250	\$88,214	\$3,901,944	\$2,917,541	\$85,563
Ending Balance (6/30/07)	\$521,820	\$1,898,250	\$3,200,319	\$8,338,352	\$102,563

* For O&M Reserves and R&R Accounts the expenditures = transfers of interest earnings to revenue fund

** In FY 2004 an additional \$64,600 was deposited due to trustee making incorrect transfers.

*** Debt Service is maintained in separate accounts for each bond issue as follows:

	<u>2001 Series A</u>	<u>2002 Series A</u>	<u>2004 Series A</u>	<u>Total Debt</u>
Beginning Balance (7/1/06)	\$589,759	\$1,255,753	\$1,127,494	\$2,973,005
Funding (TY)	\$783,761	\$1,998,083	\$1,271,154	\$4,052,999
Interest	\$14,775	\$33,532	\$27,951	\$76,258
Expenditures (actual)	\$778,861	\$1,869,583	\$1,253,500	\$3,901,944
Ending Balance (6/30/07)	\$609,434	\$1,417,786	\$1,173,099	\$3,200,319

SUPPLEMENTAL DATA

Regulatory Expenses

<u>Fiscal Year</u>	<u>PUC</u>	<u>Legal</u>	<u>Consultants</u>	<u>Other</u>	<u>Total</u>
1996	1,471	21,492	32,013	2,095	57,071
1997	1,579	14,654	60,776	7,378	84,387
1998	20,769	19,524	18,719	324	59,336
1999	17,345	25,745	29,135	5,909	78,134
2000	31,761	16,442	22,538	198	70,939
2001	23,224	24,077	57,935	5,601	110,837
2002	28,422	26,717	43,348	1,289	99,776
2003	25,732	10,143	18,707	99	54,681
2004	38,555	1,760	9,455	47	49,817
2005	43,544	9,680	28,635	10,553	92,412
2006	53,500	12,310	15,264	557	81,631
		20,000	40,000	15,000	75,000
			Other Rate Case (Prov Water, Pass Through)		50,000
			Amortized over 2 yrs		62,500
			PUC Assessment (Estim RY) *		54,800
			Rate Year (CY 09) Regulatory Expense =		117,300

Estimated Rate Case Expense - this docket

Note: Estimated costs for current docket do NOT include KCWA regulatory costs for intervention in filings by Providence Water nor do they include costs for pass through rate filings to pass on wholesale rate increases.

* PUC Assessment for past three years =

FY 2006	\$39,948
FY 2007	\$40,856
FY 2008	\$52,680
Average increase =	15.61%
Estim. FY 09	\$60,902
Estim. FY 10	\$70,407
Estim CY 2009 =	\$65,655

SUPPLEMENTAL DATA

Chemical Costs

Year	KCWA Product. (1000 gal)	Chlorine gals used	gal/mil gal	Tetra Potassium Pyrophosphate gals used	gal/mil gal	Potassium Hydroxide lbs used	lbs/mil gal
FY 2005	382,069	825	2.16			344,482	902
FY 2006	307,398	625	2.03	360	1.17	366,458	1,192
FY 2007	427,900	1,085	2.54	480	1.12	546,366	1,277
FY 2008	267,800	548	2.05	240	0.90	357,874	1,336
Four Year Average	346,292	771	2.19	360	1.06	403,795	1,177
Use based on avg/mil gal.		760		368		407,495	

T&D Mains Maintenance - Non-Labor Costs

Non-Labor Costs	
FY 2005	\$ 143,211 TSC-8
FY 2006	240,653 TSC-8
FY 2007	540,436 TSC-8
FY 2008	258,780 Note 1
Total	\$ 1,183,080
Four Year Average	\$ 295,770
Inflation adjustment (3 yrs)	\$ 21,104
Total Rate Year Non-Labor	316,874
Initial KCWA Amount	540,436
Adjustment	(223,562)

Note 1: Division did not have actual costs for May and June when TSC-8 was prepared. Actual costs that were added for those months were:
 May 2008 \$28,154.42
 June 2008 \$7,623.92

UNITS OF SERVICE

	FY 2008		Rate	
	<u>Actual</u>	<u>Adjustments</u>	<u>Year</u>	<u>Explanation</u>
<u>Metered Water Sales (100 cubic feet)</u>				
Small (5/8-2" meters)	3,366,572	-26,297	3,340,276	see page 2
Medium (3&4" meters)	144,827	-14,960	129,867	see page 2
Large (6" & up meters)	<u>382,373</u>	-122,080	<u>260,293</u>	see page 2
	3,893,773		3,730,436	
<u>Meters By Size</u>				
<u>Quarterly</u>				
5/8 & 3/4	<u>6/30/08</u>			
	22,126	20	22,146	TSC-4
1	3,560	13	3,573	TSC-4
1 1/2	310	10	320	TSC-4
2	514	16	530	TSC-4
3	17	2	19	TSC-4
4	63	9	72	TSC-4
6	68	8	76	TSC-4
8 & up	55	6	61	TSC-4
<u>Monthly</u>				
5/8 & 3/4	4	-2	2	see page 2
1	1	0	1	
1 1/2	8	0	8	
2	12	0	12	
3	1	-1	0	see page 2
4	6	0	6	
6	7	-1	6	see page 2
8 & up	4	0	4	
<u>Public Fire Service</u>				
<u>6/30/08</u>				
Public Fire Hydrants	2,317	19	2,336	TSC-4
Bills	52	0	52	
<u>Private Fire Service</u>				
<u>Size (in)</u>				
4	15	0	15	TSC-4
6	106	-2	104	TSC-4
8	28	-1	27	TSC-4
10	1	0	1	TSC-4
12	1	0	1	TSC-4
Hydrants	150	-2	148	TSC-4

UNITS OF SERVICE

*** Changes in Water Use (ccf/yr)**

<u>Clariant Corp.</u>	<u>TY Use</u>	<u>FY 08 Use</u>	<u>RY Use**</u>	<u>Adjustment</u>	<u>Small (5/8)</u>	<u>Medium (3")</u>	<u>Large (6")</u>
Acct 115502 - small	4,046	4,102	4,102	0			
Acct 114730-medium	15,450	14,960	0	-14,960		-14,960	
Acct 11403 -large	47,915	74,465	0	-74,465			-74,465
Acct 115436-small	12,915	12,412	0	-12,412	-12,412		
Acct 115435-small	19,307	13,885	0	-13,885	-13,885		
Acct 11402-large	<u>65,980</u>	<u>47,615</u>	<u>0</u>	<u>-47,615</u>			<u>-47,615</u>
Total	165,613	167,439	4,102	-163,337	-26,297	-14,960	-122,080

** Note: First account assumed to remain for staff

Amgen

Amgen has been reducing water use at its facility over the past year.

FY 2007 sales	241,570
FY 2008 sales	163,422
Reduction (yr)	78,148

Reduction reflected in FY 08 actual sales

**ALLOCATION OF RATE YEAR EXPENSES TO
GENERAL WATER, FIRE, AND CUSTOMER SERVICE**

EXPENSE ITEM	PRO FORMA EXPENSE	ALLOC. SYMBOL (1)	GENERAL WATER		FIRE SERVICE		CUST. SERVICE	
			%	AMOUNT	%	AMOUNT	%	AMOUNT
SOURCE OF SUPPLY								
operations & labor	\$25,000	A	99.5%	\$24,875	0.5%	\$125	0.0%	0.00
purchased water	\$4,247,918	A	99.5%	\$4,226,679	0.5%	\$21,240	0.0%	0.00
PUMPING OPERATIONS								
fuel for pumping	\$10,084	A	99.5%	\$10,034	0.5%	\$50	0.0%	0.00
power-pumping	\$622,127	A	99.5%	\$619,017	0.5%	\$3,111	0.0%	0.00
labor-pumping	\$69,004	P	84.4%	\$58,225	15.6%	\$10,778	0.0%	0.00
pumping expense	\$2,308	P	84.4%	\$1,947	15.6%	\$360	0.0%	0.00
maint. - structures & improv	\$36,983	P	84.4%	\$31,206	15.6%	\$5,777	0.0%	0.00
diesel oil	\$0	P	84.4%	\$0	15.6%	\$0	0.0%	0.00
maint. - equip	\$38,473	P	84.4%	\$32,464	15.6%	\$6,010	0.0%	0.00
WATER TREATMENT								
chemicals	\$229,043	A	99.5%	\$227,898	0.5%	\$1,145	0.0%	0.00
labor	\$79,248	A	99.5%	\$78,852	0.5%	\$396	0.0%	0.00
operating	\$30,388	A	99.5%	\$30,236	0.5%	\$152	0.0%	0.00
maint. - water treat equip	\$1,697	A	99.5%	\$1,688	0.5%	\$8	0.0%	0.00
maint. - structure	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	0.00
TRANS & DISTR. EXPENSE								
storage facilities exp.	\$549	D	75.0%	\$412	25.0%	\$137	0.0%	0.00
labor	\$31,019	B	80.6%	\$25,001	19.4%	\$6,018	0.0%	0.00
supplies	\$41,993	B	80.6%	\$33,846	19.4%	\$8,147	0.0%	0.00
labor-meter	\$32,962	C	0.0%	\$0	0.0%	\$0	100.0%	32,962.07
material-meter	\$6,291	C	0.0%	\$0	0.0%	\$0	100.0%	6,291.01
cust. install.	\$0	C	0.0%	\$0	0.0%	\$0	100.0%	0.00
misc.	\$16,235	F	54.7%	\$8,884	20.7%	\$3,358	24.6%	3,992.16
maint. - struct. & improv.	\$235	F	54.7%	\$129	20.7%	\$49	24.6%	57.85
maint. - res & stdp	\$53,695	D	75.0%	\$40,271	25.0%	\$13,424	0.0%	0.00
maint. - mains	\$712,102	B	80.6%	\$573,954	19.4%	\$138,148	0.0%	0.00
maint. - service	\$178,467	C	0.0%	\$0	0.0%	\$0	100.0%	178,466.66
maint. - meters	\$84,924	C	0.0%	\$0	0.0%	\$0	100.0%	84,924.34
maint. - hydrants	\$89,309	E	0.5%	\$447	99.5%	\$88,863	0.0%	0.00
construction labor	(\$7,983)	F	54.7%	(\$4,369)	20.7%	(\$1,651)	24.6%	(1,963.04)
CUSTOMER ACCOUNT								
labor-meter read	\$79,029	C	0.0%	\$0	0.0%	\$0	100.0%	79,028.61
cust record labor	\$165,425	C	0.0%	\$0	0.0%	\$0	100.0%	165,424.60
cust records exp	\$59,897	C	0.0%	\$0	0.0%	\$0	100.0%	59,896.71
meter read supplies	\$0	C	0.0%	\$0	0.0%	\$0	100.0%	0.00
uncollectible	\$0	C	0.0%	\$0	0.0%	\$0	100.0%	0.00
ADMIN. & GENERAL								
salaries	\$383,178	G	77.7%	\$297,871	6.9%	\$26,395	15.4%	58,912.50
office supplies & expenses	\$125,930	G	77.7%	\$97,894	6.9%	\$8,675	15.4%	19,361.30
insurance (property/liability)	\$128,228	G	77.7%	\$99,680	6.9%	\$8,833	15.4%	19,714.67
Insurance (worker's comp)	\$42,116	H	60.4%	\$25,455	10.7%	\$4,489	28.9%	12,171.24
injuries & damages	\$298	G	77.7%	\$232	6.9%	\$21	15.4%	45.89
employee benefits	\$707,683	H	60.4%	\$427,727	10.7%	\$75,438	28.9%	204,517.69
fees	\$32,500	G	77.7%	\$25,264	6.9%	\$2,239	15.4%	4,996.78
maint. - plant	\$210,143	G	77.7%	\$163,358	6.9%	\$14,476	15.4%	32,308.80
maint. - vehicles	\$111,329	G	77.7%	\$86,544	6.9%	\$7,669	15.4%	17,116.57
miscellaneous	\$26,592	G	77.7%	\$20,672	6.9%	\$1,832	15.4%	4,088.39
vacation, holiday, sick	\$259,575	H	60.4%	\$156,889	10.7%	\$27,670	28.9%	75,016.22
regul. exp.	\$117,300	G	77.7%	\$91,185	6.9%	\$8,080	15.4%	18,034.53
other	\$0	G	77.7%	\$0	6.9%	\$0	15.4%	0.00
outside service	\$133,588	G	77.7%	\$103,847	6.9%	\$9,202	15.4%	20,538.69
SUBTOTAL O&M	\$9,214,881	G	82.7%	\$7,618,314	5.4%	\$500,662	11.9%	1,095,904.25

**ALLOCATION OF RATE YEAR EXPENSES TO
GENERAL WATER, FIRE, AND CUSTOMER SERVICE**

EXPENSE ITEM	PRO FORMA EXPENSE	ALLOC. SYMBOL (1)	GENERAL WATER		FIRE SERVICE		CUST. SERVICE	
			%	AMOUNT	%	AMOUNT	%	AMOUNT
FIXED CHARGES								
Debt Service	\$3,932,319	J	80.9%	\$3,180,748	19.1%	\$751,028	0.0%	\$542
O&M Reserve	\$193,620	G	77.7%	\$150,514	6.9%	\$13,337	15.4%	\$29,768
R&R Reserve	\$200,000	J	80.9%	\$161,775	19.1%	\$38,198	0.0%	\$28
Renewal & Replacement - Equip	\$100,000	J	80.9%	\$80,887	19.1%	\$19,099	0.0%	\$14
Infrastructure Replacement	\$5,400,000	I	100.0%	\$5,400,000	0.0%	\$0	0.0%	\$0
Payroll Taxes	\$150,775	H	60.4%	\$91,129	10.7%	\$16,072	28.9%	\$43,573
PILOT	<u>\$23,123</u>	L	81.1%	<u>\$18,743</u>	18.1%	<u>\$4,178</u>	0.9%	<u>\$202</u>
SUBTOTAL FIXED	\$9,999,837		90.8%	\$9,083,797	8.4%	\$841,913	0.7%	\$74,127
OPERATING REVENUE	\$583,313	K	86.9%	\$507,036	7.0%	\$40,757	6.1%	\$35,519
TOTAL EXPENSES	\$19,798,031	K	86.9%	\$17,209,148	7.0%	\$1,383,332	6.1%	\$1,205,550
Less: Available Restricted Debt	\$0	J	80.9%	\$0	19.1%	\$0	0.0%	\$0
Miscellaneous Income	(\$179,384)	K	86.9%	(\$155,927)	7.0%	(\$12,534)	6.1%	(\$10,923)
Interest Income	(\$112,596)	K	86.9%	(\$97,872)	7.0%	(\$7,867)	6.1%	(\$6,856)
Merchand & Jobbing	(\$2,384)	K	86.9%	(\$2,072)	7.0%	(\$167)	6.1%	(\$145)
6.9% of Water Prot Fee	(\$59,895)	K	86.9%	(\$52,063)	7.0%	(\$4,185)	6.1%	(\$3,647)
Total Revenue Requirement	\$19,443,771	K	86.9%	\$16,901,213	7.0%	\$1,358,580	6.1%	\$1,183,979

(1) See CPNW Sch. 3B

**ALLOCATION OF RATE YEAR EXPENSES TO
GENERAL WATER, FIRE, AND CUSTOMER SERVICE**

EXPENSE ITEM	RATE YEAR		GENERAL WATER		FIRE SERVICE		CUST. SERVICE	
	LABOR	ALLOC. SYMBOL (1)	%	AMOUNT	%	AMOUNT	%	AMOUNT
SOURCE OF SUPPLY								
operations & labor	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	\$0
purchased water	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	\$0
PUMPING OPERATIONS								
fuel for pumping	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	\$0
power-pumping	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	\$0
labor-pumping	\$69,004	P	84.4%	\$58,225	15.6%	\$10,778	0.0%	\$0
pumping expense	\$0	P	84.4%	\$0	15.6%	\$0	0.0%	\$0
maint. - structures & improv	\$32,146	P	84.4%	\$27,125	15.6%	\$5,021	0.0%	\$0
diesel oil	\$0	P	84.4%	\$0	15.6%	\$0	0.0%	\$0
maint. - equip	\$26,421	P	84.4%	\$22,294	15.6%	\$4,127	0.0%	\$0
WATER TREATMENT								
chemicals	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	\$0
labor	\$79,248	A	99.5%	\$78,852	0.5%	\$396	0.0%	\$0
operating	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	\$0
maint. - water treat equip	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	\$0
maint. - structure	\$0	A	99.5%	\$0	0.5%	\$0	0.0%	\$0
TRANS & DISTR. EXPENSE								
storage facilities exp.	\$0	D	75.0%	\$0	25.0%	\$0	0.0%	\$0
labor	\$31,019	B	80.6%	\$25,001	19.4%	\$6,018	0.0%	\$0
supplies	\$0	B	80.6%	\$0	19.4%	\$0	0.0%	\$0
labor-meter	\$36,562	C	0.0%	\$0	0.0%	\$0	100.0%	\$36,562
material-meter	\$0	C	0.0%	\$0	0.0%	\$0	100.0%	\$0
cust. install.	\$0	C	0.0%	\$0	0.0%	\$0	100.0%	\$0
misc.	\$0	F	54.7%	\$0	20.7%	\$0	24.6%	\$0
maint - struct. & improv.	\$0	F	54.7%	\$0	20.7%	\$0	24.6%	\$0
maint. - res & stdp	\$12,610	D	75.0%	\$9,458	25.0%	\$3,153	0.0%	\$0
maint. - mains	\$395,228	B	80.6%	\$318,554	19.4%	\$76,674	0.0%	\$0
maint. - service	\$96,430	C	0.0%	\$0	0.0%	\$0	100.0%	\$96,430
maint. - meters	\$58,822	C	0.0%	\$0	0.0%	\$0	100.0%	\$58,822
maint. - hydrants	\$45,025	E	0.5%	\$225	99.5%	\$44,800	0.0%	\$0
construction labor	\$0	F	54.7%	\$0	20.7%	\$0	24.6%	\$0
CUSTOMER ACCOUNT								
labor- meter read	\$79,029	C	0.0%	\$0	0.0%	\$0	100.0%	\$79,029
cust record labor	\$165,425	C	0.0%	\$0	0.0%	\$0	100.0%	\$165,425
cust records exp	\$0	C	0.0%	\$0	0.0%	\$0	100.0%	\$0
meter read supplies	\$0	C	0.0%	\$0	0.0%	\$0	100.0%	\$0
uncollectible	\$0	C	0.0%	\$0	0.0%	\$0	100.0%	\$0
ADMIN. & GENERAL								
salaries	\$382,059	G	77.7%	\$297,001	6.9%	\$26,318	15.4%	\$58,740
office supplies & expenses	\$0	G	77.7%	\$0	6.9%	\$0	15.4%	\$0
insurance (property/liability)	\$0	G	77.7%	\$0	6.9%	\$0	15.4%	\$0
injuries & damages	\$0	G	77.7%	\$0	6.9%	\$0	15.4%	\$0
employee benefits	\$5,425	G	77.7%	\$4,217	6.9%	\$374	15.4%	\$834
fees	\$0	G	77.7%	\$0	6.9%	\$0	15.4%	\$0
maint. - plant	\$133,958	G	77.7%	\$104,135	6.9%	\$9,228	15.4%	\$20,596
maint. - vehicles	\$20,611	G	77.7%	\$16,023	6.9%	\$1,420	15.4%	\$3,169
miscellaneous	\$15,955	G	77.7%	\$12,403	6.9%	\$1,099	15.4%	\$2,453
vacation, holiday, sick	\$259,575	G	77.7%	\$201,786	6.9%	\$17,881	15.4%	\$39,909
regul. exp.	\$0	G	77.7%	\$0	6.9%	\$0	15.4%	\$0
other	\$0	G	77.7%	\$0	6.9%	\$0	15.4%	\$0
outside service	\$0	G	77.7%	\$0	6.9%	\$0	15.4%	\$0
TOTAL LABOR	\$1,944,551	H	60.4%	\$1,175,297	10.7%	\$207,286	28.9%	\$561,968

(1) See Sch. 3B

ALLOCATION SYMBOLS

ALLOCATION SYMBOL	GEN'L WATER	FIRE SERVICE	CUST SERVICE	
A	99.50%	0.50%	0.00%	Supply & Treatment
B	80.60%	19.40%	0.00%	T&D Mains
C	0.00%	0.00%	100.00%	Meters
D	75.00%	25.00%	0.00%	Storage
E	0.50%	99.50%	0.00%	Hydrants
F	54.72%	20.69%	24.59%	Misc T&D
G	77.74%	6.89%	15.37%	Direct O&M (50% of Purch Water) Benefits & Vacation
H	60.44%	10.66%	28.90%	Labor
I	100.00%	0.00%	0.00%	IFR Costs
J	80.89%	19.10%	0.01%	Debt/Capital
K	86.92%	6.99%	6.09%	Total Expense
L	81.06%	18.07%	0.87%	PILOT
M	--	--	--	Not Used
P	84.38%	15.62%	0.00%	Pumping Facilities

Symbol B

	Gal/Min	%
Highest Max. Day	14,544	80.60%
Fire Demand	3500	19.40%
Max. Day Plus Fire	18,044	100.00%

Symbol J - Debt Service/CIP

Plant Value From 2003 IFR Report	Repl. Value	Symbol	Gen Water	Fire	Cust A	Cust B
Source of Supply	\$3,000,707	A	\$2,985,703	\$15,004	\$0	\$0
Pumping Plant	\$3,161,329	A	\$3,145,522	\$15,807	\$0	\$0
Water Treat. Plant	\$405,970	A	\$403,940	\$2,030	\$0	\$0
T&D Storage	\$4,336,912	D	\$3,252,684	\$1,084,228	\$0	\$0
T&D Mains	\$292,283,430	B	\$235,580,445	\$56,702,985	\$0	\$0
T&D Hydrants	\$116,261	E	\$581	\$115,680	\$0	\$0
T&D Services	\$41,805	C	\$0	\$0	\$41,805	\$0
T&D Meters	\$0	C	\$0	\$0	\$0	\$0
General Plant	<u>\$682,413</u>	J	<u>\$551,986</u>	<u>\$130,333</u>	<u>\$94</u>	<u>\$0</u>
Total	\$304,028,827		\$245,920,862	\$58,066,066	\$41,899	\$0
Percent			80.89%	19.10%	0.01%	0.00%

Symbol L - PILOT

	Total	Symbol	Gen Water	Fire	Cust A	Cust B
Storage	\$7,258	D	\$5,443	\$1,814	\$0	\$0
Office	\$1,311	G	\$1,019	\$90	\$101	\$101
PS/Wells/Treatment	<u>\$14,554</u>	P	<u>\$12,281</u>	<u>\$2,273</u>	<u>\$0</u>	<u>\$0</u>
Total	\$23,123		\$18,743	\$4,178	\$101	\$101
Percent			81.06%	18.07%	0.44%	0.44%

Symbol P - Pumping Facilities (per Decision in Dockets 2098, 2555, 3660)

	Percent	Symbol	Gen Water	Fire	Cust A	Cust B
Supply Well Pumps	20.00%	A	19.90%	0.10%	0.00%	0.00%
Distribution Pumps	80.00%	B	64.48%	15.52%	0.00%	0.00%
Total	100.00%	P	84.38%	15.62%	0.00%	0.00%

PROPOSED FIRE SERVICE CHARGES

PUBLIC FIRE SERVICE

Quarterly Charge/Hydrant =	\$128.83
Plus Billing Charge =	\$5.66

PRIVATE FIRE SERVICE

<u>SERVICE SIZE</u> <u>(inches)</u>	<u>QUARTERLY</u> <u>CHARGE</u>
4	\$51.49
6	\$138.78
8	\$289.35
10	\$515.83
12	\$829.72
HYDRANT	\$138.78

**ALLOCATION OF FIRE SERVICE EXPENSES
TO PUBLIC AND PRIVATE FIRE SERVICE**

	<u>NUMBER</u>	<u>DEMAND FACTOR (1)</u>	<u>NO. OF EQUIVS.</u>	<u>PERCENT OF DEMAND</u>	<u>NON-HYDR. REQUIRED</u>	<u>DIRECT HYDRANT</u>	<u>TOTAL</u>
PUBLIC FIRE SERVICE							
Hydrants	2,336	111.31	260,022	87.80%	\$1,113,442	\$90,359	\$1,203,801
PRIVATE FIRE SERVICE							
SIZE (IN)							
4	15	38.32	575				
6	104	111.31	11,576				
8	27	237.21	6,405				
10	1	426.58	427				
12	1	689.04	689				
HYDRANTS	<u>148</u>	111.31	16,474				
TOTAL-PRIV.	<u>296</u>		<u>36,145</u>	12.20%	\$154,778	\$0	\$154,778
GRAND TOTALS	<u>2,632</u>		<u>296,168</u>	100.00%	\$1,268,220	\$90,359	\$1,358,580
Total Fire Allocation							\$1,358,580
Less Direct Hydrant Related							
O&M							(\$88,863)
Debt							(\$1,496)
Net Non-Hydrant							\$1,268,220

(1) Based on size to the 2.63 power.

DETERMINATION OF FIRE SERVICE CHARGES

<u>PUBLIC FIRE PROTECTION</u>		<u>CALCULATED CHARGE</u>
PUBLIC FIRE ALLOCATION (1)	\$1,203,801	
----- =	----- =	\$515.33
NUMBER OF PUBLIC HYDRANTS	2,336	
	TOTAL QUARTERLY + BILLING	\$128.83 \$5.66

PRIVATE FIRE PROTECTION

PRIVATE FIRE ALLOCATION (1,2)	\$172,912	
----- =	----- =	\$4.78 /EQUIV.
NO. OF EQUIV. UNITS	36,145	

<u>SIZE (IN)</u>	<u>DEMAND FACTOR</u>	<u>ANNUAL CHARGE</u>	<u>QUARTERLY CHARGE</u>	<u>BILLING CHARGE</u>	<u>ALCULATED CHARGE</u>
4	38.32	\$183.31	\$45.83	\$5.66	\$51.49
6	111.31	\$532.49	\$133.12	\$5.66	\$138.78
8	237.21	\$1,134.75	\$283.69	\$5.66	\$289.35
10	426.58	\$2,040.67	\$510.17	\$5.66	\$515.83
12	689.04	\$3,296.25	\$824.06	\$5.66	\$829.72
HYDRANTS	111.31	\$532.49	\$133.12	\$5.66	\$138.78

(1) Allocation from Sch 4A.

(2) Private Fire includes allocated service maintenance costs as detailed below:

Service Line Maintenance Cost =	\$178,467	
Addtl Allocation to Fire Service =	\$18,134	(10.16%)

Service Line Equivalents

<u>Meter Size (in)</u>	<u>Service Size (in)</u>	<u>Equivalents *</u>
5/8 & 3/4	1	1
1	1.5	1.8
1 1/2	2	3.3
2	3	4.6
3	4	6.3
4	6	9.6
6	8	16.9
>8	10	29.6
Total		

Metered Water Service

<u>Number</u>	<u>Equivalents</u>
22,148	22,148
3,574	6,433
328	1,082
542	2,493
19	120
78	749
82	1,386
65	<u>1,924</u>
	36,335
	89.84%

Private Fire Service

<u>Number</u>	<u>Equivalents</u>
15	95
104	998
175	2,958
2	<u>59</u>
	4,110
	10.16%

* From Dockets No. 2098 through 3660

PROPOSED SERVICE CHARGES

<u>METER SIZE</u> <u>(inches)</u>	<u>QUARTERLY</u> <u>ACCOUNTS</u>	<u>MONTHLY</u> <u>ACCOUNTS</u>
5/8 &		
3/4	\$9.49	\$6.94
1	\$12.55	\$7.96
1 1/2	\$18.29	\$9.87
2	\$23.27	\$11.53
3	\$29.77	\$13.70
4	\$42.40	\$17.91
6	\$70.35	\$27.22
>8	\$118.96	\$43.43

ALLOCATION OF CUSTOMER SERVICE EXPENSES

EXPENSE ITEM	TOTAL	ALLOC.	<-CUST. METER->		<-CUST. BILL->	
	CUST. SERV.	SYMBOL (1)	%	AMOUNT	%	AMOUNT
TRANS & DISTR. EXPENSE						
labor	0.00	AA	100.00%	\$0	0.00%	0.00
supplies	0.00	AA	100.00%	\$0	0.00%	0.00
labor-meter	32,962.07	AA	100.00%	\$32,962	0.00%	0.00
material-meter	6,291.01	AA	100.00%	\$6,291	0.00%	0.00
cust. install.	0.00	AA	100.00%	\$0	0.00%	0.00
misc.	3,992.16	AA	100.00%	\$3,992	0.00%	0.00
maint - struct. & improv.	57.85	AA	100.00%	\$58	0.00%	0.00
maint.- res & stdp	0.00	AA	100.00%	\$0	0.00%	0.00
maint. - mains	0.00	AA	100.00%	\$0	0.00%	0.00
maint. - service	178,466.66	AA	100.00%	\$178,467	0.00%	0.00
maint. - meters	84,924.34	AA	100.00%	\$84,924	0.00%	0.00
maint. - hydrants	0.00	AA	100.00%	\$0	0.00%	0.00
construction labor	(1,963.04)	AA	100.00%	(\$1,963)	0.00%	0.00
CUSTOMER ACCOUNT						
labor- meter read	79,028.61	BB	0.00%	\$0	100.00%	79,028.61
cust record labor	165,424.60	BB	0.00%	\$0	100.00%	165,424.60
cust records exp	59,896.71	BB	0.00%	\$0	100.00%	59,896.71
meter read supplies	0.00	BB	0.00%	\$0	100.00%	0.00
uncollectible	0.00	BB	0.00%	\$0	100.00%	0.00
ADMIN. & GENERAL						
salaries	58,912.50	CC	48.35%	\$28,483	51.65%	30,429.31
office supplies & expenses	19,361.30	CC	48.35%	\$9,361	51.65%	10,000.44
insurance (property/liability)	19,714.67	CC	48.35%	\$9,532	51.65%	10,182.97
Insurance (worker's comp)	12,171.24	CC	48.35%	\$5,885	51.65%	6,286.65
injuries & damages	45.89	CC	48.35%	\$22	51.65%	23.70
employee benefits	204,517.69	DD	44.68%	\$91,381	55.32%	113,136.76
fees	4,996.78	CC	48.35%	\$2,416	51.65%	2,580.92
maint. - plant	32,308.80	CC	48.35%	\$15,621	51.65%	16,688.05
maint. - vehicles	17,116.57	CC	48.35%	\$8,276	51.65%	8,841.00
miscellaneous	4,088.39	CC	48.35%	\$1,977	51.65%	2,111.72
vacation, holiday, sick	75,016.22	DD	44.68%	\$33,518	55.32%	41,498.08
regul. exp.	18,034.53	CC	48.35%	\$8,719	51.65%	9,315.14
other	0.00	CC	48.35%	\$0	51.65%	0.00
outside service	<u>20,538.69</u>	CC	48.35%	<u>\$9,930</u>	51.65%	<u>10,608.58</u>
SUBTOTAL O&M	1,095,904.25	CC	48.35%	\$529,851	51.65%	566,053.26
FIXED CHARGES						
Debt Service	541.92	JJ	100.00%	\$542	0.00%	0.00
O&M Reserve	29,768.46	CC	48.35%	\$14,393	51.65%	15,375.92
R&R Reserve	27.56	JJ	100.00%	\$28	0.00%	0.00
O&M Reserve	13.78	JJ	100.00%	\$14	0.00%	0.00
Infrastructure Replacement	0.00	JJ	100.00%	\$0	0.00%	0.00
Payroll Taxes	43,573.44	DD	44.68%	\$19,469	55.32%	24,104.31
PILOT	<u>201.62</u>	EE	48.24%	<u>\$97</u>	51.76%	<u>104.37</u>
SUBTOTAL FIXED	74,126.79			\$34,542		39,584.59
OPERATING REVENUE	35,519.36	EE	48.24%	\$17,134	51.76%	18,385.73
TOTAL EXPENSES	1,205,550.40	EE	48.24%	\$581,527	51.76%	624,023.58
Less: Available Restricted D:	0.00	JJ	100.00%	\$0	0.00%	0.00
Miscellaneous Income	(10,923.13)	EE	48.24%	(\$5,269)	51.76%	(5,654.09)
Merchand & Jobbing	(145.17)	EE	48.24%	(\$70)	51.76%	(75.14)
6.9% of Water Prot Fee	(3,647.18)	EE	48.24%	(\$1,759)	51.76%	(1,887.87)
=====				=====		=====
Total Revenue Requirement	1,190,834.93	EE	48.24%	\$574,428	51.76%	616,406.48

(1) See Sch. 5C

ALLOCATION OF CUSTOMER SERVICE LABOR

EXPENSE ITEM	TOTAL	ALLOC.	<-CUST. METER->		<--CUST. BILL-->	
	CUST. SERV.	SYMBOL (1)	%	AMOUNT	%	AMOUNT
TRANS & DISTR. EXPENSE						
labor	0.00	AA	100.00%	\$0	0.00%	0.00
supplies	0.00	AA	100.00%	\$0	0.00%	0.00
labor-meter	36,562.07	AA	100.00%	\$36,562	0.00%	0.00
material-meter	0.00	AA	100.00%	\$0	0.00%	0.00
cust. install.	0.00	AA	100.00%	\$0	0.00%	0.00
misc.	0.00	AA	100.00%	\$0	0.00%	0.00
maint.- res & stdp	0.00	AA	100.00%	\$0	0.00%	0.00
maint. - mains	0.00	AA	100.00%	\$0	0.00%	0.00
maint. - service	96,429.85	AA	100.00%	\$96,430	0.00%	0.00
maint. - meters	58,821.82	AA	100.00%	\$58,822	0.00%	0.00
maint. - hydrants	0.00	AA	100.00%	\$0	0.00%	0.00
construction labor	0.00	AA	100.00%	\$0	0.00%	0.00
CUSTOMER ACCOUNT						
labor- meter read	79,028.61	BB	0.00%	\$0	100.00%	79,028.61
cust record labor	165,424.60	BB	0.00%	\$0	100.00%	165,424.60
cust records exp	0.00	BB	0.00%	\$0	100.00%	0.00
meter read supplies	0.00	BB	0.00%	\$0	100.00%	0.00
uncollectible	0.00	BB	0.00%	\$0	100.00%	0.00
ADMIN. & GENERAL						
salaries	58,740.44	CC	48.35%	\$28,400	51.65%	30,340.44
office supplies & expenses	0.00	CC	48.35%	\$0	51.65%	0.00
insurance (property/liability)	0.00	CC	48.35%	\$0	51.65%	0.00
injuries & damages	0.00	CC	48.35%	\$0	51.65%	0.00
employee benefits	834.01	DD	44.68%	\$373	55.32%	461.36
fees	0.00	CC	48.35%	\$0	51.65%	0.00
maint. - plant	20,595.68	CC	48.35%	\$9,958	51.65%	10,638.02
maint. - vehicles	3,168.93	CC	48.35%	\$1,532	51.65%	1,636.81
miscellaneous	2,452.97	CC	48.35%	\$1,186	51.65%	1,267.00
vacation, holiday, sick	39,908.91	DD	44.68%	\$17,832	55.32%	22,077.13
regul. exp.	0.00	CC	48.35%	\$0	51.65%	0.00
other	0.00	CC	48.35%	\$0	51.65%	0.00
outside service	0.00	CC	48.35%	\$0	51.65%	0.00
TOTAL LABOR	561,967.90	DD	44.68%	\$251,094	55.32%	310,873.98

(1) See Sch. 5C

ALLOCATION SYMBOLS - CUSTOMER SERVICE

<u>ALLOCATION SYMBOL</u>	<u>CUSTOM METER</u>	<u>CUSTOM BILL</u>	<u>TOTAL</u>
AA	100.00%	0.00%	100.00% Meters
BB	0.00%	100.00%	100.00% Billing
CC	48.35%	51.65%	100.00% O&M
DD	44.68%	55.32%	100.00% Labor
EE	48.24%	51.76%	100.00% All Expenses
JJ	100.00%	0.00%	100.00% Capital/Debt

DETERMINATION OF EQUIVALENT METERS

<u>METER SIZE (IN)</u>	<u>NUMBER</u>	<u>EQUIVALENCY FACTOR (1)</u>	<u>EQUIV. 5/8 IN. METERS</u>
5/8 & 3/4	22,148	1	22,148
1	3,574	1.8	6,433
1 1/2	328	3.3	1,082
2	542	4.6	2,493
3	19	6.3	120
4	78	9.6	749
6	82	16.9	1,386
>8	<u>65</u>	29.6	<u>1,924</u>
TOTALS	26,836		36,335

(1) From Dockets. No. 2098 through 3660

DETERMINATION OF PROPOSED SERVICE CHARGES

BILLING CHARGE

CUST. BILLING ALLOC. (1)	=	\$616,406	=	
-----		-----		\$5.66 PER BILLING
NUMBER OF BILLINGS		108,892		

METER CHARGE

CUST. METER ALLOC. (1,3))	=	\$556,294	=	
-----		-----		\$15.31 / EQ. METER/YR
NO. EQUIV. METERS (2)		36,335		

TOTAL SERVICE CHARGES

<u>METER SIZE (IN)</u>	<u>QUARTERLY ACCOUNTS</u>			<u>MONTHLY ACCOUNTS</u>		
	<u>METER CHARGE</u>	<u>BILLING CHARGE</u>	<u>TOTAL CHARGE</u>	<u>METER CHARGE</u>	<u>BILLING CHARGE</u>	<u>TOTAL CHARGE</u>
5/8 & 3/4	\$3.83	\$5.66	\$9.49	\$1.28	\$5.66	\$6.94
1	\$6.89	\$5.66	\$12.55	\$2.30	\$5.66	\$7.96
1 1/2	\$12.63	\$5.66	\$18.29	\$4.21	\$5.66	\$9.87
2	\$17.61	\$5.66	\$23.27	\$5.87	\$5.66	\$11.53
3	\$24.11	\$5.66	\$29.77	\$8.04	\$5.66	\$13.70
4	\$36.74	\$5.66	\$42.40	\$12.25	\$5.66	\$17.91
6	\$64.69	\$5.66	\$70.35	\$21.56	\$5.66	\$27.22
>8	\$113.29	\$5.66	\$118.96	\$37.76	\$5.66	\$43.43

(1) See Sch. 5A

(2) See Sch. 5D

(3) Less allocation of Service Maintenance Costs to Private Fire Service - see Sch. 4B

**ALLOCATION OF GENERAL WATER EXPENSES TO
BASE AND EXTRA CAPACITY**

EXPENSE ITEM	TOTAL	ALLOC. SYMBOL (1)	BASE		EXTRA CAP.-MAX DAY		EXTRA CAP.-PEAK HR	
	GEN'L WATER		%	AMOUNT	%	AMOUNT	%	AMOUNT
SOURCE OF SUPPLY								
operations & labor	\$24,875	aa	100.00%	\$24,875	0.00%	\$0	0.00%	\$0
purchased water	\$4,226,679	aa	100.00%	\$4,226,679	0.00%	\$0	0.00%	\$0
PUMPING OPERATIONS								
fuel for pumping	\$10,034	aa	100.00%	\$10,034	0.00%	\$0	0.00%	\$0
power-pumping	\$619,017	aa	100.00%	\$619,017	0.00%	\$0	0.00%	\$0
labor-pumping	\$58,225	pp	55.60%	\$32,373	44.40%	\$25,852	0.00%	\$0
pumping expense	\$1,947	pp	55.60%	\$1,083	44.40%	\$865	0.00%	\$0
maint. - structures & improv	\$31,206	pp	55.60%	\$17,351	44.40%	\$13,856	0.00%	\$0
diesel oil	\$0	pp	55.60%	\$0	44.40%	\$0	0.00%	\$0
maint. - equip	\$32,464	pp	55.60%	\$18,050	44.40%	\$14,414	0.00%	\$0
WATER TREATMENT								
chemicals	\$227,898	aa	100.00%	\$227,898	0.00%	\$0	0.00%	\$0
labor	\$78,852	aa	100.00%	\$78,852	0.00%	\$0	0.00%	\$0
operating	\$30,236	aa	100.00%	\$30,236	0.00%	\$0	0.00%	\$0
maint. - water treat equip	\$1,688	aa	100.00%	\$1,688	0.00%	\$0	0.00%	\$0
maint. - structure	\$0	aa	100.00%	\$0	0.00%	\$0	0.00%	\$0
TRANS & DISTR. EXPENSE								
storage facilities exp.	\$412	dd	0.00%	\$0	0.00%	\$0	100.00%	\$412
labor	\$25,001	bb	44.50%	\$11,126	55.50%	\$13,876	0.00%	\$0
supplies	\$33,846	bb	44.50%	\$15,062	55.50%	\$18,785	0.00%	\$0
labor-meter	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
material-meter	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
cust. install.	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
misc.	\$8,884	ff	41.88%	\$3,720	52.14%	\$4,633	5.98%	\$531
maint - struct. & improv.	\$129	ff	41.88%	\$54	52.14%	\$67	5.98%	\$8
maint.- res & stdp	\$40,271	dd	0.00%	\$0	0.00%	\$0	100.00%	\$40,271
maint. - mains	\$573,954	bb	44.50%	\$255,410	55.50%	\$318,545	0.00%	\$0
maint. - service	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
maint. - meters	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
maint. - hydrants	\$447	aa	100.00%	\$447	0.00%	\$0	0.00%	\$0
cc nstruction labor	(\$3,369)	ff	41.88%	(\$1,829)	52.14%	(\$2,278)	5.98%	(\$261)
CUSTOMER ACCOUNT								
labor- meter read	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
cust record labor	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
cust records exp	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
meter read supplies	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
W/P Reimbursement	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
ADMIN. & GENERAL								
salaries	\$297,871	gg	85.73%	\$255,371	13.16%	\$39,189	1.11%	\$3,310
office supplies & expenses	\$97,894	gg	85.73%	\$83,926	13.16%	\$12,879	1.11%	\$1,088
insurance (property/liability)	\$99,680	gg	85.73%	\$85,458	13.16%	\$13,115	1.11%	\$1,108
Insurance (worker's comp)	\$25,455	ll	40.00%	\$10,183	30.89%	\$7,863	29.10%	\$7,409
injuries & damages	\$232	gg	85.73%	\$199	13.16%	\$31	1.11%	\$3
employee benefits	\$427,727	hh	68.10%	\$291,278	30.43%	\$130,169	1.47%	\$6,280
fees	\$25,264	gg	85.73%	\$21,660	13.16%	\$3,324	1.11%	\$281
maint. - plant	\$163,358	gg	85.73%	\$140,050	13.16%	\$21,492	1.11%	\$1,815
maint. - vehicles	\$86,544	gg	85.73%	\$74,196	13.16%	\$11,386	1.11%	\$962
miscellaneous	\$20,672	gg	85.73%	\$17,722	13.16%	\$2,720	1.11%	\$230
vacation, holiday, sick	\$156,889	hh	68.10%	\$106,840	30.43%	\$47,745	1.47%	\$2,304
regul. exp.	\$91,185	gg	85.73%	\$78,175	13.16%	\$11,997	1.11%	\$1,013
other	\$0	gg	85.73%	\$0	13.16%	\$0	1.11%	\$0
outside service	\$103,847	gg	85.73%	\$89,030	13.16%	\$13,663	1.11%	\$1,154
SUBTOTAL O&M	\$7,618,314	gg	89.60%	\$6,826,212	9.51%	\$724,186	0.89%	\$67,916

**ALLOCATION OF GENERAL WATER EXPENSES TO
BASE AND EXTRA CAPACITY**

EXPENSE ITEM	TOTAL	ALLOC.	BASE		EXTRA CAP.-MAX DAY		EXTRA CAP.-PEAK HR	
	GEN'L WATER	SYMBOL (1)	%	AMOUNT	%	AMOUNT	%	AMOUNT
FIXED CHARGES								
Debt Service	\$3,180,748	jj	44.82%	\$1,425,587	53.86%	\$1,712,997	1.33%	\$42,165
O&M Reserve	\$150,514	gg	85.73%	\$129,039	13.16%	\$19,802	1.11%	\$1,673
R&R Reserve	\$161,775	jj	44.82%	\$72,506	53.86%	\$87,124	1.33%	\$2,145
Renewal & Replacement - Equi	\$80,887	jj	44.82%	\$36,253	53.86%	\$43,562	1.33%	\$1,072
Infrastructure Replacement	\$5,400,000	ii	44.82%	\$2,420,238	53.86%	\$2,908,178	1.33%	\$71,584
Payroll Taxes	\$91,129	hh	68.10%	\$62,058	30.43%	\$27,733	1.47%	\$1,338
PILOT	\$18,743	ll	40.00%	\$7,498	30.89%	\$5,790	29.10%	\$5,455
SUBTOTAL FIXED	\$9,083,797			\$4,153,179	52.90%	\$4,805,186	1.38%	\$125,432
OPERATING REVENUE	\$507,036	kk	65.74%	\$333,308	33.11%	\$167,859	1.16%	\$5,870
TOTAL EXPENSES	\$17,209,148	kk	65.74%	\$11,312,699	33.11%	\$5,697,231	1.16%	\$199,218
Less: Available Restricted Deb	\$0	jj	44.82%	\$0	53.86%	\$0	1.33%	\$0
Miscellaneous Income	(\$155,927)	kk	65.74%	(\$102,501)	33.11%	(\$51,621)	1.16%	(\$1,805)
Interest Income	(\$97,872)	kk	65.74%	(\$64,338)	33.11%	(\$32,401)	1.16%	(\$1,133)
Merchand & Jobbing	(\$2,072)	kk	65.74%	(\$1,362)	33.11%	(\$686)	1.16%	(\$24)
6.9% of Water Prot Fee	(\$52,063)	kk	65.74%	(\$34,225)	33.11%	(\$17,236)	1.16%	(\$603)
	=====			=====		=====		=====
Total Revenue Requirement	\$16,901,213	kk	65.74%	\$11,110,274	33.11%	\$5,595,286	1.16%	\$195,653

(1) SeeSch. 6B

**ALLOCATION OF GENERAL WATER LABOR EXPENSE TO
BASE AND EXTRA CAPACITY**

EXPENSE ITEM	TOTAL	ALLOC. SYMBOL (1)	BASE	AMOUNT	EXTRA CAP.-MAX DAY		EXTRA CAP.-PEAK HR	
	GEN'L WATER		%		%	AMOUNT	%	AMOUNT
PUMPING OPERATIONS								
labor-pumping	\$58,225	pp	55.60%	\$32,373	44.40%	\$25,852	0.00%	\$0
maint. - structures & improv	\$27,125	pp	55.60%	\$15,082	44.40%	\$12,044	0.00%	\$0
maint. - equip	\$22,294	pp	55.60%	\$12,395	44.40%	\$9,898	0.00%	\$0
WATER TREATMENT								
labor	\$78,852	aa	100.00%	\$78,852	0.00%	\$0	0.00%	\$0
TRANS & DISTR. EXPENSE								
labor	\$25,001	bb	44.50%	\$11,126	55.50%	\$13,876	0.00%	\$0
maint. - res & stdp	\$9,458	dd	0.00%	\$0	0.00%	\$0	100.00%	\$9,458
maint. - mains	\$318,554	bb	44.50%	\$141,756	55.50%	\$176,797	0.00%	\$0
maint. - hydrants	\$225	aa	100.00%	\$225	0.00%	\$0	0.00%	\$0
CUSTOMER ACCOUNT								
labor- meter read	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
cust record labor	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
cust records exp	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
meter read supplies	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
uncollectible	\$0	cc	0.00%	\$0	0.00%	\$0	0.00%	\$0
ADMIN. & GENERAL								
salaries	\$297,001	gg	85.73%	\$254,625	13.16%	\$39,075	1.11%	\$3,301
employee benefits	\$4,217	hh	68.10%	\$2,872	30.43%	\$1,283	1.47%	\$62
maint. - plant	\$104,135	gg	85.73%	\$89,277	13.16%	\$13,701	1.11%	\$1,157
maint. - vehicles	\$16,023	gg	85.73%	\$13,737	13.16%	\$2,108	1.11%	\$178
miscellaneous	\$12,403	gg	85.73%	\$10,633	13.16%	\$1,632	1.11%	\$138
vacation, holiday, sick	\$201,786	hh	68.10%	\$137,414	30.43%	\$61,409	1.47%	\$2,963
TOTAL LABOR	\$1,175,297	hh	68.10%	\$800,366	30.43%	\$357,675	1.47%	\$17,256

(1) See Sch. 6B

ALLOCATION SYMBOLS - GENERAL WATER

ALLOCATION SYMBOL	BASE %	EXTRA CAPACITY		TOTAL	
		MAX DAY %	PEAK HOUR %		
aa	100.00%	0.00%	0.00%	100.00%	Supply & Treatment
bb	44.50%	55.50%	0.00%	100.00%	T&D Mains
cc	0.00%	0.00%	0.00%	0.00%	Meters
dd	0.00%	0.00%	100.00%	100.00%	Storage
ee	0.00%	0.00%	0.00%	0.00%	Not Used
ff	41.88%	52.14%	5.98%	100.00%	Misc. T&D
gg	85.73%	13.16%	1.11%	100.00%	Direct O&M plus 50% Purch Water
hh	68.10%	30.43%	1.47%	100.00%	Labor
ii	44.82%	53.86%	1.33%	100.00%	IFR - same as capital
jj	44.82%	53.86%	1.33%	100.00%	Debt/Capital
kk	65.74%	33.11%	1.16%	100.00%	All Expenses
ll	40.00%	30.89%	29.10%	100.00%	PILOT
pp	55.60%	44.40%	0.00%	100.00%	Pumping Facilities

Symbol bb

	Gal/Min	%
Average Day	6,469	44.48%
Max Day Increment	8,075	55.52%
Maximum Day	14,544	100.00%

Symbol jj

Item	Amount (1)	Symbol	BASE	EXTRA CAPACITY	
				MAX DAY	PEAK HOUR
Source of Supply	\$2,985,703	aa	\$2,985,703	\$0	\$0
Pumping Plant	\$3,145,522	pp	\$1,748,910	\$1,396,612	\$0
Water Treat. Plant	\$403,940	aa	\$403,940	\$0	\$0
T&D Storage	\$3,252,684	dd	\$0	\$0	\$3,252,684
T&D Mains	\$235,580,445	bb	\$104,833,298	\$130,747,147	\$0
T&D Hydrants	\$581	aa	\$581	\$0	\$0
T&D Meters	\$0	cc	\$0	\$0	\$0
General Plant	\$551,986	jj	\$247,396	\$297,273	\$7,317
Total	\$245,920,862		\$110,219,829	\$132,441,031	\$3,260,001
Percent			44.82%	53.86%	1.33%

(1) See Sch. 3B

Symbol ll

Item	Amount (1)	Symbol	BASE	EXTRA CAPACITY	
				MAX DAY	PEAK HOUR
Storage	\$5,443	dd	\$0	\$0	\$5,443
Office	\$1,019	kk	\$670	\$337	\$12
PS/Wells	\$12,281	pp	\$6,828	\$5,453	\$0
Total	\$18,743		\$7,498	\$5,790	\$5,455
Percent			40.00%	30.89%	29.10%

(1) See Sch. 3B

Symbol pp

Item	%	Symbol	BASE	EXTRA CAPACITY	
				MAX DAY	PEAK HOUR
Supply Wells	20.00%	aa	20.00%	0.00%	0.00%
Distribution	80.00%	bb	35.60%	44.40%	0.00%
Total	1	pp	55.60%	44.40%	0.00%

**ALLOCATION OF GENERAL WATER EXPENSES
TO CUSTOMER CLASSES**

Class Demands

CUSTOMER CLASS	AVERAGE DEMANDS		MAX DAY EXTRA CAPACITY			
	(GALS/DAY)	PERCENT	FACTOR [1]	OTAL GAL/DAY	XTRA GAL/DAY	PERCENT
Small	6,845,278	89.54%	2.7	18,482,249	11,636,972	96.04%
Medium	266,138	3.48%	2	532,276	266,138	2.20%
Large	<u>533,423</u>	<u>6.98%</u>	1.4	<u>746,792</u>	<u>213,369</u>	<u>1.76%</u>
Total	7,644,839	100.00%		19,761,318	12,116,479	100.00%

CUSTOMER CLASS	AVERAGE DEMANDS		PEAK HOUR EXTRA CAPACITY			
	(GALS/DAY)	PERCENT	FACTOR	OTAL GAL/DAY	XTRA GAL/DAY	PERCENT
Small	6,845,278	89.54%	3.4	23,273,944	4,791,694	95.74%
Medium	266,138	3.48%	2.4	638,731	106,455	2.13%
Large	<u>533,423</u>	<u>6.98%</u>	1.6	<u>853,477</u>	<u>106,685</u>	<u>2.13%</u>
Total	7,644,839	100.00%		24,766,152	5,004,834	100.00%

[1] - Described in the April, 1992 Cost of Service Study and as used in the Dockets # 2098, 2555, and 3660

Allocation of Costs to Classes

CUSTOMER CLASS	BASE COSTS		MAX. DAY EXTRA CAPACITY		PEAK HR. EXTRA CAPACITY		TOTAL AMOUNT
	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	
Small	89.54%	\$9,948,268	96.04%	\$5,373,854	95.74%	\$187,321	\$15,509,443
Medium	3.48%	\$386,779	2.20%	\$122,900	2.13%	\$4,162	\$513,841
Large	<u>6.98%</u>	<u>\$775,226</u>	<u>1.76%</u>	<u>\$98,532</u>	<u>2.13%</u>	<u>\$4,171</u>	<u>\$877,929</u>
Total	100.00%	\$11,110,274	100.00%	\$5,595,286	100.00%	\$195,653	\$16,901,213

METERED WATER RATES

Small (5/8-2" meters)

Total Expense (2)	\$15,509,443	=		=	\$4.6430
Metered Sales (HCF) (1)	3,340,276				

Medium (3&4" meters)

Total Expense (2)	\$513,841	=		=	\$3.9570
Metered Sales (HCF) (1)	129,867				

Large (6" & up meters)

Total Expense (2)	\$877,929	=		=	\$3.3730
Metered Sales (HCF) (1)	260,293				

- (1) See CPNW Sch 2
- (2) See CPNW Sch 7

COMPARISON TO CURRENT RATES

		<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
<u>Metered Rates</u>				
	Small (5/8-2" meters)	\$3.790	\$4.643	22.51%
	Medium (3&4" meters)	\$3.210	\$3.957	23.27%
	Large (6" & up meters)	\$2.721	\$3.373	23.96%
<u>Service Charges</u>				
Quarterly	5/8 & 3/4	\$8.20	\$9.49	15.73%
	1	\$9.84	\$12.55	27.54%
	1 1/2	\$12.92	\$18.29	41.56%
	2	\$15.58	\$23.27	49.36%
	3	\$19.07	\$29.77	56.11%
	4	\$25.84	\$42.40	64.09%
	6	\$40.82	\$70.35	72.34%
	8 & up	\$66.87	\$118.96	77.90%
Monthly	5/8 & 3/4	\$6.83	\$6.94	1.61%
	1	\$7.38	\$7.96	7.86%
	1 1/2	\$8.40	\$9.87	17.50%
	2	\$9.29	\$11.53	24.11%
	3	\$10.46	\$13.70	30.98%
	4	\$12.71	\$17.91	40.91%
	6	\$17.70	\$27.22	53.79%
	8 & up	\$26.39	\$43.43	64.57%
<u>Fire Service (per quarter)</u>				
Public	/hydrant	\$118.39	\$128.83	8.82%
	/bill	\$6.15	\$5.66	-7.97%
Private (per quarter)				
	4 in	\$51.67	\$51.49	-0.35%
	6 in	\$135.98	\$138.78	2.06%
	8 in	\$280.57	\$289.35	3.13%
	10 in	\$500.15	\$515.83	3.14%
	12 in	\$803.32	\$829.72	3.29%
	hydrant	\$135.98	\$138.78	2.06%

IMPACT OF PROPOSED RATES

METER SIZE	QUARTERLY USE - CU FT	CURRENT RATES	<----- PROPOSED ----->		
			NEW BILL	\$ INCREASE	% INCREASE
Small					
5/8	2,000	\$84.00	\$102.35	\$18.35	21.8%
5/8	2,500	\$102.95	\$125.57	\$22.62	22.0%
5/8	2,730	\$111.67	\$136.24	\$24.58	22.0%
5/8	3,500	\$140.85	\$172.00	\$31.15	22.1%
5/8	4,000	\$159.80	\$195.21	\$35.41	22.2%
5/8	5,000	\$197.70	\$241.64	\$43.94	22.2%
5/8	6,000	\$235.60	\$288.07	\$52.47	22.3%
5/8	6,666	\$260.84	\$318.99	\$58.15	22.3%
5/8	8,000	\$311.40	\$380.93	\$69.53	22.3%
5/8	10,000	\$387.20	\$473.79	\$86.59	22.4%
5/8	12,000	\$463.00	\$566.65	\$103.65	22.4%
5/8	14,000	\$538.80	\$659.51	\$120.71	22.4%
5/8	15,000	\$576.70	\$705.94	\$129.24	22.4%
5/8	20,000	\$766.20	\$938.09	\$171.89	22.4%
5/8	25,000	\$955.70	\$1,170.24	\$214.54	22.4%
1	30,000	\$1,146.84	\$1,405.45	\$258.61	22.5%
1	40,000	\$1,525.84	\$1,869.75	\$343.91	22.5%
1	46,666	\$1,778.48	\$2,179.25	\$400.77	22.5%
1	75,000	\$2,852.34	\$3,494.80	\$642.46	22.5%
2	100,000	\$3,805.58	\$4,666.27	\$860.69	22.6%
2	200,000	\$7,595.58	\$9,309.27	\$1,713.69	22.6%
2	300,000	\$11,385.58	\$13,952.27	\$2,566.69	22.5%
2	400,000	\$15,175.58	\$18,595.27	\$3,419.69	22.5%
2	600,000	\$22,755.58	\$27,881.27	\$5,125.69	22.5%
Medium					
3	200,000	\$6,439.07	\$7,943.77	\$1,504.70	23.4%
3	400,000	\$12,859.07	\$15,857.77	\$2,998.70	23.3%
3	600,000	\$19,279.07	\$23,771.77	\$4,492.70	23.3%
4	800,000	\$25,705.84	\$31,698.40	\$5,992.56	23.3%
4	1,000,000	\$32,125.84	\$39,612.40	\$7,486.56	23.3%
4	1,200,000	\$38,545.84	\$47,526.40	\$8,980.56	23.3%
Large					
6	400,000	\$10,924.82	\$13,562.35	\$2,637.53	24.1%
6	600,000	\$16,366.82	\$20,308.35	\$3,941.53	24.1%
6	800,000	\$21,808.82	\$27,054.35	\$5,245.53	24.1%
6	1,200,000	\$32,692.82	\$40,546.35	\$7,853.53	24.0%
6	1,333,333	\$36,320.81	\$45,043.67	\$8,722.86	24.0%
8	2,000,000	\$54,486.87	\$67,578.96	\$13,092.09	24.0%
8	5,000,000	\$136,116.87	\$168,768.96	\$32,652.09	24.0%
8	10,000,000	\$272,166.87	\$337,418.96	\$65,252.09	24.0%
8	24,000,000	\$653,106.87	\$809,638.96	\$156,532.09	24.0%
Municipal Fire Service	300 hydrants	\$35,523.15	\$38,654.66	\$3,131.51	8.8%
Private Fire Service	6 Inch Service	\$135.98	\$138.78	\$2.80	2.1%

REVENUE RECONCILIATION

Service Charge:		<----- Current ----->		<----- Proposed ----->	
<u>Quarterly</u>	<u>Number</u>	<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue</u>
5/8 & 3/4	88,584	\$8.20	\$726,389	\$9.49	\$840,662
1	14,292	\$9.84	\$140,633	\$12.55	\$179,365
1 1/2	1,280	\$12.92	\$16,538	\$18.29	\$23,411
2	2,120	\$15.58	\$33,030	\$23.27	\$49,332
3	76	\$19.07	\$1,449	\$29.77	\$2,263
4	288	\$25.84	\$7,442	\$42.40	\$12,211
6	304	\$40.82	\$12,409	\$70.35	\$21,386
8 & up	244	\$66.87	\$16,316	\$118.96	\$29,026
Monthly					
5/8 & 3/4	24	\$6.83	\$164	\$6.94	\$167
1	12	\$7.38	\$89	\$7.96	\$96
1 1/2	96	\$8.40	\$806	\$9.87	\$948
2	144	\$9.29	\$1,338	\$11.53	\$1,660
3	0	\$10.46	\$0	\$13.70	\$0
4	72	\$12.71	\$915	\$17.91	\$1,290
6	72	\$17.70	\$1,274	\$27.22	\$1,960
8 & up	48	\$26.39	\$1,267	\$43.43	\$2,085
Consumption Charge: 100/cu.ft.					
Proposed					
Small (5/8-2" meters)	3,340,276	\$3.79	\$12,659,645	\$4.64	\$15,508,900
Medium (3&4" meters)	129,867	\$3.21	\$416,873	\$3.96	\$513,883
Large (6" & up meters)	260,293	\$2.72	\$708,258	\$3.37	\$877,970
Fire Protection:					
Public Hydrants	2,336	\$473.56	\$1,106,236	\$515.32	\$1,203,788
# bills	52	\$6.15	\$320	\$5.66	\$294
Private Fire Protection					
4 in	15	\$206.68	\$3,100	\$205.96	\$3,089
6 in	104	\$543.92	\$56,568	\$555.12	\$57,732
8 in	27	\$1,122.28	\$30,302	\$1,157.40	\$31,250
10 in	1	\$2,000.60	\$2,001	\$2,063.32	\$2,063
12 in	1	\$3,213.28	\$3,213	\$3,318.88	\$3,319
hydrant	148	\$543.92	\$80,500	\$555.12	\$82,158
			=====		
Total			\$16,027,075		\$19,450,307
Plus: Misc Revenues			\$347,912		\$347,912
			=====		
Pro Forma Revenue			\$16,374,987		\$19,798,220
Required Revenue			\$19,798,031		\$19,798,031
Difference			-3,423,044		189
					0.00%
Increase in Revenues					\$3,423,233
Increase in Rate Revenues					\$3,423,233
Percent Increase in Total Revenues					20.91%
Percent increase in Rate Revenues					21.36%

SUMMARY OF COST OF SERVICE

	<u>Test Year</u>	<u>Adjustments</u>	<u>Rate Year</u>
Revenues			
Service Charges	\$960,059	\$205,802	\$1,165,861
Metered Rates	\$13,784,776	\$3,115,977	\$16,900,753
Fire Protection	\$1,282,239	\$101,454	\$1,383,693
Miscellaneous	<u>\$347,912</u>	<u>\$0</u>	<u>\$347,912</u>
<i>Total Revenue</i>	\$16,374,987	\$3,423,233	\$19,798,220
Expenses			
<u>O&M</u>			
Supply	\$3,658,536	\$614,382	\$4,272,918
Pumping	\$667,868	\$111,111	\$778,979
Treatment	\$207,829	\$132,547	\$340,376
T&D	\$1,409,859	(\$170,061)	\$1,239,798
Customer	\$286,602	\$17,748	\$304,350
Admin	<u>\$2,054,697</u>	<u>\$223,763</u>	<u>\$2,278,459</u>
Total O&M	\$8,285,390	\$929,490	\$9,214,881
<u>Fixed Charges</u>			
Debt Service	\$3,901,944	\$30,375	\$3,932,319
Reserves and Coverage	\$0	\$393,620	\$393,620
Renewal & Replacement	\$100,000	\$0	\$100,000
Infrastructure Replacement	\$4,004,478	\$1,395,522	\$5,400,000
Payroll Taxes	\$138,876	\$11,899	\$150,775
PILOT	<u>\$23,123</u>	<u>\$0</u>	<u>\$23,123</u>
Total Fixed	\$8,168,421	\$1,831,416	\$9,999,837
<u>Operating Revenue</u>	<u>\$0</u>	<u>\$583,313</u>	<u>\$583,313</u>
<i>Total Expenses</i>	\$16,453,811	\$3,344,219	\$19,798,031