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August 25, 2020

Ms. Luly Massaro, Clerk
RI Public Utilities Commission
89 Jefferson Blvd.
Warwick, RI 02888

RE: Kent County Water Authority – Docket # 5012

Dear Ms. Massaro:

Please find enclosed herewith a Joint Request in the above-reference docket. An electronic copy has been provided to the service list. Should you have any questions, please contact me. Thank you.

Sincerely,

Mary B. Shekarchi
Attorney at Law

MBS/mdc
Enclosure

Cc: Docket 5012 Service List (via electronic mail)

Dated: 8/25/20

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

IN RE:

**KENT COUNTY WATER AUTHORITY)
ABBREVIATED RATE FILING)**

DOCKET NO. 5012

AMENDED SETTLEMENT AGREEMENT

I. INTRODUCTION

The Kent County Water Authority (the "KCWA") and the Division of Public Utilities and Carriers (the "Division") (collectively referred to as the "Parties") have reached an agreement on KCWA's abbreviated rate filing and jointly request the approval of this Settlement Agreement by the Public Utilities Commission (the "Commission").

II. RECITALS

1. On January 13, 2020, KCWA filed an abbreviated rate application (hereinafter the "Application") pursuant to R.I.G.L. §39-3-11 and Part II of the Commission's Rules of Practice and Procedure.
2. In its application, KCWA sought to implement changes to its rate plan that would lead to an overall reduction in revenue.
3. Specifically, KCWA proposed: 1) a decrease in the small meter (2 inches or less) rate from \$6.161 to \$5.405; 2) an increase in the medium meter (3-4 inches) rate from \$4.913 to \$5.726; and 3) an increase in the large meter (6 inches or larger) rate from \$4.475 to \$5.261.
4. KCWA sought approval of new rates designed to reduce revenues in the amount of \$2,050,751 to support total operating revenue of \$21,894,055.
5. The impact of this request on a typical residential customer who uses 2000 CF per

year would have been a decrease of \$16 per year or 8.6%.

6. In the Application, KCWA also proposed the following: 1) the creation of a single rate for medium compound meters with bypass (3" to 4") and large compound meters with bypass (6" and up); 2) increases and decreases to the metered sales service charges as set forth in the proposed rate schedule; 3) decrease in the rates for public and private fire services; 4) the creation of a wholesale rate for Quonset Development Corporation; 5) an increase in the insufficient fund returned check fee; 6) a change to the meter testing charges for meters greater than 2"; 7) the creation of a new restricted meter account; and 8) funding of the survey and replacement of large and medium unitized measuring elements and single register meters through the existing meter replacement program.
7. In support of the Application, KCWA filed the direct testimony and schedules of David L. Simmons, P.E., Executive Director/Chief Engineer for Kent County Water Authority, and David G. Bebyn, C.P.A., of B & E Consulting LLC.
8. No parties motioned to intervene in the matter.
9. In response to the Application, the Division conducted an investigation and review with the assistance of staff and two outside consultants, Lafayette K. Morgan, Jr. and Jerome D. Mierzwa of Exeter Associates, Inc.
10. In order to assist its investigation and review, the Division issued two sets of data requests to KCWA to which KCWA responded.
11. The Division and KCWA began engaging in settlement discussions and the Division

- issued an additional set of data requests to KCWA to which KCWA responded.
12. Following the response to the third set of data requests, the Division and KCWA continued settlement discussions and negotiations.
 13. The principal differences that remained between the Division and KCWA at this stage of the proceedings were in the following categories:
 - a. Surplus funds from current meter replacement program collection fund;
 - b. New Restricted Meter Account
 - c. Additional Meter Replacement Funds
 - d. 2012 and 2017 Debt Service Funding
 - e. Effective Date of Rate Change
 - f. Monthly Billing
 - g. Cost of Service Adjustment for Private and Public Fire Services
 - h. Credit Card and ACH Fees.
 14. After due consideration of the testimony, exhibits and other documentation included in the filings of KCWA and of the Division, the Parties have now agreed to a comprehensive settlement which resolves all issues relating to KCWA's application. The Parties believe that this settlement, as a whole, constitutes a just and reasonable resolution of the issues in this proceeding, and jointly request its approval by the Commission.

III. TERMS OF SETTLEMENT

15. Incorporated herein and attached hereto as Exhibit 1 are Joint Settlement Schedules 1 - 10 which memorialize the settlement. The parties agree with these schedules as presented.

16. The parties agree to an effective date of September 1, 2020 for the new rates. These new rates are based on a revenue requirement of \$21,634,379, which is a decrease of \$2,310,426 (or 9.65%) and is set forth in Exhibit 1. The purchased water expense used in Exhibit 1 is based on Providence Water's proposed wholesale rate in its current rate filing, Docket 4994. The parties agree to make any adjustments necessary to the purchased water expense at the conclusion of Docket 4994 to reflect the Commission-approved wholesale rate.
17. With respect to the funds collected through December 31, 2020 for the current meter replacement program, including accrued interest, an amount totaling \$6,591,990, the funds will be used for both the current small meter replacement program and the expanded meter replacement program explained in KCWA's testimony. The expanded meter replacement program will include medium and large meters (meters greater than 2") and bypass/compound meters. With Commission approval, funds can be used toward the expanded meter replacement program prior to the rate change effective date of September 1, 2020. This account will remain restricted and any funds remaining at the completion of the program will be transferred to the IFR Account. KCWA will submit a final accounting report to the Commission at the completion of the meter replacement program detailing total costs and the funds remaining to be transferred. The parties agree that KCWA may use IFR Account funds for ongoing meter replacements.
18. KCWA agrees to withdraw its request to fund a new restricted meter account.
19. The parties estimate that KCWA will collect an additional \$1,533,333 of meter funds between January 1, 2020 and the effective date of the new rates (September 1, 2020). The parties agree that KCWA will use these funds to cover the rate case expenses in this

docket and any required deposits to the O&M and R&R reserves in calendar year 2020. After these offsets, the balance of the funds will be transferred into the 2017 Series A Debt Service account with the understanding that the 2017 Series A Bond and the 2012 Series A Bond will be paid in full by June 2021 (the latest date there is expected to be sufficient funding available for payment in full). The three reserve accounts associated with these Bond Series, specifically the Renewal & Replacement Reserve 2012, the Operation & Maintenance Reserve, and the Debt Service Reserve accounts, will be liquidated in the process of satisfying the bond payments. KCWA will report the actual amount collected and disbursed from these funds within 90 days of their payment in full.

20. After the 2012 Series A Bond has been paid in full (June 2021 or earlier), funding for the 2012 Bond (\$181,937/month) will be transferred to the restricted Capital Improvement Program ("CIP") Account. The CIP Account may be used for pay-as-you-go capital projects or debt service payments related to funds borrowed for capital projects. After the 2017 Series A Bond has been paid in full (June 2021 or earlier), funding for the 2017 Bond (\$154,005/month) will remain in the IFR Account. Both the 2012 and 2017 debt service accounts will be eliminated upon the payment in full of the bonds.
21. KCWA will convert all Medium and Large Meter Accounts to monthly billing at the completion of the expanded meter replacement program discussed above (includes all meters greater than 2"). All small meter accounts (2" meters or less) will remain on quarterly billing.
22. The existing Fire Subsidy will be reduced by 50 percent. This moves the public and private fire service charges closer to the full cost of service.
23. No customers will be charged credit card or ACH fees under the new tariff.

IV. EFFECT OF SETTLEMENT

24. This Settlement Agreement is the result of a negotiated settlement. The discussions which have produced this Settlement Agreement have been conducted with the explicit understanding that all offers of settlement and discussion relating thereto are and shall be privileged, shall be without prejudice to the position of any party or participant presenting such offer or participating in any such discussion, and are not to be used in any manner in connection with these or other proceedings.
25. This Settlement Agreement is the product of negotiation and compromise. The making of this agreement establishes no principal or precedent. This agreement shall not be deemed to foreclose any party from making any contention in any future proceeding or investigation.
26. The agreement by any party to the terms of this Settlement Agreement shall not be construed as an agreement as to any matter of fact or law beyond the terms thereof. By entering into this Settlement Agreement, matters or issues other than those explicitly identified in this agreement have not been settled upon or conceded by any party to this Settlement Agreement, and nothing in this agreement shall preclude any party from taking any position in any future proceeding regarding such unsettled matters.
27. In the event that the Commission rejects this Settlement Agreement, or modifies this agreement or any provision therein, then this agreement shall be deemed withdrawn and shall be null and void in all respects.

IN WITNESS WHEREOF, the Parties agree that this Settlement Agreement is reasonable, in the public interest and in accordance with law and regulatory policy, and have caused this agreement to be executed by their respective representatives, each being authorized to do so.

Dated this 25th day of August 2020.

<p>KENT COUNTY WATER AUTHORITY By its Attorney,</p> <p><u>/s/ Mary B. Shekarchi</u> Mary B. Shekarchi (#4767) Attorney at Law 33 College Hill Rd., Suite #15E Warwick, RI 02886 Tel. # (401)828-5030 Marybali@aol.com</p>	<p>DIVISION OF PUBLIC UTILITIES AND CARRIERS, By its Attorney,</p> <p><u>/s/ Tiffany A. Parenteau</u> Tiffany A. Parenteau (#8436) Special Assistant Attorney General 150 South Main Street Providence, RI 02903 Tel: (401)-274-4400, ext. tparenteau@riag.ri.gov</p>
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Detailed of Rate Year Revenue & Expenses
Kent County Water Authority

Amended Settlement Schedule-1.0

Adjusted Test Year <u>1/1/18-12/31/18</u>	Summary of Adjustments	Rate Year <u>1/1/20-12/31/20</u>	Adjustment as percent of Test Year	Adjustment Supporting Schedule
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Revenues - at current rates

Service Charges	\$ 1,907,853	\$ -	\$ 1,907,853	
Metered Rates	19,523,270	157,229	19,680,499	0.8% DGB-RY-2
Public Fire	1,788,689	0	1,788,689	
Private Fire	217,404	0	217,404	
Rate Revenues	\$ 23,437,217	\$ 157,229	\$ 23,594,446	
Miscellaneous Income	244,795	-	244,795	
Interest Income	21,464	-	21,464	
Merchand & Jobbing	18,811	-	18,811	
6.9% of Water Prot Fee	45,581	-	45,581	
Miscellaneous	\$ 330,651	\$ -	\$ 330,651	
Total Revenue	\$ 23,767,867	\$ 157,229	\$ 23,925,096	

Expenses

SOURCE OF SUPPLY				
maint of wells/supply study	\$ 19,149	\$ -	\$ 19,149	
purchased water	4,629,127	390,113	5,019,241	8.4% Amended Settlement Schedule 1.1a
Subtotal	\$ 4,648,276	\$ 390,113	\$ 5,038,389	
PUMPING OPERATIONS				
fuel for pumping	\$ 24,497	\$ 265	\$ 24,762	1.1% DGB-Testimony (Page 9)
power	795,804	8,607	804,411	1.1% DGB-Testimony (Page 9)
labor-pumping	88,457	-	88,457	
pumping expense	-	-	-	
maint. - structures & improv	89,053	-	89,053	
diesel oil	-	-	-	
maint. - equip	60,420	-	60,420	
Subtotal	\$ 1,058,232	\$ 8,872	\$ 1,067,104	
WATER TREATMENT				
chemicals	\$ 168,441	\$ 1,822	\$ 170,263	1.1% DGB-Testimony (Page 9)
labor	199,893	-	199,893	
operating / Mishnock	70,718	-	70,718	
maint. - water treat equip	18,978	-	18,978	
maint. - structure	704	-	704	
Subtotal	\$ 458,734	\$ 1,822	\$ 460,556	
TRANS & DISTR. EXPENSE				
storage facilities exp.	\$ -	\$ -	\$ -	
labor	25,794	-	25,794	
supplies	115,531	-	115,531	
labor-meter	56,374	-	56,374	
meter - supp & exp	13	-	13	
cust. install.	-	-	-	
misc.	14,332	-	14,332	
maint - struct. & improv.	61,616	-	61,616	
maint.- res & stdp	21,960	-	21,960	
maint. - mains	649,344	-	649,344	
maint. - service	155,029	-	155,029	
maint. - meters	150,716	-	150,716	
maint. - hydrants	85,649	-	85,649	
construction labor	(70)	-	(70)	
Subtotal	\$ 1,336,287	\$ -	\$ 1,336,287	
CUSTOMER ACCOUNT				
labor- meter read	\$ 118,526	\$ -	\$ 118,526	
cust record labor	218,968	-	218,968	

Detailed of Rate Year Revenue & Expenses
Kent County Water Authority

Amended Settlement Schedule-1.0

	Adjusted Test Year <u>1/1/18-12/31/18</u>	Summary of Adjustments	Rate Year <u>1/1/20-12/31/20</u>	Adjustment as percent of Test Year	Adjustment Supporting Schedule
cust records sup	103,571	-	103,571		
meter read supplies	2,708	-	2,708		
uncollectible	62,046	-	62,046		
Subtotal	\$ 505,818	\$ -	\$ 505,818		
ADMIN. & GENERAL					
salaries	\$ 479,217	\$ -	\$ 479,217		
office supplies & expenses	278,498	-	278,498		
insurance (property/liability/wc)	278,482	-	278,482		
OPEB Trust Contrib.	82,715	-	82,715		
employee benefits	1,091,013	-	1,091,013		
maint. - plant	157,568	-	157,568		
maint. - vehicles	65,155	-	65,155		
miscellaneous	17,123	-	17,123		
vacation, holiday, sick	321,965	-	321,965		
regul. exp.	157,881	(53,367)	104,514	-33.8%	Amended Settlement Adj.
outside service	97,156	-	97,156		
Subtotal	\$ 3,026,772	\$ (53,367)	\$ 2,973,405		
TOTAL O&M	\$ 11,034,118	\$ 347,440	\$ 11,381,558		
FIXED CHARGES					
Debt Service					
Existing	\$2,183,250	\$0	\$ 2,183,250		
New	-	-	-		
Reserves and Coverage					
O&M Reserve	14,185	(14,185)	0	-100.0%	Joint Settlement Schedule-1.1
R&R Reserve	132,336	(132,336)	(0)	-100.0%	Joint Settlement Schedule-1.1
Renewal & Replacement - Equip	100,000	-	100,000		
Infrastructure Replacement	6,000,000	-	6,000,000		
Meter Replacement	2,300,000	(2,300,000)	-	-100.0%	Joint Settlement Schedule-1.1
CIP	1,453,819	-	1,453,819		
Payroll Taxes	175,621	-	175,621		
PILOT	23,123	-	23,123		
SUBTOTAL FIXED	\$12,382,334	(\$2,446,521)	\$9,935,813		
OPERATING REVENUE RESERVE	\$ 348,494	\$ (31,486)	\$ 317,008		
TOTAL EXPENSES	\$ 23,764,946	\$ (2,130,567)	\$ 21,634,379		

EXPENSE SUMMARY - RATE YEAR
Kent County Water Authority

Amended Settlement
Schedule-1.1

DESCRIPTION	KCWA Adjusted Test Year	KCWA Rate Year Adjustments	KCWA Adjusted Rate Year	Settlement Adjustments	Settlement Adjusted Rate Year
EXPENSES					
<i>SOURCE OF SUPPLY</i>					
maint of wells/supply study	\$ 19,149	\$ -	\$ 19,149	\$ -	\$ 19,149
purchased water	4,629,127	50,065	4,679,192	340,049	5,019,241
<i>Total Source of Supply</i>	4,648,276	50,065	4,698,340	340,049	5,038,389
<i>PUMPING OPERATIONS</i>					
fuel for pumping	24,497	265	24,762	-	24,762
power	795,804	8,607	804,411	-	804,411
labor-pumping	88,457	-	88,457	-	88,457
pumping expense	-	-	-	-	-
maint. - structures & improv	89,053	-	89,053	-	89,053
diesel oil	-	-	-	-	-
maint. - equip	60,420	-	60,420	-	60,420
<i>Total Pumping Operations</i>	1,058,232	8,872	1,067,104	-	1,067,104
<i>WATER TREATMENT</i>					
chemicals	168,441	1,822	170,263	-	170,263
labor	199,893	-	199,893	-	199,893
operating / Mishnock	70,718	-	70,718	-	70,718
maint. - water treat equip	18,978	-	18,978	-	18,978
maint. - structure	704	-	704	-	704
<i>Total Water Treatment</i>	458,734	1,822	460,556	-	460,556
<i>TRANS & DISTR. EXPENSE</i>					
storage facilities exp.	-	-	-	-	-
labor	25,794	-	25,794	-	25,794
supplies	115,531	-	115,531	-	115,531
labor-meter	56,374	-	56,374	-	56,374
meter - supp & exp	13	-	13	-	13
cust. install.	-	-	-	-	-
misc.	14,332	-	14,332	-	14,332
maint - struct. & improv.	61,616	-	61,616	-	61,616
maint.- res & stdp	21,960	-	21,960	-	21,960
maint. - mains	649,344	-	649,344	-	649,344
maint. - service	155,029	-	155,029	-	155,029
maint. - meters	150,716	-	150,716	-	150,716
maint. - hydrants	85,649	-	85,649	-	85,649
construction labor	(70)	-	(70)	-	(70)
<i>Total Trans & Dist Expenses</i>	1,336,287	-	1,336,287	-	1,336,287
<i>CUSTOMER ACCOUNT</i>					
labor- meter read	118,526	-	118,526	-	118,526
cust record labor	218,968	-	218,968	-	218,968
cust records sup	103,571	-	103,571	-	103,571
meter read supplies	2,708	-	2,708	-	2,708
uncollectible	62,046	-	62,046	-	62,046
<i>Total Customer Accounts</i>	505,818	-	505,818	-	505,818

EXPENSE SUMMARY - RATE YEAR
Kent County Water Authority

**Amended Settlement
Schedule-1.1**

DESCRIPTION	Test Year	Adjustments	Rate Year	Adjustments	Rate Year
<i>ADMIN. & GENERAL</i>					
salaries	479,217	-	479,217	-	479,217
office supplies & expenses	278,498	-	278,498	-	278,498
insurance (property/liability/wc)	278,482	-	278,482	-	278,482
OPEB Trust Contrib.	82,715	-	82,715	-	82,715
employee benefits	1,091,013	-	1,091,013	-	1,091,013
maint. - plant	157,568	-	157,568	-	157,568
maint. - vehicles	65,155	-	65,155	-	65,155
miscellaneous	17,123	-	17,123	-	17,123
vacation, holiday, sick	321,965	-	321,965	-	321,965
regul. exp.	157,881	-	157,881	(53,367)	104,514
outside service	97,156	-	97,156	-	97,156
<i>Total Admin & General</i>	3,026,772	-	3,026,772	(53,367)	2,973,405
 TOTAL O&M EXPENSES	 \$ 11,034,118	 \$ 60,758	 \$ 11,094,876	 \$ 286,682	 \$ 11,381,558
 <i>FIXED CHARGES</i>					
Debt Service		-	-	-	-
Existing	2,183,250	-	2,183,250	-	2,183,250
New	-	-	-	-	-
Reserves and Coverage	-	-	-	-	-
O&M Reserve	14,185	-	14,185	(14,185)	0
R&R Reserve	132,336	-	132,336	(132,336)	(0)
Renewal & Replacement - Equip	100,000	-	100,000	-	100,000
Infrastructure Replacement	6,000,000	-	6,000,000	-	6,000,000
Meter Replacement	2,300,000	(1,904,000)	396,000	(396,000)	-
CIP	1,453,819	-	1,453,819	-	1,453,819
Payroll Taxes	175,621	-	175,621	-	175,621
PILOT	23,123	-	23,123	-	23,123
<i>Total Fixed Charges</i>	12,382,334	(1,904,000)	10,478,334	(542,521)	9,935,813
 <i>OPERATING REVENUE RESERVE</i>	 348,494	 (27,649)	 320,845	 (3,838)	 317,007
 TOTAL EXPENSES	 \$ 23,764,946	 \$ (1,870,891)	 \$ 21,894,055	 \$ (259,677)	 \$ 21,634,378

COST OF WATER PURCHASED - RATE YEAR
Kent County Water Authority

**Amended Settlement
Schedule-1.1a**

	(B) (A / 100) HCF	(C) current PWSB rates	(D) (B x C) cost of purchased water
Test Year (Rate Year settlement under Docket #4641)			
<u>Water Purchased Direct from Providence</u>	2,148,725	1.350858	\$ 2,902,622
<u>Water Purchased via Warwick</u>	1,414,908	1.350858	\$ 1,911,340
Total Purchase	3,563,633		\$ 4,813,962
<u>Water Purchased by Warwick</u>	(136,828)	1.350858	\$ (184,835)
Net Purchase	<u>3,426,805</u>		<u>\$ 4,629,127</u>

Rate Year - Settlement (Test Year plus Estimated consumption for QDC)

<u>Water Purchased Direct from Providence</u>	2,148,725	1.350858	\$ 2,902,622
<u>Water Purchased via Warwick</u> (1,414,908+37062 QDC new consumption)	1,451,970	1.350858	\$ 1,961,405
Total Purchase	3,600,695		\$ 4,864,028
<u>Water Purchased by Warwick</u>	(136,828)	1.350858	\$ (184,835)
Net Purchase	<u>3,463,867</u>		<u>\$ 4,679,192</u>

	(B) (A / 100) HCF	(C) Individual Wholesale Rates of PWSB by Amended Settlement	(D) (B x C) cost of purchased water
Rate Year - Compliance using 3 year average (See Compliance Schedule-1-1b) with modification for new QDC consumption			

<u>Water Purchased Direct from Providence</u>	2,590,693	1.571574	\$ 4,071,465
<u>Water Purchased via Warwick</u> (664,081+37,062 for additional QDC)	701,143	1.688386	\$ 1,183,800
Total Purchase	3,291,836		\$ 5,255,265
<u>Water Purchased by Warwick</u>	(139,715)	1.689330	\$ (236,025)
Net Purchase	<u>3,152,121</u>		<u>\$ 5,019,241</u>

Providence rates per Amended Settlement document v8-20-2020 (Schedule HJS-22b)

WATER PURCHASED IN HCF - RATE YEAR
Kent County Water Authority

**Amended Settlement
Schedule-1.1b**

	2018	2019	2020	3 Year Ave
<u>Water Purchased Direct from Providence</u>	2,470,270	2,726,971	2,574,837	2,590,693
<u>Water Purchased via Warwick</u>	787,560	623,969	580,715	664,081
Total Purchase	3,257,830	3,350,940	3,155,552	3,254,774
<u>Water Purchased by Warwick</u>	(121,815)	(146,985)	(150,345)	(139,715)
Net Purchase	<u>3,136,015</u>	<u>3,203,955</u>	<u>3,005,207</u>	<u>3,115,059</u>

STATEMENT OF REVENUE - RATE YEAR
Kent County Water Authority

**Amended Settlement
Schedule-1.2**

ACCT. #	DESCRIPTION	KCWA Adjusted Test Year	KCWA Rate Year Adjustments	KCWA Adjusted Rate Year	Settlement Adjustments	Settlement Adjusted Rate Year
REVENUE						
	<i>Revenue from Rates and Charges</i>					
	Service Charges	\$ 1,907,853	\$ -	\$ 1,907,853	-	\$ 1,907,853
	Metered Rates	19,523,270	157,229	19,680,499	-	19,680,499
	Public Fire	1,788,689	-	1,788,689	-	1,788,689
	Private Fire	217,404	-	217,404	-	217,404
		<u>23,437,217</u>	<u>157,229</u>	<u>23,594,446</u>	<u>-</u>	<u>23,594,446</u>
	<i>Miscellaneous Revenue</i>					
	Miscellaneous Income	244,795	-	244,795	-	244,795
	Interest Income	21,464	-	21,464	-	21,464
	Merchand & Jobbing	18,811	-	18,811	-	18,811
	6.9% of Water Prot Fee	45,581	-	45,581	-	45,581
		<u>330,651</u>	<u>-</u>	<u>330,651</u>	<u>-</u>	<u>330,651</u>
	TOTAL REVENUE	<u>\$ 23,767,867</u>	<u>\$ 157,229</u>	<u>\$ 23,925,096</u>	<u>\$ -</u>	<u>\$ 23,925,096</u>

ALLOCATION OF RATE YEAR EXPENSES TO
GENERAL WATER, FIRE, AND CUSTOMER SERVICE
Kent County Water Authority

Amended Settlement
Schedule-2.0

Expense Item	Rate Year <u>1/1/20-12/31/20</u>	ALLOC. SYMBOL (1)	GENERAL WATER % AMOUNT	FIRE SERVICE % AMOUNT	CUST. SERVICE % AMOUNT
SOURCE OF SUPPLY					
maint of wells/supply study	\$19,149	A	99.50% \$19,052.81	0.50% \$95.74	0.00% \$0.00
purchased water	\$5,019,241	A	99.50% \$4,994,144.32	0.50% \$25,096.20	0.00% \$0.00
PUMPING OPERATIONS					
fuel for pumping	\$24,762	A	99.50% \$24,638.52	0.50% \$123.81	0.00% \$0.00
power	\$804,411	A	99.50% \$800,389.12	0.50% \$4,022.06	0.00% \$0.00
labor-pumping	\$88,457	P	79.74% \$70,533.99	20.26% \$17,922.98	0.00% \$0.00
pumping expense	\$0	P	79.74% \$0.00	20.26% \$0.00	0.00% \$0.00
maint. - structures & improv	\$89,053	P	79.74% \$71,009.62	20.26% \$18,043.84	0.00% \$0.00
diesel oil	\$0	P	79.74% \$0.00	20.26% \$0.00	0.00% \$0.00
maint. - equip	\$60,420	P	79.74% \$48,177.97	20.26% \$12,242.22	0.00% \$0.00
WATER TREATMENT					
chemicals	\$170,263	A	99.50% \$169,411.30	0.50% \$851.31	0.00% \$0.00
labor	\$199,893	A	99.50% \$198,893.50	0.50% \$999.46	0.00% \$0.00
operating / Mishnock	\$70,718	A	99.50% \$70,364.76	0.50% \$353.59	0.00% \$0.00
maint. - water treat equip	\$18,978	A	99.50% \$18,882.97	0.50% \$94.89	0.00% \$0.00
maint. - structure	\$704	A	99.50% \$700.21	0.50% \$3.52	0.00% \$0.00
TRANS & DISTR. EXPENSE					
storage facilities exp.	\$0	D	75.00% \$0.00	25.00% \$0.00	0.00% \$0.00
labor	\$25,794	B	74.80% \$19,293.18	25.20% \$6,500.62	0.00% \$0.00
supplies	\$115,531	B	74.80% \$86,414.42	25.20% \$29,116.37	0.00% \$0.00
labor-meter	\$56,374	C	0.00% \$0.00	0.00% \$0.00	100.00% \$56,374.15
meter - supp & exp	\$13	C	0.00% \$0.00	0.00% \$0.00	100.00% \$12.97
cust. install.	\$0	C	0.00% \$0.00	0.00% \$0.00	100.00% \$0.00
misc.	\$14,332	F	48.26% \$6,916.82	23.01% \$3,297.25	28.73% \$4,117.70
maint - struct. & improv.	\$61,616	F	48.26% \$29,737.41	23.01% \$14,175.82	28.73% \$17,703.19
maint.- res & stdp	\$21,960	D	75.00% \$16,469.76	25.00% \$5,489.92	0.00% \$0.00
maint. - mains	\$649,344	B	74.80% \$485,694.75	25.20% \$163,649.37	0.00% \$0.00
maint. - service	\$155,029	C	0.00% \$0.00	0.00% \$0.00	100.00% \$155,028.83
maint. - meters	\$150,716	C	0.00% \$0.00	0.00% \$0.00	100.00% \$150,715.70
maint. - hydrants	\$85,649	E	0.50% \$428.24	99.50% \$85,220.38	0.00% \$0.00
construction labor	-\$70	F	48.26% -\$33.93	23.01% -\$16.18	28.73% -\$20.20
CUSTOMER ACCOUNT					
labor- meter read	\$118,526	C	0.00% \$0.00	0.00% \$0.00	100.00% \$118,525.77
cust record labor	\$218,968	C	0.00% \$0.00	0.00% \$0.00	100.00% \$218,967.68
cust records sup	\$103,571	C	0.00% \$0.00	0.00% \$0.00	100.00% \$103,570.72
meter read supplies	\$2,708	C	0.00% \$0.00	0.00% \$0.00	100.00% \$2,707.88
uncollectible	\$62,046	C	0.00% \$0.00	0.00% \$0.00	100.00% \$62,045.57
ADMIN. & GENERAL					
salaries	\$479,217	G	73.22% \$350,905.42	7.67% \$36,732.51	19.11% \$91,578.85
office supplies & expenses	\$278,498	G	73.22% \$203,929.22	7.67% \$21,347.16	19.11% \$53,221.19
insurance (property/liability/wc)	\$278,482	G	73.22% \$203,917.95	7.67% \$21,345.98	19.11% \$53,218.25
OPEB Trust Contrib.	\$82,715	H	55.77% \$46,128.80	11.86% \$9,806.33	32.38% \$26,779.99
employee benefits	\$1,091,013	H	55.77% \$608,439.39	11.86% \$129,345.65	32.38% \$353,228.42
maint. - plant	\$157,568	G	73.22% \$115,378.69	7.67% \$12,077.75	19.11% \$30,111.38
maint. - vehicles	\$65,155	G	73.22% \$47,709.38	7.67% \$4,994.18	19.11% \$12,451.13
miscellaneous	\$17,123	G	73.22% \$12,538.19	7.67% \$1,312.49	19.11% \$3,272.20
vacation, holiday, sick	\$321,965	H	55.77% \$179,554.30	11.86% \$38,170.72	32.38% \$104,239.93
regul. exp.	\$104,514	G	73.22% \$76,529.88	7.67% \$8,011.09	19.11% \$19,972.67
outside service	\$97,156	G	73.22% \$71,142.35	7.67% \$7,447.13	19.11% \$18,566.64
TOTAL O&M	\$11,381,558		\$9,047,293	\$677,874	\$1,656,391

ALLOCATION OF RATE YEAR EXPENSES TO
GENERAL WATER, FIRE, AND CUSTOMER SERVICE
Kent County Water Authority

Amended Settlement
Schedule-2.0

Expense Item	Rate Year	ALLOC.	GENERAL WATER		FIRE SERVICE		CUST. SERVICE		
	1/1/20-12/31/20		SYMBOL (1)	%	AMOUNT	%	AMOUNT	%	AMOUNT
FIXED CHARGES									
Debt Service									
Existing	\$2,183,250	J	78.18%	\$1,706,912.32	19.76%	\$431,403.08	2.06%	\$44,934.60	
O&M Reserve	\$0	G	73.22%	\$0.33	7.67%	\$0.03	19.11%	\$0.09	
R&R Reserve	(\$0)	J	78.18%	-\$0.23	19.76%	-\$0.06	2.06%	-\$0.01	
Renewal & Replacement - Equip	\$100,000	J	78.18%	\$78,182.14	19.76%	\$19,759.67	2.06%	\$2,058.15	
Infrastructure Replacement	\$6,000,000	I	78.18%	\$4,690,930.46	19.76%	\$1,185,580.43	2.06%	\$123,489.11	
Meter Replacement	\$0	M	100.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00	
CIP	\$1,453,819	I	78.18%	\$1,136,627.12	19.76%	\$287,269.84	2.06%	\$29,921.80	
Payroll Taxes	\$175,621	H	55.77%	\$97,940.63	11.86%	\$20,820.80	32.38%	\$56,859.26	
PILOT	\$23,123	L	77.88%	\$18,008.69	21.03%	\$4,863.87	1.08%	\$250.61	
SUBTOTAL FIXED	\$9,935,813			\$7,728,601		\$1,949,698		\$257,514	
OPERATING REVENUE	\$317,008	K	80.15%	\$254,079.14	11.55%	\$36,624.86	8.30%	\$26,303.78	
TOTAL EXPENSES	\$21,634,379			\$17,029,974		\$2,664,197		\$1,940,208	
Less:									
Miscellaneous Income	(\$244,795)	K	80.15%	-\$196,201.45	11.55%	-\$28,281.94	8.30%	-\$20,311.94	
Interest Income	(\$21,464)	K	80.15%	-\$17,203.22	11.55%	-\$2,479.80	8.30%	-\$1,780.98	
Merchand & Jobbing	(\$18,811)	K	80.15%	-\$15,076.68	11.55%	-\$2,173.26	8.30%	-\$1,560.83	
6.9% of Water Prot Fee	(\$45,581)	K	80.15%	-\$36,532.49	11.55%	-\$5,266.07	8.30%	-\$3,782.06	
NET REQUIRED FROM RATES	\$21,303,728		78.69%	\$16,764,960	0.1232646	\$2,625,996	0.08979	\$1,912,772	

ALLOCATION OF RATE YEAR LABOR EXPENSES TO
GENERAL WATER, FIRE, AND CUSTOMER SERVICE
Kent County Water Authority

Amended Settlement
Schedule-2.1

Expense Item	Rate Year <u>1/1/20-12/31/20</u>	ALLOC. SYMBOL (1)	GENERAL WATER % AMOUNT	FIRE SERVICE % AMOUNT	CUST. SERVICE % AMOUNT
SOURCE OF SUPPLY					
maint of wells/supply study	\$0	A	99.50% \$0.00	0.50% \$0.00	0.00% \$0.00
purchased water	\$0	A	99.50% \$0.00	0.50% \$0.00	0.00% \$0.00
PUMPING OPERATIONS					
fuel for pumping	\$0	A	99.50% \$0.00	0.50% \$0.00	0.00% \$0.00
power	\$0	A	99.50% \$0.00	0.50% \$0.00	0.00% \$0.00
labor-pumping	\$85,450	P	79.74% \$68,136.30	20.26% \$17,313.72	0.00% \$0.00
pumping expense	\$0	P	79.74% \$0.00	20.26% \$0.00	0.00% \$0.00
maint. - structures & improv	\$81,273	P	79.74% \$64,805.85	20.26% \$16,467.44	0.00% \$0.00
diesel oil	\$0	P	79.74% \$0.00	20.26% \$0.00	0.00% \$0.00
maint. - equip	\$40,701	P	79.74% \$32,453.85	20.26% \$8,246.66	0.00% \$0.00
WATER TREATMENT					
chemicals	\$0	A	99.50% \$0.00	0.50% \$0.00	0.00% \$0.00
labor	\$194,419	A	99.50% \$193,447.25	0.50% \$972.10	0.00% \$0.00
operating / Mishnock	\$0	A	99.50% \$0.00	0.50% \$0.00	0.00% \$0.00
maint. - water treat equip	\$0	A	99.50% \$0.00	0.50% \$0.00	0.00% \$0.00
maint. - structure	\$0	A	99.50% \$0.00	0.50% \$0.00	0.00% \$0.00
TRANS & DISTR. EXPENSE					
storage facilities exp.	\$0	D	75.00% \$0.00	25.00% \$0.00	0.00% \$0.00
labor	\$0	B	74.80% \$0.00	25.20% \$0.00	0.00% \$0.00
supplies	\$0	B	74.80% \$0.00	25.20% \$0.00	0.00% \$0.00
labor-meter	\$53,778	C	0.00% \$0.00	0.00% \$0.00	100.00% \$53,777.83
meter - supp & exp	\$0	C	0.00% \$0.00	0.00% \$0.00	100.00% \$0.00
cust. install.	\$0	C	0.00% \$0.00	0.00% \$0.00	100.00% \$0.00
misc.	\$0	F	48.26% \$0.00	23.01% \$0.00	28.73% \$0.00
maint - struct. & improv.	\$0	F	48.26% \$0.00	23.01% \$0.00	28.73% \$0.00
maint. - res & stdp	\$19,395	D	75.00% \$14,546.28	25.00% \$4,848.76	0.00% \$0.00
maint. - mains	\$442,286	B	74.80% \$330,819.67	25.20% \$111,465.96	0.00% \$0.00
maint. - service	\$119,143	C	0.00% \$0.00	0.00% \$0.00	100.00% \$119,142.70
maint. - meters	\$51,421	C	0.00% \$0.00	0.00% \$0.00	100.00% \$51,420.79
maint. - hydrants	\$38,556	E	0.50% \$192.78	99.50% \$38,363.55	0.00% \$0.00
construction labor	\$0	F	48.26% \$0.00	23.01% \$0.00	28.73% \$0.00
CUSTOMER ACCOUNT					
labor- meter read	\$114,304	C	0.00% \$0.00	0.00% \$0.00	100.00% \$114,304.06
cust record labor	\$212,247	C	0.00% \$0.00	0.00% \$0.00	100.00% \$212,246.95
cust records sup	\$0	C	0.00% \$0.00	0.00% \$0.00	100.00% \$0.00
meter read supplies	\$0	C	0.00% \$0.00	0.00% \$0.00	100.00% \$0.00
uncollectible	\$0	C	0.00% \$0.00	0.00% \$0.00	100.00% \$0.00
ADMIN. & GENERAL					
salaries	\$475,594	G	73.22% \$348,252.39	7.67% \$36,454.80	19.11% \$90,886.47
office supplies & expenses	\$0	G	73.22% \$0.00	7.67% \$0.00	19.11% \$0.00
insurance (property/liability/wc)	\$0	G	73.22% \$0.00	7.67% \$0.00	19.11% \$0.00
OPEB Trust Contrib.	\$0	H	55.77% \$0.00	11.86% \$0.00	32.38% \$0.00
employee benefits	\$0	H	55.77% \$0.00	11.86% \$0.00	32.38% \$0.00
maint. - plant	\$127,191	G	73.22% \$93,135.36	7.67% \$9,749.34	19.11% \$24,306.35
maint. - vehicles	\$3,842	G	73.22% \$2,812.97	7.67% \$294.46	19.11% \$734.13
miscellaneous	\$0	G	73.22% \$0.00	7.67% \$0.00	19.11% \$0.00
vacation, holiday, sick	\$346,970	H	55.77% \$193,498.96	11.86% \$41,135.16	32.38% \$112,335.48
regul. exp.	\$0	G	73.22% \$0.00	7.67% \$0.00	19.11% \$0.00
outside service	\$0	G	73.22% \$0.00	7.67% \$0.00	19.11% \$0.00
TOTAL O&M	\$2,406,568		55.77% \$1,342,102	11.86% \$285,312	32.38% \$779,155

ALLOCATION SYMBOLS

ALLOCATION SYMBOL	GEN'L WATER	FIRE SERVICE	CUST SERVICE
A	99.50%	0.50%	0.00% Supply & Treatment
B	74.80%	25.20%	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	48.26%	23.01%	28.73% Misc T&D
G	73.22%	7.67%	19.11% Direct O&M (50% of Purch Water) Benefits & Vacation
H	55.77%	11.86%	32.38% Labor
I	78.18%	19.76%	2.06% IFR Costs (same as Debt/Capital)
J	78.18%	19.76%	2.06% Debt/Capital
K	80.15%	11.55%	8.30% Total Expense
L	77.88%	21.03%	1.08% PILOT
M	100.00%	0.00%	0.00% Meter Replacement Program - all costs to small meter rate
P	79.74%	20.26%	0.00% Pumping Facilities

<i>Symbol B</i>	<u>Gal/Min</u>	<u>%</u>
Model Max. Day	10,409.72	74.80%
Fire Demand	3,500.00	25.20%
Max. Day Plus Fire	13,909.72	100.00%

<i>Symbol J - Debt Service/C</i>	<u>Plant In Service</u>	<u>Symbol</u>	<u>Gen Water</u>	<u>Fire</u>	<u>Cust A</u>	<u>Cust B</u>
Plant Value 6/30/2015						
Source of Supply	\$ 1,841,541	A	\$ 1,832,333	\$ 9,208	\$ -	
Pumping Plant	\$ 8,413,011	A	\$ 8,370,946	\$ 42,065	\$ -	
Water Treat. Plant	\$ 22,057,416	A	\$ 21,947,129	\$ 110,287	\$ -	
T&D Storage	\$ 9,696,568	D	\$ 7,272,426	\$ 2,424,142	\$ -	
T&D Mains	\$ 95,652,793	B	\$ 71,546,130	\$ 24,106,662	\$ -	
T&D Hydrants	\$ 1,362,339	E	\$ 6,812	\$ 1,355,527	\$ -	
T&D Services	\$ 2,919,253	C	\$ -	\$ -	\$ 2,919,253	
T&D Meters	\$ 2,193	C	\$ -	\$ -	\$ 2,193	
General Plant	\$ 3,103,245	J	\$ 2,426,184	\$ 613,191	\$ 63,869	
General Structures	\$ 727,760	J	\$ 568,979	\$ 143,803	\$ 14,978	
Total	\$ 145,776,119		\$ 113,970,939	\$ 28,804,886	\$ 3,000,294	
Percent			78%	20%	2%	

Symbol L - PILOT

	<u>Total</u>	<u>Symbol</u>	<u>Gen Water</u>	<u>Fire</u>	<u>Cust A</u>	<u>Cust B</u>
Storage	\$ 7,257.84	D	\$ 5,443	\$ 1,814	\$ -	\$ -
Office	\$ 1,311.39	G	\$ 960	\$ 101	\$ 125	\$ 125
PS/Wells/Treatment	\$ 14,553.93	P	\$ 11,605	\$ 2,949	\$ -	\$ -
Total	\$ 23,123.17		\$ 18,008.69	\$ 4,863.87	\$ 125.30	\$ 125.30
Percent			77.88%	21.03%	0.54%	0.54%

Symbol M - Meter Replacement Program

The Authority is proposing to replace all residential meters that are 2" and less. Accordingly, we propose to assign all the meter replacement costs to the small meter rate (for meters 2" and less).

Symbol P - Pumping Facilities (per Decision in Dockets 2098, 2555, 3660, 4067)

	<u>Percent</u>	<u>Symbol</u>	<u>Gen Water</u>	<u>Fire</u>	<u>Cust A</u>	<u>Cust B</u>
Supply Well Pumps	20%	A	19.90%	0.10%	0.00%	0%
Distribution Pumps	80%	B	59.84%	20.16%	0.00%	0%
Total	100%	P	79.74%	20.26%	0.00%	0%

Symbol F

TRANS & DISTR. EXPENSE	0	0	0	0	0	
storage facilities exp.	0 D		0	0	0	
labor	25,794 B		19,293	6,501	0	
supplies	115,531 B		86,414	29,116	0	
labor-meter	56,374 C		0	0	56,374	
meter - supp & exp	13 C		0	0	13	
cust. install.	0 C		0	0	0	

Amended Settlement
Schedule-2.2

misc.	F				
maint - struct. & improv.	F				
maint.- res & stdp	21,960 D	16,470	5,490	0	
maint. - mains	649,344 B	485,695	163,649	0	
maint. - service	155,029 C	0	0	155,029	
maint. - meters	150,716 C	0	0	150,716	
maint. - hydrants	85,649 E	428	85,220	0	
construction labor	F				
	1,260,409	608,300	289,977	362,132	
		48.26%	23.01%	28.73%	

Symbol g

SOURCE OF SUPPLY	0	0	0	0	0
maint of wells/supply study	19,149 A		19,053	96	0
purchased water	2,509,620 A		2,497,072	12,548	0
PUMPING OPERATIONS	0	0	0	0	0
fuel for pumping	24,762 A		24,639	124	0
power	804,411 A		800,389	4,022	0
labor-pumping	88,457 P		70,534	17,923	0
pumping expense	0 P		0	0	0
maint. - structures & improv	89,053 P		71,010	18,044	0
diesel oil	0 P		0	0	0
maint. - equip	60,420 P		48,178	12,242	0
WATER TREATMENT	0	0	0	0	0
chemicals	170,263 A		169,411	851	0
labor	199,893 A		198,894	999	0
operating / Mishnock	70,718 A		70,365	354	0
maint. - water treat equip	18,978 A		18,883	95	0
maint. - structure	704 A		700	4	0
TRANS & DISTR. EXPENSE	0	0	0	0	0
storage facilities exp.	0 D		0	0	0
labor	25,794 B		19,293	6,501	0
supplies	115,531 B		86,414	29,116	0
labor-meter	56,374 C		0	0	56,374
meter - supp & exp	13 C		0	0	13
cust. install.	0 C		0	0	0
misc.	14,332 F		6,917	3,297	4,118
maint - struct. & improv.	61,616 F		29,737	14,176	17,703
maint.- res & stdp	21,960 D		16,470	5,490	0
maint. - mains	649,344 B		485,695	163,649	0
maint. - service	155,029 C		0	0	155,029
maint. - meters	150,716 C		0	0	150,716
maint. - hydrants	85,649 E		428	85,220	0
construction labor	-70 F		-34	-16	-20
CUSTOMER ACCOUNT	0	0	0	0	0
labor- meter read	118,526 C		0	0	118,526
cust record labor	218,968 C		0	0	218,968
cust records sup	103,571 C		0	0	103,571
meter read supplies	2,708 C		0	0	2,708
uncollectible	62,046 C		0	0	62,046
ADMIN. & GENERAL	0	0	0	0	0
salaries	G				
office supplies & expenses	G				
insurance (property/liability/wc)	G				
OPEB Trust Contrib.	82,715 H	46,129	9,806	26,780	
employee benefits	1,091,013 H	608,439	129,346	353,228	
maint. - plant	G				
maint. - vehicles	G				
miscellaneous	G				
vacation, holiday, sick	321,965 H	179,554	38,171	104,240	
regul. exp.	G				
outside service	G				
TOTAL O&M	7,394,226	5,468,170	552,058	1,373,998	
		73.95%	7.47%	18.58%	

ALLOCATION OF GENERAL WATER EXPENSES TO
BASE AND EXTRA CAPACITY
Kent County Water Authority

Amended Settlement
Schedule-3.0

<u>Expense Item</u>	<u>TOTAL</u> <u>GENERAL WATER</u>	<u>ALLOC.</u> <u>SYMBOL (1)</u>	<u>BASE</u> <u>%</u>	<u>AMOUNT</u>	<u>EXTRA CAP.-MAX DAY</u> <u>%</u>	<u>AMOUNT</u>	<u>EXTRA CAP.-PEAK HR</u> <u>%</u>	<u>AMOUNT</u>
SOURCE OF SUPPLY								
maint of wells/supply study	\$19,053	aa	100.00%	\$19,052.81	0.00%	\$0.00	0.00%	\$0.00
purchased water	\$4,994,144	aa	100.00%	\$4,994,144.32	0.00%	\$0.00	0.00%	\$0.00
PUMPING OPERATIONS	\$0			\$0.00		\$0.00		\$0.00
fuel for pumping	\$24,639	aa	100.00%	\$24,638.52	0.00%	\$0.00	0.00%	\$0.00
power	\$800,389	aa	100.00%	\$800,389.12	0.00%	\$0.00	0.00%	\$0.00
labor-pumping	\$70,534	pp	62.64%	\$44,182.49	37.36%	\$26,351.50	0.00%	\$0.00
pumping expense	\$0	pp	62.64%	\$0.00	37.36%	\$0.00	0.00%	\$0.00
maint. - structures & improv	\$71,010	pp	62.64%	\$44,480.43	37.36%	\$26,529.19	0.00%	\$0.00
diesel oil	\$0	pp	62.64%	\$0.00	37.36%	\$0.00	0.00%	\$0.00
maint. - equip	\$48,178	pp	62.64%	\$30,178.68	37.36%	\$17,999.29	0.00%	\$0.00
WATER TREATMENT	\$0			\$0.00		\$0.00		\$0.00
chemicals	\$169,411	aa	100.00%	\$169,411.30	0.00%	\$0.00	0.00%	\$0.00
labor	\$198,894	aa	100.00%	\$198,893.50	0.00%	\$0.00	0.00%	\$0.00
operating / Mishnock	\$70,365	aa	100.00%	\$70,364.76	0.00%	\$0.00	0.00%	\$0.00
maint. - water treat equip	\$18,883	aa	100.00%	\$18,882.97	0.00%	\$0.00	0.00%	\$0.00
maint. - structure	\$700	aa	100.00%	\$700.21	0.00%	\$0.00	0.00%	\$0.00
TRANS & DISTR. EXPENSE	\$0			\$0.00		\$0.00		\$0.00
storage facilities exp.	\$0	dd	0.00%	\$0.00	0.00%	\$0.00	100.00%	\$0.00
labor	\$19,293	bb	53.30%	\$10,283.26	46.70%	\$9,009.91	0.00%	\$0.00
supplies	\$86,414	bb	53.30%	\$46,058.89	46.70%	\$40,355.54	0.00%	\$0.00
labor-meter	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
meter - supp & exp	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
cust. install.	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
misc.	\$6,917	ff	51.89%	\$3,589.00	45.40%	\$3,140.31	2.71%	\$187.51
maint - struct. & improv.	\$29,737	ff	51.89%	\$15,430.14	45.40%	\$13,501.13	2.71%	\$806.14
maint.- res & stdp	\$16,470	dd	0.00%	\$0.00	0.00%	\$0.00	100.00%	\$16,469.76
maint. - mains	\$485,695	mod	44.00%	\$213,705.69	36.00%	\$174,850.11	20.00%	\$97,138.95
maint. - service	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
maint. - meters	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
maint. - hydrants	\$428	aa	100.00%	\$428.24	0.00%	\$0.00	0.00%	\$0.00
construction labor	-\$34	ff	51.89%	-\$17.61	45.40%	-\$15.41	2.71%	-\$0.92
CUSTOMER ACCOUNT	\$0			\$0.00		\$0.00		\$0.00
labor- meter read	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
cust record labor	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
cust records sup	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
meter read supplies	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
uncollectible	\$0	cc	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
ADMIN. & GENERAL	\$0			\$0.00		\$0.00		\$0.00
salaries	\$350,905	gg	88.84%	\$311,728.95	10.60%	\$37,192.12	0.57%	\$1,984.35
office supplies & expenses	\$203,929	gg	88.84%	\$181,161.76	10.60%	\$21,614.26	0.57%	\$1,153.21
insurance (property/liability/wc)	\$203,918	gg	88.84%	\$181,151.74	10.60%	\$21,613.06	0.57%	\$1,153.15
OPEB Trust Contrib.	\$46,129	hh	75.59%	\$34,868.84	22.93%	\$10,575.05	1.48%	\$684.91
employee benefits	\$608,439	hh	75.59%	\$459,920.40	22.93%	\$139,484.99	1.48%	\$9,034.00
maint. - plant	\$115,379	gg	88.84%	\$102,497.35	10.60%	\$12,228.87	0.57%	\$652.46
maint. - vehicles	\$47,709	gg	88.84%	\$42,382.91	10.60%	\$5,056.67	0.57%	\$269.79
miscellaneous	\$12,538	gg	88.84%	\$11,138.38	10.60%	\$1,328.91	0.57%	\$70.90
vacation, holiday, sick	\$179,554	hh	75.59%	\$135,725.41	22.93%	\$41,162.90	1.48%	\$2,665.99
regul. exp.	\$76,530	gg	88.84%	\$67,985.78	10.60%	\$8,111.33	0.57%	\$432.77
outside service	\$71,142	gg	88.84%	\$63,199.74	10.60%	\$7,540.31	0.57%	\$402.31
TOTAL O&M	\$9,047,293			\$8,296,558		\$617,630		\$133,105

ALLOCATION OF GENERAL WATER EXPENSES TO
BASE AND EXTRA CAPACITY
Kent County Water Authority

Amended Settlement
Schedule-3.0

<u>Expense Item</u>	<u>TOTAL</u> <u>GENERAL WATER</u>	<u>ALLOC.</u> <u>SYMBOL (1)</u>	<u>BASE</u> <u>%</u>	<u>AMOUNT</u>	<u>EXTRA CAP.-MAX DAY</u> <u>%</u>	<u>AMOUNT</u>	<u>EXTRA CAP.-PEAK HR</u> <u>%</u>	<u>AMOUNT</u>
FIXED CHARGES								
Debt Service								
Existing	\$1,706,912	jj	53.00%	\$904,663.53	33.00%	\$563,281.07	14.00%	\$238,967.73
O&M Reserve	\$0	gg	88.84%	\$0.30	10.60%	\$0.04	0.57%	\$0.00
R&R Reserve	(\$0)	jj	53.00%	-\$0.12	33.00%	-\$0.07	14.00%	-\$0.03
Renewal & Replacement - Equip	\$78,182	jj	53.00%	\$41,436.54	33.00%	\$25,800.11	14.00%	\$10,945.50
Infrastructure Replacement	\$4,690,930	ii	53.00%	\$2,486,193.14	33.00%	\$1,548,007.05	14.00%	\$656,730.26
Meter Replacement	\$0	mm	100.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
CIP	\$1,136,627	ii	53.00%	\$602,412.37	33.00%	\$375,086.95	14.00%	\$159,127.80
Payroll Taxes	\$97,941	hh	75.59%	\$74,033.50	22.93%	\$22,452.93	1.48%	\$1,454.21
PILOT	\$18,009	ll	44.60%	\$8,032.23	25.01%	\$4,504.71	30.38%	\$5,471.75
SUBTOTAL FIXED	\$7,728,601			\$4,116,771		\$2,539,133		\$1,072,697
OPERATING REVENUE	\$254,079	kk	79.40%	\$201,745.97	17.61%	\$44,741.69	2.99%	\$7,591.48
TOTAL EXPENSES	\$17,029,974			\$12,615,075		\$3,201,505		\$1,213,394
Less:								
Miscellaneous Income	(\$196,201)	kk	79.40%	-\$155,789.46	17.61%	-\$34,549.81	2.99%	-\$5,862.18
Interest Income	(\$17,203)	kk	79.40%	-\$13,659.84	17.61%	-\$3,029.38	2.99%	-\$514.00
Merchand & Jobbing	(\$15,077)	kk	79.40%	-\$11,971.31	17.61%	-\$2,654.91	2.99%	-\$450.47
6.9% of Water Prot Fee	(\$36,532)	kk	79.40%	-\$29,007.82	17.61%	-\$6,433.13	2.99%	-\$1,091.53
NET REQUIRED FROM RATES	\$16,764,960		73.99%	\$12,404,647	0.1881804	\$3,154,837	0.0719	\$1,205,476
Less: Meter replace. costs	\$0	mm	100.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00
Plus Fire Subsidy	335,009	mm	100.00%	\$335,008.50	0.00%	\$0.00	0.00%	\$0.00
Net After Meter Replacement	\$17,099,969			\$12,739,656		\$3,154,837		\$1,205,476
Meter replace. costs	\$0							
Total EXPENSES from General Water	\$17,099,969							

ALLOCATION SYMBOLS

ALLOCATION SYMBOL	<u>EXTRA CAPACITY</u>			
	BASE	MAX DAY	PEAK HOUR	
aa	100.00%	0.00%	0.00%	Supply & Treatment
bb	53.30%	46.70%	0.00%	T&D Mains
cc	0.00%	0.00%	0.00%	Meters
dd	0.00%	0.00%	100.00%	Storage
ee	0.00%	0.00%	0.00%	Not Used
ff	51.89%	45.40%	2.71%	Misc. T&D
gg	88.84%	10.60%	0.57%	Direct O&M plus 50% Purch Water
hh	75.59%	22.93%	1.48%	Labor
ii	53.00%	33.00%	14.00%	IFR - same as capital
jj	53.00%	33.00%	14.00%	Debt/Capital
kk	79.40%	17.61%	2.99%	All Expenses
ll	44.60%	25.01%	30.38%	PILOT
pp	62.64%	37.36%	0.00%	Pumping Facilities
mm	100.00%	0.00%	0.00%	Meter costs just to small meter class base

CALCULATION OF METERED RATES
Kent County Water Authority

Amended Settlement
Schedule-4.0

Class Demands

CUSTOMER CLASS	AVERAGE DEMANDS		FACTOR [1]	MAX DAY EXTRA CAPACITY		
	(GALS/DAY)	PERCENT		TOTAL GAL/DAY	TRA GAL/DAY	PERCENT
Small	6,024,134	90%	2.7	16,265,161.03	10,241,027.32	96.83%
Medium	136,733	2%	2	273,465.72	136,732.86	1.29%
Large	496,732	7%	1.4	695,424.79	198,692.80	1.88%
Wholesale	71,103	1%	1	71,102.68	-	0.00%
Total	6,728,701	100%		17,305,154.22	10,576,452.97	100%

CUSTOMER CLASS	AVERAGE DEMANDS		FACTOR	PEAK HOUR EXTRA CAPACITY		
	(GALS/DAY)	PERCENT		TOTAL GAL/DAY	TRA GAL/DAY	PERCENT
Small	6,024,134	90%	3.4	20,482,054.63	14,457,920.92	96.73%
Medium	136,733	2%	2.4	328,158.86	191,426.00	1.28%
Large	496,732	7%	1.6	794,771.18	298,039.19	1.99%
Wholesale	71,103	1%	1	71,102.68	-	0.00%
Total	6,728,701	100%		21,676,087.36	14,947,386.11	100%

[1] - Described in the April, 1992 Cost of Service Study and as used in the Dockets # 2098 through 4067

Allocation of Costs to Classes

CUSTOMER CLASS	BASE COSTS		MAX. DAY EXTRA CAPACITY		PEAK HR. EXTRA CAPACITY		(COS-3A) Meter Replacement	TOTAL
	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT		AMOUNT
Small *	89.53%	\$ 11,405,676.28	96.83%	\$ 3,054,783.58	96.73%	\$ 1,166,001.45	\$ (238,371.00)	\$ 15,388,090.31
Medium	2.03%	\$ 258,880.50	1.29%	\$ 40,785.88	1.28%	\$ 15,438.11	\$ 51,452.18	\$ 366,556.67
Large	7.38%	\$ 940,477.84	1.88%	\$ 59,267.83	1.99%	\$ 24,036.25	\$ 186,918.82	\$ 1,210,700.74
Wholesale	1.06%	\$ 134,620.88	0.00%	\$ -	0.00%	\$ -	\$ -	\$ 134,620.88
Total	100%	\$12,739,656	100%	\$3,154,837	100%	\$1,205,476	\$ -	\$ 17,099,968.60

Calculation of Rates before new rate classes

	Total Expense	Metered Sales	Rate	current rate	\$ increase	% increase
Small *	\$ 15,388,090.31	2,939,584	\$ 5.23	\$6.16	\$ (0.93)	-15%
Medium	\$ 366,556.67	66,721	\$ 5.49	\$4.91	\$ 0.58	12%
Large	\$ 1,210,700.74	242,389	\$ 4.99	\$4.48	\$ 0.52	12%
Wholesale	\$ 134,620.88	35,135	\$ 3.83			
Total	\$ 17,099,968.60	3,283,829				

CALCULATION OF METERED RATES
Kent County Water Authority

Amended Settlement
Schedule-4.0

Calculation of Rates after new rate classes

	Metered Sales	Allocation to Medium with Bypass	Allocation to Large with Bypass	Reallocated Metered Sales	Rate		
Small *	2,939,584	(62,484)	(353,744)	2,523,356	\$ 5.235	\$ 13,209,226	-15% (A)
Medium*	66,721	(32,454)		34,267	\$ 5.564	\$ 190,658	13% (B)
Large*	242,389		(173,136)	69,253	\$ 5.105	\$ 353,528	14% (C)
Medium with Bypass		94,938		94,938	\$ 5.564	\$ 528,221	-3.0% (D)
Large with Bypass			526,880	526,880	\$ 5.105	\$ 2,689,649	-9.0% (E)
Wholesale	35,135			35,135	\$ 3.832	\$ 134,621	
Total	<u>3,283,829</u>			<u>3,283,829</u>		<u>\$ 17,105,903</u>	

Impact of Single register

	Rate	current rate	\$ increase	% increase
Small *	\$ 5.23	\$6.16	\$ (0.93)	-15% (A)
Medium	\$ 5.56	\$4.91	\$ 0.65	13% (B)
Large	\$ 5.10	\$4.48	\$ 0.63	14% (C)

Impact of Bypass rate

Medium with Bypass	62,484	\$6.16	\$ 384,964	
	32,454	\$4.91	\$ 159,447	
	<u>94,938</u>		<u>\$ 544,411</u>	Current Blended Revenue
			528,221	Proposed Revenue
			\$ (16,189.88)	
			-3.0% (D)	
Large with Bypass	353,744	\$6.16	\$ 2,179,417	
	173,136	\$4.48	\$ 774,784	
	<u>526,880</u>		<u>\$ 2,954,200</u>	Current Blended Revenue
			2,689,649	Proposed Revenue
			\$ (264,551.20)	
			-9.0% (E)	

CALCULATION OF METERED RATES
Kent County Water Authority

Amended Settlement
Schedule-4.1

Class Demands

<u>CUSTOMER CLASS</u>	<u>AVERAGE DEMANDS</u>		<u>AVERAGE DEMANDS</u>	
	<u>(GALS/DAY)</u>	<u>PERCENT</u>	Allocation for new restricted meter account <u>(GALS/DAY)</u>	<u>PERCENT</u>
Small	6,024,134	90%	6,024,134	90%
Medium	136,733	2%	136,733	2%
Large	496,732	7%	496,732	7%
Wholesale	72,003	1%	-	0%
Total	6,729,601	100%	6,657,599	100%

<u>CUSTOMER CLASS</u>	<u>AVERAGE DEMANDS</u>		
	<u>(GALS/DAY)</u>	<u>PERCENT</u>	
Small	-	0%	
Medium	136,733	22%	
Large	496,732	78%	
Wholesale	-	0%	
Total	633,465	100%	Allocation to Med/Lrg Classes for amount paid by Small Class

Allocation of Meter Replacement Costs to Classes

<u>CUSTOMER CLASS</u>	<u>New Restricted Acct (1)</u>		<u>Med/Lrg meter program (2)</u>		<u>TOTAL AMOUNT</u>
	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	
Small *	90.49%	\$ -	-100.00%	\$ (238,371.00)	\$ (238,371)
Medium	2.05%	\$ -	21.58%	\$ 51,452.18	\$ 51,452
Large	7.46%	\$ -	78.42%	\$ 186,918.82	\$ 186,919
Wholesale	0.00%	\$ -	0.00%	\$ -	\$ -
Total	100%	\$0	0%	\$ 238,371	\$ -

(1) For detail of new meter program see Mr. Simmons testimony on Page 14

(2) The new Medium/Large program will be funded from accumulated funds in the current restricted meter program.
The current meter program funding however was contributed exclusively by the Small customer class.
This adjustment provides a credit to the small customer class while allocating the payment of that credit to the Medium and Large classes.

Total Cost of Med/Lrg meters (page 7 of Mr. Simmon's testimony)	\$	953,484
Amortization period		4
	\$	<u>238,371</u>

ALLOCATION OF CUSTOMER SERVICE EXPENSE

Kent County Water Authority

Amended Settlement

Schedule-5.0

<u>Expense Item</u>	<u>TOTAL</u> <u>GENERAL WATER</u>	<u>ALLOC.</u> <u>SYMBOL (1)</u>	<u>CUSTOM METER</u> <u>%</u>	<u>AMOUNT</u>	<u>CUSTOM BILL</u> <u>%</u>	<u>AMOUNT</u>
SOURCE OF SUPPLY						
TRANS & DISTR. EXPENSE						
storage facilities exp.	\$0	AA	100.00%	\$0.00	0.00%	\$0.00
labor	\$0	AA	100.00%	\$0.00	0.00%	\$0.00
supplies	\$0	AA	100.00%	\$0.00	0.00%	\$0.00
labor-meter	\$56,374	AA	100.00%	\$56,374.15	0.00%	\$0.00
meter - supp & exp	\$13	AA	100.00%	\$12.97	0.00%	\$0.00
cust. install.	\$0	AA	100.00%	\$0.00	0.00%	\$0.00
misc.	\$4,118	AA	100.00%	\$4,117.70	0.00%	\$0.00
maint - struct. & improv.	\$17,703	AA	100.00%	\$17,703.19	0.00%	\$0.00
maint.- res & stdp	\$0	AA	100.00%	\$0.00	0.00%	\$0.00
maint. - mains	\$0	AA	100.00%	\$0.00	0.00%	\$0.00
maint. - service	\$155,029	AA	100.00%	\$155,028.83	0.00%	\$0.00
maint. - meters	\$150,716	AA	100.00%	\$150,715.70	0.00%	\$0.00
maint. - hydrants	\$0	AA	100.00%	\$0.00	0.00%	\$0.00
construction labor	-\$20	AA	100.00%	-\$20.20	0.00%	\$0.00
CUSTOMER ACCOUNT						
labor- meter read	\$118,526	BB	0.00%	\$0.00	100.00%	\$118,525.77
cust record labor	\$218,968	BB	0.00%	\$0.00	100.00%	\$218,967.68
cust records sup	\$103,571	BB	0.00%	\$0.00	100.00%	\$103,570.72
meter read supplies	\$2,708	BB	0.00%	\$0.00	100.00%	\$2,707.88
uncollectible	\$62,046	BB	0.00%	\$0.00	100.00%	\$62,045.57
ADMIN. & GENERAL						
salaries	\$91,579	CC	42.46%	\$38,884.38	57.54%	\$52,694.47
office supplies & expenses	\$53,221	CC	42.46%	\$22,597.72	57.54%	\$30,623.47
insurance (property/liability/wc)	\$53,218	CC	42.46%	\$22,596.47	57.54%	\$30,621.78
OPEB Trust Contrib.	\$26,780	CC	42.46%	\$11,370.79	57.54%	\$15,409.21
employee benefits	\$353,228	DD	41.02%	\$144,894.30	58.96%	\$208,263.47
maint. - plant	\$30,111	CC	42.46%	\$12,785.29	57.54%	\$17,326.09
maint. - vehicles	\$12,451	CC	42.46%	\$5,286.75	57.54%	\$7,164.38
miscellaneous	\$3,272	CC	42.46%	\$1,389.38	57.54%	\$1,882.82
vacation, holiday, sick	\$104,240	CC	42.46%	\$44,260.28	57.54%	\$59,979.66
regul. exp.	\$19,973	CC	42.46%	\$8,480.40	57.54%	\$11,492.28
outside service	\$18,567	CC	42.46%	\$7,883.40	57.54%	\$10,683.25
TOTAL O&M	\$1,656,391		42.46%	\$704,361	57.54%	\$951,958
FIXED CHARGES						
Debt Service						
Existing	\$44,935	JJ	100.00%	\$44,934.60	0.00%	\$0.00
O&M Reserve	\$0	CC	42.46%	\$0.04	57.54%	\$0.05
R&R Reserve	(\$0)	JJ	100.00%	-\$0.01	0.00%	\$0.00
Renewal & Replacement - Equip	\$2,058	JJ	100.00%	\$2,058.15	0.00%	\$0.00
Infrastructure Replacement	\$123,489	JJ	100.00%	\$123,489.11	0.00%	\$0.00
Meter Replacement	\$0	JJ	100.00%	\$0.00	0.00%	\$0.00
CIP	\$29,922	JJ	100.00%	\$29,921.80	0.00%	\$0.00
Payroll Taxes	\$56,859	DD	41.02%	\$23,323.67	58.96%	\$33,524.22
PILOT	\$251	EE	48.57%	\$121.72	51.43%	\$128.89
SUBTOTAL FIXED	\$257,514			\$223,849		\$33,653
OPERATING REVENUE	\$26,304	EE	48.57%	\$12,775.75	51.43%	\$13,528.03

ALLOCATION OF CUSTOMER SERVICE EXPENSE
Kent County Water Authority

Amended Settlement
Schedule-5.0

<u>Expense Item</u>	TOTAL GENERAL WATER	ALLOC. SYMBOL (1)	<u>CUSTOM METER</u>		<u>CUSTOM BILL</u>	
			%	AMOUNT	%	AMOUNT
TOTAL EXPENSES	\$1,940,208			\$940,986		\$999,140
Less:						
Miscellaneous Income	(\$20,312)	EE	48.57%	-\$9,865.51	51.43%	-\$10,446.43
Interest Income	(\$1,781)	EE	48.57%	-\$865.02	51.43%	-\$915.96
Merchand & Jobbing	(\$1,561)	EE	48.57%	-\$758.09	51.43%	-\$802.73
6.9% of Water Prot Fee	(\$3,782)	EE	48.57%	-\$1,836.95	51.43%	-\$1,945.11
NET REQUIRED FROM RATES	\$1,912,772		48.50%	\$927,661	51.50%	\$985,029

ALLOCATION SYMBOLS

ALLOCATION SYMBOL	CUSTOM METER	CUSTOM BILL
AA	100.00%	0.00% Meters
BB	0.00%	100.00% Billing
CC	42.46%	57.54% O&M
DD	41.02%	58.96% Labor
EE	48.57%	51.43% All Expenses
JJ	100.00%	0.00% Capital

DETERMINATION OF PROPOSED SERVICE CHARGES
Kent County Water Authority

Amended Settlement
Schedule-6.0

Billing Charges

Billing Charges	\$ 985,029
No. of Bills	111,980
Rate per Bill	<u>\$ 8.80</u>

Meter/Service Charges

Meter/Service Charges	\$ 927,661
No. of EQ. Meters	36,814
Rate per Eq. Meter/Yr	<u>\$ 25.20</u>

Size	Rate per Equivalent	Meter Charge
5/8 & 3/4	1.00	\$ 25.20
1	1.80	\$ 45.36
1 1/2	3.30	\$ 83.16
2	4.60	\$ 115.91
3	6.30	\$ 158.75
4	9.60	\$ 241.91
6	16.90	\$ 425.85
8 & up	29.60	\$ 745.88

Total Service Charges per Quarter

Size	Meter/Service Charge	Billing Charge	Total Meter/Service Charge
5/8 & 3/4	\$ 6.30	\$ 8.80	\$ 15.10
1	\$ 11.34	\$ 8.80	\$ 20.14
1 1/2	\$ 20.79	\$ 8.80	\$ 29.59
2	\$ 28.98	\$ 8.80	\$ 37.77
3	\$ 39.69	\$ 8.80	\$ 48.48
4	\$ 60.48	\$ 8.80	\$ 69.27
6	\$ 106.46	\$ 8.80	\$ 115.26
8 & up	\$ 186.47	\$ 8.80	\$ 195.27

Total Service Charges per Month

Size	Meter/Service Charge	Billing Charge	Total Meter/Service Charge
5/8 & 3/4	\$ 2.10	\$ 8.80	\$ 10.90
1	\$ 3.78	\$ 8.80	\$ 12.58
1 1/2	\$ 6.93	\$ 8.80	\$ 15.73
2	\$ 9.66	\$ 8.80	\$ 18.46
3	\$ 13.23	\$ 8.80	\$ 22.03
4	\$ 20.16	\$ 8.80	\$ 28.96
6	\$ 35.49	\$ 8.80	\$ 44.28
8 & up	\$ 62.16	\$ 8.80	\$ 70.95

ALLOCATION OF CUSTOMER SERVICE UNITS
Kent County Water Authority

Amended Settlement
Schedule-6.1

<u>Quarterly</u>	<u>Number of Meters</u>	<u>Number of Bills</u>
5/8 & 3/4	22,080	88,320
1	3,650	14,600
1 1/2	324	1,296
2	502	2,008
3	11	44
4	89	356
6	89	356
8 & up	67	268
<u>Monthly</u>		-
5/8 & 3/4	5	60
1	1	12
1 1/2	9	108
2	8	96
3	1	12
4	3	36
6	7	84
8 & up	5	60
 TOTAL		
5/8 & 3/4	22,085	88,380
1	3,651	14,612
1 1/2	333	1,404
2	510	2,104
3	12	56
4	92	392
6	96	440
8 & up	72	328
 Private fire		128
Public fire		4,136
	26,851	111,980

DETERMINATION OF EQUIVALENT METERS
Kent County Water Authority

Amended Settlement
Schedule-6.2

Meter size	Number	Equivalence Factor	Equivalent Meters (5/8)
5/8 & 3/4	22,085	1.00	22,085
1	3,651	1.80	6,572
1 1/2	333	3.30	1,099
2	510	4.60	2,346
3	12	6.30	76
4	92	9.60	883
6	96	16.90	1,622
8 & up	72	29.60	2,131
	<u>26,851</u>		<u>36,814</u>

ALLOCATION OF FIRE SERVICE EXPENSES
TO PUBLIC AND PRIVATE FIRE SERVICE
Kent County Water Authority

Amended Settlement
Schedulee-7.0

	<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>SUBSIDY</u>	<u>TOTAL</u>
PUBLIC FIRE SERVICE								
Hydrants	2,357.00	111.31	262,359.85	67.81%	\$ 1,709,237.07	\$105,477	(\$268,007)	\$ 1,546,707.65
	-							
PRIVATE FIRE SERVICE	-							
	-							
SIZE (IN)	-							
4	97.00	38.32	3,716.97					
6	200.00	111.31	22,262.18					
8	84.00	237.21	19,925.35					
10	17.00	426.58	7,251.85					
12	1.00	689.04	689.04					
HYDRANTS	635.00	111.31	70,682.44					
TOTAL-PRIV.	1034		124,527.84	32.19%	\$ 811,281.16	\$ -	(\$67,002)	\$ 744,279.46
	=====		=====	=====	=====	=====	=====	=====
GRAND TOTALS	3,391.00		386,887.69	100%	\$ 2,520,518.23	\$ 105,477.38	\$ (335,008.50)	\$ 2,290,987.11
Total Fire Allocation	\$2,625,996							
Less Direct Hydrant Related								
O&M	(\$85,220)	\$85,220						
Debt	(\$20,257)	\$20,257						
Net Non-Hydrant	\$2,520,518	\$105,477						
(1) Based on size to the 2.63 power.		2,992.00						
		0.79						
Subsidy from Base Water	(\$335,009)							
Allocaed based on # of Hydrants 80/20 public vs private								

DETERMINATION OF FIRE SERVICE CHARGES

Kent County Water Authority

Amended Settlement

Schedule-7.1

<u>PUBLIC FIRE PROTECTION</u>		<u>CALCULATED CHARGE</u>	
PUBLIC FIRE ALLOCATION (1)	\$ 1,546,707.65		
----- =	----- =		\$656.22
NUMBER OF PUBLIC HYDRANTS	2,357.00		
	TOTAL QUARTERLY		\$164.05
	+ BILLING	\$	8.80

PRIVATE FIRE PROTECTION

PRIVATE FIRE ALLOCATION (1,2)	\$ 744,279.46		
----- =	----- =		\$5.98 /EQUIV.
NO. OF EQUIV. UNITS	124,527.84		

<u>SIZE (IN)</u>	<u>DEMAND FACTOR</u>	<u>ANNUAL CHARGE</u>	<u>QUARTERLY CHARGE</u>	<u>BILLING CHARGE</u>	<u>CALCULATED CHARGE</u>
4	38.32	\$229.03	\$57.26	\$ 8.80	\$66.05
6	111.31	\$665.28	\$166.32	\$ 8.80	\$175.12
8	237.21	\$1,417.74	\$354.43	\$ 8.80	\$363.23
10	426.58	\$2,549.59	\$637.40	\$ 8.80	\$646.19
12	689.04	\$4,118.28	\$1,029.57	\$ 8.80	\$1,038.37
HYDRANTS	111.31	\$665.28	\$166.32	\$ 8.80	\$175.12

PUBLIC AND PRIVATE FIRE SERVICE COUNTS

Kent County Water Authority

Amended Settlement

Schedule-7.2

	Existing NUMBER	Fire Lines (1)	Total
PUBLIC FIRE SERVICE			
Hydrants	2,357.00	0	2,357.00
PRIVATE FIRE SERVICE			
SIZE (IN)			
4	16	81	97
6	95	105	200
8	16	68	84
10	1	16	17
12	1	0	1
HYDRANTS	<u>122</u>	<u>513</u>	<u>635</u>
TOTAL-PRIV.	251	783	1034
	=====	=====	=====
GRAND TOTALS	2,608.00	783.00	3,391.00

(1) see Mr. Simmons testimony on Page 17

COMPARISON TO CURRENT RATES
Kent County Water Authority

Amended Settlement
Schedule-8.0

		<u>Current</u>	<u>Proposed</u>	<u>\$ Change</u>	<u>% Change</u>
<u>METERED RATES</u>					
	Small (5/8-2" meters) Single Register	\$6.161	\$5.235	(\$0.926)	-15.03%
	Medium (3&4" meters) Single Register	\$4.913	\$5.564	\$0.651	13.25%
	Large (6" & up meters) Single Register	\$4.475	\$5.105	\$0.630	14.08%
	Medium Compound Meters with Bypass		\$5.564	New Rate	-2.97%
	Large Compound Meters with Bypass		\$5.105	New Rate	-8.96%
	Wholesale		\$3.832	New Rate	
<u>SERVICE CHARGES</u>					
Quarterly	5/8 & 3/4	\$15.41	\$ 15.10	(\$0.310)	-2.01%
	1	\$20.42	\$ 20.14	(\$0.280)	-1.37%
	1 1/2	\$29.84	\$ 29.59	(\$0.250)	-0.84%
	2	\$37.99	\$ 37.77	(\$0.220)	-0.58%
	3	\$48.67	\$ 48.48	(\$0.190)	-0.39%
	4	\$69.37	\$ 69.27	(\$0.100)	-0.14%
	6	\$115.19	\$ 115.26	\$0.070	0.06%
	8 & up	\$194.89	\$ 195.27	\$0.380	0.19%
			\$ -		
Monthly	5/8 & 3/4	\$11.22	\$ 10.90	(\$0.320)	-2.85%
	1	\$12.89	\$ 12.58	(\$0.310)	-2.40%
	1 1/2	\$16.03	\$ 15.73	(\$0.300)	-1.87%
	2	\$18.75	\$ 18.46	(\$0.290)	-1.55%
	3	\$22.31	\$ 22.03	(\$0.280)	-1.26%
	4	\$29.21	\$ 28.96	(\$0.250)	-0.86%
	6	\$44.48	\$ 44.28	(\$0.200)	-0.45%
	8 & up	\$71.05	\$ 70.95	(\$0.100)	-0.14%
<u>FIRE CHARGES</u>					
<u>Fire Service (per quarter)</u>					
Public	/hydrant	\$189.69	\$164.05	(\$25.640)	-13.52%
	/bill	\$9.13	\$8.80	(\$0.330)	-3.61%
Private (per quarter)					
	4 in	\$76.35	\$66.05	(\$10.300)	-13.49%
	6 in	\$204.38	\$175.12	(\$29.260)	-14.32%
	8 in	\$425.23	\$363.23	(\$62.000)	-14.58%
	10 in	\$757.42	\$646.19	(\$111.230)	-14.69%
	12 in	\$1,217.84	\$1,038.37	(\$179.470)	-14.74%
	hydrant	\$204.38	\$175.12	(\$29.260)	-14.32%

IMPACT OF PROPOSED RATES
Kent County Water Authority

Amended Settlement
Schedule-9.0

<u>SIZE</u>	<u>USE - CU FT</u>	<u>RATES</u>	<u>NEW BILL</u>	<u>\$ INCREASE</u>	<u>% INCREASE</u>
Small-Single Register					
5/8	1,500.00	\$154.06	\$138.92	(\$15.13)	-9.8%
5/8	2,000.00	\$184.86	\$165.10	(\$19.76)	-10.7%
5/8	5,000.00	\$369.69	\$322.14	(\$47.55)	-12.9%
5/8	10,000.00	\$677.74	\$583.88	(\$93.86)	-13.8%
1	30,000.00	\$1,929.98	\$1,651.00	(\$278.98)	-14.5%
1	75,000.00	\$4,702.43	\$4,006.65	(\$695.78)	-14.8%
2	100,000.00	\$6,280.36	\$5,353.15	(\$927.21)	-14.8%
2	200,000.00	\$12,441.36	\$10,587.93	(\$1,853.43)	-14.9%
Medium-Single Register					
3	50,000.00	\$2,651.18	\$2,975.85	\$324.67	12.2%
3	125,000.00	\$6,335.93	\$7,148.74	\$812.81	12.8%
4	250,000.00	\$12,559.98	\$14,186.71	\$1,626.73	13.0%
4	1,000,000.00	\$49,407.48	\$55,915.60	\$6,508.12	13.2%
Large-Single Register					
6	250,000.00	\$11,648.26	\$13,223.19	\$1,574.93	13.5%
6	575,000.00	\$26,192.01	\$29,813.99	\$3,621.98	13.8%
6	775,000.00	\$35,142.01	\$40,023.71	\$4,881.70	13.9%
8	2,000,000.00	\$90,279.56	\$102,878.30	\$12,598.74	14.0%
Medium-with Bypass					
	Sm meter/Med meter usage -- 68%/32%				
3	40,000/18,823 - 58,823 Total	\$3,583.85	\$3,466.74	(\$117.11)	-3.3%
4	90,000/42,352 - 132,352 Total	\$7,903.13	\$7,640.95	(\$262.18)	-3.3%
Large-with Bypass					
	Sm meter/Lrg meter usage-- 68%/32%				
6	250,000/117,647- 367,470 total	\$21,127.96	\$19,228.91	(\$1,899.05)	-9.0%
8	750,000/352,941-1,102,941 total	\$62,781.17	\$57,084.69	(\$5,696.48)	-9.1%
Municipal Fire Service					
	400 hydrants	\$75,885.13	\$65,628.80	(\$10,256.33)	-13.5%
Private Fire Service					
	6 Inch Service	\$204.38	\$175.12	(\$29.26)	-14.3%
	hydrant	\$204.38	\$175.12	(\$29.260)	-14.32%

REVENUE RECONCILIATION
Kent County Water Authority

Amended Settlement
Schedule-10.0

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	88,320	\$15.41	\$ 1,361,011	\$ 15.10	\$ 1,333,632
1	14,600	\$20.42	\$ 298,132	\$ 20.14	\$ 294,044
1 1/2	1,296	\$29.84	\$ 38,673	\$ 29.59	\$ 38,349
2	2,008	\$37.99	\$ 76,284	\$ 37.77	\$ 75,842
3	44	\$48.67	\$ 2,141	\$ 48.48	\$ 2,133
4	356	\$69.37	\$ 24,696	\$ 69.27	\$ 24,660
6	356	\$115.19	\$ 41,008	\$ 115.26	\$ 41,033
8 & up	268	\$194.89	\$ 52,231	\$ 195.27	\$ 52,332
<u>Monthly</u>					
5/8 & 3/4	60	\$11.22	\$ 673	\$ 10.90	\$ 654
1	12	\$12.89	\$ 155	\$ 12.58	\$ 151
1 1/2	108	\$16.03	\$ 1,731	\$ 15.73	\$ 1,699
2	96	\$18.75	\$ 1,800	\$ 18.46	\$ 1,772
3	12	\$22.31	\$ 268	\$ 22.03	\$ 264
4	36	\$29.21	\$ 1,052	\$ 28.96	\$ 1,043
6	84	\$44.48	\$ 3,736	\$ 44.28	\$ 3,720
8 & up	60	\$71.05	\$ 4,263	\$ 70.95	\$ 4,257

	<u>Number</u>	<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue</u>
Consumption Charge:	100/cu.ft.				
Proposed					
Small-Single Register	2,523,356	\$6.16	\$ 15,546,396	\$5.23	\$ 13,209,226
Medium-Single Register	34,267	\$4.91	\$ 168,355	\$5.56	\$ 190,658
Large-Single Register	69,253	\$4.48	\$ 309,908	\$5.10	\$ 353,528
Medium-with Bypass	94,938	\$4.91	\$ 466,430	\$5.56	\$ 528,221
Large-with Bypass	526,880	\$4.48	\$ 2,357,788	\$5.10	\$ 2,689,649
Wholesale	35,135	\$4.48	\$ 157,229	\$3.83153	\$ 134,621
Fire Protection:					
Public Hydrants	2,357.00	\$189.69	\$ 1,788,397	\$164.05	\$ 1,546,663
# bills	32.00	\$9.13	\$ 292	\$8.80	\$ 282
Private Fire Protection					
4 in	97.00	\$76.35	\$ 29,624	\$66.05	\$ 25,627
6 in	200.00	\$204.38	\$ 163,504	\$175.12	\$ 140,096
8 in	84.00	\$425.23	\$ 142,877	\$363.23	\$ 122,045
10 in	17.00	\$757.42	\$ 51,505	\$646.19	\$ 43,941
12 in	1.00	\$1,217.84	\$ 4,871	\$1,038.37	\$ 4,153
hydrant	635.00	\$204.38	\$ 519,125	\$175.12	\$ 444,805
Total			\$ 23,614,155		\$ 21,309,100
Plus: Misc Revenues			\$ 330,651		\$ 330,651
Pro Forma Revenue			\$ 23,944,806		\$ 21,639,751
Required Revenue			\$ 21,634,379		\$ 21,634,379
Difference			\$ (2,310,427)		\$ 5,372
					\$ 0
Decrease in Rate Revenues					\$ (2,310,427)
Percent Increase in Total Revenues					-9.65%

KENT COUNTY WATER AUTHORITY
PROPOSED RATE SCHEDULE

Page 1
KCWA PUC DOCKET# 5012
EFFECTIVE: 9/1/2020

METER SALES VOLUME:

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

Rates:

Rate Per
100 cu. Ft. (HCF).

Small (5/8" to 2" meters)	\$6.161 \$5.235
Medium (3" to 4" meters)	\$4.913 \$5.564
Large (6" meters and up)	\$4.475 \$5.105
Medium Compound with bypass(3" to 4" meters)	\$5.564
Large Compound with bypass(6" meters and up)	\$5.105

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	\$ 15.41 \$15.10	\$11.22 \$10.90
	1	\$ 20.42 \$20.14	\$12.89 \$12.58
	1 1/2	\$ 29.48 \$29.59	\$16.03 \$15.73
	2	\$ 37.99 \$37.77	\$18.75 \$18.46
	3	\$ 48.67 \$48.48	\$22.31 \$22.03
	4	\$ 69.37 \$69.27	\$29.21 \$28.96
	6	\$ 115.19 \$115.26	\$44.48 \$44.28
	8 & up	\$ 194.89 \$195.27	\$71.05 \$70.95

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.

Rates:

Quarterly

Hydrant	\$189.69 \$164.05 hydrant
Plus	\$ 9.13 \$8.80/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	\$ 76.35 \$66.05
	6	\$204.38 \$175.12
	8	\$425.23 \$363.23
	10	\$757.42 \$646.19
	12	\$1271.84 \$1038.37
	hydrant	\$204.38 \$175.12

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.~~

WHOLESALE RATES BETWEEN WARWICK WATER DEPARTMENT AND KCWA: KCWA will be charged by Warwick Water the same individual wholesale rate as charged to Warwick by Providence Water Supply Board. Warwick Water will be charged by KCWA the same individual wholesale rate as charged to Warwick by Providence Water Supply Board. The individual wholesale rate applied to Warwick Water will change upon changes to Providence Water Supply Board wholesale rate charge.

WHOLESALE RATE QUONSET DEVELOPMENT CORPORATION : Metered water sales at \$3.832 per HCF. 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: SYSTEM SERVICES: Applicable to all installation, repair, and hydraulic model 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.~~ **\$35.00 Per occurrence.**

METER TESTING: Applicable to all meter testing services.

CHARGE: \$100.00 Per occurrence for all meters sized 2-inches and less. All meters greater than 2 - inches will charged on an actual time and materials basis.

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.