

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: FEBRUARY 20, 2003

TO: DIRECTOR, DIVISION OF THE COMMISSION
ADMINISTRATIVE SERVICES (BAYÓ)

FROM: DIVISION OF ECONOMIC REGULATION (FLETCHER, MAUREY)
OFFICE OF THE GENERAL COUNSEL (VINING)

RE: DOCKET NO. 020408-SU - APPLICATION FOR RATE INCREASE IN
SEMINOLE COUNTY BY ALAFAYA UTILITIES, INC.
COUNTY: SEMINOLE

AGENDA: 3/4/03 - REGULAR AGENDA - DECISION ON INTERIM RATES -
PARTICIPATION IS LIMITED TO COMMISSIONERS AND STAFF

CRITICAL DATES: 60-DAY SUSPENSION DATE: 3/11/03

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\020408.RCM

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CASE BACKGROUND

Alafaya Utilities, Inc. (Alafaya or utility), a subsidiary of Utilities, Inc., is a Class A wastewater utility located in Seminole County. Alafaya provides wastewater service to approximately 5,600 residential customers and 100 general service customers. Water service is provided in the area by the City of Oviedo. For the year ended December 31, 2001, the utility reported wastewater operating revenues of \$1,809,140, and a net operating income of \$303,246.

In 1986, Alafaya (formerly named Oviedo Utilities, Inc.) began serving customers. By Order No. 14841, issued September 3, 1985, in Docket No. 850209-SU, the Commission granted the utility's original certificate and set its rates and charges. Since it was an original certificate case, rate base was calculated based upon projections and estimates of 80% of plant capacity. By Order No.

DOCUMENT NUMBER-DATE

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PSC-95-0489-FOF-SU, issued April 18, 1995, in Docket No. 941106-SU, the Commission approved the transfer of majority organizational control from the utility's previous parent corporation to Utilities, Inc. The transfer involved the sale of stock, and thus did not alter the book value of the utility's assets. By Order No. PSC-98-0391-FOF-SU, issued March 16, 1998, in Docket No. 960288-SU, the Commission approved a reuse project plan and set reuse rates and charges. Rate base was not established in any of those dockets or in any subsequent rate proceeding.

On September 30, 2002, the utility filed an application for approval of permanent and interim rate increases pursuant to Sections 367.081 and 367.082, Florida Statutes. By letter dated October 24, 2002, staff informed Alafaya of numerous minimum filing requirement (MFR) deficiencies. On January 10, 2003, Alafaya satisfied the MFRs, and this date was designated as the official filing date, pursuant to Section 367.083, Florida Statutes. The utility has requested that we process its case under the proposed agency action (PAA) procedures, pursuant to Section 367.081(8), Florida Statutes.

The utility's requested test year for both interim and final purposes is based on the year ended December 31, 2001. Alafaya has requested interim revenues of \$1,988,523. This represents an increase of \$177,045 or 9.77%. The requested final revenues are \$2,125,634. This represents an increase of \$314,156 or 17.34%.

The sixty-day statutory deadline to suspend the utility's requested final rates and to address interim rates is March 11, 2003. This recommendation addresses the suspension of Alafaya's requested final rates and the appropriate interim rates. The Commission has jurisdiction pursuant to Sections 367.081 and 367.082, Florida Statutes.

DISCUSSION OF ISSUES

ISSUE 1: Should the utility's proposed final rates be suspended?

RECOMMENDATION: Yes. Alafaya's proposed final rates should be suspended. The docket should remain open pending the Commission's final action on the utility's requested rate increase. (FLETCHER)

STAFF ANALYSIS: Section 367.081(6), Florida Statutes, provides that the rates proposed by the utility shall become effective within sixty days after filing unless the Commission votes to withhold consent for implementation of the requested rates. Further, Section 367.081(8), Florida Statutes, permits the proposed rates to go into effect (secured and subject to refund) at the expiration of five months if: (1) the Commission has not acted upon the requested rate increase; or (2) if the Commission's PAA action is protested by a party other than the utility.

Staff has reviewed the filing and has considered the proposed rates, the revenues generated thereby, and the information filed in support of the rate application. Staff recommends that it is reasonable and necessary to require further amplification and explanation regarding this data, and to require production of additional and/or corroborative data. This further examination will include on-site investigations by staff accountants and engineers. Based on the foregoing, staff recommends that it is appropriate to suspend the utility's proposed rate increase.

The docket should remain open pending the Commission's final action on the utility's requested rate increase.

ISSUE 2: Should an interim revenue increase be approved?

RECOMMENDATION: Yes. On an interim basis, the utility should be authorized to collect annual revenues as indicated below:
(FLETCHER)

<u>Adjusted Test</u> <u>Year Revenues</u>	<u>\$ Increase</u>	<u>Revenue</u> <u>Requirement</u>	<u>% Increase</u>
\$1,811,478	\$46,387	\$1,857,865	2.56%

STAFF ANALYSIS: Alafaya requested interim rates designed to generate annual revenues of \$1,988,523. This represents a revenue increase of \$177,045 (or 9.77%). The requested interim test year is the year ended December 31, 2001. The utility filed rate base, cost of capital, and operating statements to support its requested wastewater increase.

Section 367.082(5)(b)1., Florida Statutes, requires that the achieved rate of return for interim purposes be calculated by applying appropriate adjustments consistent with those used in the utility's most recent rate proceeding. Staff has reviewed the utility's application to determine if its interim request is consistent with Section 367.082, Florida Statutes.

Based on our review of the utility's interim request, staff has made adjustments as discussed below. We have attached accounting schedules to illustrate staff's recommended rate base, capital structure, and test year operating income amounts. The rate base schedule is Schedule 1. The capital structure is reflected on Schedule 2. The operating statement is Schedule 3-A, and the schedule of adjustments to the operating statement is Schedule 3-B.

RATE BASE

In its application, the utility used a thirteen-month average to calculate its requested rate base and cost of capital. Alafaya is a Class A utility and filed its MFRs consistent with the averaging requirement of Rule 25-30.433(4), Florida Administrative Code.

Staff has reviewed the utility's interim rate base, and we believe two adjustments are necessary. Alafaya made two adjustments to its interim rate base. First, Alafaya reduced rate

base by \$1,009,020 for non-used and useful plant. This amount was calculated using a portion of the utility's pro forma plant additions requested in its final rate request. Since the pro forma additions occurred beyond the interim test year and were excluded from plant for interim, staff believes those additions should correspondingly be removed from the non-used and useful calculation. After excluding the pro forma additions, staff calculated a non-used and useful plant component of \$1,005,255. As such, staff recommends that rate base should be increased by \$3,765. As a result, a corresponding adjustment should be made to increase depreciation expense by \$573.

Second, Alafaya increased rate base by \$112,900 to reflect its requested working capital allowance. The utility calculated its working capital using the balance sheet approach, which is in accordance with Rule 25-30.433(2), Florida Administrative Code. However, in its calculation, Alafaya included \$82,875 of deferred rate case expense associated with this docket. These expenses are pro forma in nature and beyond the interim test year. As such, staff recommends that the working capital allowance should be reduced by \$82,875.

Based on our review, staff recommends that the appropriate rate base for interim purposes is \$4,212,314. Schedule 1 details staff's recommended rate base.

COST OF CAPITAL

The utility's capital structure is based on that of its parent company, Utilities, Inc., which includes long-term debt, short-term debt, common equity, and accumulated deferred income taxes. In addition, Alafaya made a specific adjustment to include customer deposits. The utility reflected an interim cost of capital of 8.98%. Based on our review, staff believes two adjustments are necessary to Alafaya's capital structure.

First, on MFR Schedule D-1, the utility reflected a cost rate of .03% for short-term debt. However, on MFR Schedule D-4, the utility reflected a short-term debt cost rate of 2.54%. Staff believes that the .03% is erroneous. Thus, staff recommends that the appropriate cost rate for short-term debt is 2.54%.

Second, the utility reflected a cost rate of 11.05% for common equity. The utility's calculation is based on the Commission's

2001 leverage formula and reflects the mid-point of Alafaya's range. Pursuant to Section 367.082(5)(b)2., Florida Statutes, the required rate of return for interim purposes shall be calculated using the minimum of the range of the last authorized rate of ROE. In Alafaya's 1996 reuse case, the Commission approved a reuse project plan, set reuse rates and charges, and established a ROE of 10.06%, with a range of 9.06% to 11.06%. See Order No. PSC-98-0391-FOF-SU, issued March 16, 1998, in Docket No. 960288-SU. The Commission has not reestablished a ROE for Alafaya, since the reuse proceeding. Thus, staff believes that the 1996 docket should be considered the utility's last rate proceeding for purposes of establishing the last authorized ROE. Thus, in accordance with the interim statute, staff recommends that the appropriate cost rate for common equity is 9.06%.

Based on the above adjustments, staff recommends that the interim weighted average cost of capital is 8.30%.

NET OPERATING INCOME

Operating Expenses

The utility made several adjustments to operating expenses for interim purposes. Staff has reviewed these and we believe that several adjustments are appropriate, as discussed below.

First, as a result of allocation adjustments from its sister company (Utilities, Inc. of Florida), Alafaya decreased salaries by \$32,641, increased benefits by \$38,259, and increased payroll taxes by \$18,197. These adjustments are pro forma in nature. As such, staff recommends that these adjustments should be disallowed. These adjustments result in a reduction to O&M expenses of \$5,618 and a reduction to taxes other than income of \$18,197.

Further, Alafaya included one year of amortization of rate case expense for this docket and increased property taxes associated with pro forma plant additions. Since both of these adjustments are also beyond the interim test year, staff recommends that these adjustments should be removed for interim purposes. As such, operation and maintenance expenses should be reduced by \$27,625, and taxes other than income should be reduced by \$52,796.

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Net Operating Income

Based on the utility's filing and the above adjustments, test year operating income, before any revenue increase, should be \$321,989. This represents an achieved rate of return of 7.64%.

REVENUE REQUIREMENT

Based on the above, staff recommends an interim revenue requirement of \$1,857,865. This represents an interim increase in annual revenues of \$46,387 or 2.56%. This will allow the utility the opportunity to recover its operating expenses and earn a 8.30% required rate of return on its rate base.

ISSUE 3: What are the appropriate interim rates?

RECOMMENDATION: The interim rates should be designed to allow the utility the opportunity to generate annual operating revenues of \$1,857,865, which represents an increase of \$46,387. To generate this revenue increase, the service rates in effect as of December 31, 2001, should be increased by 2.56%. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code, provided the customers have received notice. The rates should not be implemented until the required security has been filed and proper notice has been received by the customers. The utility should provide proof to staff of the date notice was given within 10 days after the date of the notice. (FLETCHER)

STAFF ANALYSIS: Staff recommends that interim rates should be designed to allow the utility the opportunity to generate annual operating revenues of \$1,857,865, which represents an increase of \$46,387. To determine the appropriate increase to apply to the wastewater and reuse service rates, miscellaneous service revenues should be removed from the test year revenues. The calculation is as follows:

1 Total Test Year Revenues	\$1,811,478
2 Less: Miscellaneous Service Revenues	<u>18,208</u>
3 Test Year Revenues from Service Rates	<u>\$1,793,270</u>
4 Revenue Increase	<u>\$46,387</u>
5 % Service Rate Increase (Line 4/Line 3)	<u>2.59%</u>

This increase of 2.59% in rates should be applied as an across the board increase to service rates in effect as of December 31, 2001, which are also the utility's current rates.

Alafaya has a residential reuse monthly availability fee and monthly flat rate, as well as a general service reuse gallonage charge. According to MFR Schedule E-2, the utility had no residential reuse customers and only had one general service reuse customer, during the interim test year. All of these rates are included in above the line revenues. As such, the 2.59% rate increase will also be applied to these reuse rates.

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The interim rates should be implemented for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code, provided customers have received notice. The revised tariff sheets will be approved upon staff's verification that the tariff sheets are consistent with the Commission's decision, that the proposed notice to the customers is adequate, and that the required security discussed in Issue 4 has been filed. The utility should provide proof to staff of the date notice was given within 10 days after the date of the notice.

Schedule 4 reflects Alafaya's current rates, the requested interim and final rates, and staff's recommended interim rates.

ISSUE 4: What is the appropriate security to guarantee the interim increase?

RECOMMENDATION: A corporate undertaking is acceptable contingent upon receipt of the written guarantee of the parent company, Utilities, Inc. (UI), and written confirmation of UI's continued attestation that it does not have any outstanding guarantees on behalf of UI-owned utilities in other states. UI should be required to file a corporate undertaking on behalf of its subsidiaries to guarantee any potential refunds of revenues collected under interim conditions. UI's total guarantee should be a cumulative amount of \$565,833, which includes the incremental amount subject to refund in this docket of \$31,057. Pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility should provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund should be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code. (FLETCHER, MAUREY)

STAFF ANALYSIS: Pursuant to Section 367.082, Florida Statutes, revenues collected under interim rates shall be placed under bond, escrow, letter of credit, or corporate undertaking subject to refund with interest at a rate ordered by the Commission. As recommended in Issue 2, the total annual interim increase is \$46,387. In accordance with Rule 25-30.360, Florida Administrative Code, staff has calculated the potential refund of revenues and interest collected, under interim conditions to be \$31,057. This amount is based on an estimated eight months of revenue being collected from staff's recommended interim rates over the utility's current authorized rates shown on Schedule 4.

The utility has requested a corporate undertaking to secure any interim increase granted. Alafaya is a wholly-owned subsidiary of UI, which provides all investor capital to its subsidiaries. As such, staff reviewed the financial statements of the parent company. UI currently is guaranteeing a total of \$534,776 with a corporate undertaking on behalf of its Florida subsidiaries. This request will bring the total cumulative amount to \$565,833.

The criteria for a corporate undertaking includes sufficient liquidity, ownership equity, profitability, and interest coverage to guarantee any potential refund. Staff has reviewed UI's financial statements from 1999 to 2001 to determine the financial

condition of the parent company. Staff's analysis shows that UI has minimal liquidity and experienced a significant decline in net income and interest coverage from 2000 to 2001. However, if the one-time \$9.8 million merger-related charge is excluded, UI's financial performance would show a 3-year trend of stable equity capitalization, interest coverage, and profitability. Based upon this analysis, staff recommends that a cumulative corporate undertaking of \$565,833 is acceptable contingent upon the receipt of the written guarantee of UI and written confirmation that UI does not have any outstanding guarantees on behalf of UI-owned utilities in other states.

Pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility shall provide a report by the 20th day of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund should be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code.

In no instance should maintenance and administrative costs associated with any refund be borne by the customers. The costs are the responsibility of, and should be borne by, the utility.

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ALAFAYA UTILITIES, INC. SCHEDULE OF WASTEWATER RATE BASE TEST YEAR ENDED 12/31/01		SCHEDULE 1 DOCKET NO. 020408-SU			
DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUST- MENTS	ADJUSTED TEST YEAR PER UTILITY	STAFF ADJUST- MENTS	STAFF ADJUSTED TEST YEAR
1 UTILITY PLANT IN SERVICE	\$14,109,471	\$0	\$14,109,471	\$0	\$14,109,471
2 LAND	26,255	0	26,255	0	26,255
3 NON-USED & USEFUL COMPONENTS	0	(1,009,020)	(1,009,020)	3,765	(1,005,255)
4 ACCUMULATED DEPRECIATION	(4,018,476)	0	(4,018,476)	0	(4,018,476)
5 CIAC	(9,225,895)	0	(9,225,895)	0	(9,225,895)
6 AMORTIZATION OF CIAC	2,518,883	0	2,518,883	0	2,518,883
7 CONSTRUCTION WORKING IN PROGRESS	1,777,306	0	1,777,306	0	1,777,306
8 WORKING CAPITAL ALLOWANCE	0	<u>112,900</u>	<u>112,900</u>	<u>(82,875)</u>	<u>30,025</u>
RATE BASE	<u>\$5,187,544</u>	<u>(\$896,120)</u>	<u>\$4,291,424</u>	<u>(\$79,110)</u>	<u>\$4,212,314</u>
<u>Staff Adjustments</u>					
1. To reflect the appropriate non-used and useful adjustment.					
2. To remove pro forma deferred rate expense from working capital.					

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ALAFAYA UTILITIES, INC.
 CAPITAL STRUCTURE
 TEST YEAR ENDED 12/31/01

SCHEDULE 2
 DOCKET NO. 020408-SU

DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUSTMENTS (EXPLAIN)	PRO RATA ADJUSTMENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST
PER UTILITY 2001 - 13-MONTH AVERAGE							
1 LONG TERM DEBT	\$72,269,231	\$0	(\$69,912,573)	\$2,356,658	44.26%	8.82%	3.90%
2 SHORT-TERM DEBT	13,780,077	0	(13,330,644)	449,433	8.44%	0.03%	0.00%
3 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
4 COMMON EQUITY	73,349,305	0	(70,957,714)	2,391,591	44.92%	11.05%	4.96%
5 CUSTOMER DEPOSITS	110,199	0	0	110,199	2.07%	6.00%	0.12%
6 DEFERRED INCOME TAXES	<u>498,163</u>	<u>0</u>	<u>(482,000)</u>	<u>16,163</u>	<u>0.30%</u>	0.00%	<u>0.00%</u>
7 TOTAL CAPITAL	<u>\$160,006,975</u>	<u>\$0</u>	<u>(\$154,682,931)</u>	<u>\$5,324,044</u>	<u>100.00%</u>		<u>8.98%</u>
PER STAFF 2001 - 13-MONTH AVERAGE							
8 LONG TERM DEBT	\$72,269,231	\$0	(\$70,415,180)	\$1,854,051	44.02%	8.82%	3.88%
9 SHORT-TERM DEBT	13,780,077	0	(13,426,552)	353,525	8.39%	2.54%	0.21%
10 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
11 COMMON EQUITY	73,349,305	0	(71,467,545)	1,881,760	44.67%	9.06%	4.05%
12 CUSTOMER DEPOSITS	110,199	0	110,199	110,199	2.62%	6.00%	0.16%
13 DEFERRED INCOME TAXES	<u>498,163</u>	<u>0</u>	<u>(\$485,383)</u>	<u>\$12,780</u>	<u>0.30%</u>	0.00%	<u>0.00%</u>
14 TOTAL CAPITAL	<u>\$160,006,975</u>	<u>\$0</u>	<u>(\$155,794,661)</u>	<u>\$4,212,314</u>	<u>100.00%</u>		<u>8.30%</u>
					LOW	HIGH	
					<u>9.06%</u>	<u>11.06%</u>	
					<u>8.30%</u>	<u>9.19%</u>	
							RETURN ON EQUITY
							OVERALL RATE OF RETURN

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ALAFAYA UTILITIES, INC. STATEMENT OF WASTEWATER OPERATIONS TEST YEAR ENDED 12/31/01		SCHEDULE 3-A DOCKET NO. 020408-SU					
DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUST- MENTS	ADJUSTED TEST YEAR PER UTILITY	STAFF ADJUST- MENTS	STAFF ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	<u>\$1,809,140</u>	<u>\$179,383</u>	<u>\$1,988,523</u>	<u>(\$177,045)</u>	<u>\$1,811,478</u>	<u>\$46,387</u> 2.56%	<u>\$1,857,865</u>
OPERATING EXPENSES							
2 OPERATION & MAINTENANCE	<u>\$1,162,351</u>	<u>\$33,243</u>	<u>\$1,195,594</u>	<u>(\$33,243)</u>	<u>\$1,162,351</u>		<u>\$1,162,351</u>
3 DEPRECIATION	<u>150,171</u>	<u>(42,783)</u>	<u>107,388</u>	<u>573</u>	<u>107,961</u>		<u>107,961</u>
4 AMORTIZATION	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>
5 TAXES OTHER THAN INCOME	<u>133,212</u>	<u>78,734</u>	<u>211,946</u>	<u>(78,960)</u>	<u>132,986</u>	<u>2,087</u>	<u>135,073</u>
6 INCOME TAXES	<u>60,160</u>	<u>27,958</u>	<u>88,118</u>	<u>(1,927)</u>	<u>86,191</u>	<u>16,670</u>	<u>102,861</u>
7 TOTAL OPERATING EXPENSES	<u>1,505,894</u>	<u>97,152</u>	<u>1,603,046</u>	<u>(113,557)</u>	<u>1,489,489</u>	<u>18,757</u>	<u>1,508,247</u>
8 OPERATING INCOME	<u>\$303,246</u>	<u>\$82,231</u>	<u>\$385,477</u>	<u>(\$63,488)</u>	<u>\$321,989</u>	<u>\$27,630</u>	<u>\$349,618</u>
9 RATE BASE	<u>\$5,187,544</u>		<u>\$4,291,424</u>		<u>\$4,212,314</u>		<u>\$4,212,314</u>
10 RATE OF RETURN	<u>5.85%</u>		<u>8.98%</u>		<u>7.64%</u>		<u>8.30%</u>

ALAFAYA UTILITIES, INC.		SCHEDULE 3-B
ADJUSTMENTS TO OPERATING INCOME		DOCKET NO. 020408-SU
TEST YEAR ENDED 12/31/01		
EXPLANATION	WASTEWATER	
<u>OPERATING REVENUES</u>		
To remove requested interim revenue increase		<u>(\$177,045)</u>
<u>OPERATION & MAINTENANCE EXPENSE</u>		
1 To remove pro forma salary and benefit adjustments.		(\$5,618)
2 To remove amortization of rate case expense.		<u>(\$27,625)</u>
Total		<u>(\$33,243)</u>
<u>DEPRECIATION EXPENSE-NET</u>		
To reflect appropriate net depreciation on non-U&U plant.		<u>\$573</u>
<u>TAXES OTHER THAN INCOME</u>		
1 RAFs on revenue adjustments above.		(\$7,967)
2 To remove pro forma payroll taxes.		(18,197)
3 To remove pro forma property taxes.		<u>(52,796)</u>
Total		<u>(\$78,960)</u>
<u>INCOME TAXES</u>		
To adjust to test year income tax expense		<u>(\$1,927)</u>

ALAFAYA UTILITIES, INC.
WASTEWATER MONTHLY SERVICE RATES
TEST YEAR ENDED 12/31/01

SCHEDULE 4
DOCKET NO. 020408-SU

	Utility Current Rates	Utility Requested Interim	Utility Requested Final	Staff Recomm. Interim
<u>Residential</u>				
Base Facility Charge:				
Meter Size:				
5/8" x 3/4"	\$12.85	\$14.11	\$15.08	\$13.18
Gallage Charge, per 1,000 Gallons (10,000 Gallons Cap)	\$1.76	\$1.93	\$2.07	\$1.81
<u>General Service</u>				
Base Facility Charge:				
Meter Size:				
5/8" x 3/4"	\$12.85	\$14.11	\$15.08	\$13.18
1"	\$32.15	\$35.29	\$37.70	\$32.98
1 1/2"	\$64.29	\$70.57	\$75.40	\$65.95
2"	\$102.86	\$112.91	\$120.64	\$105.52
3"	\$205.72	\$225.83	\$226.20	\$211.04
4"	\$321.45	\$352.87	\$377.00	\$329.77
Gallage Charge, per 1,000 Gallons	\$1.76	\$1.93	\$2.07	\$1.81
<u>Reuse Service</u>				
Monthly Residential Availability Fee	\$5.04	\$5.53	\$5.91	\$5.17
Monthly Residential Flat Rate	\$9.07	\$9.96	\$10.64	\$9.30
General Service Gallage Charge	\$0.60	\$0.66	\$0.70	\$0.62
<u>Typical Residential Bills</u>				
<u>5/8" x 3/4" Meter Size</u>				
3,000 Gallons	\$18.13	\$19.90	\$21.29	\$18.61
5,000 Gallons	\$21.65	\$23.76	\$25.43	\$22.23
10,000 Gallons	\$30.45	\$33.41	\$35.78	\$31.28