

GENERAL RATE FILING

**DIRECT TESTIMONY & EXHIBITS
OF CHRISTOPHER P.N. WOODCOCK**

June 2011

**Submitted to:
State of Rhode Island and Providence
Plantations Public Utilities Commission**

RIPUC Docket No.

Submitted by:

United Water Rhode Island Inc.

1 have worked on over 400 water and wastewater rate and financial studies, primarily
2 in the United States, but also for government agencies overseas. I have also
3 worked on a number of engineering and financial feasibility studies in support of
4 revenue bond issues, I have helped draft and review revenue bond indentures, and
5 I worked on several valuation studies, capital improvement financing analyses, and
6 management audits of public works agencies. In addition to my professional expe-
7 rience I have also held elected and appointed positions on municipal boards over-
8 seeing public works functions.

9
10 **Q: Have you previously testified before state regulatory commissions or courts**
11 **on rate related matters?**

12 **A: Yes, I have provided testimony on rate related matters before utility commissions in**
13 **Rhode Island, Maine, Connecticut, New York, New Hampshire, Texas, and Alberta,**
14 **Canada. I have also been retained as an expert witness on utility rate related mat-**
15 **ters in proceedings in state courts in Arkansas, Florida, Massachusetts, Michigan,**
16 **New Jersey, Maryland, Ohio, Virginia, and Pennsylvania, as well as the Federal**
17 **Court in Michigan. I have been selected to several arbitration panels related to dis-**
18 **putes over water rates and charges, I have provided testimony on rate related mat-**
19 **ters to the Michigan and Massachusetts legislatures, and I have provided testimony**
20 **at administrative hearings on a number of occasions.**

1 **Q: Do you belong to any professional organizations or committees?**

2 A: Yes, I am a member of the Water Environment Federation, the Rhode Island Water
3 Works Association, the Massachusetts Water Works Association, the New England
4 Water Works Association, and the American Water Works Association. For the Wa-
5 ter Environment Federation, I was a member of the committee that prepared their
6 manual on Wastewater Rates and Financing. I am a Past-President of the New
7 England Water Works Association and I am past chairman and a current member of
8 the Financial Management Committee of NEWWA. For the American Water Works
9 Association, I am past chairman of the Financial Management Committee and the
10 Rates and Charges Committee that has prepared the manuals on Revenue Re-
11 quirements, Water Rates, Alternative Rate Structures, and Water Rates and Re-
12 lated Charges. I have been reappointed to and am currently the longest serving
13 member of the AWWA Rates & Charges Committee.

14

15 **Summary**

16 **Q: What is your role in this proceeding?**

17 A: Working with the staff of United Water Rhode Island (the Company) I have updated
18 the cost of service allocations and rates. In general, the allocations and resulting
19 rate design are based on the study I prepared for the Company in 1999 (Docket No.
20 2873). The revenue requirements, rate base and usage data were provided to me
21 by the Company.

22

1 **Q: Will you summarize your findings and conclusions?**

2 **A: The Company's requested rate year revenue requirement is \$ 4.077 million. Reve-**
3 **nues at current rates will provide annual revenues of approximately \$2.823 million.**
4 **Miscellaneous revenues will provide an additional \$36,000 for total revenues of ap-**
5 **proximately \$2.858 million. As a result; the Company needs to increase its reve-**
6 **nues by \$1.218 million, or 43.3%. Based on the cost allocation study included in**
7 **this filing, the proposed rates and charges change by varying amounts.**

8

9 **As was the case in the filing in 1999 (Docket 2873), the cost of service study indi-**
10 **cates significant increase in both the public fire service and customers service**
11 **charges are warranted. The past decade has done little to change those results. In**
12 **Docket 2873, the filing was settled with increases to the public fire service charges**
13 **and to the service charges less than was indicated by the cost of service study.**
14 **This is likely the reason those charges are significantly lower than the costs. Be-**
15 **cause going to full cost of service based rates would result in a significant shift in**
16 **revenues, we have proposed phase-in rates that are less than the cost of service for**
17 **the retail fire service and for the customer service charges. We have proposed**
18 **greater than indicated increases to the metered retail rates to offset the phase-in.**
19 **The proposed rates for the sales for resale customers (South Kingston and Narra-**
20 **gansett) are not impacted by the proposed adjustments to the retail rates and**
21 **charges.**

22

1 **Content of Schedules**

2 **Q: Please describe the schedules included with your prefiled direct testimony as**
3 **Exhibit 5.**

4 **A: There are 11 main schedules, several of which include supporting schedules. The**
5 **schedules included in my exhibit are:**

- 6 • **Schedule 1** This schedule presents a summary of the rate year (CY
7 2012) revenue requirements. Along with the sub-schedules that go
8 with it, the values in this schedule are derived from exhibits filed by the
9 Company's other witnesses. Attached to Schedule 1 are five support-
10 ing schedules.
- 11 • **Schedule 1A.** This schedule provides a summary of the rate
12 base.
- 13 • **Schedule 1B.** This schedule presents the detail of the rate year
14 operation and maintenance expenses.
- 15 • **Schedule 1C.** This schedule presents the rate year labor ex-
16 penses that are part of the totals included in Schedule 1B.
- 17 • **Schedule 1D.** This schedule presents the detail of the average
18 rate year plant in service.
- 19 • **Schedule 1E.** This presents the detail of the rate year deprecia-
20 tion expense by plant account.
- 21 • **Schedule 2** This schedule presents the units of service including the
22 metered water sales by customer class, the number of meters by size

1 and billing frequency, and the number of private and public fire servic-
2 es by size of connection.

3 • **Schedule 2A** This schedule presents the derivation of the base,
4 maximum day, and peak hour uses by customer class that are
5 used to allocate costs to the various rate classes.

6 • **Schedule 2B** This schedule shows the miles of each size pipe
7 and summarizes the amount of unaccounted for water. Consis-
8 tent with the Commission's Report and Order in Docket 3945
9 (Pawtucket Water Supply Board) I have used to the length of pipe
10 to allocate un-metered sales (unaccounted for water) between
11 the retail and wholesale (sales for resale) customers.

12 • **Schedule 3** presents the allocation of the rate year costs to general
13 water service, direct fire protection and to customer service. In subse-
14 quent schedules these costs are broken down further. Schedule 3 also
15 has several supporting schedules that, like those in Schedule 1, tend
16 to feed into or support the primary schedule.

17 • **Schedule 3A** presents the allocation of the Company's rate year
18 rate base.

19 • **Schedule 3B** presents the allocation of the detailed operation
20 and maintenance expenses to general water service, direct fire
21 protection and to customer service.

- 1 • **Schedule 3C** presents the allocation of labor costs. This sche-
2 dule is used to allocate labor related items that cannot be allo-
3 cated directly.
- 4 • **Schedule 3D** presents the allocation of the plant in service by
5 plant account to general water service, direct fire protection and
6 to customer service. This is used as the basis to allocate the rate
7 base and other general plant items.
- 8 • **Schedule 3E** presents the allocation of the detailed annual de-
9 preciation expense by plant account to general water service, di-
10 rect fire protection and to customer service.
- 11 • **Schedule 3F** contains an explanation for each of the symbols or
12 allocators that were used in the prior schedules as well as the de-
13 tailed calculations for the basis of allocating non-income taxes
14 presented in Schedule 3.
- 15 • **Schedule 4** summarizes the proposed fire protection charges. This
16 includes two supporting schedules that show the derivation and calcu-
17 lation of the proposed fire service charges.
- 18 • **Schedule 4A** presents the allocation of total fire service ex-
19 penses to Public Fire Service and to Private Fire Service. The di-
20 rect fire service allocations are related to public fire hydrants and
21 are derived on Schedule 3. In addition, portions of the general
22 water service allocations are assigned to fire service on Schedule
23 7. These are split between public fire service and private fire ser-

1 vice based on the relative demand potentials using the number
2 and size of connections. As indicated in footnote number 3, this
3 schedule also shows that the amount assigned to general water
4 service has been reduced to lessen the impact on public fire ser-
5 vice charges.

- 6 • **Schedule 4B** shows the calculation of the proposed public and
7 private fire protection charges. As with other cases before the
8 Commission, the private fire services have been assigned a por-
9 tion of the costs related to service connections

- 10 • **Schedule 5** summarizes the proposed service charges. There are
11 nine supporting schedules that present the derivation and calculation
12 of these charges.

- 13 • **Schedule 5A** presents the allocation of the overall customer ser-
14 vice revenue requirements (from Sch. 3) to two components:
15 Customer Meters (and Services) and Customer Billing. The Cus-
16 tomer Meter costs are those related to the customer's water me-
17 ters and service line connections; these costs are greater for the
18 larger size meters and service lines. The Customer Billing costs
19 are those costs related to meter reading, billing, collection and
20 customer accounting. In general these costs are dependent on
21 the number of bills and are independent of meter size or water
22 use.

- 1 • **Schedule 5B** presents the allocation of the customer service rate
2 base to the two customer service components.
- 3 • **Schedule 5C** presents the allocation of the customer service op-
4 eration and maintenance expenses to the two customer service
5 components.
- 6 • **Schedule 5D** presents the allocation of customer service related
7 labor costs. This schedule is used to allocate labor related items
8 that cannot be allocated directly.
- 9 • **Schedule 5E** presents the allocation of the customer service re-
10 lated plant in service by plant account. This is used as the basis
11 to allocate the rate base and other general plant items.
- 12 • **Schedule 5F** presents the allocation of the detailed customer
13 service depreciation expense by plant account.
- 14 • **Schedule 5G** contains an explanation for each of the symbols or
15 allocators that were used in the prior sub-schedules as well as the
16 detailed calculations for the basis of allocating non-income taxes
17 presented in Schedule 5.
- 18 • **Schedule 5H** presents the calculation of equivalent customer me-
19 ters. This is used to allocate the meter and service related costs to
20 the various size meters. The equivalents are the same as those
21 used in the Company's prior docket as well as those used in dock-
22 ets 2098 and 2555.

- 1 • **Schedule 5I** shows the derivation and calculation of the proposed
2 service charges. As shown on this schedule there are two com-
3 ponents to the proposed service charges: (1) the billing charge
4 and the metering charge. The amount of the billing component
5 has been adjusted as noted in footnote #2 to minimize the in-
6 crease to the service charges and lessen the impact on smaller
7 customers. The amount of the metering component has been ad-
8 justed to reflect that portion of service line costs that are recovered
9 through the private fire service charges.
- 10 • **Schedule 6.0** presents the allocation of general water costs to Base
11 (or average use) and to the Extra-Capacity use (maximum day and
12 peak hour demands). Schedule 6 is a summary derived from six sup-
13 porting schedules, and shows the overall revenue requirements from
14 general water service.
- 15 • **Schedule 6A presents** the allocation of the general water ser-
16 vice rate base to the three use categories (base, maximum day
17 and peak hour demands).
- 18 • **Schedule 6B** presents the allocation of the general water service
19 operation and maintenance expenses to base, maximum day and
20 peak hour demands.
- 21 • **Schedule 6C** presents the allocation of general water service re-
22 lated labor costs. This schedule is used to allocate labor related
23 items that cannot be allocated directly.

- 1 • **Schedule 6D** presents the allocation of the general water service
2 related plant in service by plant account. This is used as the ba-
3 sis to allocate the rate base and other general plant items to
4 base, maximum day and peak hour demands.
- 5 • **Schedule 6E** presents the allocation of the detailed customer
6 service depreciation expense by plant account.
- 7 • **Schedule 6F** contains an explanation for each of the symbols or
8 allocators that were used in the prior sub-schedules as well as the
9 detailed calculations for the basis of allocating non-income taxes
10 presented in Schedule 6 and the allocation of costs related to
11 meeting the extra capacity demands.
- 12 • **Schedule 7** presents the allocation of the general water service base,
13 maximum day and peak hour costs to various customer classes. The
14 first allocation is the assignment of costs related to meeting fire de-
15 mands. These are based on the percentage share of each category
16 based on the relative shares presented in Schedule 2A. The remain-
17 ing (non-fire) costs are next allocated to wholesale (or sales for resale)
18 service. This allocation follows the methods and a procedure ap-
19 proved by the Commission in recent cases, and takes into account the
20 responsibility for unaccounted for (unmetered) water. As I will discuss
21 later, we have proposed several adjustments to phase-in the cost of
22 service based rates. These are also presented on Schedule 7. With
23 these adjustments, the remaining net costs are assigned to the retail

1 customers, again based on relative proportions of use and demand as
2 presented in Schedule 2A.

3 • **Schedule 8** presents the calculation of the proposed retail and whole-
4 sale metered rates for each rate class. These calculations are based
5 on the various costs assigned in Schedule 7.

6 • **Schedule 9** presents a summary of the rates. This schedule shows
7 the current rates and charges, those derived from the cost of service
8 study without any adjustments, and the proposed rates and charges.
9 The columns labeled as cost of service based rates shows some rather
10 significant increases to the customer service charges and to the fire
11 protection charges. This result is not unexpected since the current
12 rates were adjusted from the cost of service study prepared in 1999 to
13 phase-in the indicated changes. The Company is proposing a further
14 phase-in in the interest of gradualism in rate changes. The final two
15 columns present the proposed rates and charges that reflect adjust-
16 ments to phase-in the cost based rates.

17 • **Schedule 10** presents the impact of both the cost of service based
18 rates and the proposed rates and charges on various types of custom-
19 ers.

20 • **Schedule 11** contains the proof of revenues, showing the annual rev-
21 enues under the current and proposed rates. Because the rates are
22 rounded to the nearest penny, the proposed rates provide slightly dif-
23 ferent total revenues from those required.

1 **Q: You discussed a phase-in of the cost of service based rates in the last docket.**
2 **Please discuss this further.**

3 A: In Docket 2873 (in 1999), I prepared a cost of service study for the Company. That
4 study indicated that the public fire protection charges should more than triple and
5 that the service charges for smaller meters should be increased significantly more
6 than the overall increase of some 23% that was requested. The parties agreed to a
7 phase-in of some increases. The public fire hydrant charges were set at \$65 per
8 quarter (\$230/year) rather than the cost of service based charges of nearly \$200 per
9 quarter (\$785/year). As with the public fire service charges, the service charges for
10 5/8 inch meters were also reduced from the cost based amounts of some \$25 per
11 quarter to \$17.26 per quarter.

12

13 **Q: Is the company proposing to adopt the cost based rates in this docket?**

14 A: No it is not. Under the cost of service based rates, the public fire charges would in-
15 crease from the current \$65 per quarter discussed above to some \$245 per quarter.
16 Given the increases in costs over the past decade, the cost based \$245 per hydrant
17 is in line with the \$200 per quarter derived in Docket 2873. However, this would
18 nearly quadruple the rate for public fire service. I have suggested an increase that
19 is just over two times the overall increase in revenues -- a doubling of the public fire
20 service charges. This is about half the cost based increase and will move the fire
21 charges towards the cost based rates. To accomplish this, I have recommended
22 shifting \$400,000 from the fire protection charges and moving it to the retail base

1 costs. Because the fire charges are unrelated to the sales for resale, I have not
2 recommended any adjustment or subsidy from those customers.

3
4 As discussed above, the service charge for small meters was also held down from
5 the cost based charges in Docket 2873. Not surprisingly, the findings of the cost of
6 service study in this case once again indicated a rather large increase to the service
7 charges for small meters. In keeping with the Commission's desire for gradualism
8 in increases, I have also suggested a phasing-in of the increase in the service
9 charges. I have recommended that \$350,000 be shifted from the Billing component
10 of the service charge and be assigned to the retail base costs (again with no subsi-
11 dy or impact on the sales for resale or wholesale customers). This will result in the
12 quarterly service charge for a 5/8 inch meter¹ increasing about half the amount indi-
13 cated by the cost of service study and at an amount that is in line with the overall in-
14 crease being sought.

15
16 **Q: Won't adding all these adjustments or subsidies to the base component just**
17 **increase the metered rate charged to a typical resident?**

18 **A:** Yes it will. Looking at Schedule 10 of Exhibit 5, it can be seen that a typical resi-
19 dential customer using 2000 cubic feet per quarter will see an increase of about \$7
20 per quarter as a result of the proposed phase-ins. The overall percentage increase
21 is also more in line with the Company's overall increase requested.

22

¹ Over 93% of the accounts are quarterly 5/8" meters

1 **Q: Are the modifications or subsidies that you are recommending unusual?**

2 A: No, I don't believe they are. The needs for these subsidies or transfers were cer-
3 tainly a consideration ten years ago in Docket 2873; they still seem to be valid. In
4 the recent Pawtucket Water Docket (No. 4171), both the public fire protection
5 charges and 5/8" service charges were set below the cost of service. While I be-
6 lieve we should continue to be moving towards the cost based rates, I believe it is
7 appropriate for the Commission to consider gradualism in the charge of rate struc-
8 tures.

9

10 **Summary**

11 **Q: Does this conclude your testimony?**

12 A: Aside from new information that may be brought to my attention and without review-
13 ing testimony from the Division or other witnesses, yes it does.

SUMMARY RATE YEAR EXPENSES

Operation & Maintenance	\$	1,880,222
Depreciation	\$	510,632
Taxes other than Income	\$	<u>378,430</u>
	Total Operating	\$ 2,769,284
Federal Income Tax	\$	339,858
Return on Rate Base	\$	<u>967,862</u>
	Total Revenue Required	\$ 4,077,004
Less:		
Misc. Income/Turn on-off	\$	20,172
Other Water Revenues	\$	<u>16,130</u>
	Required From Rates	\$ 4,040,702

SUMMARY OF RATE BASE

Average Utility Plant on Service	\$ 22,270,513
Less:	
Accumulated Amortization	\$ (6,213,068)
Contributions	\$ (3,596,531)
Deferred Income Tax	\$ (1,534,287)
Unamortized ITC	\$ (98,414)
1/13th Unfunded FAS 106	\$ (513,369)
Plus:	
Customer Advances	\$ -
Materials & Supplies	\$ 103,664
Working Capital	\$ 235,028
Deferred Tank Painting	\$ 147,639
Deferred Rate Case	\$ 272,756
Deferred Operations	\$ -
Deferred Acquisitions	\$ -
Total Rate Base	\$ 11,073,931

RATE YEAR OPERATION & MAINTENANCE EXPENSES

<u>Expense Item</u>	<u>Rate Year</u>
<u>Source of Supply Expenses</u>	
<u>Operation</u>	
Operation Supervision and Engineering	\$ 2,990
Operation Labor and Expenses	\$ 3,759
Purchased Water	\$ -
Miscellaneous Expenses	\$ -
Rents	\$ -
Total Operation	\$ 6,749
<u>Maintenance</u>	
Maintenance of Wells and Springs	\$ -
Maintenance of Supply Mains	\$ -
Maintenance of Miscellaneous Water Source Plant	\$ -
Total Maintenance	\$ -
Total Source of Supply Expenses	\$ 6,749
<u>Pumping Expenses</u>	
<u>Operation</u>	
Operation Supervision and Engineering	\$ -
Fuel for Power Production	\$ 747
Fuel or Power Purchased for Production	\$ 185,457
Pumping Labor and Expenses	\$ 72,889
Miscellaneous Expenses	\$ 4,660
Rents	\$ -
Total Operation	\$ 263,753
<u>Maintenance</u>	
Maintenance Supervision and Engineering	\$ -
Maintenance of Structures and Improvements	\$ 43
Maintenance of Power Production Equipment	\$ 1,231
Maintenance of Pumping Equipment	\$ 18,121
Total Maintenance	\$ 19,395
Total Pumping Expenses	\$ 283,147
<u>Water Treatment Expenses</u>	
<u>Operation</u>	
Operation Supervision and Engineering	\$ -
Chemicals	\$ 65,577
Operation Labor and Expenses	\$ 65,634
Miscellaneous Expenses	\$ 30,171
Total Operation	\$ 161,382
<u>Maintenance</u>	
Maintenance of Water Treatment Equipment	\$ 4,521
Total Maintenance	\$ 4,521
Total Water Treatment Expenses	\$ 165,903

Transmission and Distribution Expenses

<u>Operation</u>	
Operation Supervision and Engineering	\$ 98,196
Transmission and Distribution Lines Expenses	\$ 58,964
Meter Expenses	\$ 38,414
Miscellaneous Expenses	\$ 83,036
Rents	\$ -
Total Operation	\$ 278,610
<u>Maintenance</u>	
Maintenance Supervision and Engineering	\$ 2,448
Maintenance of Structures and Improvements	\$ 13,164
Maintenance of Dist. Reservoirs & Standpipes	\$ 38,574
Maintenance of Trans. & Distribution Mains	\$ 31,947
Maintenance of Fire Mains	\$ -
Maintenance of Services	\$ 10,790
Maintenance of Meters	\$ -
Maintenance of Hydrants	\$ 4,401
Maintenance of Miscellaneous Plant	\$ 805
Total Maintenance	\$ 102,128
Total Transmission & Distribution Expenses	\$ 380,738

Customer Accounts Expenses

<u>Operation</u>	
Supervision	\$ -
Meter Reading Salaries	\$ 109,157
Customer Records & Coll. Expenses-Labor	\$ 191,448
Uncollectible Accounts	\$ -
Miscellaneous Customer Account Expense	\$ 13,884
Total Customer Accounts Expenses	\$ 314,489

Administrative and General Expenses

<u>Operation</u>	
Administrative and General Salaries	\$ 167,841
Office Supplies and Other Expenses	\$ 30,214
Administrative Expenses Transferred	\$ (292,910)
Outside Services Employed	\$ 258,349
Property Insurance	\$ 44,300
Injuries and Damages	\$ 13,901
Employee Pension and Benefits	\$ 292,472
Regulatory Commission Expenses	\$ 117,280
Miscellaneous General Expenses	\$ 71,810
Rents	\$ 16,636
Total Operation	\$ 719,894
<u>Maintenance</u>	
Maintenance of General Plant	\$ 9,302
Total Administrative and General Expenses	\$ 729,196
Total Operation and Maintenance Expenses	\$ 1,880,222

TEST YEAR LABOR COSTS

<u>Expense Item</u>	<u>Test Year</u>
<u>Source of Supply Expenses</u>	
<u>Operation</u>	
Operation Supervision and Engineering	\$ 3,135
Operation Labor and Expenses	\$ 2,133
Purchased Water	\$ -
Miscellaneous Expenses	\$ -
Rents	\$ -
Total Operation	\$ 5,268
<u>Maintenance</u>	
Maintenance of Wells and Springs	\$ -
Maintenance of Supply Mains	\$ -
Maintenance of Miscellaneous Water Source Plant	\$ -
Total Maintenance	\$ -
Total Source of Supply Expenses	\$ 5,268
<u>Pumping Expenses</u>	
<u>Operation</u>	
Operation Supervision and Engineering	\$ -
Fuel for Power Production	\$ -
Fuel or Power Purchased for Production	\$ -
Pumping Labor and Expenses	\$ 32,452
Miscellaneous Expenses	\$ -
Rents	\$ -
Total Operation	\$ 32,452
<u>Maintenance</u>	
Maintenance Supervision and Engineering	\$ -
Maintenance of Structures and Improvements	\$ -
Maintenance of Power Production Equipment	\$ -
Maintenance of Pumping Equipment	\$ 6,595
Total Maintenance	\$ 6,595
Total Pumping Expenses	\$ 39,047
<u>Water Treatment Expenses</u>	
<u>Operation</u>	
Operation Supervision and Engineering	\$ -
Chemicals	\$ -
Operation Labor and Expenses	\$ 27,472
Miscellaneous Expenses	\$ -
Total Operation	\$ 27,472
<u>Maintenance</u>	
Maintenance of Water Treatment Equipment	\$ -
Total Maintenance	\$ -
Total Water Treatment Expenses	\$ 27,472

Transmission and Distribution Expenses

<u>Operation</u>	
Operation Supervision and Engineering	\$ 58,901
Transmission and Distribution Lines Expenses	\$ 28,309
Meter Expenses	\$ 23,557
Miscellaneous Expenses	\$ 38,194
Rents	\$ -
Total Operation	\$ 148,961
<u>Maintenance</u>	
Maintenance Supervision and Engineering	\$ 1,496
Maintenance of Structures and Improvements	\$ 6,027
Maintenance of Dist. Reservoirs & Standpipes	\$ -
Maintenance of Trans. & Distribution Mains	\$ 17,321
Maintenance of Fire Mains	\$ -
Maintenance of Services	\$ -
Maintenance of Meters	\$ -
Maintenance of Hydrants	\$ 2,021
Maintenance of Miscellaneous Plant	\$ -
Total Maintenance	\$ 26,865
Total Transmission & Distribution Expenses	175,826

Customer Accounts Expenses

<u>Operation</u>	
Supervision	\$ -
Meter Reading Salaries	\$ 61,265
Customer Records & Coll. Expenses-Labor	\$ 55,699
Uncollectible Accounts	\$ -
Miscellaneous Customer Account Expense	\$ 4,013
Total Customer Accounts Expenses	\$ 120,977

Administrative and General Expenses

<u>Operation</u>	
Administrative and General Salaries	\$ 179,551
Office Supplies and Other Expenses	\$ -
Administrative Expenses Transferred	\$ -
Outside Services Employed	\$ -
Property Insurance	\$ -
Injuries and Damages	\$ -
Employee Pension and Benefits	\$ -
Regulatory Commission Expenses	\$ -
Miscellaneous General Expenses	\$ -
Rents	\$ -
Total Operation	\$ 179,551
<u>Maintenance</u>	
Maintenance of General Plant	\$ 4,420
Total Administrative and General Expenses	\$ 4,420
Total Labor Expenses	\$ 552,561

PLANT IN SERVICE - AVG RATE YEAR

Plant Held for Future Use	\$	-
INTANGIBLE PLANT		
Organization	\$	51,107
Misc. Intangibles	\$	231,444
Subtotal	\$	282,551
SOURCE OF SUPPLY		
Land & Land Rights	\$	27,717
Wells & Springs	\$	442,871
Supply Mains	\$	47,627
Struct & Other Source of Supply	\$	106,861
Subtotal	\$	625,076
PUMPING PLANT		
Land & Land Rights	\$	5,601
Structures & Improvements	\$	679,313
Electric Pump Equip	\$	1,511,686
Diesel Pump Equip	\$	-
Other Pump Equip	\$	113,127
Subtotal	\$	2,309,727
WATER TREATMENT PLANT		
Structures & improvements	\$	18,475
Water Treatment Plant	\$	436,922
Subtotal	\$	455,396
TRANSMISSION & DISTRIBUTION PLANT		
Land & Land Rights	\$	1,862
Structures & Improvements	\$	25,772
Distrib Reservoirs & Standpipes	\$	968,016
Trans. & Dist. Mains	\$	9,490,212
Services	\$	2,963,555
Meters	\$	2,683,106
Hydrants	\$	850,459
Subtotal	\$	16,982,982
GENERAL PLANT		
Structures & Improvements	\$	205,826
Computer Hardware	\$	590,698
391A-CIS	\$	472,333
Stores Equipment	\$	-
Tools, Shop & Garage Equip.	\$	65,178
Laboratory Equipment	\$	-
Power Operated Equipment	\$	15,685
Communication Equipment	\$	185,385
Miscellaneous Equipment	\$	79,677
Subtotal	\$	1,614,782
TOTAL PLANT IN SERVICE	\$	22,270,513

RATE YEAR DEPRECIATION EXPENSE

Plant Held for Future Use	\$	-
INTANGIBLE PLANT		
Organization	\$	-
Misc. Intangibles	\$	-
	Subtotal	\$ -
SOURCE OF SUPPLY		
Land & Land Rights	\$	-
Wells & Springs	\$	8,857
Supply Mains	\$	595
Struct & Other Source of Supply	\$	2,105
	Subtotal	\$ 11,558
PUMPING PLANT		
Land & Land Rights	\$	-
Structures & Improvements	\$	13,586
Electric Pump Equip	\$	60,456
Diesel Pump Equip	\$	-
Other Pump Equip	\$	4,525
	Subtotal	\$ 78,568
WATER TREATMENT PLANT		
Structures & improvements	\$	369
Water Treatment Plant	\$	21,844
	Subtotal	\$ 22,214
TRANSMISSION & DISTRIBUTION PLANT		
Land & Land Rights	\$	-
Structures & Improvements	\$	773
Distrib Reservoirs & Standpipes	\$	12,875
Trans. & Dist. Mains	\$	118,492
Services	\$	59,242
Meters	\$	80,422
Hydrants	\$	17,006
	Subtotal	\$ 288,809
GENERAL PLANT		
Structures & Improvements	\$	10,285
Computer Hardware	\$	58,805
391A-CIS	\$	67,476
Stores Equipment	\$	-
Tools, Shop & Garage Equip.	\$	6,506
Laboratory Equipment	\$	-
Power Operated Equipment	\$	1,569
Communication Equipment	\$	9,266
Miscellaneous Equipment	\$	1,594
	Subtotal	\$ 155,501
TOTAL	\$	556,650
Less: Contributions	\$	(46,019)
TOTAL DEPRECIATION	\$	510,632

UNITS OF SERVICE

Metered Water Sales

Residential	100 cu ft
1st Block	420,114
2nd Block	139,304
Total	559,418

Non-Residential

Commercial	249,106
Industrial	2,264
Public	37,058
Total	288,428

Sales for resale

Total	534,255
Grand Total	1,382,100

Meters By Size

<u>Quarterly</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Public</u>	<u>Subtotal</u>	<u>Resale</u>	<u>Total</u>
5/8	7,065	360	1	26	7,452		7,452
3/4	5	0	0	0	5		5
1	141	113	2	12	268		268
1 1/2	11	56	0	10	77		77
2	4	115	1	34	154		154
3	0	5	0	5	10		10
4	0	0	0	1	1		1
6	0	4	0	1	5		5
8 & up	0	1	0	0	1		1
Subtotal	7,227	653	4	88	7,972	0	7,972
<u>Monthly</u>							
5/8	0	2	1	0	3		3
3/4	0	0	0	0	0		0
1	0	3	1	0	4		4
1 1/2	0	0	0	1	1		1
2	0	7	2	0	9		9
3	0	3	0	0	3		3
4	0	0	1	0	1		1
6	0	0	0	0	0		0
8 & up	0	0	0	0	0	1	1
Subtotal	0	15	5	1	21	1	22
Grandtotal	7,227	668	9	89	7,993	1	7,994

Public Fire Service

Fire Hydrants	658
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Private Fire Service

<u>Size (in)</u>	<u>Total</u>
2.5	5
3	0
4	19
6	135
8	27
10	0
12	1
16	0
	187

UNITS OF SERVICE - CLASS DEMANDS

CUSTOMER CLASS	AVERAGE DEMANDS		FACTOR [1]	MAX DAY EXTRA CAPACITY		% ALL	% RETAIL
	(GALS/DAY)	PERCENT		TOTAL GAL/DAY	XTRA GAL/DAY		
Residential	1,146,423	40.3%	2.25	2,579,451	1,433,028	32.4%	44.4%
Non-Residential	591,079	20.8%	1.90	1,123,050	531,971	12.0%	16.5%
Fire Protection		0.5%	[2]	1,260,000	1,260,000	28.4%	39.1%
Sales for Resale	<u>1,094,856</u>	<u>38.5%</u>	2.10	<u>2,299,197</u>	<u>1,204,341</u>	<u>27.2%</u>	
Total	2,832,358	100.0%		7,261,698	4,429,341	100.0%	100.0%

CUSTOMER CLASS	AVERAGE DEMANDS		FACTOR [1]	PEAK HOUR EXTRA CAPACITY		% ALL	% RETAIL
	(GALS/DAY)	PERCENT		TOTAL GAL/DAY	XTRA GAL/DAY		
Residential	1,146,423	40.3%	3.25	3,725,874	1,146,423	21.6%	21.6%
Non-Residential	591,079	20.8%	2.55	1,507,251	384,201	7.2%	7.2%
Fire Protection		0.5%	[2]	5,040,000	3,780,000	71.2%	71.2%
Sales for Resale	<u>1,094,856</u>	<u>38.5%</u>	2.10	<u>2,299,197</u>	<u>0</u>	<u>0.0%</u>	
Total	2,832,358	100.0%		12,572,322	5,310,624	100.0%	100.0%

[1] based on prior COS analysis (1991 study), rounded.

[2] max day based on 3500 gpm for 6 hours, peak hr at rate of 3500 gpm

Ex. 5 (Woodcock) Sch. 2B

Length of Mains

<u>Size</u>	<u>Feet</u>		<u>Inch-Miles</u>	
Service Pipes	319,714.7			
2	12,812.5		4.9	
3	804.0		0.5	
4	31,950.0		24.2	
6	212,720.5		241.7	
8	185,044.0		280.4	
10	6,842.0	84.0%	13.0	62.0%
12	130,003.0		295.5	
16	<u>16,446.0</u>	16.0%	<u>49.8</u>	38.0%
Totals	916,336.7		909.9	

Unbilled Water (thousand gallons/yr)

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>4 Yr Avg</u> <u>1000 gal/yr</u>	<u>ccf/yr</u>
Unbilled Water	42,511	37,987	66,812	72,402	54,928	73,428

SUMMARY RATE YEAR EXPENSE ALLOCATIONS

	<u>RATE YR</u> <u>EXPENSE</u>	<u>ALLOC.</u> <u>SYMBOL</u>	<u>GENERAL WATER</u>		<u>FIRE SERVICE</u>		<u>CUST. SERVICE</u>	
			<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>
Operation & Maintenance	\$ 1,880,222	M	64.6%	\$ 1,214,407	0.7%	\$ 13,307	34.7%	\$ 652,509
Depreciation	\$ 510,632	D	61.1%	\$ 312,195	4.6%	\$ 23,497	34.3%	\$ 174,940
Taxes other than Income	\$ 378,430	T	66.0%	\$ 249,647	3.5%	\$ 13,224	30.5%	\$ 115,559
Total Operating	\$ 2,769,284			\$ 1,776,249		\$ 50,028		\$ 943,007
Federal Income Tax	\$ 339,858	R	65.7%	\$ 223,336	5.0%	\$ 16,979	29.3%	\$ 99,544
Return on Rate Base	\$ 967,862	R	65.7%	\$ 636,024	5.0%	\$ 48,353	29.3%	\$ 283,485
Total Revenue Required	\$ 4,077,004			\$ 2,635,609		\$ 115,359		\$ 1,326,035
Less:								
Misc. Income/Turn on-off	\$ 20,172	X	90.0%	\$ 18,155	0.0%	\$ -	10.0%	\$ 2,017
Other Water Revenues	\$ 16,130	X	90.0%	\$ 14,517	0.0%	\$ -	10.0%	\$ 1,613
Required From Rates	\$ 4,040,702	F	64.4%	\$ 2,602,938	2.9%	\$ 115,359	32.7%	\$ 1,322,405

ALLOCATION OF RATE BASE

	<u>RATE YR EXPENSE</u>	<u>ALLOC. SYMBOL</u>	<u>GENERAL WATER</u>		<u>FIRE SERVICE</u>		<u>CUST. SERVICE</u>	
			<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>
Average Utility Plant on Service	\$ 22,270,513	P	68.1%	\$ 15,168,324	4.2%	\$ 929,662	27.7%	\$ 6,172,528
Less:								
Accumulated Amortization	\$ (6,213,068)	R	65.7%	\$ (4,082,880)	5.0%	\$ (310,395)	29.3%	\$ (1,819,794)
Contributions	\$ (3,596,531)	B	83.0%	\$ (2,985,121)	0.0%	\$ -	17.0%	\$ (611,410)
Deferred Income Tax	\$ (1,534,287)	R	65.7%	\$ (1,008,247)	5.0%	\$ (76,650)	29.3%	\$ (449,389)
Unamortized ITC	\$ (98,414)	R	65.7%	\$ (64,672)	5.0%	\$ (4,917)	29.3%	\$ (28,825)
1/13th Unfunded FAS 106	\$ (513,369)	L	57.1%	\$ (293,103)	0.8%	\$ (4,140)	42.1%	\$ (216,125)
Plus:								
Customer Advances	\$ -	R	65.7%	\$ -	5.0%	\$ -	29.3%	\$ -
Materials & Supplies	\$ 103,664	R	65.7%	\$ 68,122	5.0%	\$ 5,179	29.3%	\$ 30,363
Working Capital	\$ 235,028	F	64.4%	\$ 151,400	2.9%	\$ 6,710	32.7%	\$ 76,918
Deferred Tank Painting	\$ 147,639	S	100.0%	\$ 147,639	0.0%	\$ -	0.0%	\$ -
Deferred Rate Case	\$ 272,756	F	64.4%	\$ 175,704	2.9%	\$ 7,787	32.7%	\$ 89,265
Deferred Operations	\$ -	M	64.6%	\$ -	0.7%	\$ -	34.7%	\$ -
Deferred Acquisitions	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
Total Rate Base	\$ 11,073,931	R	65.7%	\$ 7,277,166	5.0%	\$ 553,235	29.3%	\$ 3,243,530

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

<u>EXPENSE ITEM</u>	<u>RATE YR EXPENSE</u>	<u>ALLOC. SYMBOL</u>	<u>GENERAL WATER</u>		<u>FIRE SERVICE</u>		<u>CUST. SERVICE</u>	
			<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>
Source of Supply Expenses								
<i>Operation</i>								
Operation Supervision and Engineering	\$ 2,990	A	100.0%	\$ 2,990	0.0%	\$ -	0.0%	\$ -
Operation Labor and Expenses	\$ 3,759	A	100.0%	\$ 3,759	0.0%	\$ -	0.0%	\$ -
Purchased Water	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Miscellaneous Expenses	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Rents	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Operation	\$ 6,749			\$ 6,749		\$ -		\$ -
<i>Maintenance</i>								
Maintenance of Wells and Springs	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Maintenance of Supply Mains	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Maintenance of Miscellaneous Water Source Plar	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Maintenance	\$ -			\$ -		\$ -		\$ -
Total Source of Supply Expenses	\$ 6,749			\$ 6,749		\$ -		\$ -
Pumping Expenses								
<i>Operation</i>								
Operation Supervision and Engineering	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Fuel for Power Production	\$ 747	A	100.0%	\$ 747	0.0%	\$ -	0.0%	\$ -
Fuel or Power Purchased for Production	\$ 185,457	A	100.0%	\$ 185,457	0.0%	\$ -	0.0%	\$ -
Pumping Labor and Expenses	\$ 72,889	A	100.0%	\$ 72,889	0.0%	\$ -	0.0%	\$ -
Miscellaneous Expenses	\$ 4,660	A	100.0%	\$ 4,660	0.0%	\$ -	0.0%	\$ -
Rents	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Operation	\$ 263,753			\$ 263,753		\$ -		\$ -
<i>Maintenance</i>								
Maintenance Supervision and Engineering	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Maintenance of Structures and Improvements	\$ 43	A	100.0%	\$ 43	0.0%	\$ -	0.0%	\$ -
Maintenance of Power Production Equipment	\$ 1,231	A	100.0%	\$ 1,231	0.0%	\$ -	0.0%	\$ -
Maintenance of Pumping Equipment	\$ 18,121	A	100.0%	\$ 18,121	0.0%	\$ -	0.0%	\$ -
Total Maintenance	\$ 19,395			\$ 19,395		\$ -		\$ -
Total Pumping Expenses	\$ 283,147			\$ 283,147		\$ -		\$ -

Water Treatment Expenses

Operation

Operation Supervision and Engineering	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Chemicals	\$ 65,577	A	100.0%	\$ 65,577	0.0%	\$ -	0.0%	\$ -
Operation Labor and Expenses	\$ 65,634	A	100.0%	\$ 65,634	0.0%	\$ -	0.0%	\$ -
Miscellaneous Expenses	\$ 30,171	A	100.0%	\$ 30,171	0.0%	\$ -	0.0%	\$ -
Total Operation	\$ 161,382			\$ -		\$ -		\$ -

Maintenance

Maintenance of Water Treatment Equipment	\$ 4,521	A	100.0%	\$ 4,521	0.0%	\$ -	0.0%	\$ -
Total Maintenance	\$ 4,521			\$ -		\$ -		\$ -
Total Water Treatment Expenses	\$ 165,903			\$ 165,903		\$ -		\$ -

Transmission and Distribution Expenses

Operation

Operation Supervision and Engineering	\$ 98,196	G	80.8%	\$ 79,349	1.6%	\$ 1,547	17.6%	\$ 17,300
Transmission and Distribution Lines Expenses	\$ 58,964	A	100.0%	\$ 58,964	0.0%	\$ -	0.0%	\$ -
Meter Expenses	\$ 38,414	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 38,414
Miscellaneous Expenses	\$ 83,036	A	100.0%	\$ 83,036	0.0%	\$ -	0.0%	\$ -
Rents	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Operation	\$ 278,610			\$ 221,350		\$ 1,547		\$ 55,714

Maintenance

Maintenance Supervision and Engineering	\$ 2,448	G	80.8%	\$ 1,978	1.6%	\$ 39	17.6%	\$ 431
Maintenance of Structures and Improvements	\$ 13,164	A	100.0%	\$ 13,164	0.0%	\$ -	0.0%	\$ -
Maintenance of Dist. Reservoirs & Standpipes	\$ 38,574	S	100.0%	\$ 38,574	0.0%	\$ -	0.0%	\$ -
Maintenance of Trans. & Distribution Mains	\$ 31,947	A	100.0%	\$ 31,947	0.0%	\$ -	0.0%	\$ -
Maintenance of Fire Mains	\$ -	E	0.0%	\$ -	100.0%	\$ -	0.0%	\$ -
Maintenance of Services	\$ 10,790	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 10,790
Maintenance of Meters	\$ -	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ -
Maintenance of Hydrants	\$ 4,401	E	0.0%	\$ -	100.0%	\$ 4,401	0.0%	\$ -
Maintenance of Miscellaneous Plant	\$ 805	G	80.8%	\$ 651	1.6%	\$ 13	17.6%	\$ 142
Total Maintenance	\$ 102,128			\$ 86,313		\$ 4,452		\$ 11,363
Total Transmission & Distribution Expenses	\$ 380,738	G	80.8%	\$ 307,663	1.6%	\$ 5,999	17.6%	\$ 67,076

Customer Accounts Expenses

Operation

Supervision	\$ -	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ -
Meter Reading Salaries	\$ 109,157	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 109,157
Customer Records & Coll. Expenses-Labor	\$ 191,448	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 191,448
Uncollectible Accounts	\$ -	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ -
Miscellaneous Customer Account Expense	\$ 13,884	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 13,884
Total Customer Accounts Expenses	\$ 314,489			\$ -		\$ -		\$ 314,489

Administrative and General Expenses*Operation*

Administrative and General Salaries	\$ 167,841	M	64.6%	\$ 108,405.93	0.7%	\$ 1,187.85	34.7%	\$ 58,247.20
Office Supplies and Other Expenses	\$ 30,214	M	64.6%	\$ 19,514.63	0.7%	\$ 213.83	34.7%	\$ 10,485.34
Administrative Expenses Transferred	\$ (292,910)	M	64.6%	\$ (189,186.08)	0.7%	\$ (2,073.00)	34.7%	\$ (101,650.89)
Outside Services Employed	\$ 258,349	M	64.6%	\$ 166,863.96	0.7%	\$ 1,828.41	34.7%	\$ 89,657.07
Property Insurance	\$ 44,300	P	68.1%	\$ 30,172	4.2%	\$ 1,849	27.7%	\$ 12,278
Injuries and Damages	\$ 13,901	M	64.6%	\$ 8,978.44	0.7%	\$ 98.38	34.7%	\$ 4,824.18
Employee Pension and Benefits	\$ 292,472	L	57.1%	\$ 166,984	0.8%	\$ 2,359	42.1%	\$ 123,129
Regulatory Commission Expenses	\$ 117,280	M	64.6%	\$ 75,749.45	0.7%	\$ 830.02	34.7%	\$ 40,700.67
Miscellaneous General Expenses	\$ 71,810	M	64.6%	\$ 46,381.24	0.7%	\$ 508.22	34.7%	\$ 24,920.94
Rents	\$ 16,636	M	64.6%	\$ 10,744.99	0.7%	\$ 117.74	34.7%	\$ 5,773.35
Total Operation	\$ 719,894			\$ 444,609		\$ 6,919		\$ 268,365

Maintenance

Maintenance of General Plant	\$ 9,302	P	68.1%	\$ 6,335	4.2%	\$ 388	27.7%	\$ 2,578
Total Administrative and General Expenses	\$ 729,196			\$ 450,945		\$ 7,308		\$ 270,943

Total Operation and Maintenance Expenses	\$ 1,880,222	M	64.6%	\$ 1,214,407	0.7%	\$ 13,307	34.7%	\$ 652,509
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**ALLOCATION OF TEST YEAR LABOR EXPENSE TO
GENERAL WATER, FIRE & CUST. SERVICE**

EXPENSE ITEM	RATE YR EXPENSE	<u>ALLOC.</u> <u>SYMBOL</u>	<u>GENERAL WATER</u> <u>% AMOUNT</u>	<u>FIRE SERVICE</u> <u>% AMOUNT</u>	<u>CUST. SERVICE</u> <u>% AMOUNT</u>
Source of Supply Expenses					
<i>Operation</i>					
Operation Supervision and Engineering	\$ 3,135	A	100.0%	\$ 3,135	0.0%
Operation Labor and Expenses	\$ 2,133	A	100.0%	\$ 2,133	0.0%
Purchased Water	\$ -	A	100.0%	\$ -	0.0%
Miscellaneous Expenses	\$ -	A	100.0%	\$ -	0.0%
Rents	\$ -	A	100.0%	\$ -	0.0%
Total Operation	\$ 5,268			\$ 5,268	0.0%
<i>Maintenance</i>					
Maintenance of Wells and Springs	\$ -	A	100.0%	\$ -	0.0%
Maintenance of Supply Mains	\$ -	A	100.0%	\$ -	0.0%
Maintenance of Miscellaneous Water Source Plar	\$ -	A	100.0%	\$ -	0.0%
Total Maintenance	\$ -			\$ -	0.0%
Total Source of Supply Expenses	\$ 5,268			\$ 5,268	0.0%
Pumping Expenses					
<i>Operation</i>					
Operation Supervision and Engineering	\$ -	A	100.0%	\$ -	0.0%
Fuel for Power Production	\$ -	A	100.0%	\$ -	0.0%
Fuel or Power Purchased for Production	\$ -	A	100.0%	\$ -	0.0%
Pumping Labor and Expenses	\$ 32,452	A	100.0%	\$ 32,452	0.0%
Miscellaneous Expenses	\$ -	A	100.0%	\$ -	0.0%
Rents	\$ -	A	100.0%	\$ -	0.0%
Total Operation	\$ 32,452			\$ 32,452	0.0%
<i>Maintenance</i>					
Maintenance Supervision and Engineering	\$ -	A	100.0%	\$ -	0.0%
Maintenance of Structures and Improvements	\$ -	A	100.0%	\$ -	0.0%
Maintenance of Power Production Equipment	\$ -	A	100.0%	\$ -	0.0%
Maintenance of Pumping Equipment	\$ 6,595	A	100.0%	\$ 6,595	0.0%
Total Maintenance	\$ 6,595			\$ 6,595	0.0%
Total Pumping Expenses	\$ 39,047			\$ 39,047	0.0%

Water Treatment Expenses

Operation

Operation Supervision and Engineering	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Chemicals	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Operation Labor and Expenses	\$ 27,472	A	100.0%	\$ 27,472	0.0%	\$ -	0.0%	\$ -
Miscellaneous Expenses	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Operation	\$ 27,472			\$ -		\$ -		\$ -

Maintenance

Maintenance of Water Treatment Equipment	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Maintenance	\$ -			\$ -		\$ -		\$ -
Total Water Treatment Expenses	\$ 27,472			\$ 27,472		\$ -		\$ -

Transmission and Distribution Expenses

Operation

Operation Supervision and Engineering	\$ 58,901	G	80.8%	\$ 47,596	1.6%	\$ 928	17.6%	\$ 10,377
Transmission and Distribution Lines Expenses	\$ 28,309	A	100.0%	\$ 28,309	0.0%	\$ -	0.0%	\$ -
Meter Expenses	\$ 23,557	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 23,557
Miscellaneous Expenses	\$ 38,194	A	100.0%	\$ 38,194	0.0%	\$ -	0.0%	\$ -
Rents	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Operation	\$ 148,961			\$ 114,099		\$ 928		\$ 33,934

Maintenance

Maintenance Supervision and Engineering	\$ 1,496	G	80.8%	\$ 1,209	1.6%	\$ 24	17.6%	\$ 264
Maintenance of Structures and Improvements	\$ 6,027	A	100.0%	\$ 6,027	0.0%	\$ -	0.0%	\$ -
Maintenance of Dist. Reservoirs & Standpipes	\$ -	S	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Maintenance of Trans. & Distribution Mains	\$ 17,321	A	100.0%	\$ 17,321	0.0%	\$ -	0.0%	\$ -
Maintenance of Fire Mains	\$ -	E	0.0%	\$ -	100.0%	\$ -	0.0%	\$ -
Maintenance of Services	\$ -	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ -
Maintenance of Meters	\$ -	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ -
Maintenance of Hydrants	\$ 2,021	E	0.0%	\$ -	100.0%	\$ 2,021	0.0%	\$ -
Maintenance of Miscellaneous Plant	\$ -	G	80.8%	\$ -	1.6%	\$ -	17.6%	\$ -
Total Maintenance	\$ 26,865			\$ 24,557		\$ 2,045		\$ 264
Total Transmission & Distribution Expenses	\$ 175,826	G	78.9%	\$ 138,656	1.7%	\$ 2,973	19.4%	\$ 34,197

Customer Accounts Expenses

Operation

Supervision	\$ -	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ -
Meter Reading Salaries	\$ 61,265	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 61,265
Customer Records & Coll. Expenses-Labor	\$ 55,699	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 55,699
Uncollectible Accounts	\$ -	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ -
Miscellaneous Customer Account Expense	\$ 4,013	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 4,013
Total Customer Accounts Expenses	\$ 120,977			\$ -		\$ -		\$ 120,977

Administrative and General Expenses

<i>Operation</i>									
Administrative and General Salaries	\$ 179,551	L	57.1%	\$ 102,513	0.8%	\$ 1,448	42.1%	\$ 75,590	
Office Supplies and Other Expenses	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Administrative Expenses Transferred	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Outside Services Employed	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Property Insurance	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Injuries and Damages	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Employee Pension and Benefits	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Regulatory Commission Expenses	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Miscellaneous General Expenses	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Rents	\$ -	L	57.1%	\$ -	0.8%	\$ -	42.1%	\$ -	
Total Operation	\$ 179,551			\$ 102,513		\$ 1,448		\$ 75,590	
<i>Maintenance</i>									
Maintenance of General Plant	\$ 4,420	L	57.1%	\$ 2,524	0.8%	\$ 36	42.1%	\$ 1,861	
Total Administrative and General Expenses	\$ 183,971			\$ 105,036		\$ 1,484		\$ 77,451	
Total Labor Expenses	\$ 552,561	L	57.1%	\$ 315,479	0.8%	\$ 4,456	42.1%	\$ 232,625	

**ALLOCATION OF PLANT IN SERVICE TO
GENERAL WATER, FIRE & CUST. SERVICE**

EXPENSE ITEM	RATE YR PLANT	ALLOC. SYMBOL	GENERAL WATER		FIRE SERVICE		CUST. SERVICE	
			%	AMOUNT	%	AMOUNT	%	AMOUNT
Plant Held for Future Use	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
INTANGIBLE PLANT								
Organization	\$ 51,107	P	68.1%	\$ 34,809	4.2%	\$ 2,133	27.7%	\$ 14,165
Misc. Intangibles	\$ 231,444	P	68.1%	\$ 157,635	4.2%	\$ 9,661	27.7%	\$ 64,147
Subtotal	\$ 282,551			\$ 192,444		\$ 11,795		\$ 78,312
SOURCE OF SUPPLY								
Land & Land Rights	\$ 27,717	A	100.0%	\$ 27,717	0.0%	\$ -	0.0%	\$ -
Wells & Springs	\$ 442,871	A	100.0%	\$ 442,871	0.0%	\$ -	0.0%	\$ -
Supply Mains	\$ 47,627	A	100.0%	\$ 47,627	0.0%	\$ -	0.0%	\$ -
Struct & Other Source of Supply	\$ 106,861	A	100.0%	\$ 106,861	0.0%	\$ -	0.0%	\$ -
Subtotal	\$ 625,076			\$ 625,076		\$ -		\$ -
PUMPING PLANT								
Land & Land Rights	\$ 5,601	A	100.0%	\$ 5,601	0.0%	\$ -	0.0%	\$ -
Structures & Improvements	\$ 679,313	A	100.0%	\$ 679,313	0.0%	\$ -	0.0%	\$ -
Electric Pump Equip	\$ 1,511,686	A	100.0%	\$ 1,511,686	0.0%	\$ -	0.0%	\$ -
Diesel Pump Equip	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Other Pump Equip	\$ 113,127	A	100.0%	\$ 113,127	0.0%	\$ -	0.0%	\$ -
Subtotal	\$ 2,309,727			\$ 2,309,727		\$ -		\$ -
WATER TREATMENT PLANT								
Structures & improvements	\$ 18,475	A	100.0%	\$ 18,475	0.0%	\$ -	0.0%	\$ -
Water Treatment Plant	\$ 436,922	A	100.0%	\$ 436,922	0.0%	\$ -	0.0%	\$ -
Subtotal	\$ 455,396			\$ 455,396		\$ -		\$ -
TRANSMISSION & DISTRIBUTION PLANT								
Land & Land Rights	\$ 1,862	A	100.0%	\$ 1,862	0.0%	\$ -	0.0%	\$ -
Structures & Improvements	\$ 25,772	A	100.0%	\$ 25,772	0.0%	\$ -	0.0%	\$ -
Distrib Reservoirs & Standpipes	\$ 968,016	S	100.0%	\$ 968,016	0.0%	\$ -	0.0%	\$ -
Trans. & Dist. Mains	\$ 9,490,212	A	100.0%	\$ 9,490,212	0.0%	\$ -	0.0%	\$ -
Services	\$ 2,963,555	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 2,963,555
Meters	\$ 2,683,106	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 2,683,106
Hydrants	\$ 850,459	E	0.0%	\$ -	100.0%	\$ 850,459	0.0%	\$ -
Subtotal	\$ 16,982,982			\$ 10,485,862		\$ 850,459		\$ 5,646,661
GENERAL PLANT								
Structures & Improvements	\$ 205,826	P	68.1%	\$ 140,187	4.2%	\$ 8,592	27.7%	\$ 57,047
Computer Hardware	\$ 590,698	P	68.1%	\$ 402,321	4.2%	\$ 24,658	27.7%	\$ 163,719
391A-CIS	\$ 472,333	P	68.1%	\$ 321,703	4.2%	\$ 19,717	27.7%	\$ 130,912
Stores Equipment	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
Tools, Shop & Garage Equip.	\$ 65,178	P	68.1%	\$ 44,392	4.2%	\$ 2,721	27.7%	\$ 18,065
Laboratory Equipment	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
Power Operated Equipment	\$ 15,685	P	68.1%	\$ 10,683	4.2%	\$ 655	27.7%	\$ 4,347
Communication Equipment	\$ 185,385	P	68.1%	\$ 126,264	4.2%	\$ 7,739	27.7%	\$ 51,381
Miscellaneous Equipment	\$ 79,677	P	68.1%	\$ 54,268	4.2%	\$ 3,326	27.7%	\$ 22,083
Subtotal	\$ 1,614,782			\$ 1,099,819		\$ 67,408		\$ 447,555
TOTAL PLANT IN SERVICE	\$ 22,270,513	P	68.1%	\$ 15,168,324	4.2%	\$ 929,662	27.7%	\$ 6,172,528

**ALLOCATION OF DEPRECIATION TO
GENERAL WATER, FIRE & CUST. SERVICE**

	RATE YR EXPENSE	ALLOC. SYMBOL	GENERAL WATER		FIRE SERVICE		CUST. SERVICE	
			%	AMOUNT	%	AMOUNT	%	AMOUNT
Plant Held for Future Use	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
INTANGIBLE PLANT								
Organization	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
Misc. Intangibles	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
Subtotal	\$ -			\$ -		\$ -		\$ -
SOURCE OF SUPPLY								
Land & Land Rights	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Wells & Springs	\$ 8,857	A	100.0%	\$ 8,857	0.0%	\$ -	0.0%	\$ -
Supply Mains	\$ 595	A	100.0%	\$ 595	0.0%	\$ -	0.0%	\$ -
Struct & Other Source of Supply	\$ 2,105	A	100.0%	\$ 2,105	0.0%	\$ -	0.0%	\$ -
Subtotal	\$ 11,558			\$ 11,558		\$ -		\$ -
PUMPING PLANT								
Land & Land Rights	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Structures & Improvements	\$ 13,586	A	100.0%	\$ 13,586	0.0%	\$ -	0.0%	\$ -
Electric Pump Equip	\$ 60,456	A	100.0%	\$ 60,456	0.0%	\$ -	0.0%	\$ -
Diesel Pump Equip	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Other Pump Equip	\$ 4,525	A	100.0%	\$ 4,525	0.0%	\$ -	0.0%	\$ -
Subtotal	\$ 78,568			\$ 78,568		\$ -		\$ -
WATER TREATMENT PLANT								
Structures & improvements	\$ 369	A	100.0%	\$ 369	0.0%	\$ -	0.0%	\$ -
Water Treatment Plant	\$ 21,844	A	100.0%	\$ 21,844	0.0%	\$ -	0.0%	\$ -
Subtotal	\$ 22,214			\$ 22,214		\$ -		\$ -
TRANSMISSION & DISTRIBUTION PLANT								
Land & Land Rights	\$ -	A	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Structures & Improvements	\$ 773	A	100.0%	\$ 773	0.0%	\$ -	0.0%	\$ -
Distrib Reservoirs & Standpipes	\$ 12,875	S	100.0%	\$ 12,875	0.0%	\$ -	0.0%	\$ -
Trans. & Dist. Mains	\$ 118,492	A	100.0%	\$ 118,492	0.0%	\$ -	0.0%	\$ -
Services	\$ 59,242	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 59,242
Meters	\$ 80,422	C	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 80,422
Hydrants	\$ 17,006	E	0.0%	\$ -	100.0%	\$ 17,006	0.0%	\$ -
Subtotal	\$ 288,809			\$ 132,139		\$ 17,006		\$ 139,664
GENERAL PLANT								
Structures & Improvements	\$ 10,285	P	68.1%	\$ 7,005	4.2%	\$ 429	27.7%	\$ 2,851
Computer Hardware	\$ 58,805	P	68.1%	\$ 40,052	4.2%	\$ 2,455	27.7%	\$ 16,299
391A-CIS	\$ 67,476	P	68.1%	\$ 45,958	4.2%	\$ 2,817	27.7%	\$ 18,702
Stores Equipment	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
Tools, Shop & Garage Equip.	\$ 6,506	P	68.1%	\$ 4,431	4.2%	\$ 272	27.7%	\$ 1,803
Laboratory Equipment	\$ -	P	68.1%	\$ -	4.2%	\$ -	27.7%	\$ -
Power Operated Equipment	\$ 1,569	P	68.1%	\$ 1,068	4.2%	\$ 65	27.7%	\$ 435
Communication Equipment	\$ 9,266	P	68.1%	\$ 6,311	4.2%	\$ 387	27.7%	\$ 2,568
Miscellaneous Equipment	\$ 1,594	P	68.1%	\$ 1,085	4.2%	\$ 67	27.7%	\$ 442
Subtotal	\$ 155,501			\$ 105,911		\$ 6,491		\$ 43,099
TOTAL	\$ 556,650			\$ 350,390		\$ 23,497		\$ 182,763
Less: Contributions	\$ (46,019)	B	83.0%	\$ (38,195)	0.0%	\$ -	17.0%	\$ (7,823)
TOTAL DEPRECIATION	\$ 510,632	D	61.1%	\$ 312,195	4.6%	\$ 23,497	34.3%	\$ 174,940

ALLOCATION SYMBOLS

<u>ALLOCATION SYMBOL</u>	<u>GEN'L WATER</u>	<u>FIRE SERVICE</u>	<u>CUST SERVICE</u>
A	100.00%	0.00%	0.00% Supply, Production, Treatment, Pumping
B	83.00%	0.00%	17.00% Contributed Capital (approx based on contributions)
C	0.00%	0.00%	100.00% Meters, Services, Customer Accts
D	61.14%	4.60%	34.26% Depreciation
E	0.00%	100.00%	0.00% Hydrants
F	64.42%	2.85%	32.73% Total Costs/Revenue Required
G	80.81%	1.58%	17.62% T&D Supervision
L	57.09%	0.81%	42.10% Labor
M	64.59%	0.71%	34.70% Total O&M
P	68.11%	4.17%	27.72% Plant Investment
R	65.71%	5.00%	29.29% Rate Base
S	100.00%	0.00%	0.00% Storage
T	65.97%	3.49%	30.54% Taxes other than Income
X	90.00%	0.00%	10.00% Misc Revenues - some to cust for turn on-off

Symbol T - Taxes other than income

	<u>Amount *</u>	<u>Symbol</u>	<u>Gen Water</u>	<u>Fire</u>	<u>Customer</u>
Property	\$ 271,022	P	\$ 184,591	\$ 11,314	\$ 75,117
Payroll	\$ 56,446	L	\$ 32,227	\$ 455	\$ 23,763
Gross Receipt	\$ 50,963	F	\$ 32,829	\$ 1,455	\$ 16,679
Total	\$ 378,430	T	\$ 249,647	\$ 13,224	#####
Percent			66.0%	3.5%	30.5%

FIRE SERVICE CHARGES

<u>PUBLIC FIRE SERVICE</u>	<u>QUARTERLY</u>	<u>MONTHLY</u>
Charge/Hydrant =	\$ 128.87	\$ 42.96

PRIVATE FIRE SERVICE

SERVICE SIZE			
(inches)			
2.5	\$	22.32	\$ 12.05
3	\$	31.80	\$ 15.21
4	\$	59.94	\$ 24.59
6	\$	160.93	\$ 58.25
8	\$	335.13	\$ 116.32
10	\$	597.16	\$ 203.66
12	\$	960.32	\$ 324.72
16	\$	2,038.66	\$ 684.16

**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>REVENUE REQUIRED</u>
PUBLIC FIRE SERVICE					
Hydrants	658	111.3	73,243	76.2%	\$ 223,833 (3)
			Plus Hydrant Costs (2):		\$ 115,359
			Total		\$ 339,192
			Adjustment		\$ -
			Total Public Fire		\$ 339,192
PRIVATE FIRE SERVICE					
SIZE (IN)					
2.5	5	11.1	56		
3	0	18.0	0		
4	19	38.3	728		
6	135	111.3	15,027		
8	27	237.2	6,405		
10	0	426.6	0		
12	1	689.0	689		
16	0	1,468.4	0		
TOTAL-PRIV.	187		22,904	23.8%	\$ 69,997
	=====		=====	=====	=====
GRAND TOTALS	845		96,147	100.0%	\$ 409,189

(1) Based on size to the 2.63 power.

(2) Direct hydrant fire allocations from Ex. 5 (Woodcock) Sch 3

(3) Fire costs adjusted and reallocated to retail base use by \$400,000

DETERMINATION OF FIRE SERVICE CHARGES

<u>PUBLIC FIRE PROTECTION</u>		<u>CALCULATED CHARGE</u>	
PUBLIC FIRE ALLOCATION	\$ 339,192	=	\$ 515.49 / year
NUMBER OF PUBLIC HYDRANTS	658		
	TOTAL QUARTERLY	\$	128.87 / quarter
	TOTAL MONTHLY	\$	257.74 / 6 months

PRIVATE FIRE PROTECTION

PRIVATE FIRE ALLOCATION (1)	\$ 126,768	=	\$ 5.5347 /EQUIV.
NO. OF EQUIV. UNITS	22,904		

SIZE (IN)	DEMAND FACTOR	DEMAND COST			BILLING CHARGE	TOTAL CHARGES	
		ANNUAL	QUARTERLY	MONTHLY		QUARTERLY	MONTHLY
2.5	11.1	\$ 61.61	\$ 15.40	\$ 5.13	\$ 6.91	\$ 22.32	\$ 12.05
3	18.0	\$ 99.52	\$ 24.88	\$ 8.29	\$ 6.91	\$ 31.80	\$ 15.21
4	38.3	\$ 212.09	\$ 53.02	\$ 17.67	\$ 6.91	\$ 59.94	\$ 24.59
6	111.3	\$ 616.07	\$ 154.02	\$ 51.34	\$ 6.91	\$ 160.93	\$ 58.25
8	237.2	\$ 1,312.86	\$ 328.22	\$ 109.41	\$ 6.91	\$ 335.13	\$ 116.32
10	426.6	\$ 2,360.98	\$ 590.25	\$ 196.75	\$ 6.91	\$ 597.16	\$ 203.66
12	689.0	\$ 3,813.64	\$ 953.41	\$ 317.80	\$ 6.91	\$ 960.32	\$ 324.72
16	1,468.4	\$ 8,126.97	\$ 2,031.74	\$ 677.25	\$ 6.91	\$ 2,038.66	\$ 684.16

(1) Private Fire includes costs assigned in Sch 4A as well as allocated service maintenance costs as detailed below:

Service Line Maintenance Cost =	\$ 10,790
Service Line Depreciation Cost =	\$ 59,242
Service Line ROI Cost =	\$ 259,015
Subtotal Service Line Costs =	\$ 329,046
Addnl Allocation to Fire Service =	\$ 56,771

(17.3%)

<u>Service Line Equivalents</u>			<u>Metered Water Service</u>		<u>Private Fire Service</u>	
<u>Meter Size (in)</u>	<u>Serv. Size (in)</u>	<u>Equivalents</u>	<u>Number</u>	<u>Equivalents</u>	<u>Number</u>	<u>Equivalents</u>
5/8	1	1.0	7,455	7,455		
3/4	1	1.1	5	6		
1	1.5	1.8	272	489		
1 1/2	2.5	3.3	78	257	5	17
2	3	4.6	163	748	0	0
3	4	6.3	13	82	19	120
4	6	9.6	2	19	135	1,296
6	8	16.9	5	85	27	456
>=8	>=10	29.6	2	59	1	30
Total				9,199		1,918
				82.7%		17.3%

COST BASED SERVICE CHARGES

METER SIZE (inches)		QUARTERLY ACCOUNTS		MONTHLY ACCOUNTS
5/8	\$	25.62	\$	13.15
3/4	\$	27.49	\$	13.77
1	\$	40.58	\$	18.14
1 1/2	\$	68.63	\$	27.49
2	\$	92.94	\$	35.59
3	\$	124.73	\$	46.19
4	\$	186.45	\$	66.76
6	\$	322.97	\$	112.27
>8	\$	560.48	\$	191.44

SUMMARY RATE YEAR CUSTOMER SERVICE EXPENSE ALLOCATIONS

	TOTAL	ALLOC. SYMBOL	<-CUST. METER->		<-CUST. BILL->	
	CUST. SERV.		%	AMOUNT	%	AMOUNT
Operation & Maintenance	\$ 652,509	OO	18.7%	\$ 121,804	81.3%	\$ 530,704
Depreciation	\$ 174,940	DD	90.3%	\$ 157,886	9.7%	\$ 17,054
Taxes other than Income	\$ 115,559	TT	75.8%	\$ 87,632	24.2%	\$ 27,926
Total Operating	\$ 943,007			\$ 367,323		\$ 575,684
Federal Income Tax	\$ 99,544	RR	98.6%	\$ 98,135	1.4%	\$ 1,409
Return on Rate Base	\$ 283,485	RR	98.6%	\$ 279,472	1.4%	\$ 4,012
Total Revenue Required	\$ 1,326,035			\$ 744,930		\$ 581,105
Less:						
Misc. Income/Turn on-off	\$ 2,017	XX	0.0%	\$ -	100.0%	\$ 2,017
Other Water Revenues	\$ 1,613	XX	0.0%	\$ -	100.0%	\$ 1,613
Required From Rates	\$ 1,322,405	FF	56.3%	\$ 744,930	43.7%	\$ 577,475

ALLOCATION OF CUSTOMER SERVICE RATE BASE

	TOTAL	ALLOC. SYMBOL	<-CUST. METER->		<-CUST. BILL->	
	CUST. SERV.		%	AMOUNT	%	AMOUNT
Average Utility Plant on Service	\$ 6,172,528	II	97.2%	\$ 5,998,605	2.8%	\$ 173,923
Less:						
Accumulated Amortization	\$ (1,819,794)	RR	98.6%	\$ (1,794,039)	1.4%	\$ (25,755)
Contributions	\$ (611,410)	AA	100.0%	\$ (611,410)	0.0%	\$ -
Deferred Income Tax	\$ (449,389)	RR	98.6%	\$ (443,029)	1.4%	\$ (6,360)
Unamortized ITC	\$ (28,825)	RR	98.6%	\$ (28,417)	1.4%	\$ (408)
1/13th Unfunded FAS 106	\$ (216,125)	LL	22.0%	\$ (47,630)	78.0%	\$ (168,496)
Plus:						
Customer Advances	\$ -	RR	98.6%	\$ -	1.4%	\$ -
Materials & Supplies	\$ 30,363	RR	98.6%	\$ 29,933	1.4%	\$ 430
Working Capital	\$ 76,918	FF	56.3%	\$ 43,329	43.7%	\$ 33,589
Deferred Tank Painting	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Deferred Rate Case	\$ 89,265	FF	56.3%	\$ 50,284	43.7%	\$ 38,981
Deferred Operations	\$ -	OO	18.7%	\$ -	81.3%	\$ -
Deferred Acquisitions	\$ -	II	97.2%	\$ -	2.8%	\$ -
Total Rate Base	\$ 3,243,530	RR	98.6%	\$ 3,197,626	1.4%	\$ 45,904

ALLOCATION OF CUSTOMER SERVICE O&M EXPENSES

EXPENSE ITEM	TOTAL CUST. SERV.	ALLOC. SYMBOL	<-CUST. METER->		<-CUST. BILL->	
			%	AMOUNT	%	AMOUNT
Transmission and Distribution Expenses						
Operation						
Operation Supervision and Engineering	\$ 17,300	AA	100.0%	\$ 17,300	0.0%	\$ -
Transmission and Distribution Lines Expenses	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Meter Expenses	\$ 38,414	AA	100.0%	\$ 38,414	0.0%	\$ -
Miscellaneous Expenses	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Rents	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Total Operation	\$ 55,714			\$ 55,714		\$ -
Maintenance Supervision and Engineering	\$ 431	AA	100.0%	\$ 431	0.0%	\$ -
Maintenance of Structures and Improvements	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Dist. Reservoirs & Standpipes	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Trans. & Distribution Mains	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Fire Mains	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Services	\$ 10,790	AA	100.0%	\$ 10,790	0.0%	\$ -
Maintenance of Meters	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Hydrants	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Miscellaneous Plant	\$ 142	AA	100.0%	\$ 142	0.0%	\$ -
Total Maintenance	\$ 11,363			\$ 11,363		\$ -
Total Transmission & Distribution Expenses	\$ 67,076			\$ 67,076		\$ -
Customer Accounts Expenses						
Operation						
Supervision	\$ -	BB	0.0%	\$ -	100.0%	\$ -
Meter Reading Salaries	\$ 109,157	BB	0.0%	\$ -	100.0%	\$ 109,157
Customer Records & Coll. Expenses-Labor	\$ 191,448	BB	0.0%	\$ -	100.0%	\$ 191,448
Uncollectible Accounts	\$ -	BB	0.0%	\$ -	100.0%	\$ -
Miscellaneous Customer Account Expense	\$ 13,884	BB	0.0%	\$ -	100.0%	\$ 13,884
Total Customer Accounts Expenses	\$ 314,489			\$ -		\$ 314,489
Administrative and General Expenses						
Operation						
Administrative and General Salaries	\$ 58,247	CC	18.7%	\$ 10,873	81.3%	\$ 47,374
Office Supplies and Other Expenses	\$ 10,485	CC	18.7%	\$ 1,957	81.3%	\$ 8,528
Administrative Expenses Transferred	\$ (101,651)	CC	18.7%	\$ (18,975)	81.3%	\$ (82,676)
Outside Services Employed	\$ 89,657	CC	18.7%	\$ 16,736	81.3%	\$ 72,921
Property Insurance	\$ 12,278	CC	18.7%	\$ 2,292	81.3%	\$ 9,986
Injuries and Damages	\$ 4,824	CC	18.7%	\$ 901	81.3%	\$ 3,924
Employee Pension and Benefits	\$ 123,129	LL	22.0%	\$ 27,135	78.0%	\$ 95,994
Regulatory Commission Expenses	\$ 40,701	CC	18.7%	\$ 7,598	81.3%	\$ 33,103
Miscellaneous General Expenses	\$ 24,921	CC	18.7%	\$ 4,652	81.3%	\$ 20,269
Rents	\$ 5,773	CC	18.7%	\$ 1,078	81.3%	\$ 4,696
Total Operation	\$ 268,365			\$ 54,247		\$ 214,119
Maintenance						
Maintenance of General Plant	\$ 2,578	CC	18.7%	\$ 481	81.3%	\$ 2,097
Total Administrative and General Expenses	\$ 270,943			\$ 54,728		\$ 216,216
Total Operation and Maintenance Expenses	\$ 652,509	OO	18.7%	\$ 121,804	81.3%	\$ 530,704

ALLOCATION OF CUSTOMER SERVICE LABOR

EXPENSE ITEM	TOTAL	ALLOC.	<-CUST. METER->		<-CUST. BILL->	
	CUST. SERV.		SYMBOL	%	AMOUNT	%
Transmission and Distribution Expenses						
<i>Operation</i>						
Operation Supervision and Engineering	\$ 10,377	AA	100.0%	\$ 10,377	0.0%	\$ -
Transmission and Distribution Lines Expenses	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Meter Expenses	\$ 23,557	AA	100.0%	\$ 23,557	0.0%	\$ -
Miscellaneous Expenses	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Rents	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Total Operation	\$ 33,934			\$ 33,934		\$ -
<i>Maintenance</i>						
Maintenance Supervision and Engineering	\$ 264	AA	100.0%	\$ 264	0.0%	\$ -
	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Dist. Reservoirs & Standpipes	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Trans. & Distribution Mains	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Fire Mains	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Services	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Meters	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Hydrants	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Maintenance of Miscellaneous Plant	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Total Maintenance	\$ 264			\$ 264		\$ -
Total Transmission & Distribution Expenses	\$ 34,197			\$ 34,197		\$ -
Customer Accounts Expenses						
<i>Operation</i>						
Supervision	\$ -	BB	0.0%	\$ -	100.0%	\$ -
Meter Reading Salaries	\$ 61,265	BB	0.0%	\$ -	100.0%	\$ 61,265
Customer Records & Coll. Expenses-Labor	\$ 55,699	BB	0.0%	\$ -	100.0%	\$ 55,699
Uncollectible Accounts	\$ -	BB	0.0%	\$ -	100.0%	\$ -
Miscellaneous Customer Account Expense	\$ 4,013	BB	0.0%	\$ -	100.0%	\$ 4,013
Total Customer Accounts Expenses	\$ 120,977			\$ -		\$ 120,977
Administrative and General Expenses						
<i>Operation</i>						
Administrative and General Salaries	\$ 75,590	LL	22.0%	\$ 16,659	78.0%	\$ 58,931
Office Supplies and Other Expenses	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Administrative Expenses Transferred	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Outside Services Employed	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Property Insurance	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Injuries and Damages	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Employee Pension and Benefits	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Regulatory Commission Expenses	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Miscellaneous General Expenses	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Rents	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Total Operation	\$ -			\$ 16,659		\$ 58,931
<i>Maintenance</i>						
Maintenance of General Plant	\$ -	LL	22.0%	\$ -	78.0%	\$ -
Total Administrative and General Expenses	\$ 75,590			\$ 16,659		\$ 58,931
Total Labor Expenses	\$ 230,764	LL	22.0%	\$ 50,856	78.0%	\$ 179,908

**ALLOCATION OF CUSTOMER SERVICE PLANT TO
CUSTOMER METERS AND BILLING**

EXPENSE ITEM	TOTAL		<-CUST. METER->		<-CUST. BILL->	
	CUST. SERV.	ALLOC. SYMBOL	%	AMOUNT	%	AMOUNT
Plant Held for Future Use	\$ -	II	97.2%	\$ -	2.8%	\$ -
INTANGIBLE PLANT						
Organization	\$ 14,165	II	97.2%	\$ 13,766	2.8%	\$ 399
Misc. Intangibles	\$ 64,147	II	97.2%	\$ 62,340	2.8%	\$ 1,807
Subtotal	\$ 78,312			\$ 76,106		\$ 2,207
TRANSMISSION & DISTRIBUTION PLANT						
Land & Land Rights	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Structures & Improvements	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Distrib Reservoirs & Standpipes	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Trans. & Dist. Mains	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Services	\$ 2,963,555	AA	100.0%	\$ 2,963,555	0.0%	\$ -
Meters	\$ 2,683,106	AA	100.0%	\$ 2,683,106	0.0%	\$ -
Hydrants	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Subtotal	\$ 5,646,661			\$ 5,646,661		\$ -
GENERAL PLANT						
Structures & Improvements	\$ 57,047	II	97.2%	\$ 55,440	2.8%	\$ 1,607
Computer Hardware	\$ 163,719	BB	0.0%	\$ -	100.0%	\$ 163,719
391A-CIS	\$ 130,912	II	97.2%	\$ 127,224	2.8%	\$ 3,689
Stores Equipment	\$ -	II	97.2%	\$ -	2.8%	\$ -
Tools, Shop & Garage Equip.	\$ 18,065	II	97.2%	\$ 17,556	2.8%	\$ 509
Laboratory Equipment	\$ -	II	97.2%	\$ -	2.8%	\$ -
Power Operated Equipment	\$ 4,347	II	97.2%	\$ 4,225	2.8%	\$ 122
Communication Equipment	\$ 51,381	II	97.2%	\$ 49,934	2.8%	\$ 1,448
Miscellaneous Equipment	\$ 22,083	II	97.2%	\$ 21,461	2.8%	\$ 622
Subtotal	\$ 447,555			\$ 275,839		\$ 171,716
TOTAL PLANT IN SERVICE	\$ 6,172,528	II	97.2%	\$ 5,998,605	2.8%	\$ 173,923

**ALLOCATION OF CUSTOMER SERVICE DEPRECIATION TO
CUSTOMER METERS AND BILLING**

	TOTAL		<-CUST. METER->		<-CUST. BILL->	
	CUST. SERV.	ALLOC. SYMBOL	%	AMOUNT	%	AMOUNT
Plant Held for Future Use	\$ -	II	97.2%	\$ -	2.8%	\$ -
TRANSMISSION & DISTRIBUTION PLANT						
Land & Land Rights	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Structures & Improvements	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Distrib Reservoirs & Standpipes	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Trans. & Dist. Mains	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Services	\$ 59,242	AA	100.0%	\$ 59,242	0.0%	\$ -
Meters	\$ 80,422	AA	100.0%	\$ 80,422	0.0%	\$ -
Hydrants	\$ -	AA	100.0%	\$ -	0.0%	\$ -
Subtotal	\$ 139,664			\$ 139,664		\$ -
GENERAL PLANT						
Structures & Improvements	\$ 2,851	II	97.2%	\$ 2,770	2.8%	\$ 80
Computer Hardware	\$ 16,299	BB	0.0%	\$ -	100.0%	\$ 16,299
391A-CIS	\$ 18,702	II	97.2%	\$ 18,175	2.8%	\$ 527
Stores Equipment	\$ -	II	97.2%	\$ -	2.8%	\$ -
Tools, Shop & Garage Equip.	\$ 1,803	II	97.2%	\$ 1,752	2.8%	\$ 51
Laboratory Equipment	\$ -	II	97.2%	\$ -	2.8%	\$ -
Power Operated Equipment	\$ 435	II	97.2%	\$ 422	2.8%	\$ 12
Communication Equipment	\$ 2,568	II	97.2%	\$ 2,496	2.8%	\$ 72
Miscellaneous Equipment	\$ 442	II	97.2%	\$ 429	2.8%	\$ 12
Subtotal	\$ 43,099			\$ 26,045		\$ 17,054
	=====			=====		=====
TOTAL	\$ 182,763			\$ 165,709		\$ 17,054
Less: Contributions	\$ (7,823)	AA	100.0%	\$ (7,823)	0.0%	\$ -
	=====			=====		=====
TOTAL DEPRECIATION	\$ 174,940	DD	90.3%	\$ 157,886	9.7%	\$ 17,054

ALLOCATION SYMBOLS - CUSTOMER SERVICE

<u>ALLOCATION SYMBOL</u>	<u>CUSTOM METER</u>	<u>CUSTOM BILL</u>	<u>TOTAL</u>
AA	100.0%	0.0%	100.0% Meters
BB	0.0%	100.0%	100.0% Billing
CC	18.7%	81.3%	100.0% O&M G&A
DD	90.3%	9.7%	100.0% Depreciation
FF	56.3%	43.7%	100.0% Total Costs
II	97.2%	2.8%	100.0% Plant Investment
JJ	100.0%	0.0%	100.0% Capital/Debt
LL	22.0%	78.0%	100.0% Labor
OO	18.7%	81.3%	100.0% Total O&M
RR	98.6%	1.4%	100.0% Rate Base
TT	75.8%	24.2%	100.0% Nonincome Tax
XX	0.0%	100.0%	100.0% Misc Revs - Turn on-off part

Symbol TT - Taxes other than income

	<u>Amount</u>	<u>Symbol</u>	<u>Meter</u>	<u>Billing</u>
Property	\$ 75,117	II	\$ 73,000	\$ 2,117
Payroll	\$ 23,763	LL	\$ 5,237	\$ 18,526
Gross Receipt	\$ 16,679	FF	\$ 9,395	\$ 7,283
Total	\$ 115,559		\$ 87,632	\$ 27,926
Percent		TT	75.8%	24.2%

DETERMINATION OF EQUIVALENT METERS

<u>METER SIZE (IN)</u>	<u>NUMBER</u>	<u>EQUIVALENCY FACTOR (1)</u>	<u>EQUIV. 5/8 IN. METERS</u>
5/8	7,455	1	7,455
3/4	5	1.1	6
1	272	1.8	489
1 1/2	78	3.3	257
2	163	4.6	748
3	13	6.3	82
4	2	9.6	19
6	5	16.9	85
>=8	2	29.6	59
TOTALS	7,994		9,199

(1) Based on prior dockets including Docket Nos. 2098 and 2555.

DETERMINATION OF SERVICE CHARGESBILLING CHARGE

<u>CUST. BILLING ALLOC. (2)</u>	=	<u>\$227,475</u>	=	\$	6.91 PER BILLING
NUMBER OF BILLINGS (1)		32,899			

METER CHARGE

<u>CUST. METER ALLOC. (3)</u>	=	<u>\$688,159</u>	=	\$	74.81 / EQ. METER/YR
NO. EQUIV. METERS (1)		9,199			

(1) See Ex. 5 (Woodcock) Sch. 2

(2) Allocation to Billing was reduced and reallocated to base retail rates by \$350,000

(3) Includes total customer Metering allocation from Schedule 5A less amount assigned to private fire in Sch 4B

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	\$ 18.70	\$ 6.91	\$ 25.62	\$ 6.23	\$ 6.91	\$ 13.15
3/4	\$ 20.57	\$ 6.91	\$ 27.49	\$ 6.86	\$ 6.91	\$ 13.77
1	\$ 33.66	\$ 6.91	\$ 40.58	\$ 11.22	\$ 6.91	\$ 18.14
1 1/2	\$ 61.72	\$ 6.91	\$ 68.63	\$ 20.57	\$ 6.91	\$ 27.49
2	\$ 86.03	\$ 6.91	\$ 92.94	\$ 28.68	\$ 6.91	\$ 35.59
3	\$ 117.82	\$ 6.91	\$ 124.73	\$ 39.27	\$ 6.91	\$ 46.19
4	\$ 179.54	\$ 6.91	\$ 186.45	\$ 59.85	\$ 6.91	\$ 66.76
6	\$ 316.06	\$ 6.91	\$ 322.97	\$ 105.35	\$ 6.91	\$ 112.27
>8	\$ 553.57	\$ 6.91	\$ 560.48	\$ 184.52	\$ 6.91	\$ 191.44

SUMMARY GENERAL WATER EXPENSE ALLOCATIONS

	TOTAL		ALLOC.		BASE		EXTRA CAP.-MAX DAY		EXTRA CAP.-PEAK HR	
	GEN'L WATER	SYMBOL (1)	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT
Operation & Maintenance	\$ 1,214,407	mm	55.4%	\$ 672,909	33.4%	\$ 406,022	11.2%	\$ 135,476		
Depreciation	\$ 312,195	dd	39.2%	\$ 122,245	45.4%	\$ 141,618	15.5%	\$ 48,331		
Taxes other than Income	\$ 249,647	tt	37.8%	\$ 94,440	42.8%	\$ 106,953	19.3%	\$ 48,254		
Total Operating	\$ 1,776,249			\$ 889,595		\$ 654,594		\$ 232,061		
Federal Income Tax	\$ 223,336	rr	36.7%	\$ 82,059	43.5%	\$ 97,040	19.8%	\$ 44,237		
Return on Rate Base	\$ 636,024	rr	36.7%	\$ 233,690	43.5%	\$ 276,354	19.8%	\$ 125,981		
Total Revenue Required	\$ 2,635,609			\$ 1,205,343		\$ 1,027,988		\$ 402,279		
Less:										
Misc. Income/Turn on-off	\$ 18,155	xx	100.0%	\$ 18,155	0.0%	\$ -	0.0%	\$ -		
Other Water Revenues	\$ 14,517	xx	100.0%	\$ 14,517	0.0%	\$ -	0.0%	\$ -		
Subtotal	\$ 2,602,938	ff	45.1%	\$ 1,172,672	39.5%	\$ 1,027,988	15.5%	\$ 402,279		
Plus:										
Public Fire Service Adjustment Required From Rates	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -		
	\$ 2,602,938			\$ 1,172,672		\$ 1,027,988		\$ 402,279		

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

	TOTAL	ALLOC.	BASE		EXTRA CAP.-MAX DAY		EXTRA CAP.-PEAK HR	
	<u>GEN'L WATER</u>	<u>SYMBOL (1)</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>
Average Utility Plant on Service	\$ 15,168,324	pp	36.4%	\$ 5,515,535	43.1%	\$ 6,538,172	20.5%	\$ 3,114,616
Less:								
Accumulated Amortization	\$ (4,082,880)	rr	36.7%	\$ (1,500,141)	43.5%	\$ (1,774,020)	19.8%	\$ (808,718)
Contributions	\$ (2,985,121)	bb	33.7%	\$ (1,005,834)	41.5%	\$ (1,237,461)	24.9%	\$ (741,826)
Deferred Income Tax	\$ (1,008,247)	rr	36.7%	\$ (370,453)	43.5%	\$ (438,086)	19.8%	\$ (199,709)
Unamortized ITC	\$ (64,672)	rr	36.7%	\$ (23,762)	43.5%	\$ (28,100)	19.8%	\$ (12,810)
1/13th Unfunded FAS 106	\$ (293,103)	ll	38.9%	\$ (113,949)	44.7%	\$ (131,163)	16.4%	\$ (47,991)
Plus:								
Customer Advances	\$ -	rr	36.7%	\$ -	43.5%	\$ -	19.8%	\$ -
Materials & Supplies	\$ 68,122	rr	36.7%	\$ 25,029	43.5%	\$ 29,599	19.8%	\$ 13,493
Working Capital	\$ 151,400	ff	45.1%	\$ 68,209	39.5%	\$ 59,793	15.5%	\$ 23,399
Deferred Tank Painting	\$ 147,639	ss	0.0%	\$ -	50.0%	\$ 73,819	50.0%	\$ 73,819
Deferred Rate Case	\$ 175,704	ff	45.1%	\$ 79,158	39.5%	\$ 69,391	15.5%	\$ 27,155
Deferred Operations	\$ -	mm	55.4%	\$ -	33.4%	\$ -	11.2%	\$ -
Deferred Acquisitions	\$ -	pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -
Total Rate Base	\$ 7,277,166	rr	36.7%	\$ 2,673,793	43.5%	\$ 3,161,945	19.8%	\$ 1,441,428

**ALLOCATION OF GENERAL WATER O&M EXPENSES TO
BASE AND EXTRA CAPACITY**

<u>EXPENSE ITEM</u>	<u>TOTAL</u>		<u>ALLOC.</u> <u>SYMBOL (1)</u>	<u>BASE</u>		<u>EXTRA CAP.-MAX DAY</u>		<u>EXTRA CAP.-PEAK HR</u>	
	<u>GEN'L WATER</u>			<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>
Source of Supply Expenses									
<i>Operation</i>									
Operation Supervision and Engineering	\$	2,990	cc	100.0%	\$	2,990	0.0%	\$	-
Operation Labor and Expenses	\$	3,759	cc	100.0%	\$	3,759	0.0%	\$	-
Purchased Water	\$	-	cc	100.0%	\$	-	0.0%	\$	-
Miscellaneous Expenses	\$	-	cc	100.0%	\$	-	0.0%	\$	-
Rents	\$	-	cc	100.0%	\$	-	0.0%	\$	-
Total Operation	\$	6,749			\$	6,749		\$	-
<i>Maintenance</i>									
Maintenance of Wells and Springs	\$	-	cc	100.0%	\$	-	0.0%	\$	-
Maintenance of Supply Mains	\$	-	cc	100.0%	\$	-	0.0%	\$	-
Maintenance of Miscellaneous Water Source Pl	\$	-	cc	100.0%	\$	-	0.0%	\$	-
Total Maintenance	\$	-			\$	-		\$	-
Total Source of Supply Expenses	\$	6,749			\$	6,749		\$	-
Pumping Expenses									
<i>Operation</i>									
Operation Supervision and Engineering	\$	-	aa	44.8%	\$	-	55.2%	\$	-
Fuel for Power Production	\$	747	cc	100.0%	\$	747	0.0%	\$	-
Fuel or Power Purchased for Production	\$	185,457	cc	100.0%	\$	185,457	0.0%	\$	-
Pumping Labor and Expenses	\$	72,889	aa	44.8%	\$	32,681	55.2%	\$	40,207
Miscellaneous Expenses	\$	4,660	aa	44.8%	\$	2,089	55.2%	\$	2,570
Rents	\$	-	aa	44.8%	\$	-	55.2%	\$	-
Total Operation	\$	263,753			\$	220,975		\$	42,778
<i>Maintenance</i>									
Maintenance Supervision and Engineering	\$	-	aa	44.8%	\$	-	55.2%	\$	-
Maintenance of Structures and Improvements	\$	43	aa	44.8%	\$	19	55.2%	\$	24
Maintenance of Power Production Equipment	\$	1,231	aa	44.8%	\$	552	55.2%	\$	679
Maintenance of Pumping Equipment	\$	18,121	aa	44.8%	\$	8,125	55.2%	\$	9,996
Total Maintenance	\$	19,395			\$	8,696		\$	10,699
Total Pumping Expenses	\$	283,147			\$	229,671		\$	53,476
Water Treatment Expenses									
<i>Operation</i>									
Operation Supervision and Engineering	\$	-	aa	44.8%	\$	-	55.2%	\$	-
Chemicals	\$	65,577	cc	100.0%	\$	65,577	0.0%	\$	-
Operation Labor and Expenses	\$	65,634	aa	44.8%	\$	29,429	55.2%	\$	36,206
Miscellaneous Expenses	\$	30,171	aa	44.8%	\$	13,528	55.2%	\$	16,643
Total Operation	\$	161,382			\$	108,533		\$	52,849
<i>Maintenance</i>									
Maintenance of Water Treatment Equipment	\$	4,521	aa	44.8%	\$	2,027	55.2%	\$	2,494
Total Maintenance	\$	4,521			\$	2,027		\$	2,494
Total Water Treatment Expenses	\$	165,903			\$	110,560		\$	55,343

Transmission and Distribution Expenses

<i>Operation</i>								
Operation Supervision and Engineering	\$ 79,349	bb	33.7%	\$ 26,737	41.5%	\$ 32,894	24.9%	\$ 19,719
Transmission and Distribution Lines Expenses	\$ 58,964	bb	33.7%	\$ 19,868	41.5%	\$ 24,443	24.9%	\$ 14,653
Meter Expenses	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Miscellaneous Expenses	\$ 83,036	bb	33.7%	\$ 27,979	41.5%	\$ 34,422	24.9%	\$ 20,635
Rents	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Total Operation	\$ 221,350			\$ 74,584		\$ 91,759		\$ 55,007
<i>Maintenance</i>								
Maintenance Supervision and Engineering	\$ 1,978	bb	33.7%	\$ 667	41.5%	\$ 820	24.9%	\$ 492
Maintenance of Structures and Improvements	\$ 13,164	bb	33.7%	\$ 4,435	41.5%	\$ 5,457	24.9%	\$ 3,271
Maintenance of Dist. Reservoirs & Standpipes	\$ 38,574	bb	33.7%	\$ 12,997	41.5%	\$ 15,990	24.9%	\$ 9,586
Maintenance of Trans. & Distribution Mains	\$ 31,947	bb	33.7%	\$ 10,764	41.5%	\$ 13,243	24.9%	\$ 7,939
Maintenance of Fire Mains	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Services	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Meters	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Hydrants	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Miscellaneous Plant	\$ 651	bb	33.7%	\$ 219	41.5%	\$ 270	24.9%	\$ 162
Total Maintenance	\$ 86,313			\$ 29,083		\$ 35,780		\$ 21,449
Total Transmission & Distribution Expenses	\$ 307,663			\$ 103,667		\$ 127,539		\$ 76,457

Customer Accounts Expenses

<i>Operation</i>								
Supervision	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Meter Reading Salaries	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Customer Records & Coll. Expenses-Labor	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Uncollectible Accounts	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Miscellaneous Customer Account Expense	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Customer Accounts Expenses	\$ -			\$ -		\$ -		\$ -

Administrative and General Expenses

<i>Operation</i>								
Administrative and General Salaries	\$ 108,408	mm	55.4%	\$ 60,068	33.4%	\$ 36,244	11.2%	\$ 12,093
Office Supplies and Other Expenses	\$ 19,515	mm	55.4%	\$ 10,813	33.4%	\$ 6,524	11.2%	\$ 2,177
Administrative Expenses Transferred	\$ (189,186)	mm	55.4%	\$ (104,829)	33.4%	\$ (63,252)	11.2%	\$ (21,105)
Outside Services Employed	\$ 166,864	mm	55.4%	\$ 92,460	33.4%	\$ 55,789	11.2%	\$ 18,615
Property Insurance	\$ 30,172	mm	55.4%	\$ 16,719	33.4%	\$ 10,088	11.2%	\$ 3,366
Injuries and Damages	\$ 8,978	mm	55.4%	\$ 4,975	33.4%	\$ 3,002	11.2%	\$ 1,002
Employee Pension and Benefits	\$ 166,984	ll	38.9%	\$ 64,918	44.7%	\$ 74,725	16.4%	\$ 27,341
Regulatory Commission Expenses	\$ 75,749	mm	55.4%	\$ 41,973	33.4%	\$ 25,326	11.2%	\$ 8,450
Miscellaneous General Expenses	\$ 46,381	mm	55.4%	\$ 25,700	33.4%	\$ 15,507	11.2%	\$ 5,174
Rents	\$ 10,745	mm	55.4%	\$ 5,954	33.4%	\$ 3,592	11.2%	\$ 1,199
Total Operation	\$ 444,609			\$ 218,751		\$ 167,545		\$ 58,312
<i>Maintenance</i>								
Maintenance of General Plant	\$ 6,335	mm	55.4%	\$ 3,511	33.4%	\$ 2,118	11.2%	\$ 707
Total Administrative and General Expenses	\$ 450,945			\$ 222,262		\$ 169,664		\$ 59,019
Total Operation and Maintenance Expenses	\$ 1,214,407	mm	55.4%	\$ 672,909	33.4%	\$ 406,022	11.2%	\$ 135,476

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

EXPENSE ITEM	TOTAL		ALLOC. SYMBOL (1)	BASE		EXTRA CAP.-MAX DAY		EXTRA CAP.-PEAK HR	
	GEN'L WATER	AMOUNT		%	AMOUNT	%	AMOUNT	%	AMOUNT
Source of Supply Expenses									
<i>Operation</i>									
Operation Supervision and Engineering	\$	3,135	cc	100.0%	\$ 3,135	0.0%	\$ -	0.0%	\$ -
Operation Labor and Expenses	\$	2,133	cc	100.0%	\$ 2,133	0.0%	\$ -	0.0%	\$ -
Purchased Water	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Miscellaneous Expenses	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Rents	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Operation	\$	5,268			\$ 5,268		\$ -		\$ -
<i>Maintenance</i>									
Maintenance of Wells and Springs	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Maintenance of Supply Mains	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Maintenance of Miscellaneous Water Source Pl	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Maintenance	\$	-			\$ -		\$ -		\$ -
Total Source of Supply Expenses	\$	5,268			\$ 5,268		\$ -		\$ -
Pumping Expenses									
<i>Operation</i>									
Operation Supervision and Engineering	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Fuel for Power Production	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Fuel or Power Purchased for Production	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Pumping Labor and Expenses	\$	32,452	aa	44.8%	\$ 14,551	55.2%	\$ 17,901	0.0%	\$ -
Miscellaneous Expenses	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Rents	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Total Operation	\$	32,452			\$ 14,551		\$ 17,901		\$ -
<i>Maintenance</i>									
Maintenance Supervision and Engineering	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Maintenance of Structures and Improvements	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Maintenance of Power Production Equipment	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Maintenance of Pumping Equipment	\$	6,595	aa	44.8%	\$ 2,957	55.2%	\$ 3,638	0.0%	\$ -
Total Maintenance	\$	6,595			\$ 2,957		\$ 3,638		\$ -
Total Pumping Expenses	\$	39,047			\$ 17,508		\$ 21,539		\$ -
Water Treatment Expenses									
<i>Operation</i>									
Operation Supervision and Engineering	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Chemicals	\$	-	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Operation Labor and Expenses	\$	27,472	aa	44.8%	\$ 12,318	55.2%	\$ 15,154	0.0%	\$ -
Miscellaneous Expenses	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Total Operation	\$	27,472			\$ 12,318		\$ 15,154		\$ -
<i>Maintenance</i>									
Maintenance of Water Treatment Equipment	\$	-	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Total Maintenance	\$	-			\$ -		\$ -		\$ -
Total Water Treatment Expenses	\$	27,472			\$ 12,318		\$ 15,154		\$ -

Transmission and Distribution Expenses*Operation*

Operation Supervision and Engineering	\$ 47,596	bb	33.7%	\$ 16,037	41.5%	\$ 19,731	24.9%	\$ 11,828
Transmission and Distribution Lines Expenses	\$ 28,309	bb	33.7%	\$ 9,539	41.5%	\$ 11,735	24.9%	\$ 7,035
Meter Expenses	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Miscellaneous Expenses	\$ 38,194	bb	33.7%	\$ 12,869	41.5%	\$ 15,833	24.9%	\$ 9,492
Rents	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Total Operation	\$ 114,099			\$ 38,446		\$ 47,299		\$ 28,355

Maintenance

Maintenance Supervision and Engineering	\$ 1,209	bb	33.7%	\$ 407	41.5%	\$ 501	24.9%	\$ 300
Maintenance of Structures and Improvements	\$ 6,027	bb	33.7%	\$ 2,031	41.5%	\$ 2,498	24.9%	\$ 1,498
Maintenance of Dist. Reservoirs & Standpipes	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Trans. & Distribution Mains	\$ 17,321	bb	33.7%	\$ 5,836	41.5%	\$ 7,180	24.9%	\$ 4,304
Maintenance of Fire Mains	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Services	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Meters	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Hydrants	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Maintenance of Miscellaneous Plant	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -
Total Maintenance	\$ 24,557			\$ 8,274		\$ 10,180		\$ 6,103
Total Transmission & Distribution Expenses	\$ 138,656			\$ 46,720		\$ 57,479		\$ 34,457

Customer Accounts Expenses*Operation*

Supervision	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Meter Reading Salaries	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Customer Records & Coll. Expenses-Labor	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Uncollectible Accounts	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Miscellaneous Customer Account Expense	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Customer Accounts Expenses	\$ -			\$ -		\$ -		\$ -

Administrative and General Expenses*Operation*

Administrative and General Salaries	\$ 102,513	ii	38.9%	\$ 39,854	44.7%	\$ 45,874	16.4%	\$ 16,785
Office Supplies and Other Expenses	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Administrative Expenses Transferred	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Outside Services Employed	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Property Insurance	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Injuries and Damages	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Employee Pension and Benefits	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Regulatory Commission Expenses	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Miscellaneous General Expenses	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Rents	\$ -	ii	38.9%	\$ -	44.7%	\$ -	16.4%	\$ -
Total Operation	\$ 102,513			\$ 39,854		\$ 45,874		\$ 16,785

Maintenance

Maintenance of General Plant	\$ 2,524	ii	38.9%	\$ 981	44.7%	\$ 1,129	16.4%	\$ 413
Total Administrative and General Expenses	\$ 2,524			\$ 981		\$ 1,129		\$ 413

Total Labor Expenses	\$ 315,479	ii	38.9%	\$ 122,648	44.7%	\$ 141,176	16.4%	\$ 51,655
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**ALLOCATION OF GEN'L WATER PLANT IN SERVICE TO
BASE AND EXTRA CAPACITY**

EXPENSE ITEM	TOTAL		ALLOC. SYMBOL (1)	BASE		EXTRA CAP.-MAX DAY		EXTRA CAP.-PEAK HR	
	GEN'L WATER	AMOUNT		%	AMOUNT	%	AMOUNT	%	AMOUNT
Plant Held for Future Use	\$ -		pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -
INTANGIBLE PLANT									
Organization	\$ 34,809		pp	36.4%	\$ 12,657	43.1%	\$ 15,004	20.5%	\$ 7,148
Misc. Intangibles	\$ 157,635		pp	36.4%	\$ 57,320	43.1%	\$ 67,947	20.5%	\$ 32,368
Subtotal	\$ 192,444				\$ 69,977		\$ 82,951		\$ 39,516
SOURCE OF SUPPLY									
Land & Land Rights	\$ 27,717		cc	100.0%	\$ 27,717	0.0%	\$ -	0.0%	\$ -
Wells & Springs	\$ 442,871		cc	100.0%	\$ 442,871	0.0%	\$ -	0.0%	\$ -
Supply Mains	\$ 47,627		aa	44.8%	\$ 21,355	55.2%	\$ 26,272	0.0%	\$ -
Struct & Other Source of Supply	\$ 106,861		cc	100.0%	\$ 106,861	0.0%	\$ -	0.0%	\$ -
Subtotal	\$ 625,076				\$ 598,804		\$ 26,272		\$ -
PUMPING PLANT									
Land & Land Rights	\$ 5,601		aa	44.8%	\$ 2,512	55.2%	\$ 3,090	0.0%	\$ -
Structures & Improvements	\$ 679,313		aa	44.8%	\$ 304,586	55.2%	\$ 374,727	0.0%	\$ -
Electric Pump Equip	\$ 1,511,686		aa	44.8%	\$ 677,800	55.2%	\$ 833,887	0.0%	\$ -
Diesel Pump Equip	\$ -		aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -
Other Pump Equip	\$ 113,127		aa	44.8%	\$ 50,723	55.2%	\$ 62,404	0.0%	\$ -
Subtotal	\$ 2,309,727				\$ 1,035,620		\$ 1,274,107		\$ -
WATER TREATMENT PLANT									
Structures & improvements	\$ 18,475		aa	44.8%	\$ 8,284	55.2%	\$ 10,191	0.0%	\$ -
Water Treatment Plant	\$ 436,922		aa	44.8%	\$ 195,904	55.2%	\$ 241,018	0.0%	\$ -
Subtotal	\$ 455,396				\$ 204,187		\$ 251,209		\$ -
TRANSMISSION & DISTRIBUTION PLANT									
Land & Land Rights	\$ 1,862		bb	33.7%	\$ 627	41.5%	\$ 772	24.9%	\$ 463
Structures & Improvements	\$ 25,772		bb	33.7%	\$ 8,684	41.5%	\$ 10,684	24.9%	\$ 6,405
Distrib Reservoirs & Standpipes	\$ 968,016		ss	0.0%	\$ -	50.0%	\$ 484,008	50.0%	\$ 484,008
Trans. & Dist. Mains	\$ 9,490,212		bb	33.7%	\$ 3,197,718	41.5%	\$ 3,934,102	24.9%	\$ 2,358,392
Services	\$ -		cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Meters	\$ -		cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Hydrants	\$ -		cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Subtotal	\$ 10,485,862				\$ 3,207,029		\$ 4,429,566		\$ 2,849,267
GENERAL PLANT									
Structures & Improvements	\$ 140,187		pp	36.4%	\$ 50,975	43.1%	\$ 60,426	20.5%	\$ 28,786
Computer Hardware	\$ 402,321		pp	36.4%	\$ 146,293	43.1%	\$ 173,417	20.5%	\$ 82,611
391A-CIS	\$ 321,703		pp	36.4%	\$ 116,978	43.1%	\$ 138,667	20.5%	\$ 66,058
Stores Equipment	\$ -		pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -
Tools, Shop & Garage Equip.	\$ 44,392		pp	36.4%	\$ 16,142	43.1%	\$ 19,135	20.5%	\$ 9,115
Laboratory Equipment	\$ -		pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -
Power Operated Equipment	\$ 10,683		pp	36.4%	\$ 3,885	43.1%	\$ 4,605	20.5%	\$ 2,194
Communication Equipment	\$ 126,264		pp	36.4%	\$ 45,912	43.1%	\$ 54,425	20.5%	\$ 25,927
Miscellaneous Equipment	\$ 54,268		pp	36.4%	\$ 19,733	43.1%	\$ 23,392	20.5%	\$ 11,143
Subtotal	\$ 1,099,819				\$ 399,918		\$ 474,067		\$ 225,833
TOTAL PLANT IN SERVICE	\$ 15,168,324		pp	36.4%	\$ 5,515,535	43.1%	\$ 6,538,172	20.5%	\$ 3,114,616

**ALLOCATION OF GEN'L WATER DEPRECIATION TO
BASE AND EXTRA CAPACITY**

	TOTAL		ALLOC.		BASE		EXTRA CAP.-MAX DAY		EXTRA CAP.-PEAK HR	
	GEN'L WATER	SYMBOL (1)	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT
Plant Held for Future Use	\$ -	pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -		
INTANGIBLE PLANT										
Organization	\$ -	pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -		
Misc. Intangibles	\$ -	pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -		
Subtotal	\$ -			\$ -		\$ -		\$ -		
SOURCE OF SUPPLY										
Land & Land Rights	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -		
Wells & Springs	\$ 8,857	cc	100.0%	\$ 8,857	0.0%	\$ -	0.0%	\$ -		
Supply Mains	\$ 595	aa	44.8%	\$ 267	55.2%	\$ 328	0.0%	\$ -		
Struct & Other Source of Supply	\$ 2,105	cc	100.0%	\$ 2,105	0.0%	\$ -	0.0%	\$ -		
Subtotal	\$ 11,558			\$ 11,230		\$ 328		\$ -		
PUMPING PLANT										
Land & Land Rights	\$ -	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -		
Structures & Improvements	\$ 13,586	aa	44.8%	\$ 6,092	55.2%	\$ 7,495	0.0%	\$ -		
Electric Pump Equip	\$ 60,456	aa	44.8%	\$ 27,107	55.2%	\$ 33,349	0.0%	\$ -		
Diesel Pump Equip	\$ -	aa	44.8%	\$ -	55.2%	\$ -	0.0%	\$ -		
Other Pump Equip	\$ 4,525	aa	44.8%	\$ 2,029	55.2%	\$ 2,496	0.0%	\$ -		
Subtotal	\$ 78,568			\$ 35,228		\$ 43,340		\$ -		
WATER TREATMENT PLANT										
Structures & improvements	\$ 369	aa	44.8%	\$ 166	55.2%	\$ 204	0.0%	\$ -		
Water Treatment Plant	\$ 21,844	aa	44.8%	\$ 9,794	55.2%	\$ 12,050	0.0%	\$ -		
Subtotal	\$ 22,214			\$ 9,960		\$ 12,254		\$ -		
TRANSMISSION & DISTRIBUTION PLANT										
Land & Land Rights	\$ -	bb	33.7%	\$ -	41.5%	\$ -	24.9%	\$ -		
Structures & Improvements	\$ 773	bb	33.7%	\$ 261	41.5%	\$ 321	24.9%	\$ 192		
Distrib Reservoirs & Standpipes	\$ 12,875	ss	0.0%	\$ -	50.0%	\$ 6,437	50.0%	\$ 6,437		
Trans. & Dist. Mains	\$ 118,492	bb	33.7%	\$ 39,926	41.5%	\$ 49,120	24.9%	\$ 29,446		
Services	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -		
Meters	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -		
Hydrants	\$ -	cc	100.0%	\$ -	0.0%	\$ -	0.0%	\$ -		
Subtotal	\$ 132,139			\$ 40,186		\$ 55,878		\$ 36,076		
GENERAL PLANT										
Structures & Improvements	\$ 7,005	pp	36.4%	\$ 2,547	43.1%	\$ 3,020	20.5%	\$ 1,438		
Computer Hardware	\$ 40,052	pp	36.4%	\$ 14,564	43.1%	\$ 17,264	20.5%	\$ 8,224		
391A-CIS	\$ 45,958	pp	36.4%	\$ 16,711	43.1%	\$ 19,810	20.5%	\$ 9,437		
Stores Equipment	\$ -	pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -		
Tools, Shop & Garage Equip.	\$ 4,431	pp	36.4%	\$ 1,611	43.1%	\$ 1,910	20.5%	\$ 910		
Laboratory Equipment	\$ -	pp	36.4%	\$ -	43.1%	\$ -	20.5%	\$ -		
Power Operated Equipment	\$ 1,068	pp	36.4%	\$ 388	43.1%	\$ 460	20.5%	\$ 219		
Communication Equipment	\$ 6,311	pp	36.4%	\$ 2,295	43.1%	\$ 2,720	20.5%	\$ 1,296		
Miscellaneous Equipment	\$ 1,085	pp	36.4%	\$ 395	43.1%	\$ 468	20.5%	\$ 223		
Subtotal	\$ 105,911			\$ 38,512		\$ 45,652		\$ 21,747		
TOTAL	\$ 350,390			\$ 135,115		\$ 157,452		\$ 57,823		
Less: Contributions	\$ (38,195)	bb	33.7%	\$ (12,870)	41.5%	\$ (15,834)	24.9%	\$ (9,492)		
TOTAL DEPRECIATION	\$ 312,195	dd	39.2%	\$ 122,245	45.4%	\$ 141,618	15.5%	\$ 48,331		

ALLOCATION SYMBOLS - GENERAL WATER

<u>ALLOCATION SYMBOL</u>	<u>BASE %</u>	<u>EXTRA CAPACITY</u>		<u>TOTAL</u>	
		<u>MAX DAY %</u>	<u>PEAK HOUR %</u>		
aa	44.8%	55.2%	0.0%	100.0%	Production & pumping costs
bb	33.7%	41.5%	24.9%	100.0%	T&D Mains
cc	100.0%	0.0%	0.0%	100.0%	Supply, chemicals, power & water
dd	39.2%	45.4%	15.5%	100.0%	Depreciation
ff	45.1%	39.5%	15.5%	100.0%	Total Costs/Revenue Required
ll	38.9%	44.7%	16.4%	100.0%	Labor
mm	55.4%	33.4%	11.2%	100.0%	Total O&M
pp	36.4%	43.1%	20.5%	100.0%	Plant Investment
rr	36.7%	43.5%	19.8%	100.0%	Rate Base
ss	0.0%	50.0%	50.0%	100.0%	Storage
tt	37.8%	42.8%	19.3%	100.0%	Taxes other than income
xx	100.0%	0.0%	0.0%	100.0%	Misc revenues

	<u>Gal/Min</u>
Max Hour Demand	4,547
Peak Hour Demand	6,050

Symbol aa

Avg Day Increment	2,039	44.8%
Max Day Increment	2,508	55.2%

Symbol bb

	<u>Gal/Min</u>	<u>%</u>
Average Day	2,039	33.7%
Max Day Increment	2,508	41.5%
Peak Hour Increment	<u>1,503</u>	<u>24.9%</u>
Total Peak Hour	6,050	100.0%

Symbol tt - Taxes other than income

	<u>Gen'l Water</u>	<u>Symbol</u>	<u>Base</u>	<u>Max Day</u>	<u>Peak Hr</u>
Property	\$ 184,591	pp	\$ 67,121	\$ 79,566	\$ 37,903
Payroll	\$ 32,227	ll	\$ 12,529	\$ 14,422	\$ 5,277
Gross Receipt	\$ <u>32,829</u>	ff	\$ <u>14,790</u>	\$ <u>12,965</u>	\$ <u>5,074</u>
Total	\$ 249,647	tt	\$ 94,440	\$ 106,953	\$ 48,254
Percent			37.8%	42.8%	19.3%

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

	<u>Total</u>	<u>Base</u>	<u>Max Day</u>	<u>Peak Hour</u>	
Revenue Requirements	\$2,602,938	\$1,172,672	\$1,027,988	\$402,279	see Ex. 5 (Woodcock) Sch. 6
Allocation to Fire Service	<u>\$693,830</u>	<u>\$5,863</u>	<u>\$401,632</u>	<u>\$286,334</u>	see Ex. 5 (Woodcock) Sch. 2A
Net to Wholesale/Retail	\$1,909,108	\$1,166,808	\$626,355	\$115,944	
Allocation to Wholesale *	<u>\$478,002</u>	<u>\$431,916</u>	<u>\$46,087</u>	<u>\$0</u>	
Subtotal	\$1,431,105	\$734,892	\$580,269	\$115,944	
+ Fire Adjustment (Sch 4A)	\$400,000	\$400,000			
+ Cust Adjustment (Sch 5A)	<u>\$350,000</u>	<u>\$350,000</u>			
Net to Retail Metered Rates	\$2,181,105	\$1,484,892	\$580,269	\$115,944	
<u>Residential</u>					
Percent		66.0%	72.9%	74.9%	see Ex. 5 (Woodcock) Sch. 2A
Amount	\$1,489,766	\$979,748.32	\$423,176.43	\$86,841.30	
<u>Non-Residential</u>					
Percent		34.0%	27.1%	25.1%	see Ex. 5 (Woodcock) Sch. 2A
Amount	\$691,339	\$505,143.93	\$157,092.18	\$29,103.17	

* Allocation to fire protection:

Base: 0.05% assigned to fire to reflect minimal use on fires

Max Day & Peak Hour -- see Ex. 5 (Woodcock) Sch. 2A

** Allocation to wholesale based on:

BASE

Metered Sales (ccf/yr)	1,382,100				
Retail Sales (ccf/yr)	847,845	61.3%			
Retail Unacctd For (ccf/yr)	<u>68,892</u>				Based on miles of pipe: 100% of distribution/service plus 61.3% of transmission
Total Retail (ccf/yr)	916,737				
Wholesale Sales (ccf/yr)	534,255	38.7%			
Wholesale Unacctd For (ccf/yr)	<u>4,536</u>				
Total Wholesale (ccf/yr)	<u>538,791</u>				
Grand Total (ccf/yr)	1,455,528				
Wholesale % of Grand Total		37.0%			
Net Base Allocation	\$1,166,808				
Wholesale Allocation	\$431,916				

MAX DAY

Net Max Day Allocation	\$626,355				
Less: Distribution Costs					
share of T&D O&M	-\$79,138				Based on inch-miles of distrib. pipe
Admin O&M Share	-\$33,069	41.8%			
Distribution Capital Items	<u>-\$344,651</u>	55.4%			(Less Distribution Mains & Gen'l Items allocated to Max Day)
Total Net of Distribution	\$169,497				
Wholesale Max Day %		27.19%			See Ex. 5 (Woodcock) Sch. 2A
Wholesale Allocation	\$46,087				

PEAK HOUR

Total Peak Hour Allocation	\$402,279				
Wholesale Peak Hr %		0.00%			See Ex. 5 (Woodcock) Sch. 2A
Wholesale Allocation	\$0				

METERED WATER RATES

Residential

Two Block Rate

1 st Block:

Base Expense	\$979,748.32		
Max Day Expense	\$423,176.43		
Peak Hr Expense	\$ -	0.0%	
Total	\$ 1,402,925		
<hr/>			
Metered Sales (HCF) (1)	559,418	=	\$2.508

2nd Block

Peak Hour Expense	\$86,841.30		
<hr/>			
2nd Block Sales (1)	139,304	=	\$0.623
		Plus First Block	\$2.508
		2nd Block Rate	\$3.131

Non- Residential

Uniform Rate

Total Allocation (2)	\$691,339		
<hr/>			
Metered Sales (HCF) (1)	288,428	=	\$2.397

Wholesale (Sales for Resale) Rates

Total Allocation (2)	\$478,002		
<hr/>			
Metered Sales (HCF) (1)	534,255	=	\$0.895

\$1.197 per 1000 gal

Notes: (1) refer to Ex. 5 (Woodcock) Sch. 2.
 (2) refer to Ex. 5 (Woodcock) Sch. 7

COMPARISON OF CURRENT AND COST BASED RATES

		<u>Current</u>	<u>Cost of Service Based Rates</u>	<u>% Change From Current</u>	<u>Proposed Rates</u>	<u>% Change From Current</u>
<u>Metered Rates (\$/hundred cubic feet)</u>						
<i>Residential</i>						
	1st 24 ccf/qurt	\$1.945	\$1.623	-16.6%	\$2.508	28.9%
	Over 24 ccf/qurt	\$2.592	\$2.246	-13.3%	\$3.131	20.8%
<i>Non-Residential</i>						
	all use	\$1.415	\$1.512	6.9%	\$2.397	69.4%
<i>Sales for Resale</i>						
	per 100 cu ft	\$0.711	\$0.895	25.9%	\$0.895	25.9%
	per 1000 gal	\$0.950	\$1.197	26.0%	\$1.197	26.0%
<u>Service Charges</u>						
<i>Quarterly</i>						
	5/8	\$17.26	\$ 36.26	110.1%	\$ 25.62	48.4%
	3/4	\$20.36	\$ 38.13	87.3%	\$ 27.49	35.0%
	1	\$26.63	\$ 51.22	92.3%	\$ 40.58	52.4%
	1 1/2	\$40.34	\$ 79.27	96.5%	\$ 68.63	70.1%
	2	\$53.58	\$103.58	93.3%	\$ 92.94	73.5%
	3	\$75.62	\$135.38	79.0%	\$124.73	64.9%
	4	\$112.53	\$197.09	75.1%	\$186.45	65.7%
	6	\$198.16	\$333.61	68.4%	\$322.97	63.0%
	8 & up	\$269.73	\$571.13	111.7%	\$560.48	107.8%
<i>Monthly</i>						
	5/8	\$12.58	\$ 23.79	89.1%	\$ 13.15	4.5%
	3/4	\$13.08	\$ 24.41	86.6%	\$ 13.77	5.3%
	1	\$15.17	\$ 28.78	89.7%	\$ 18.14	19.6%
	1 1/2	\$19.74	\$ 38.13	93.2%	\$ 27.49	39.3%
	2	\$24.15	\$ 46.23	91.4%	\$ 35.59	47.4%
	3	\$31.50	\$ 56.83	80.4%	\$ 46.19	46.6%
	4	\$43.80	\$ 77.40	76.7%	\$ 66.76	52.4%
	6	\$72.35	\$122.91	69.9%	\$112.27	55.2%
	8 & up	\$89.91	\$202.08	124.8%	\$191.44	112.9%
<u>Fire Service</u>						
<i>Public</i>						
	/hydrant/qurt	\$65.00	\$ 245.00	276.9%	\$ 130.00	100.0%
	/hydrant/semi-ann.	\$130.00	\$ 490.00	276.9%	\$ 260.00	100.0%
<i>Private (per quarter)</i>						
	2.5	\$21.00	\$ 45.00	114.3%	\$ 22.00	4.8%
	3	\$27.00	\$ 61.00	125.9%	\$ 32.00	18.5%
	4	\$43.00	\$110.00	155.8%	\$ 60.00	39.5%
	6	\$100.00	\$287.00	187.0%	\$161.00	61.0%
	8	\$200.00	\$592.00	196.0%	\$335.00	67.5%
	10	\$350.00	\$1,051.00	200.3%	\$597.00	70.6%
	12	\$550.00	\$1,688.00	206.9%	\$960.00	74.5%
	16	\$1,005.00	\$3,577.00	255.9%	\$2,039.00	102.9%

**IMPACT OF COST BASED RATES
(QUARTERLY BILLINGS)**

METER SIZE	QUARTERLY USE - CU FT	CURRENT RATES	COST BASED RATES			PROPOSED RATES		
			BILL	% INCREASE	\$ INCREASE	BILL	% INCREASE	\$ INCREASE
Residential								
5/8	1,000	\$36.71	\$52.49	43.0%	\$15.78	\$50.70	38.1%	\$13.99
5/8	2,000	\$56.16	\$68.72	22.4%	\$12.56	\$75.78	34.9%	\$19.62
5/8	2,500	\$66.53	\$77.46	16.4%	\$10.93	\$88.94	33.7%	\$22.41
5/8	4,000	\$105.41	\$111.15	5.4%	\$5.74	\$135.91	28.9%	\$30.50
5/8	5,000	\$131.33	\$133.61	1.7%	\$2.28	\$167.22	27.3%	\$35.89
5/8	8,000	\$209.09	\$200.99	-3.9%	-\$8.10	\$261.15	24.9%	\$52.06
5/8	10,000	\$260.93	\$245.91	-5.8%	-\$15.02	\$323.77	24.1%	\$62.84
5/8	15,000	\$390.53	\$358.21	-8.3%	-\$32.32	\$480.32	23.0%	\$89.79
5/8	20,000	\$520.13	\$470.51	-9.5%	-\$49.62	\$636.87	22.4%	\$116.74
1	30,000	\$788.70	\$710.07	-10.0%	-\$78.63	\$964.93	22.3%	\$176.23
1	40,000	\$1,047.90	\$934.67	-10.8%	-\$113.23	\$1,278.03	22.0%	\$230.13
1	75,000	\$1,955.10	\$1,720.77	-12.0%	-\$234.33	\$2,373.88	21.4%	\$418.78
2	100,000	\$2,630.05	\$2,334.63	-11.2%	-\$295.42	\$3,208.99	22.0%	\$578.94
2	200,000	\$5,222.05	\$4,580.63	-12.3%	-\$641.42	\$6,339.99	21.4%	\$1,117.94
2	300,000	\$7,814.05	\$6,826.63	-12.6%	-\$987.42	\$9,470.99	21.2%	\$1,656.94
2	400,000	\$10,406.05	\$9,072.63	-12.8%	-\$1,333.42	\$12,601.99	21.1%	\$2,195.94
2	600,000	\$15,590.05	\$13,564.63	-13.0%	-\$2,025.42	\$18,863.99	21.0%	\$3,273.94
Nonresidential								
1	40,000	\$592.63	\$656.02	10.7%	\$63.39	\$999.38	68.6%	\$406.75
1	75,000	\$1,087.88	\$1,185.22	8.9%	\$97.34	\$1,838.33	69.0%	\$750.45
2	100,000	\$1,468.58	\$1,615.58	10.0%	\$147.00	\$2,489.94	69.5%	\$1,021.36
3	200,000	\$2,905.62	\$3,159.38	8.7%	\$253.76	\$4,918.73	69.3%	\$2,013.11
3	400,000	\$5,735.62	\$6,183.38	7.8%	\$447.76	\$9,712.73	69.3%	\$3,977.11
3	600,000	\$8,565.62	\$9,207.38	7.5%	\$641.76	\$14,506.73	69.4%	\$5,941.11
4	800,000	\$11,432.53	\$12,293.09	7.5%	\$860.56	\$19,362.45	69.4%	\$7,929.92
4	1,000,000	\$14,262.53	\$15,317.09	7.4%	\$1,054.56	\$24,156.45	69.4%	\$9,893.92
6	1,200,000	\$17,178.16	\$18,477.61	7.6%	\$1,299.45	\$29,086.97	69.3%	\$11,908.81
6	1,333,333	\$19,064.82	\$20,493.60	7.5%	\$1,428.78	\$32,282.96	69.3%	\$13,218.14
8	2,000,000	\$28,569.73	\$30,811.13	7.8%	\$2,241.40	\$48,500.48	69.8%	\$19,930.75
Sales for Resale	13,000,000	\$92,378.00	\$116,350.00	25.9%	\$23,972.00	\$116,350.00	25.9%	\$23,972.00
Municipal Fire Service	300 hydrants	\$19,500.00	\$73,500.00	276.9%	\$54,000.00	\$39,000.00	100.0%	\$19,500.00
Private Fire Service	4 " Service	\$43.00	\$110.00	155.8%	\$67.00	\$60.00	39.5%	\$17.00
	6 " Service	\$100.00	\$287.00	187.0%	\$187.00	\$161.00	61.0%	\$61.00

REVENUE RECONCILIATION

Service Charge:	<u>Quarterly</u>	<u>Number</u>	<u>Current</u>		<u>Proposed</u>	
			<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue</u>
	5/8	7,452	\$17.26	\$514,458	\$25.62	\$763,640
	3/4	5	\$20.36	\$415	\$27.49	\$561
	1	268	\$26.63	\$28,515	\$40.58	\$43,453
	1 1/2	77	\$40.34	\$12,417	\$68.63	\$21,124
	2	154	\$53.58	\$32,920	\$92.94	\$57,102
	3	10	\$75.62	\$3,025	\$124.73	\$4,989
	4	1	\$112.53	\$450	\$186.45	\$746
	6	5	\$198.16	\$3,963	\$322.97	\$6,459
	8 & up	1	\$269.73	\$1,079	\$560.48	\$2,242
	Monthly					
	5/8	3	\$12.58	\$440	\$13.15	\$460
	3/4	0	\$13.08	\$0	\$13.77	\$0
	1	4	\$15.17	\$728	\$18.14	\$871
	1 1/2	1	\$19.74	\$237	\$27.49	\$330
	2	9	\$24.15	\$2,608	\$35.59	\$3,844
	3	3	\$31.50	\$1,134	\$46.19	\$1,663
	4	1	\$43.80	\$526	\$66.76	\$801
	6	0	\$72.35	\$0	\$112.27	\$0
	8 & up	1	\$89.91	\$1,079	\$191.44	\$2,297
Consumption Charge:		100 cu.ft.				
Residential:						
1st Block		420,114	\$ 1.945	\$ 817,122	\$ 2.51	\$ 1,053,646
2nd Block		139,304	\$ 2.592	\$ 361,075	\$ 3.13	\$ 436,159
Non-Residential						
1st Block		288,428	\$ 1.415	\$ 408,125	\$ 2.40	\$ 691,361
Sales for Resale		534,255	\$ 0.711	\$ 379,641	\$ 0.895	\$ 478,158
Fire Protection:						
Public Hydrants		658	\$ 65.00	\$ 171,080	\$ 130.00	\$ 342,160
Private Fire Protection						
2.5		5	\$ 21.00	\$ 420	\$ 22.00	\$ 440
3		0	\$ 27.00	\$ -	\$ 32.00	\$ -
4		19	\$ 43.00	\$ 3,268	\$ 60.00	\$ 4,560
6		135	\$ 100.00	\$ 54,000	\$ 161.00	\$ 86,940
8		27	\$ 200.00	\$ 21,600	\$ 335.00	\$ 36,180
10		0	\$ 350.00	\$ -	\$ 597.00	\$ -
12		1	\$ 550.00	\$ 2,200	\$ 960.00	\$ 3,840
Total				\$ 2,822,525		\$ 4,044,026
Plus: Misc Revenues				\$ 20,172		\$ 20,172
Other				\$ 16,130		\$ 16,130
Pro Forma Revenue				\$ 2,858,827		\$ 4,080,328
Required Revenue				\$ 4,077,004		\$ 4,077,004
Difference				\$ (1,218,177)		\$ 3,324
Increase in Revenues						\$ 1,221,501
Percent Increase in Revenues						42.7%
Increase in Rate Revenues						43.3%

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