

TEST YEAR & RATE YEAR EXPENSES

Expense Item	Test Year FY 2009	Summary of Adjustments	Rate Year CY 2011	Adjustments Detail		
				Labor & Related Items	Other Adjustments	Supporting Schedule
ADMINISTRATION						
Salaries & Wages - (601)	\$663,308	\$28,933	\$692,241	\$28,933	\$0	R. Benson
Salaries & Wages - Payroll Taxes	\$46,207	-\$36,363	\$9,844	-\$36,363	\$0	R. Benson
Employee Pensions & Benefits (604)	\$397,790	-\$158,118	\$239,672	-\$158,118	\$0	R. Benson
Workers Comp	\$0	\$8,768	\$8,768	\$8,768	\$0	R. Benson
Materials and Supplies (Account 620)	\$35,904	\$2,272	\$38,176	\$0	\$2,272	Sch. 1.1 (i)
Contractual Services - Legal (Account 633)	\$77,487	\$4,902	\$82,389	\$0	\$4,902	Sch. 1.1 (i)
Contractual Services - Mgt. Fees (634) City Chg	\$197,281	\$12,482	\$209,763	\$0	\$12,482	Sch. 1.1 (i)
Contractual Services - Other (Account 635)	\$8,266	\$523	\$8,789	\$0	\$523	Sch. 1.1 (i)
Rental of Equipment (Account 642)	\$7,128	\$451	\$7,579	\$0	\$451	Sch. 1.1 (i)
Transportation Expenses (Account 650)	\$15,749	\$996	\$16,745	\$0	\$996	Sch. 1.1 (i)
Insurance - General Liability (Account 657)	\$192,883	\$12,203	\$205,086	\$0	\$12,203	Sch. 1.1 (i)
Insurance - Worker's Compensation (658)	\$14,600	\$924	\$15,524	\$0	\$924	Sch. 1.1 (i)
Insurance - Other (Account 659)	\$14,740	\$933	\$15,673	\$0	\$933	Sch. 1.1 (i)
Regulatory Com Expense - Other (667)	\$52,222	\$3,304	\$55,526	\$0	\$3,304	Sch. 1.1
Reg Com Exp - Amort of Rate Case Exp (666)	\$177,737	-\$77,737	\$100,000	\$0	-\$77,737	Sch. 1.1
Miscellaneous Expense (Account 675)	\$38,319	\$2,424	\$40,743	\$0	\$2,424	Sch. 1.1 (i)
Other -pba fees	\$0	\$0	\$0	\$0	\$0	Sch. 1.1 (i)
Education Training	\$4,879	\$309	\$5,188	\$0	\$309	Sch. 1.1 (i)
Maint of Misc Plant	\$30,215	\$1,912	\$32,127	\$0	\$1,912	Sch. 1.1 (i)
Purchased Power	\$50,521	\$1,066	\$51,587	\$0	\$1,066	Sch. 1.1
Other Utilities	\$47,487	\$3,004	\$50,491	\$0	\$3,004	Sch. 1.1 (i)
Printing	\$9,140	\$578	\$9,718	\$0	\$578	Sch. 1.1 (i)
Postage	\$7,288	\$461	\$7,749	\$0	\$461	Sch. 1.1 (i)
Subtotal - Admin	\$2,089,151	-\$185,773	\$1,903,378	-\$156,780	-\$28,993	
CUSTOMER ACCOUNTS						
Salary & Wages - Cust Ser	\$166,842	\$29,978	\$196,820	\$29,978	\$0	R. Benson
Salary & Wages - Meter	\$383,635	-\$2,864	\$380,771	-\$2,864	\$0	R. Benson
Salary & Wages Payroll Tx(CS)	\$12,456	-\$9,667	\$2,789	-\$9,667	\$0	R. Benson
Salary & Wages Payroll Tx (Meters)	\$29,310	-\$23,952	\$5,358	-\$23,952	\$0	R. Benson
Empl Pensions & Benefits (Cust Ser)	\$53,516	\$24,093	\$77,609	\$24,093	\$0	R. Benson
Empl Pensions & Benefits (Meters)	\$175,506	-\$9,374	\$166,132	-\$9,374	\$0	R. Benson
Matls & Supp (Cust Serv)	\$2,446	\$155	\$2,601	\$0	\$155	Sch. 1.1 (i)
Matls & Supp (Meters)	\$6,990	\$442	\$7,432	\$0	\$442	Sch. 1.1 (i)
Contractual Services - Other - [Cust. Svc.] (Account 63)	\$15,278	\$967	\$16,245	\$0	\$967	Sch. 1.1 (i)
Rental of Equipment (Account 642)	\$498	\$32	\$530	\$0	\$32	Sch. 1.1 (i)
Workers Comp - Cust Serv	\$1,040	-\$137	\$903	-\$137	\$0	R. Benson
Workers Comp - Meters	\$0	\$21,658	\$21,658	\$21,658	\$0	R. Benson
Transportation Expenses - [Cust svc.] (Account 650)	\$3,808	\$241	\$4,049	\$0	\$241	Sch. 1.1 (i)
Transportation Expenses - [Meter] (Account 650)	\$9,004	\$570	\$9,574	\$0	\$570	Sch. 1.1 (i)
Bad Debt Expense (Account 670)	\$6,885	\$436	\$7,321	\$0	\$436	Sch. 1.1 (i)
Miscellaneous Expense - [Cust. Svc.] (Account 675)	\$306	\$19	\$325	\$0	\$19	Sch. 1.1 (i)
Miscellaneous Expense - [Meter] (Account 675)	\$641	\$41	\$682	\$0	\$41	Sch. 1.1 (i)
Education Training - [Cust. Svc.]	\$2,029	\$128	\$2,157	\$0	\$128	Sch. 1.1 (i)
Education Training - [Meter]	\$590	\$37	\$627	\$0	\$37	Sch. 1.1 (i)
Repairs & Maintenance - general	\$89	\$6	\$95	\$0	\$6	Sch. 1.1 (i)
Repairs & Maintenance - meters	\$0	\$0	\$0	\$0	\$0	Sch. 1.1 (i)
Other Utilities - [Cust. Svc.]	\$2,479	\$157	\$2,636	\$0	\$157	Sch. 1.1 (i)
Other Utilities - [Meter]	\$4,491	\$284	\$4,775	\$0	\$284	Sch. 1.1 (i)
Printing - [Cust. Svc.]	\$21,141	\$42,282	\$63,423	\$0	\$42,282	Sch. 1.1
Printing - [Meter]	\$0	\$0	\$0	\$0	\$0	Sch. 1.1 (i)
Postage--[Cust. Svc.]	\$33,593	\$67,186	\$100,779	\$0	\$67,186	Sch. 1.1
Subtotal - Customer Accts	\$932,573	\$142,716	\$1,075,289	\$29,735	\$112,982	

TEST YEAR & RATE YEAR EXPENSES

<u>Expense Item</u>	Test Year FY 2009	Summary of Adjustments	Rate Year CY 2011	<----- Adjustments Detail ----->		
				Labor Increase	Other Adjustments	Supporting Schedule
<u>SOURCE OF SUPPLY</u>						
Salaries & Wages - (601)	\$119,412	-\$5,508	\$113,904	-\$5,508	\$0	R. Benson
Salaries & Wages - Payroll Taxes	\$13,001	-\$11,393	\$1,608	-\$11,393	\$0	R. Benson
Employee Pensions & Benefits (604)	\$41,938	\$8,178	\$50,116	\$8,178	\$0	R. Benson
Workers Comp	\$0	\$8,767	\$8,767	\$8,767	\$0	R. Benson
Purchased Power (Account 615)	\$24,682	\$79	\$24,761	\$0	\$79	Sch. 1.1
Materials and Supplies (Account 620)	\$2,328	\$147	\$2,475	\$0	\$147	Sch. 1.1 (i)
Transportation Expenses (Account 650)	\$3,960	\$251	\$4,211	\$0	\$251	Sch. 1.1 (i)
Miscellaneous Expense (Account 675)	\$706	\$45	\$751	\$0	\$45	Sch. 1.1 (i)
Security Service	\$80,815	\$5,113	\$85,928	\$0	\$5,113	Sch. 1.1 (i)
Education Training	\$512	\$32	\$544	\$0	\$32	Sch. 1.1 (i)
Maint of Misc Plant	\$73,043	\$4,621	\$77,664	\$0	\$4,621	Sch. 1.1 (i)
Other Utilities	\$2,438	\$154	\$2,592	\$0	\$154	Sch. 1.1 (i)
Subtotal - Supply	\$362,835	\$10,488	\$373,323	\$45	\$10,443	
<u>PURIFICATION</u>						
DBO O&M Contract	\$1,401,732	\$348,195	\$1,749,927	\$0	\$348,195	Sch. 1.1
Purchased Power (Account 615)	\$997,736	\$17,295	\$1,015,031	\$0	\$17,295	Sch. 1.1
Other Utilities	\$8,172	\$0	\$8,172	\$0	\$0	
Subtotal - Purification	\$2,407,640	\$365,490	\$2,773,130	\$0	\$365,490	

TEST YEAR & RATE YEAR EXPENSES

<u>Expense Item</u>	Test Year FY 2009	Summary of Adjustments	Rate Year CY 2011	<----- Adjustments Detail ----->		
				Labor Increase	Other Adjustments	Supporting Schedule
<u>TRANSMISSION & DISTRIBUTION</u>						
Salaries & Wages - (601)	\$913,732	\$45,718	\$959,450	\$45,718	\$0	R. Benson
Salaries & Wages -[Engineering] (601)	\$346,035	\$78,906	\$424,941	\$78,906	\$0	R. Benson
Salaries & Wages - Payroll Taxes -	\$66,292	-\$52,739	\$13,553	-\$52,739	\$0	R. Benson
Salaries & Wages - Payroll Taxes - [Engineering]	\$28,572	-\$22,541	\$6,031	-\$22,541	\$0	R. Benson
Salaries & Wages - Police Details	\$44,220	\$2,798	\$47,018	\$0	\$2,798	Sch. 1.1 (i)
Employee Pensions & Benefits - (604)	\$363,438	\$18,140	\$381,578	\$18,140	\$0	R. Benson
Employee Pensions & Benefits - [Engineering] (604)	\$118,824	\$35,366	\$154,190	\$35,366	\$0	R. Benson
Materials and Supplies - (Account 620)	\$36,005	\$2,278	\$38,283	\$0	\$2,278	Sch. 1.1 (i)
Materials and Supplies - [Engineering] (Account 620)	\$17,196	\$1,088	\$18,284	\$0	\$1,088	Sch. 1.1 (i)
Rental of Equipment (Account 642)	\$2,766	\$175	\$2,941	\$0	\$175	Sch. 1.1 (i)
Rental of Equipment - [Engineering] (Account 642)	\$680	\$43	\$723	\$0	\$43	Sch. 1.1 (i)
Transportation Expenses - (Account 650)	\$36,695	\$2,322	\$39,017	\$0	\$2,322	Sch. 1.1 (i)
Transportation Expenses - [Engineering](Account 650)	\$8,090	\$512	\$8,602	\$0	\$512	Sch. 1.1 (i)
Workers Comp T&D	\$91,583	-\$23,787	\$67,796	-\$23,787	\$0	R. Benson
Workers Comp - Engineering	\$782	\$20,798	\$21,580	\$20,798	\$0	R. Benson
Miscellaneous Expense - (Account 675)	\$10,239	\$648	\$10,887	\$0	\$648	Sch. 1.1 (i)
Miscellaneous Expense - [Engineering] (Account 675)	\$390	\$25	\$415	\$0	\$25	Sch. 1.1 (i)
Education Training	\$1,698	\$107	\$1,805	\$0	\$107	Sch. 1.1 (i)
Education Training - [Engineering]	\$602	\$38	\$640	\$0	\$38	Sch. 1.1 (i)
Repairs & Maintenance - general	\$3,180	\$201	\$3,381	\$0	\$201	Sch. 1.1 (i)
Repairs & Maintenance - T&D	\$15,227	\$963	\$16,190	\$0	\$963	Sch. 1.1 (i)
Repairs & Maintenance - fire services	\$2,429	\$154	\$2,583	\$0	\$154	Sch. 1.1 (i)
Repairs & Maintenance - services	\$11,723	\$742	\$12,465	\$0	\$742	Sch. 1.1 (i)
Repairs & Maintenance - Hydrants	\$8,428	\$533	\$8,961	\$0	\$533	Sch. 1.1 (i)
Road surface restoration	\$0	\$0	\$0	\$0	\$0	Sch. 1.1 (i)
Repairs & Maintenance - general	\$0	\$0	\$0	\$0	\$0	Sch. 1.1 (i)
Purchased Power	\$17,551	\$429	\$17,980	\$0	\$429	Sch. 1.1
Other Utilities	\$14,756	\$934	\$15,690	\$0	\$934	Sch. 1.1 (i)
Other Utilities - [Engineering]	\$6,378	\$404	\$6,782	\$0	\$404	Sch. 1.1 (i)
Printing	\$0	\$0	\$0	\$0	\$0	Sch. 1.1 (i)
Postage--[Engineering]	\$750	\$47	\$797	\$0	\$47	Sch. 1.1 (i)
Subtotal - T&D	\$2,168,261	\$114,300	\$2,282,561	\$99,861	\$14,440	

TEST YEAR & RATE YEAR EXPENSES

<u>Expense Item</u>	<u>Test Year FY 2009</u>	<u>Summary of Adjustments</u>	<u>Rate Year CY 2011</u>	<u><----- Adjustments Detail -----></u>		
				<u>Labor Increase</u>	<u>Other Adjustments</u>	<u>Supporting Schedule</u>
CAPITAL EXPENSE						
Property Taxes						
Source of Supply	\$413,892	\$31,746	\$445,638	\$0	\$31,746	Sch. 1.1
Treatment-Pumping	\$0	\$0	\$0	\$0	\$0	Sch. 1.1
Treatment-Purification	\$86,449	\$6,631	\$93,080	\$0	\$6,631	Sch. 1.1
Trans & Distrib	\$295,830	\$22,690	\$318,521	\$0	\$22,690	Sch. 1.1
Rental Property	\$0	\$0	\$0	\$0	\$0	Sch. 1.1
Restrict. Bond Principal & Interest	\$6,688,543	\$721,311	\$7,409,854	\$0	\$721,311	Sch. 1.1
Leases	\$149,781	-\$149,781	\$0	\$0	-\$149,781	Sch. 1.1
IFR	\$3,100,000	-\$600,000	\$2,500,000	\$0	-\$600,000	Sch. 1.1
CF Franchise Fee	\$0	\$0	\$0	\$0	\$0	Sch. 1.1
Calgon Royalties Fund	\$0	\$0	\$0	\$0	\$0	Sch. 1.1
CF System Fund	\$0	\$0	\$0	\$0	\$0	included T&D
Trustee Fees	\$273,894	\$107,324	\$381,218	\$0	\$107,324	Sch. 1.1
O&M Reserve Deposit	\$0	\$0	\$0	\$0	\$0	Sch. 1.1
Subtotal - Capital	<u>\$11,008,389</u>	<u>\$139,921</u>	<u>\$11,148,309</u>	<u>\$0</u>	<u>\$139,921</u>	
TOTAL EXPENSES	\$18,968,849	\$587,142	\$19,555,991	-\$27,140	\$614,282	
PLUS: Rev. Stabiliz./Oper. Rev. Allowance	\$0	\$289,223	\$289,223			Sch. 1.1
LESS: Service Instal Revenue	-\$67,479	\$0	-\$67,479			see DGB-1
LESS: State Surcharge Revenue	-\$50,602	\$2,881	-\$47,721		\$2,881	Sch. 1.1
LESS: Penalties	-\$104,415	\$0	-\$104,415			see DGB-1
LESS: Cumberland Tax Reduction	-\$200,000	\$200,000	\$0		\$200,000	Sch. 1.1
LESS: Non-Operating Rental	-\$22,065	\$0	-\$22,065			see DGB-1
LESS: Interest Income	-\$253	\$0	-\$253			see DGB-1
LESS: Misc Non-Operating	-\$31,537		-\$31,537			see DGB-2
LESS: Gain/Loss Disposal Property	-\$987	\$0	-\$987			see DGB-3
REQUIRED FROM RATES	\$18,491,511	\$1,079,246	\$19,570,757	-\$27,140	\$817,163	

DETAILS OF ADJUSTMENTS TO TEST YEAR EXPENSES

Capital Requirements

Property Taxes

Property taxes were increased 3% per year for 2.5 years or 7.67% over 2.5 years

Debt Service

Projected Debt is as follows:

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
<i>Existing Revenue Bonds</i>					
Principal (& sinking fund)	\$3,142,000	\$3,214,768	\$3,460,970	\$ 3,549,274	\$ 3,646,346
Interest	<u>\$3,300,560</u>	<u>\$3,301,020</u>	<u>\$3,304,745</u>	<u>\$ 3,232,947</u>	<u>\$ 3,150,136</u>
Total	\$6,442,560	\$6,515,788	\$6,765,715	\$6,782,221	\$6,796,482
<i>Projected Revenue Bonds (2 issues: Aug 2010 - 7.485 mill. Aug 2011 - \$6.165 mill)</i>					
Principal	<u>\$0</u>	<u>\$0</u>	\$276,000	\$507,000	\$ 516,000
Interest	<u>\$0</u>	<u>\$55,121</u>	<u>\$268,246</u>	<u>\$418,012</u>	<u>\$ 423,574</u>
Total	\$0	\$55,121	\$544,246	\$925,012	\$939,574
<i>Existing General Obligation Bonds</i>					
Principal	\$208,667	\$216,930	\$74,027	\$76,632	\$79,020
Interest	<u>\$41,119</u>	<u>\$32,064</u>	<u>\$25,865</u>	<u>\$22,651</u>	<u>\$19,221</u>
Total	\$249,786	\$248,993	\$99,892	\$99,283	\$98,241
<i>Total All Bonds</i>	\$6,692,346	\$6,819,902	\$7,409,854	\$7,806,515	\$7,834,296

Trustee Fees

	<u>Estim RY</u>
Bank of New York Trustees Fees 7 @ \$2,500	\$ 17,500
US Bank Admin Fess	\$ 3,250
Partridge, Hahn & Snow Legal Fees - Annual Disclosure filing	\$ 2,000
Amtec Annual Arbitrage Services	<u>\$ 600</u>
Subtotal	\$23,350
RI CWFA Fees	\$ 357,868
Total Trustee Fees	<u>\$ 381,218</u>

Capital Leases

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>
Principal	\$139,364	\$144,478	<u>\$0</u>
Interest	<u>\$10,417</u>	<u>\$5,302</u>	<u>\$0</u>
Total	\$149,781	\$149,781	\$0
For Rate Year Use			\$0

IFR - PAYGO

Rate Year
\$2,500,000

O&M Reserve Requirement

Rate Year O&M =	\$9,264,919 (Operating Costs plus Property Taxes)
Required Level (25%)	\$2,316,230
Balance 6/30/09	\$2,707,697
Estimated Additions	<u>\$0</u>
Estimated Balance 12/30/10	\$2,707,697
Rate Year Addition =	\$0

Operating Costs

DBO Contract

	<u>New WTP</u>
Annual Contract 2/08-2/09	\$1,612,792
Annual Contract 2/09 - 2/10	\$1,710,819
Rate Year Estimate	<u>\$1,749,927</u>
Increase over Test Year	\$348,195

Customer Accounts Postage and Bill Printing

With the proposed change from quarterly to monthly billing, the postage and printing costs in Customer Accounts were tripled from the Test Year.

DETAILS OF ADJUSTMENTS TO TEST YEAR EXPENSES

Inflation Adjustments

Indicated items were increased for inflation based on GDP as published by Bureau of Economic Ana 2.48% per year
Inflation for 2.5 yrs 6.33%

Power Costs

		<u>CY 2009</u>	<u>Adjustment **</u>	<u>Rate Year</u>	
<u>Administration</u>					
	Delivery	\$ 21,186	\$ 1,066	\$ 22,252	
	Supply	\$ 29,335	\$ -	\$ 29,335	
	Total	\$ 50,521	\$ 1,066	\$ 51,587	
<u>Source of Supply</u>					
	Delivery	\$ 1,578	\$ 79	\$ 1,658	
	Supply	\$ 1,864	\$ -	\$ 1,864	
	Total	\$ 3,442	\$ 79	\$ 3,522	
<u>Purification *</u>					
	Delivery	\$ 343,822	\$ 17,295	\$ 361,118	
	Supply	\$ 890,721	\$ -	\$ 890,721	
	Total	\$ 1,234,543	\$ 17,295	\$ 1,251,838	
<u>T&D</u>					
	Delivery	\$ 6,779	\$ 429	\$ 7,208	
	Supply	\$ 10,772	\$ -	\$ 10,772	
	Total	\$ 17,551	\$ 429	\$ 17,980	\$ 1,324,927

* Reflects adjustment for contract maximum

Delivery	\$ (80,118)
Supply	\$ (212,771)
Total	\$ (292,889)

** No increase to supply, Delivery costs increased annually (2 yrs) t 2.5%

Cumberland Tax Credit

This credit was applied to older tax bills and is removed in the rate year.

Regulatory Expenses

1. Rate Case Estimated Rate Year

Rate Case Costs (estim)	\$200,000
Spread over 2 yrs	\$100,000
Other	\$0
Total Rate Year	\$100,000
Test Year	\$177,737
Adjustment	-\$77,737

2. PUC Fee - Admin

FY 2009 Fee	\$52,222
Increase (2.5 yr inflation)	\$3,304
Total Rate Year	\$55,526
Test Year	\$52,222
Adjustment	\$3,304

State Surcharge Revenues

	<u>Hcf/yr</u>		<u>Rate/hcf</u>		<u>Revenue</u>
Resid. Sales (92%)	2,402,594	\$	0.015	\$	36,039
Non-Resid. Sales	778,822	\$	0.015	\$	11,682
Totals				\$	47,721

Revenue Stabilization / Operating Revenue Allowance

See testimony of C. Woodcock. An operating reserve allowance of 1.5% on total revenues is requested in this case.

UNITS OF SERVICE**METERS**

<u>Meter Size</u>	<u>Test Year</u>		<u>Rate Year</u>		<u>Total</u>	<u>Equiv Factor</u>	<u># of Equivs</u>
	<u>Quarterly</u>	<u>Monthly</u>	<u>Quarterly</u>	<u>Monthly</u>			
5/8	21,516	11	0	21,527	21,527	1.00	21,527
3/4	255	4	0	259	259	1.39	359
1	487	11	0	498	498	2.00	996
1 1/2	222	5	0	227	227	4.07	924
2	356	43	0	399	399	5.29	2,109
3	12	12	0	24	24	6.00	144
4	6	6	0	12	12	14.00	168
6	1	5	0	6	6	21.00	126
8	0	0	0	0	0	30.00	0
	=====	=====	=====	=====	=====		=====
Totals	22,855	97	0	22,952	22,952		26,353

PUBLIC FIRE HYDRANTS

	<u>Test Year</u>	<u>Adjustments</u>	<u>Rate Year</u>
Pawtucket	1,515	-2	1,513
Central Falls	202	0	202
Valley Falls & Attleboro	199	1	200
Totals	1,916	-1	1,915

PRIVATE FIRE SERVICE

<u>Size</u>	<u>Test Year</u>	<u>Adjustments</u>	<u>Rate Year</u>	<u>Equiv Factor *</u>	<u># of Equivs</u>
2	26	2	28	4.07	114
4	49	6	55	6.00	330
6	392	13	405	14.00	5,670
8	90	-1	89	21.00	1,869
10	4	-1	3	21.00	63
12	2	0	2	21.00	42
Total	563	19	582		8,088

* one size down to equate to meter equivalent

UNITS OF SERVICE**METERED WATER USE (ccf/year)**

<u>Class</u>	<u>Test Year</u>	<u>Adjustments</u>	<u>Rate Year</u>
Small (5/8 - 1")	2,773,813	-209,225	2,564,588
Medium (1.5 - 2" & By pass)	640,780	-38,925	601,855
Large (3" and up)	265,983	-42,089	223,894
Total	3,680,576	-290,239	3,390,337

Wholesale

Cumberland	578,899	-19,442	559,457 (based on FY 10)
Seekonk	<u>0</u>	<u>0</u>	<u>0</u>
Total	578,899	-19,442	559,457

Miles of Mains

<u>Size</u>	<u>Miles</u>	<u>Inch-Miles</u>	
Service Pipes	204.31		
2	0.84	1.7	
4	1.42	5.7	
6	106.47	638.8	
8	83.01	664.1	
10	1.61	16.1	
12	49.78	597.4	82.1%
16	4.24	67.8	
20	9.13	182.6	
24	6.16	147.8	
30	0.10	3.0	
36	0.53	19.1	17.9%
Totals	467.60	2,344	

Historic and Projected Water Sales (hcf/year)**Cycles 1-6 & 12 Residential**

	Actual						Projected*			
	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>CY 2011</u>
Small (5/8 - 1")	2,991,934	2,991,054	2,996,684	2,782,513	2,837,162	2,681,400	2,591,161	2,519,385	2,449,598	2,484,491
Medium (1.5" & 2")	98,069	101,848	109,829	104,006	148,091	126,803	116,710	121,982	127,493	124,737
Large (3" and up)	-	-	-	-	1,850	-	2,286	2,286	2,286	2,286
Subtotal Residential	3,090,003	3,092,902	3,106,513	2,886,519	2,987,103	2,808,203	2,710,157	2,643,653	2,579,376	2,611,515

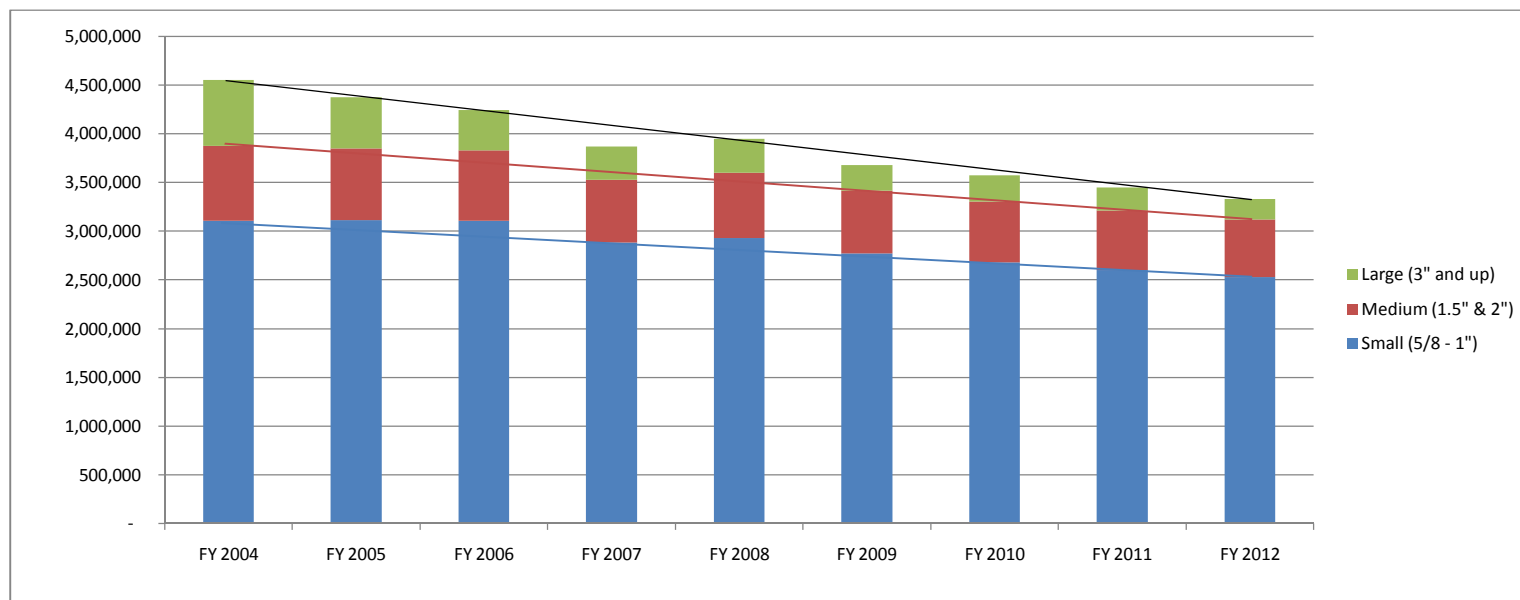
Cycles 7 & 11 Commercial

Small (5/8 - 1")	111,715	120,900	107,110	101,363	90,608	92,413	87,916	82,596	77,598	80,097
Medium (1.5" & 2")	672,576	637,335	616,348	537,269	524,596	513,977	509,359	487,554	466,682	477,118
Large (3" and up)	677,607	524,493	415,228	343,222	343,905	265,983	267,842	235,736	207,479	221,608
Subtotal Commercial	1,461,898	1,282,728	1,138,686	981,854	959,109	872,373	865,117	805,886	751,759	778,822

Totals

Small (5/8 - 1")	3,103,649	3,111,954	3,103,794	2,883,876	2,927,770	2,773,813	2,679,077	2,601,981	2,527,196	2,564,588
Medium (1.5" & 2")	770,645	739,183	726,177	641,275	672,687	640,780	626,069	609,536	594,174	601,855
Large (3" and up)	677,607	524,493	415,228	343,222	345,755	265,983	270,128	238,022	209,765	223,894
Subtotal Retail	4,551,901	4,375,630	4,245,199	3,868,373	3,946,212	3,680,576	3,575,274	3,449,539	3,331,135	3,390,337

* Note: Projections for FY 2011 - FY 2012 based on average annual changes from FY 2005 - FY 2010 for each class.



UNITS OF SERVICE - DEMAND FACTORS

	<u>BASE</u>		<u>Demand Factor</u>	<u>MAXIMUM DAY</u>		<u>Demand Factor</u>	<u>PEAK HOUR</u>		Equivalent Meters & Services	Bills
	<u>Annual Use</u> <u>ccf/year</u>	<u>Average Day</u> <u>ccf/day</u>		<u>Maximum Day</u> <u>ccf/day</u>	<u>Extra Capacity</u> <u>ccf/day</u>		<u>Maximum Hour</u> <u>ccf/day</u>	<u>Extra Capacity</u> <u>ccf/day</u>		
<u>Inside - Retail</u>										
Small (5/8 - 1")	2,564,588	7,026	2.50	17,566	10,539	3.50	24,592	7,026	22,882	267,408
Medium (1.5 - 2" & By p	601,855	1,649	2.00	3,298	1,649	3.00	4,947	1,649	3,033	7,512
Large (3" and up)	223,894	613	1.80	1,104	491	2.50	1,534	429	438	504
Fire Protection	6,000 gal/min for 6 hours per Docket 3193			2,888	2,888		11,551	8,663		0
<u>Wholesale</u>										
Cumberland	559,457	1,533	2.50	3,832	2,299	3.50	5,365	1,533		
Seekonk	0	0	2.50	0	0	3.50	0	0		
Totals	3,949,794	10,821		28,687	17,866		47,988	19,300	26,353	275,424

ALLOCATION OF RATE YEAR EXPENSES TO COST COMPONENTS

<u>EXPENSE ITEM</u>	<u>PRO FORMA</u>	<u>ALLOC.</u>						
	<u>EXPENSE</u>	<u>SYMBOL (1)</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
<u>ADMINISTRATION</u>								
Salaries & Wages - (601)	\$692,241	L-M	\$625,298	\$25,115	\$9,511	\$0	\$0	\$32,315
Salaries & Wages - Payroll Taxes	\$9,844	L-M	\$8,892	\$357	\$135	\$0	\$0	\$460
Employee Pensions & Benefits (604)	\$239,672	L-M	\$216,495	\$8,696	\$3,293	\$0	\$0	\$11,188
Workers Comp	\$8,768	L-M	\$7,920	\$318	\$120	\$0	\$0	\$409
Materials and Supplies (Account 620)	\$38,176	E-M	\$31,037	\$5,864	\$286	\$0	\$0	\$989
Contractual Services - Legal (Account 634)	\$82,389	E-M	\$66,983	\$12,654	\$618	\$0	\$0	\$2,134
Contractual Services - Mgt. Fees (634)	\$209,763	E-M	\$170,537	\$32,218	\$1,573	\$0	\$0	\$5,434
Contractual Services - Other (Account 634)	\$8,789	E-M	\$7,145	\$1,350	\$66	\$0	\$0	\$228
Rental of Equipment (Account 642)	\$7,579	E-M	\$6,162	\$1,164	\$57	\$0	\$0	\$196
Transportation Expenses (Account 650)	\$16,745	E-M	\$13,614	\$2,572	\$126	\$0	\$0	\$434
Insurance - General Liability (Account 659)	\$205,086	E-M	\$166,736	\$31,500	\$1,538	\$0	\$0	\$5,313
Insurance - Worker's Compensation (659)	\$15,524	L-M	\$14,023	\$563	\$213	\$0	\$0	\$725
Insurance - Other (Account 659)	\$15,673	E-M	\$12,742	\$2,407	\$118	\$0	\$0	\$406
Regulatory Com Expense - Other (667)	\$55,526	E-M	\$45,143	\$8,528	\$416	\$0	\$0	\$1,439
Reg Com Exp - Amort of Rate Case Ex	\$100,000	E-M	\$81,300	\$15,359	\$750	\$0	\$0	\$2,591
Miscellaneous Expense (Account 675)	\$40,743	E-M	\$33,124	\$6,258	\$305	\$0	\$0	\$1,056
Other -pba fees	\$0	E-M	\$0	\$0	\$0	\$0	\$0	\$0
Education Training	\$5,188	E-M	\$4,218	\$797	\$39	\$0	\$0	\$134
Maint of Misc Plant	\$32,127	E-M	\$26,119	\$4,934	\$241	\$0	\$0	\$832
Purchased Power	\$51,587	E-M	\$41,940	\$7,923	\$387	\$0	\$0	\$1,336
Other Utilities	\$50,491	E-M	\$41,050	\$7,755	\$379	\$0	\$0	\$1,308
Printing	\$9,718	E-M	\$7,901	\$1,493	\$73	\$0	\$0	\$252
Postage	<u>\$7,749</u>	E-M	\$6,300	\$1,190	\$58	\$0	\$0	\$201
Subtotal - Admin	\$1,903,378		\$1,634,679	\$179,017	\$20,301	\$0	\$0	\$69,381
<u>CUSTOMER ACCOUNTS</u>								
Salary & Wages - Cust Ser	\$196,820	B	\$0	\$0	\$0	\$0	\$196,820	\$0
Salary & Wages - Meter	\$380,771	M	\$0	\$0	\$0	\$261,780	\$118,991	\$0
Salary & Wages Payroll Tx(CS)	\$2,789	B	\$0	\$0	\$0	\$0	\$2,789	\$0
Salary & Wages Payroll Tx (Meters)	\$5,358	M	\$0	\$0	\$0	\$3,684	\$1,674	\$0
Empl Pensions & Benefits (Cust Ser)	\$77,609	B	\$0	\$0	\$0	\$0	\$77,609	\$0
Empl Pensions & Benefits (Meters)	\$166,132	M	\$0	\$0	\$0	\$114,216	\$51,916	\$0
Matls & Supp (Cust Serv)	\$2,601	B	\$0	\$0	\$0	\$0	\$2,601	\$0
Matls & Supp (Meters)	\$7,432	M	\$0	\$0	\$0	\$5,110	\$2,323	\$0
Contractual Services - Other - [Cust. Sr	\$16,245	B	\$0	\$0	\$0	\$0	\$16,245	\$0
Rental of Equipment (Account 642)	\$530	B	\$0	\$0	\$0	\$0	\$530	\$0
Workers Comp - Cust Serv	\$903	B	\$0	\$0	\$0	\$0	\$903	\$0
Workers Comp - Meters	\$21,658	B	\$0	\$0	\$0	\$0	\$21,658	\$0
Transportation Expenses - [Cust svc.]	\$4,049	B	\$0	\$0	\$0	\$0	\$4,049	\$0
Transportation Expenses - [Meter] (Acc	\$9,574	M	\$0	\$0	\$0	\$6,582	\$2,992	\$0
Bad Debt Expense (Account 670)	\$7,321	B	\$0	\$0	\$0	\$0	\$7,321	\$0
Miscellaneous Expense - [Cust. Srvc.]	\$325	B	\$0	\$0	\$0	\$0	\$325	\$0
Miscellaneous Expense - [Meter] (Accc	\$682	M	\$0	\$0	\$0	\$469	\$213	\$0
Education Training - [Cust. Srvc.]	\$2,157	B	\$0	\$0	\$0	\$0	\$2,157	\$0
Education Training - [Meter]	\$627	M	\$0	\$0	\$0	\$431	\$196	\$0
Repairs & Maintenance - general	\$95	B	\$0	\$0	\$0	\$0	\$95	\$0
Repairs & Maintenance - meters	\$0	M	\$0	\$0	\$0	\$0	\$0	\$0
Other Utilities - [Cust. Srvc.]	\$2,636	B	\$0	\$0	\$0	\$0	\$2,636	\$0
Other Utilities - [Meter]	\$4,775	M	\$0	\$0	\$0	\$3,283	\$1,492	\$0
Printing - [Cust. Srvc.]	\$63,423	B	\$0	\$0	\$0	\$0	\$63,423	\$0
Printing - [Meter]	\$0	M	\$0	\$0	\$0	\$0	\$0	\$0
Postage--[Cust. Srvc.]	<u>\$100,779</u>	B	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$100,779</u>	<u>\$0</u>
Subtotal - Customer Accts	\$1,075,289		\$0	\$0	\$0	\$395,554	\$679,735	\$0

ALLOCATION OF RATE YEAR EXPENSES TO COST COMPONENTS

<u>EXPENSE ITEM</u>	<u>PRO FORMA</u>	<u>ALLOC.</u>						
	<u>EXPENSE</u>	<u>SYMBOL (1)</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
<u>SOURCE OF SUPPLY</u>								
Salaries & Wages - (601)	\$113,904	A	\$113,904	\$0	\$0	\$0	\$0	\$0
Salaries & Wages - Payroll Taxes	\$1,608	A	\$1,608	\$0	\$0	\$0	\$0	\$0
Employee Pensions & Benefits (604)	\$50,116	A	\$50,116	\$0	\$0	\$0	\$0	\$0
Workers Comp	\$8,767	A	\$8,767	\$0	\$0	\$0	\$0	\$0
Purchased Power (Account 615)	\$24,761	A	\$24,761	\$0	\$0	\$0	\$0	\$0
Materials and Supplies (Account 620)	\$2,475	A	\$2,475	\$0	\$0	\$0	\$0	\$0
Transportation Expenses (Account 650)	\$4,211	A	\$4,211	\$0	\$0	\$0	\$0	\$0
Miscellaneous Expense (Account 675)	\$751	A	\$751	\$0	\$0	\$0	\$0	\$0
Security Service	\$85,928	A	\$85,928	\$0	\$0	\$0	\$0	\$0
Education Training	\$544	A	\$544	\$0	\$0	\$0	\$0	\$0
Maint of Misc Plant	\$77,664	A	\$77,664	\$0	\$0	\$0	\$0	\$0
Other Utilities	<u>\$2,592</u>	A	<u>\$2,592</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal - Supply	\$373,323		\$373,323	\$0	\$0	\$0	\$0	\$0
<u>PURIFICATION</u>								
DBO O&M Contract	\$1,749,927	D	\$879,678	\$870,249	\$0	\$0	\$0	\$0
Purchased Power (Account 615)	\$1,015,031	A	\$1,015,031	\$0	\$0	\$0	\$0	\$0
Other Utilities	<u>\$8,172</u>	A	<u>\$8,172</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal - Purification	\$2,773,130		\$1,902,881	\$870,249	\$0	\$0	\$0	\$0

ALLOCATION OF RATE YEAR EXPENSES TO COST COMPONENTS

<u>EXPENSE ITEM</u>	<u>PRO FORMA</u>	<u>ALLOC.</u>						
	<u>EXPENSE</u>	<u>SYMBOL (1)</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
<u>TRANSMISSION & DISTRIBUTION</u>								
Salaries & Wages - (601)	\$959,450	O	\$52,763	\$52,198	\$19,768	\$767,560	\$0	\$67,162
Salaries & Wages -[Engineering] (601)	\$424,941	O	\$23,369	\$23,118	\$8,755	\$339,953	\$0	\$29,746
Salaries & Wages - Payroll Taxes -	\$13,553	O	\$745	\$737	\$279	\$10,843	\$0	\$949
Salaries & Wages - Payroll Taxes - [En	\$6,031	O	\$332	\$328	\$124	\$4,825	\$0	\$422
Salaries & Wages - Police Details	\$47,018	O-A	\$40,200	\$2,558	\$969	\$0	\$0	\$3,291
Employee Pensions & Benefits - (604)	\$381,578	O	\$20,984	\$20,759	\$7,862	\$305,262	\$0	\$26,710
Employee Pensions & Benefits - [Engir	\$154,190	O	\$8,479	\$8,389	\$3,177	\$123,352	\$0	\$10,793
Materials and Supplies - (Account 620)	\$38,283	O	\$2,105	\$2,083	\$789	\$30,626	\$0	\$2,680
Materials and Supplies - [Engineering]	\$18,284	O	\$1,005	\$995	\$377	\$14,627	\$0	\$1,280
Rental of Equipment (Account 642)	\$2,941	O	\$162	\$160	\$61	\$2,353	\$0	\$206
Rental of Equipment - [Engineering] (A	\$723	O	\$40	\$39	\$15	\$578	\$0	\$51
Transportation Expenses - (Account 65	\$39,017	O	\$2,146	\$2,123	\$804	\$31,213	\$0	\$2,731
Transportation Expenses - [Engineering]	\$8,602	O	\$473	\$468	\$177	\$6,881	\$0	\$602
Workers Comp T&D	\$67,796	O	\$3,728	\$3,688	\$1,397	\$54,236	\$0	\$4,746
Workers Comp - Engineering	\$21,580	O	\$1,187	\$1,174	\$445	\$17,264	\$0	\$1,511
Miscellaneous Expense - (Account 675	\$10,887	O	\$599	\$592	\$224	\$8,709	\$0	\$762
Miscellaneous Expense - [Engineering]	\$415	O	\$23	\$23	\$9	\$332	\$0	\$29
Education Training	\$1,805	O	\$99	\$98	\$37	\$1,444	\$0	\$126
Education Training - [Engineering]	\$640	O	\$35	\$35	\$13	\$512	\$0	\$45
Repairs & Maintenance - general	\$3,381	O	\$186	\$184	\$70	\$2,705	\$0	\$237
Repairs & Maintenance - T&D	\$16,190	T	\$6,849	\$6,776	\$2,566	\$0	\$0	\$0
Repairs & Maintenance - fire services	\$2,583	F	\$0	\$0	\$0	\$0	\$0	\$2,583
Repairs & Maintenance - services	\$12,465	S	\$0	\$0	\$0	\$12,465	\$0	\$0
Repairs & Maintenance - Hydrants	\$8,961	F	\$0	\$0	\$0	\$0	\$0	\$8,961
Road surface restoration	\$0	O	\$0	\$0	\$0	\$0	\$0	\$0
Repairs & Maintenance - general	\$0	O	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Power	\$17,980	O	\$989	\$978	\$370	\$14,384	\$0	\$1,259
Other Utilities	\$15,690	O	\$863	\$854	\$323	\$12,552	\$0	\$1,098
Other Utilities - [Engineering]	\$6,782	O	\$373	\$369	\$140	\$5,425	\$0	\$475
Printing	\$0	O	\$0	\$0	\$0	\$0	\$0	\$0
Postage--[Engineering]	\$797	O	\$44	\$43	\$16	\$638	\$0	\$56
Subtotal - T&D	<u>\$2,282,561</u>		<u>\$167,778</u>	<u>\$128,769</u>	<u>\$48,765</u>	<u>\$1,768,740</u>	<u>\$0</u>	<u>\$168,509</u>
TOTAL O&M	\$8,407,682	I	\$4,078,660	\$1,178,035	\$69,066	\$2,164,294	\$679,735	\$237,890

ALLOCATION OF RATE YEAR EXPENSES TO COST COMPONENTS

<u>EXPENSE ITEM</u>	<u>PRO FORMA</u>	<u>ALLOC.</u>						
	<u>EXPENSE</u>	<u>SYMBOL (1)</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
<u>CAPITAL EXPENSE</u>								
Property Taxes								
Source of Supply	\$445,638	A	\$445,638	\$0	\$0	\$0	\$0	\$0
Treatment-Pumping	\$0	D	\$0	\$0	\$0	\$0	\$0	\$0
Treatment-Purification	\$93,080	D	\$46,791	\$46,289	\$0	\$0	\$0	\$0
Trans & Distrib	\$318,521	T-C	\$115,335	\$114,098	\$43,214	\$41,785	\$0	\$4,088
Rental Property	\$0	A	\$0	\$0	\$0	\$0	\$0	\$0
Restrict. Bond Principal & Interest	\$7,409,854	P-M	\$3,911,288	\$2,698,866	\$487,824	\$255,999	\$6,623	\$49,254
Leases	\$0	P-M	\$0	\$0	\$0	\$0	\$0	\$0
IFR	\$2,500,000	P	\$1,231,018	\$910,566	\$164,586	\$172,742	\$4,469	\$16,618
CF Franchise Fee	\$0	P	\$0	\$0	\$0	\$0	\$0	\$0
Calgon Royalties Fund	\$0	A	\$0	\$0	\$0	\$0	\$0	\$0
CF System Fund	\$0	T-C	\$0	\$0	\$0	\$0	\$0	\$0
Trustee Fees	\$381,218	P-M	\$201,226	\$138,850	\$25,097	\$13,170	\$341	\$2,534
O&M Reserve Deposit	\$0	E	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal - Capital	<u>\$11,148,309</u>		<u>\$5,951,295</u>	<u>\$3,908,669</u>	<u>\$720,722</u>	<u>\$483,697</u>	<u>\$11,432</u>	<u>\$72,494</u>
TOTAL EXPENSES	\$19,555,991		\$10,029,955	\$5,086,704	\$789,788	\$2,647,991	\$691,168	\$310,385
PLUS: Rev. Stabiliz./Oper. Rev. Allowa	\$289,223	I	\$140,305	\$40,524	\$2,376	\$74,451	\$23,383	\$8,183
LESS: Service Instal Revenue	-\$67,479	S	\$0	\$0	\$0	-\$67,479	\$0	\$0
LESS: State Surcharge Revenue	-\$47,721	I	-\$23,150	-\$6,686	-\$392	-\$12,284	-\$3,858	-\$1,350
LESS: Penalties	-\$104,415	I	-\$50,653	-\$14,630	-\$858	-\$26,878	-\$8,442	-\$2,954
LESS: Cumberland Tax Reduction	\$0	O	\$0	\$0	\$0	\$0	\$0	\$0
LESS: Non-Operating Rental	-\$22,065	A	-\$22,065	\$0	\$0	\$0	\$0	\$0
LESS: Interest Income	-\$253	I	-\$123	-\$35	-\$2	-\$65	-\$20	-\$7
LESS: Misc Non-Operating	-\$31,537	I	-\$15,299	-\$4,419	-\$259	-\$8,118	-\$2,550	-\$892
LESS: Gain/Loss Disposal Property	<u>-\$987</u>	P	<u>-\$486</u>	<u>-\$359</u>	<u>-\$65</u>	<u>-\$68</u>	<u>-\$2</u>	<u>-\$7</u>
REQUIRED FROM RATES	\$19,570,757		\$10,058,485	\$5,101,098	\$790,588	\$2,607,549	\$699,679	\$313,358

ALLOCATION OF PLANT IN SERVICE TO COST COMPONENTS

<u>EXPENSE ITEM</u>	<u>NET PLANT</u>	<u>ALLOC.</u> <u>SYMBOL (1)</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
<u>SOURCE OF SUPPLY</u>								
Land & Land Rights	\$5,560,444	A	\$5,560,444	\$0	\$0	\$0	\$0	\$0
Structures & Improvements	\$10,035,594	A	\$10,035,594	\$0	\$0	\$0	\$0	\$0
Wells & Springs	\$227,169	A	\$227,169	\$0	\$0	\$0	\$0	\$0
<u>PUMPING</u>								
Land & Land Rights	\$30,133	D	\$15,148	\$14,985	\$0	\$0	\$0	\$0
Structures & Improvements	\$266,381	D	\$133,908	\$132,473	\$0	\$0	\$0	\$0
Electric Pumping Equipment	\$3,078	D	\$1,547	\$1,531	\$0	\$0	\$0	\$0
<u>PURIFICATION</u>								
Land & Land Rights	\$26,046	D	\$13,093	\$12,953	\$0	\$0	\$0	\$0
Structures & Improvements	\$49,424,713	D	\$24,845,510	\$24,579,202	\$0	\$0	\$0	\$0
Water Treatment Equipment	\$0	D	\$0	\$0	\$0	\$0	\$0	\$0
<u>TRANSM & DISTRIBUTION</u>								
Land & Land Rights	\$1,590	H	\$645	\$638	\$307	\$0	\$0	\$0
Distribution Reservoirs	\$22,432	H	\$9,099	\$9,001	\$4,332	\$0	\$0	\$0
Transmission Mains	\$9,749,955	D	\$4,901,245	\$4,848,710	\$0	\$0	\$0	\$0
Distribution mains	\$44,619,335	H	\$18,098,316	\$17,904,329	\$8,616,690	\$0	\$0	\$0
Services	\$4,703,680	S	\$0	\$0	\$0	\$4,703,680	\$0	\$0
Meters	\$3,632,187	S	\$0	\$0	\$0	\$3,632,187	\$0	\$0
Hydrants	\$815,631	F	\$0	\$0	\$0	\$0	\$0	\$815,631
Other Misc Equip	\$88,151	H	\$35,755	\$35,372	\$17,023	\$0	\$0	\$0
<u>GENERAL</u>								
Structures & Improvements	\$1,250,886	E	\$470,019	\$192,128	\$9,378	\$416,230	\$130,724	\$32,407
Office furniture & equipment	\$369,164	E	\$138,713	\$56,701	\$2,768	\$122,839	\$38,580	\$9,564
Transportation equipment	\$605,523	E	\$227,524	\$93,004	\$4,540	\$201,486	\$63,280	\$15,687
Stores equipment	\$0	E	\$0	\$0	\$0	\$0	\$0	\$0
Tools, shop & garage equipment	\$0	E	\$0	\$0	\$0	\$0	\$0	\$0
Laboratory equipment	\$13,978	A	\$13,978	\$0	\$0	\$0	\$0	\$0
Power equipment	\$7,311	E	\$2,747	\$1,123	\$55	\$2,433	\$764	\$189
Communication equipment	\$0	E	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous equipment	\$15,826	E	\$5,946	\$2,431	\$119	\$5,266	\$1,654	\$410
TOTAL PLANT	\$131,469,206		\$64,736,400	\$47,884,581	\$8,655,212	\$9,084,121	\$235,002	\$873,889
PERCENT		P	49.24%	36.42%	6.58%	6.91%	0.18%	0.66%

*Note: Test Year Net Plant plus CWIP

ALLOCATION OF NON-ADMINISTRATIVE LABOR COSTS TO COST COMPONENTS

<u>EXPENSE ITEM</u>	<u>PRO FORMA</u>	<u>ALLOC.</u>						
	<u>AMOUNT</u>	<u>SYMBOL (1)</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
<u>CUSTOMER ACCOUNTS</u>								
Salary & Wages - Cust Ser	\$196,820	B	\$0	\$0	\$0	\$0	\$196,820	\$0
Salary & Wages - Meter	\$380,771	M	\$0	\$0	\$0	\$261,780	\$118,991	\$0
<u>SOURCE OF SUPPLY</u>								
Salaries & Wages - (601)	\$113,904	A	\$113,904	\$0	\$0	\$0	\$0	\$0
<u>TRANSMISSION & DISTRIBUTION</u>								
Salaries & Wages - (601)	\$959,450	O	\$52,763	\$52,198	\$19,768	\$767,560	\$0	\$67,162
Salaries & Wages -[Engineering] (601)	<u>\$424,941</u>	O	<u>\$23,369</u>	<u>\$23,118</u>	<u>\$8,755</u>	<u>\$339,953</u>	<u>\$0</u>	<u>\$29,746</u>
TOTALS	\$2,075,887		\$190,037	\$75,316	\$28,523	\$1,369,293	\$315,811	\$96,907
PERCENT		L	9.2%	3.6%	1.4%	66.0%	15.2%	4.7%

ALLOCATION TO FIRE, WHOLESALE & RETAIL SERVICE

<u>UNITS OF SERVICE</u>	<u>TOTAL</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
Number		3,949,794	17,866	19,300	26,353	275,424	1,915
Units		cct/yr	cct/day	cct/day	equiv meters	bills	hydrants
Revenue Requirements	\$19,570,757	\$10,058,485	\$5,101,098	\$790,588	\$2,607,549	\$699,679	\$313,358
Allocation to Fire Protection	\$1,543,011	\$50,292	\$824,501	\$354,860	included in calculation		\$313,358
Allocation to Wholesale *	\$1,587,276	\$1,259,633	\$326,889	\$753			
Net To Retail Metered Rates	\$16,440,470	\$8,748,559	\$3,949,708	\$434,975	\$2,607,549	\$699,679	\$0

* Allocation to wholesale based on:

BASE

Metered Sales (cct/yr) 3,949,794

Retail Sales (cct/yr) 3,390,337

Retail Unacctd For (cct/yr) 539,621 Based on miles of pipe: 100% of distribution/service costs plus 85.8% of transmission plus estim fire

Total Retail (cct/yr) 3,929,958

Wholesale Sales (cct/yr) 559,457

Wholesale Unacctd For (cct/yr) 3,151Total Wholesale (cct/yr) 562,608

Grand Total (cct/yr) 4,492,567

Wholesale Percent of Grand Total 12.5%

Total Base Allocation \$10,058,485

Wholesale Allocation **\$1,259,633**MAX DAY

Total Max Day Allocation \$5,101,098

Less: Distribution Costs

95.7% of T&D O&M -\$123,217

Admin O&M Share -\$18,724 15.2%

Distribution Capital Items -\$2,419,002 61.89% (Less Distribution Mains & Gen'l Items allocated to Max Day)

Total Net of Distribution \$2,540,155

Wholesale Max Day % 12.87% See Sch. 2.2

Wholesale Allocation **\$326,889**PEAK HOUR

Total Peak Hour Allocation \$790,588

Less: Distribution Costs

95.7% of T&D O&M -\$46,663

Admin O&M Share -\$13,716 29.4%

Capital Items -\$720,722 100.00% (All Capital Peak Hour costs = distribution)

Total Net of Distribution \$9,488

Wholesale Peak Hr % 7.94% See Sch. 2.2

Wholesale Allocation **\$753**

ALLOCATION SYMBOLS

ALLOCATION								
	<u>SYMBOL</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>	
100.00%	A	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Supply, IFR, Power & Chemicals
100.00%	B	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	Billing
100.00%	D	50.27%	49.73%	0.00%	0.00%	0.00%	0.00%	Max Day Demand
100.00%	E	37.57%	15.36%	0.75%	33.27%	10.45%	2.59%	O&M less A&G
100.00%	E-M	81.30%	15.36%	0.75%	0.00%	0.00%	2.59%	O&M less A&G - No Meter Alloc
100.00%	F	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	Fire Service
100.00%	H	40.56%	40.13%	19.31%	0.00%	0.00%	0.00%	Max Hour Demand
100.00%	I	48.51%	14.01%	0.82%	25.74%	8.08%	2.83%	Total O&M
100.00%	L	9.15%	3.63%	1.37%	65.96%	15.21%	4.67%	Labor
100.00%	L-M	90.33%	3.63%	1.37%	0.00%	0.00%	4.67%	Labor-No Meter Allocation
100.00%	M	0.00%	0.00%	0.00%	68.8%	31.3%	0.00%	Cust Serv - "Meter"
100.00%	O	5.50%	5.44%	2.06%	80.00%	0.00%	7.00%	O&M Mains, Hydrants & Service
100.00%	O-A	85.50%	5.44%	2.06%	0.00%	0.00%	7.00%	T&D Police Details
100.00%	P	49.24%	36.42%	6.58%	6.91%	0.18%	0.66%	Plant
100.00%	P-M	52.78%	36.42%	6.58%	3.45%	0.09%	0.66%	Meter & Service Capital
100.00%	S	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	Services and Meters
100.00%	T	42.30%	41.85%	15.85%	0.00%	0.00%	0.00%	T&D Mains
100.00%	T-C	36.21%	35.82%	13.57%	13.12%	0.00%	1.28%	T&D Capital

Symbol D MGD %

Avg Day	10.582	50.27%
Max Day Inc	<u>10.468</u>	<u>49.73%</u>
Total Max Day	21.050	100.00%

Symbol E

	<u>TOTAL</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
Amount	\$6,504,303	\$2,443,982	\$999,018	\$48,765	\$2,164,294	\$679,735	\$168,509
Percent	E	37.6%	15.4%	0.7%	33.3%	10.5%	2.6%

Symbol H MGD %

Avg Day	10.582	40.56%
Max Day Inc	10.468	40.13%
Peak Hour Inc	<u>5.038</u>	<u>19.31%</u>
Total Peak Hour	26.088	100.00%

	<u>FY 04</u>	<u>FY 05</u>	<u>FY 06</u>	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>	<u>Avg or Max</u>
Avg Day mgd)	12.23	12.33	10.42	10.71	10.65	8.80	10.58
Max Day (mgd)	19.09	21.05	20.23		17.70	15.87	21.05
Max Hour (mgd)	26.09		20.50	19.70			26.09

Symbol M

These accounts include activities associated with meter reading, meter testing, backflow testing, etc.
Costs have been split based on the following personnel associated with these activities:

	<u># Employees</u>	<u>Meter Read</u>	<u>Meters</u>
Meter Reader*	2.5	2.5	
Technician*	4.5		4.5
Backflow	<u>1.0</u>		<u>1.0</u>
Subtotal	8.0	2.5	5.5
Percent		31%	69%
Agent	1.0	0.31	0.69
Supervisor	<u>1.0</u>	<u>0.31</u>	<u>0.69</u>
Total	10.0	3.1	6.9
Percent		31%	69%

* Note: half of one meter reader's time is used as a meter technician.

ALLOCATION SYMBOLS

Symbol O

	<u>% of Time</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
Mains	13.00%	5.50%	5.44%	2.06%	0.00%	0.00%	0.00%
Hydrants	7.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.00%
Services	80.00%	0.00%	0.00%	0.00%	80.00%	0.00%	0.00%
Total	100.0%	5.5%	5.4%	2.1%	80.0%	0.0%	7.0%

Note: Based on prior docket analysis of time

Symbol T

	<u>Plant Amt.</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
Transmission	\$9,749,955	\$4,901,245	\$4,848,710	\$0	\$0	\$0	\$0
Distribution	\$44,619,335	\$18,098,316	\$17,904,329	\$8,616,690	\$0	\$0	\$0
Total	\$54,369,290	\$22,999,561	\$22,753,039	\$8,616,690	\$0	\$0	\$0
		42.30%	41.85%	15.85%	0.00%	0.00%	0.00%

Symbol T-C

	<u>Plant Amt.</u>	<u>BASE</u>	<u>MAX. DAY</u>	<u>PEAK HOUR</u>	<u>METERING</u>	<u>BILLING</u>	<u>DIRECT FIRE</u>
Distribution Reservoirs	\$22,432	\$9,099	\$9,001	\$4,332	\$0	\$0	\$0
Transmission Mains	\$9,749,955	\$4,901,245	\$4,848,710	\$0	\$0	\$0	\$0
Distribution mains	\$44,619,335	\$18,098,316	\$17,904,329	\$8,616,690	\$0	\$0	\$0
Services	\$4,703,680	\$0	\$0	\$0	\$4,703,680	\$0	\$0
Meters	\$3,632,187	\$0	\$0	\$0	\$3,632,187	\$0	\$0
Hydrants	\$815,631	\$0	\$0	\$0	\$0	\$0	\$815,631
Total	\$63,543,221	\$23,008,660	\$22,762,040	\$8,621,022	\$8,335,867	\$0	\$815,631
		36.21%	35.82%	13.57%	13.12%	0.00%	1.28%

FIRE SERVICE CHARGES

PUBLIC FIRE SERVICE

Annual Charge/Hydrant = \$354.11

PRIVATE FIRE SERVICE

SERVICE SIZE (inches)	ANNUAL CHARGE
2	\$153.49
4	\$376.52
6	\$991.30
8	\$1,848.60
10	\$2,823.61
12	\$4,174.93

**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	1,915	111.31	213,160.4	74.98%	\$1,097,482	\$79,302	\$1,176,784
PRIVATE FIRE SERVICE							
SIZE (IN)							
2	28	6.19	173.3				
4	55	38.32	2,107.6				
6	405	111.31	45,080.9				
8	89	237.21	21,111.4				
10	3	426.58	1,279.7				
12	<u>2</u>	<u>689.04</u>	<u>1,378.1</u>				
TOTAL-PRIV.	582		71,131.0	25.02%	\$366,227	\$0	\$366,227
	=====		=====	=====	=====	=====	=====
GRAND TOTALS	2,497		284,291.4	100.00%	\$1,463,708	\$79,302	\$1,543,011
Total Fire Allocation	\$1,543,011						
Less O&M for T&D Fire	\$11,641						
Hydrant Capital	\$67,661						
Net Non-Hydrant	\$1,463,708						

(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)	\$678,125	
----- =	----- =	\$354.11 per year
NUMBER OF PUBLIC HYDRANTS	1,915	

PRIVATE FIRE PROTECTION

PRIVATE FIRE ALLOCATION (1,2)	\$366,227	
----- =	----- =	\$5.15 /EQUIV.
NO. OF EQUIV. UNITS	71,131.02	

<u>SIZE (IN)</u>	<u>DEMAND FACTOR</u>	<u>DEMAND CHARGE</u>	<u>SERVICE LINE CHRG</u>	<u>BILLING CHARGE</u>	<u>CALCULATED CHARGE</u>
2	6.19	\$31.87	\$121.62	\$0.00	\$153.49
4	38.32	\$197.29	\$179.23	\$0.00	\$376.52
6	111.31	\$573.10	\$418.21	\$0.00	\$991.30
8	237.21	\$1,221.29	\$627.31	\$0.00	\$1,848.60
10	426.58	\$2,196.30	\$627.31	\$0.00	\$2,823.61
12	689.04	\$3,547.62	\$627.31	\$0.00	\$4,174.93

(1) Set so fire charges result in 5% increase

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

Service Line Maintenance Cost =	\$884,370 (Half of total "Metering" O&M)
Service Line Debt Costs =	\$144,453
Addnl Allocation to Fire Service =	\$241,604 (23.48%)
Cost per Equiv/year =	\$ 29.87

DETERMINATION OF SERVICE CHARGES**BILLING CHARGE**

CUST. BILLING ALLOC. (2)		\$699,679	
-----	=	-----	= \$2.54 PER BILLING
NUMBER OF BILLINGS		275,424	

METER CHARGE

CUST. METER ALLOC. (1,2)		\$2,615,274	
-----	=	-----	= \$99.24 / EQ. METER/YR
NO. EQUIV. METERS		26,353	

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	\$24.81	\$2.54	\$27.35	\$8.27	\$2.54	\$10.81
3/4	\$34.38	\$2.54	\$36.92	\$11.46	\$2.54	\$14.00
1	\$49.62	\$2.54	\$52.16	\$16.54	\$2.54	\$19.08
1 1/2	\$101.01	\$2.54	\$103.55	\$33.67	\$2.54	\$36.21
2	\$131.14	\$2.54	\$133.68	\$43.71	\$2.54	\$46.25
3	\$148.86	\$2.54	\$151.40	\$49.62	\$2.54	\$52.16
4	\$347.34	\$2.54	\$349.88	\$115.78	\$2.54	\$118.32
6	\$521.01	\$2.54	\$523.55	\$173.67	\$2.54	\$176.21
8	\$744.30	\$2.54	\$746.84	\$248.10	\$2.54	\$250.64

- (1) Less allocation of Service Maintenance Costs to Private Fire Service - see CW Rebuttal Sch. 4.2,
 (2) adjusted to recover reduction in public fire revenues to maintain 5% public fire increase.

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

Class Demands

CUSTOMER CLASS	AVERAGE DEMANDS		FACTOR	MAX DAY EXTRA CAPACITY		
	(CCF/DAY)	PERCENT		(CCF/DAY)	XTRA CCF/DAY	PERCENT
<u>Retail</u>						
Small (5/8 - 1")	7,026	64.93%	2.50	17,566	10,539	70.37%
Medium (1.5 - 2" & By pass	1,649	15.24%	2.00	3,298	1,649	11.01%
Large (3" and up)	613	5.67%	1.80	1,104	491	3.28%
<u>Wholesale</u>						
Cumberland	1,533	14.16%	2.50	3,832	2,299	15.35%
Seekonk	0	0.00%	2.50	0	0	0.00%
Total	10,821	100.00%		25,800	14,978	100.00%

CUSTOMER CLASS	AVERAGE DEMANDS		FACTOR	PEAK HOUR EXTRA CAPACITY		
	(CCF/DAY)	PERCENT		(CCF/DAY)	XTRA CCF/DAY	PERCENT
<i>Retail</i>						
Small (5/8 - 1")	7,026	64.93%	3.50	24,592	7,026	66.05%
Medium (1.5 - 2" & By pass	1,649	15.24%	3.00	4,947	1,649	15.50%
Large (3" and up)	613	5.67%	2.50	1,534	429	4.04%
<i>Wholesale</i>						
Cumberland	1,533	14.16%	3.50	5,365	1,533	14.41%
Seekonk	0	0.00%	3.50	0	0	0.00%
Total	10,821	100.00%		36,437	10,637	100.00%

Allocation of Retail Metered Sales Costs to Classes (see Sch 3.3)

CUSTOMER CLASS	BASE COSTS		MAX. DAY XTRA CAPACITY		PEAK HR. XTRA CAPACITY		TOTAL AMOUNT
	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	
<u>Retail</u>							
Small (5/8 - 1")	75.64%	\$6,617,764	83.12%	\$3,283,178	77.17%	\$335,683	\$10,236,625
Medium (1.5 - 2" & By pass	17.75%	\$1,553,051	13.01%	\$513,662	18.11%	\$78,778	\$2,145,490
Large (3" and up)	<u>6.60%</u>	<u>\$577,744</u>	<u>3.87%</u>	<u>\$152,868</u>	<u>4.72%</u>	<u>\$20,514</u>	<u>\$751,127</u>
Total	100.00%	\$8,748,559	100.00%	\$3,949,708	100.00%	\$434,975	\$13,133,242
		66.6%		30.1%		3.3%	

METERED WATER RATES

<u>Small (5/8 - 1")</u>		Public Fire Shortfall (4)			
Total Expense (2)	\$10,236,625	\$ 249,329			
----- = -----		+ -----	=	\$	4.065 per ccf
Metered Sales (HCF) (1)	2,564,588	3,390,337			
<u>Medium (1.5 - 2" & By pass)</u>					
Total Expense (2)	\$2,145,490	\$ 249,329			
----- = -----		+ -----	=	\$	3.638 per ccf
Metered Sales (HCF) (1)	601,855	3,390,337			
<u>Large (3" and up)</u>					
Total Expense (2)	\$751,127	\$ 249,329			
----- = -----		+ -----	=	\$	3.428 per ccf
Metered Sales (HCF) (1)	223,894	3,390,337			
<u>Wholesale</u>					
Total Expense (3)	\$1,587,276				
----- = -----			=		\$2.837 per ccf
Metered Sales (HCF) (1)	559,457				

(1) See CW Rebuttal Sch 2.0

(2) See CW Rebuttal Sch 6.0

(3) See CW Rebuttal Sch. 3.3

(4) Amount of shortfall in public fire charges assigned to the retail metered rate

COMPARISON OF CURRENT & PROPOSED RATES

		<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
<u>Metered Rates</u>				
Small (5/8 - 1")		\$3.459	\$4.065	17.5%
Medium (1.5 - 2" & By pass)		\$3.251	\$3.638	11.9%
Large (3" and up)		\$3.140	\$3.428	9.2%
<u>Wholesale</u>		\$2.590	\$2.837	9.5%
<u>Service Charges</u>				
Quarterly	5/8	\$18.72	\$27.35	46.1%
	3/4	\$24.07	\$36.92	53.4%
	1	\$32.59	\$52.16	60.0%
	1 1/2	\$61.33	\$103.55	68.8%
	2	\$78.18	\$133.68	71.0%
	3	\$88.09	\$151.40	71.9%
	4	\$199.07	\$349.88	75.8%
	6	\$296.19	\$523.55	76.8%
	8	\$421.05	\$746.84	77.4%
	5/8	\$9.47	\$10.81	14.1%
	3/4	\$11.26	\$14.00	24.3%
	1	\$14.10	\$19.08	35.3%
	1 1/2	\$23.68	\$36.21	52.9%
Monthly	2	\$29.29	\$46.25	57.9%
	3	\$32.59	\$52.16	60.0%
	4	\$69.59	\$118.32	70.0%
	6	\$101.96	\$176.21	72.8%
	8	\$143.58	\$250.64	74.6%
<u>Fire Service (annual)</u>				
Public	/hydrant/yr	\$337.25	\$354.11	5.0%
Private	2	\$125.42	\$153.49	22.4%
	4	\$254.33	\$376.52	48.0%
	6	\$640.81	\$991.30	54.7%
	8	\$1,131.52	\$1,848.60	63.4%
	10	\$1,597.19	\$2,823.61	76.8%
	12	\$2,242.58	\$4,174.93	86.2%

IMPACT OF PROPOSED RATES

METER SIZE	MONTHLY USE - CU FT	CURRENT RATES	<----- PROPOSED ----->			
			NEW BILL	\$ INCREASE	% INCREASE	
<u>Metered Service (Monthly Bills)</u>						
Small						
5/8	600	\$30.22	\$35.20	\$4.98	16.46%	
5/8	800	\$37.14	\$43.33	\$6.19	16.66%	
5/8	1,200	\$50.98	\$59.59	\$8.61	16.89%	
5/8	1,700	\$68.27	\$79.92	\$11.64	17.05%	
5/8	2,500	\$95.95	\$112.44	\$16.49	17.19%	
5/8	3,000	\$113.24	\$132.76	\$19.52	17.24%	
5/8	5,000	\$182.42	\$214.06	\$31.64	17.34%	
5/8	7,500	\$268.90	\$315.69	\$46.79	17.40%	
5/8	9,000	\$320.78	\$376.66	\$55.88	17.42%	
1	1,000	\$48.69	\$59.73	\$11.04	22.67%	
1	12,000	\$429.18	\$506.88	\$77.70	18.10%	
1	25,000	\$878.85	\$1,035.33	\$156.48	17.81%	
Medium						
1 1/2	25,000	\$836.43	\$945.71	\$109.28	13.07%	
1 1/2	50,000	\$1,649.18	\$1,855.21	\$206.03	12.49%	
2	75,000	\$2,467.54	\$2,774.75	\$307.21	12.45%	
2	100,000	\$3,280.29	\$3,684.25	\$403.96	12.31%	
Large						
3	75,000	\$2,387.59	\$2,623.16	\$235.57	9.87%	
3	100,000	\$3,172.59	\$3,480.16	\$307.57	9.69%	
4	250,000	\$7,919.59	\$8,688.32	\$768.73	9.71%	
6	300,000	\$9,521.96	\$10,460.21	\$938.25	9.85%	
6	1,000,000	\$26,001.96	\$28,546.21	\$2,544.25	9.78%	
<u>Fire Service (Monthly Bill)</u>						
Municipal Fire Service		200 hydrants	\$5,620.83	\$5,901.83	\$281.00	5.00%
		1400 hydrants	\$39,345.83	\$41,312.83	\$1,967.00	5.00%
Private Fire Service		4 Inch Service	\$21.19	\$31.38	\$10.18	48.04%
		6 Inch Service	\$53.40	\$82.61	\$29.21	54.69%
		8 Inch Service	\$94.29	\$154.05	\$59.76	63.37%

REVENUE RECONCILIATION**Service Charge:**

		<----- Current ----->		<----- Proposed ----->	
		<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue</u>
<u>Quarterly</u>	<u>Number</u>				
5/8	0	\$18.72	\$0	\$27.35	\$0
3/4	0	\$24.07	\$0	\$36.92	\$0
1	0	\$32.59	\$0	\$52.16	\$0
1 1/2	0	\$61.33	\$0	\$103.55	\$0
2	0	\$78.18	\$0	\$133.68	\$0
3	0	\$88.09	\$0	\$151.40	\$0
4	0	\$199.07	\$0	\$349.88	\$0
6	0	\$296.19	\$0	\$523.55	\$0
8	0	\$421.05	\$0	\$746.84	\$0
<u>Monthly</u>					
5/8	21,527	\$9.47	\$2,446,328	\$10.81	\$2,792,482
3/4	259	\$11.26	\$34,996	\$14.00	\$43,512
1	498	\$14.10	\$84,262	\$19.08	\$114,022
1 1/2	227	\$23.68	\$64,504	\$36.21	\$98,636
2	399	\$29.29	\$140,241	\$46.25	\$221,445
3	24	\$32.59	\$9,386	\$52.16	\$15,022
4	12	\$69.59	\$10,021	\$118.32	\$17,038
6	6	\$101.96	\$7,341	\$176.21	\$12,687
8	0	\$143.58	\$0	\$250.64	\$0

Consumption Charge:

Small (5/8 - 1")	2,564,588	\$3.459	\$8,870,911	\$4.065	\$10,425,052
Medium (1.5 - 2" & By pass)	601,855	\$3.251	\$1,956,631	\$3.638	\$2,189,549
Large (3" and up)	223,894	\$3.140	\$703,026	\$3.428	\$767,508
<u>Wholesale</u>	559,457	\$2.590	\$1,448,993	\$2.837	\$1,587,179

REVENUE RECONCILIATION

		<----- Current ----->		<----- Proposed ----->	
<u>Fire Protection:</u>					
Public Hydrants	1,915	\$337.25	\$645,834	\$354.11	\$678,121
Private Fire Protection					
2	28	\$125.42	\$3,512	\$153.49	\$4,298
4	55	\$254.33	\$13,988	\$376.52	\$20,709
6	405	\$640.81	\$259,528	\$991.30	\$401,477
8	89	\$1,131.52	\$100,705	\$1,848.60	\$164,525
10	3	\$1,597.19	\$4,792	\$2,823.61	\$8,471
12	2	\$2,242.58	\$4,485	\$4,174.93	\$8,350
			=====	=====	
Total			\$16,809,484		\$19,570,082
Plus: Misc Revenues			\$274,457		\$274,457
			=====	=====	
Pro Forma Revenue			\$17,083,942		\$19,844,539
Required Revenue			\$19,845,214		\$19,845,214
Difference			-\$2,761,272		(\$675)
Increase in Revenues					\$2,760,598
Percent Increase in Total Revenues					16.2%
Percent Increase in Rate Revenues (non-misc)					16.4%

SUMMARY OF COST OF SERVICE

	<u>Test Year</u>	<u>Adjustments</u>	<u>Rate Year</u>
Revenues			
Service Charges	\$2,797,079	\$517,766	\$3,314,845
Metered Rates	\$12,979,562	\$1,989,726	\$14,969,288
Fire Protection	\$1,032,844	\$253,106	\$1,285,950
Miscellaneous	<u>\$477,338</u>	<u>-\$202,881</u>	<u>\$274,457</u>
<i>Total Revenue</i>	\$17,286,822	\$2,557,717	\$19,844,539
Expenses			
<u>O&M</u>			
Admin	\$2,089,151	-\$185,773	\$1,903,378
Customer Serv	\$932,573	\$142,716	\$1,075,289
Supply	\$362,835	\$10,488	\$373,323
Purification	\$2,407,640	\$365,490	\$2,773,130
Trans & Distrib	<u>\$2,168,261</u>	<u>\$114,300</u>	<u>\$2,282,561</u>
Total O&M	\$7,960,460	\$447,222	\$8,407,682
<u>Capital</u>			
Property Taxes	\$796,171	\$61,066	\$857,238
strict. Bond Principal & Interest	\$6,688,543	\$721,311	\$7,409,854
Leases	\$149,781	-\$149,781	\$0
IFR	\$3,100,000	-\$600,000	\$2,500,000
CF Franchise Fee	\$0		\$0
Calgon Royalties Fund	\$0	\$0	\$0
CF System Fund	\$0	\$0	\$0
Trustee Fees	\$273,894	\$107,324	\$381,218
O&M Reserve Deposit	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Capital	\$11,008,389	\$139,921	\$11,148,309
<u>Operating Revenue Allowance</u>	<u>\$0</u>	<u>\$289,223</u>	<u>\$289,223</u>
<i>Total Expenses</i>	\$18,968,849	\$876,365	\$19,845,214

PROPOSED YEAR 2 STEP INCREASE

Rate Year (CY 2011) Revenue Requirements = \$19,845,214
 Step Increases for 2012

New Debt	\$	396,661
Trustee Fees	\$	2,500
IFR	\$	-
Rev. Stabiliz @ 1.5%	\$	292,356
Inflation (O&M)	\$	208,868
	\$	900,386

CY 2012 Revenue Requirements = \$ 20,745,600
 Proposed Step Increase for CY 2012 4.5%

		<u>Current</u>	<u>Proposed</u> <u>(CY2011)</u>	<u>Step</u> <u>Increase (CY</u>
<u>Metered Rates</u>				
Small (5/8 - 1")		\$3.459	\$4.065	\$ 4.249
Medium (1.5 - 2" & By pass)		\$3.251	\$3.638	\$ 3.803
Large (3" and up)		\$3.140	\$3.428	\$ 3.584
Wholesale		\$2.590	\$2.837	\$ 2.966
<u>Service Charges</u>				
Quarterly	5/8	\$18.72	\$27.35	\$28.59
	3/4	\$24.07	\$36.92	\$38.60
	1	\$32.59	\$52.16	\$54.53
	1 1/2	\$61.33	\$103.55	\$108.25
	2	\$78.18	\$133.68	\$139.75
	3	\$88.09	\$151.40	\$158.27
	4	\$199.07	\$349.88	\$365.75
	6	\$296.19	\$523.55	\$547.30
Monthly	8	\$421.05	\$746.84	\$780.72
	5/8	\$9.47	\$10.81	\$11.30
	3/4	\$11.26	\$14.00	\$14.64
	1	\$14.10	\$19.08	\$19.95
	1 1/2	\$23.68	\$36.21	\$37.85
	2	\$29.29	\$46.25	\$48.35
	3	\$32.59	\$52.16	\$54.53
	4	\$69.59	\$118.32	\$123.69
	6	\$101.96	\$176.21	\$184.20
	8	\$143.58	\$250.64	\$262.01
<u>Fire Service (annual)</u>				
Public	/hydrant/yr	\$337.25	\$354.11	\$370.18
Private	2	\$125.42	\$153.49	\$160.45
	4	\$254.33	\$376.52	\$393.60
	6	\$640.81	\$991.30	\$1,036.28
	8	\$1,131.52	\$1,848.60	\$1,932.47
	10	\$1,597.19	\$2,823.61	\$2,951.72
	12	\$2,242.58	\$4,174.93	\$4,364.35