

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide  
wastewater service in Charlotte  
County by Environmental Utilities, LLC

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Docket NO. 20240032-SU

DIRECT TESTIMONY

OF

DEBORAH D. SWAIN

on behalf of

Environmental Utilities, LLC

1 **Q. Please state your, name profession and address.**

2 A. My name is Deborah D. Swain. I am Vice President of Milian, Swain & Associates, Inc. and  
3 head up the firm's finance, accounting and management team. My business address is 2025  
4 SW 32<sup>nd</sup> Ave., Suite 110, Miami, Florida 33145.

5 **Q. State briefly your educational background and experience.**

6 A. I have a Bachelor of Science degree in Accounting from Florida State University. I have over  
7 35 years of experience in utility management, accounting, finance, rate regulation, rate design  
8 and system development. I have prepared and supervised cost of service studies for over 300  
9 water and wastewater systems, calculated revenue deficiencies and revenue requirements,  
10 and designed rates.

11 **Q. Have you previously appeared and presented testimony before any regulatory bodies?**

12 A. I have prepared and presented expert testimony in the areas of regulatory accounting, rate  
13 regulation and utilities in general, before various federal, state, county, courts and regulatory  
14 agencies, including the Florida Public Service Commission, Collier, Hillsborough, St. Johns  
15 and Washington Counties, the Circuit Court in Palm Beach County, the Town of Jupiter, the  
16 City of Miami, and the US Bankruptcy Court.

17 **Q. What is the purpose of your direct testimony?**

18 A. The purpose of my direct testimony is to present information supporting the financial basis  
19 for Environmental Utilities' requested initial rates and charges as presented in the financial  
20 schedules filed in this Docket.

21 **Q. Are there any changes to the financial schedules? Please explain.**

22 A. Yes, I made the following changes to Exhibit G filed with the Application:

23 (1) Corrected the amount included in pumping equipment.

24 (2) Corrected the asset life for pumping equipment (accumulated depreciation and  
25 depreciation expense)

- 1 (3) Increased all capital construction costs by 5% annual inflation for the first two years,  
2 then 2% per year for subsequent years, as was initially filed.
- 3 (4) Increased the cost of sewer laterals to reflect the correct number of ERCs.
- 4 (5) Revised the LPS system to correct ERCs and cost per ERC.
- 5 (6) The overhead was not increased for inflation; however it was allocated to the  
6 construction accounts proportionately based upon the revisions above.
- 7 (7) Corrected salary/benefits cost to remove duplicate costs
- 8 (8) Revised expenses for purchased power to reflect cost per corrected number of ERCs
- 9 (9) Removes all costs associated with sludge hauling.
- 10 (10) Increased all operating expenses by 5% annual inflation for the first two years, then 2%  
11 per year for subsequent years, as was initially filed.
- 12 (11) Excluded CIAC from taxable income, removing gross up on impact fees and removing  
13 associated deferred taxes from the capital structure
- 14 (12) Adjusted the impact fees to reflect the removal of gross up and adjustments to  
15 construction.
- 16 (13) Increased the cost of equity so that it is consistent with the Commission's leverage  
17 formula adopted in Order No. PSC-2024-0165-PAA-WS.

18 **Q. Can you provide a summary of the impact that would have on the rates and charges EU is**  
19 **proposing?**

20 A. The overall impact is that is the revenue requirement has decreased due primarily to reduced  
21 expenses, and increased CIAC.

22 **Q. Are you sponsoring any exhibits?**

23 A. Yes, I am sponsoring one exhibit. Exhibit DDS-1 contains the financial schedules which  
24 includes the adjustments I detailed above, and would supersede Exhibit G filed with the  
25 Application.

1 **Q. Was this Exhibit prepared by you and your staff?**

2 A. Yes it was. As is customary, it was prepared from financial information provided to  
3 my staff and me by EU.

4 **Q. Does that conclude your direct testimony?**

5 A. Yes, it does.

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**Environmental Utilities, LLC**  
**Application for Original Certificate**  
**Accounting Information**

**Docket No. 20240032-SU**

**Environmental Utilities, LLC**  
**Initial Rates and Charges**  
**Accounting Information**

**Index**

<b>Schedule No.</b>	<b>Description</b>	<b>Page No.</b>
1 Summary	Pro Forma Rate Base	1
1B	Pro Forma Wastewater Plant (NARUC Accounts 351-398)	2
2	Pro Forma Balance Sheet based on projections at 100% Design Capacity	3
3B	Pro Forma Expense for Wastewater System When Plants are Operating at 80% of Design Capacity	4
4B	Service Availability Charge Analysis - Wastewater	5
5	Cost Justification for Service Installation Fees	6
6	Cost Justification for Miscellaneous Service Charges	7
7	Calculation of Proposed Rates and Revenue Proof - Wastewater	8
<b><u>Supporting Schedules</u></b>		
1B Support (Schedule C )	Wastewater Plant and Depreciation	9
1B Support (Schedule D )	CIAC and Amortization	15
7 Support (p1)	Projected Net Operating Income When Plants Operating at 80% Capacity	17
7 Support (p2)	Calculation of Rates for Wastewater Utility based on projections at 80% Design Capacity	18
Additional Support	Cost of Capital	19

**Schedule 1 Summary**

**Environmental Utilities, LLC  
Initial Rates and Charges  
Projected Rate Base at 100% and 80% of Designed Capacity**

<b>Line No</b>	<b>Description</b>	<b>2048 100%</b>	<b>2034 80%</b>	<b>Referenced Schedule No.</b>
1	<b>Wastewater Rate Base</b>			
2				
3	Utility Plant in Service	\$ 20,900,608	\$ 20,900,608	1 B
4	Land and Land Right	\$ 800,000	\$ 800,000	
5	Accumulated Depreciation	(19,043,290)	(9,919,052)	1 B Support
6	Contributions in Aid of Construction	(19,900,810)	(16,153,462)	1 B Support
7	Accumulated Amortization of CIAC	19,556,145	7,230,578	1 B Support
8	Working Capital Allowance	168,502	174,443	
	Wastewater Rate Base	<u>\$ 2,481,154</u>	<u>\$ 3,033,114</u>	

**Schedule 1 B**

**Environmental Utilities, LLC  
Initial Rates and Charges  
Pro Forma Wastewater Utility Plant  
Projected December 2034**

<b>Line No.</b>	<b>NARUC Acct.</b>	<b>Description</b>		<b>Accumulated Depreciation</b>
1	351	Organization	\$ 522,000	\$ 130,500
2	352	Franchises		
3	353	Land and Land Rights	800,000	
4	354	Structures and Improvements	882,000	275,625
5	355	Power Generation Equipment		
6	360	Collecting Wastewater - Force	3,844,283	1,281,428
7	361	Collecting Wastewater - Gravity		
8	361	Manholes		-
9	362	Special Collecting Structures		
10	363	Services to Customers	1,789,151	470,829
11	364	Flow Measuring Devices		
12	365	Flor Measuring Installations		
13	370	Receiving Wells		
14	371	Pumping Equipment	13,467,376	7,481,875
15	374	Reuse Distribution Reservoirs		
16	375	Reuse T & D		
17	380	Treatment and Disposal Equipment		
18	381	Plant Sewers		
19	382	Outfall Wastewater Lines		
20	389	Other Plant and Miscellaneous Equipment		
21	390	Office Furniture and Equipment	4,410	2,940
22	391	Transportation Equipment	198,450	132,300
23	393	Tools, Shop and Garage Equipment	82,688	51,680
24	395	Power Operated Equipment	110,250	91,875
25	397	Miscellaneous		
26			<u>\$ 21,700,608</u>	<u>\$ 9,919,052</u>
27				
28		Treatment Capacity (gpd)	N/A	
29		Line Capacity	1,248	
30		ERC =	90	



Schedule 2

**Environmental Utilities, LLC**  
**Initial Rates and Charges**  
**Pro Forma Balance Sheet at 100% Design**  
**Projected December 2048**

Line No.	NARUC Acct.	Assets and Other Debits	
1	101	Utility Plant In Service	\$ 21,700,608
2	103	Property Held For Future Use	
3	104	Utility Plant Purchased or Sold	
4	105	Construction Work in Progress	
5	108	Accumulated Depreciation and Amortization of UPIS	(19,043,290)
6	114	Utility Plant Acquisition Adjustments	
7	115	Accumulated Amortization of Utility Plant Acquisition Adjustments	
8	121	Nonutility Property	
9	122	Accumulated Depreciation and Amortization of Nonutility Property	
10	124	Utility Investments	
11	131	Cash	133,875
12	132	Special Deposits	
13	141	Customer Accounts Receivable	79,251
14	143	Accumulated Provision of Uncollectible Accounts - CR	
15	151	Plant Material and Supplies	
16	174	Miscellaneous Current and Accrued Assets	
17	186	Miscellaneous Deferred Debits	
18	190	Accumulated Deferred Income Taxes	
19		<b>Total Assets and Other Debits</b>	<b><u>\$ 2,870,444</u></b>
20			
21		Equity Capital	
22	201	Common Stock Issued	
23	204	Preferred Stock Issued	
24	211	Other Paid In Capital	2,828,941
25	215	Retained Earnings	262,291
26	218	Proprietary Capital	
27		Liabilities and Other Credits	
28	224	Long Term Debt	
29	231	Accounts Payable	44,625
30	232	Notes Payable	
31	235	Customer Deposits	79,251
32	236	Accrued Taxes	
33	237	Accrued Interest	
34	241	Miscellaneous Current and Accrued Liab.	
35	252	Advances for Construction	
36	253	Other Deferred Credits	
37	255	Accumulated Deferred Investment Tax Credits	
38	265	Accumulated Deferred Investment Tax Credits	
39	271	Contributions in Aid of Construction (CIAC)	(19,900,810)
40	272	Accumulated Amortization of CIAC	19,556,145
41	281	Accumulated Deferred Income Taxes -Accelerated Amortization	
42	282	Accumulated Deferred Income Taxes -Liberalized Depreciation	
43	283	Accumulated Deferred Income Taxes - Other	
44		<b>Total Equity, Liabilities and Other Credits</b>	<b><u>\$ 2,870,444</u></b>

**Schedule 3 B**

**Environmental Utilities, LLC**  
**Initial Rates and Charges**  
**Wastewater System**  
**Pro Forma Expenses for Wastewater Utility based on projections at 80% Design Capacity**  
**Projected December 2034**

Line No.	NARUC Acct. No.	Description	Wastewater
1	701	Salaries and Wages - Employees	\$ 178,138
2	703	Salaries and Wages - Other	92,231
3	704	Employees Pensions and Benefits	60,952
4	710	Purchased Wastewater Treatment	567,122
5	711	Sludge Removal Expense	-
6	715	Purchased Power	15,767
7	716	Fuel for Power Production	-
8	718	Chemicals	-
9	720	Materials and Supplies	15,811
10	731	Contract Services - Engineering	-
11	732	Contract Services - Accounting	-
12	733	Contract Services - Legal	-
13	734	Contract Services - Mgmt. Fees	-
14	735	Contract Services - Testing	-
15	736	Contract Services - Billing	31,559
16	741	Rental of Building/Real Property	15,021
17	742	Rental of Equipment	-
18	750	Transportation Expense	20,554
19	756	Insurance - Vehicle	7,906
20	757	Insurance - General Liability	21,081
21	758	Insurance - Workers Comp	24,308
22	759	Insurance - Other	-
23	760	Advertising Expense	-
24	766	Regulatory Commission Expense	-
25	767	Regulatory Commission Expense - Other	-
26	770	Bad Debt Expense	-
27	775	Miscellaneous Expense	20,554
28	403	Depreciation - Net of CIAC Amortization	216,798
29	407	Amortization Expense - Org Cost	13,050
30	407	Amortization Expense - Billing Software Update	4,594
31	408	Taxes Other Than Income (1)	245,479
32		Total Expenses	<u>\$ 1,550,925</u>
33			
34		Average cost per customer per month	<u>\$ 82.85</u>
35			
36	(1) Taxes other than Income		
37		Property Taxes (net tangible plant X 2019 millage 14.2897)	\$ 142,575
38		Payroll Taxes	17,307
39		Regulatory Assessment Fees	85,597
40		Total	<u>\$ 245,479</u>

Schedule 4B

Environmental Utilities, LLC  
Initial Rates and Charges  
Service Availability Charge Analysis for Wastewater  
Projected December 2048

Line No.	Description	Wastewater		
1	Gross Book Value	\$ 21,700,608		
2	Land	\$ 800,000		
3	Depreciable Plant	\$ 20,900,608		
4	Accumulated Depreciation to Date	\$ -		
5	Accumulated Depreciation at Design Capacity	\$ 19,043,290		
6	Net Plant at Design Capacity (includes land)	\$ 2,657,317		
7	Transmission & Distribution / Collection Systems	\$ 18,111,659		
8	Minimum Level of C.I.A.C.	83.46%		
9	C.I.A.C. to Date	\$ -		
10	Accumulated Amortization of C.I.A.C. to Date	\$ -		
11	Accumulated Amortization of C.I.A.C. at Design Capacity	\$ -		
12	Future Customers (ERC) to be Connected	1,248		
13	Composite Depreciation Rate	4.84%		
14	Number of Years to Design Capacity	24		
15	Existing Service Availability Charge Per ERC	\$ -		
16	Level of C.I.A.C. at Design Capacity	0.00%		
17	Requested Service Availability Charge Per ERC	\$ 14,512.55		
18	Level of C.I.A.C. at Design Capacity	12.97%		
19	Minimum Service Availability Charge Per ERC	\$ 4,262.00		
20	Level of C.I.A.C. at Design Capacity	83.46%		
21	Maximum Service Availability Charge Per ERC	\$ 3,830.00	<b>Plant</b>	<b>Main</b>
22	Level of C.I.A.C. at Design Capacity	100%	<b>Capacity</b>	<b>Capacity</b>
23	Requested Service Availability Charge Per ERC	\$ 14,513		\$ 14,513
24	Requested Service Availability Charge Gallon Per Day	\$ 67.19	\$ -	\$ 67.19

Schedule 5

Environmental Utilities, LLC  
 Initial Rates and Charges  
 Cost Justification for Service Installation Fees  
 Projected December 2048

Line No.	Description		Wastewater
1	Sewer Lateral Installation Fee		
2	Sewer Lateral Cost	\$ 1,789,151	
3	Future Customers (ERC) to be Connected	<u>1,248</u>	
4	Sewer Lateral Installation Fee		\$ 1,433.61
5			

Schedule 6

**Environmental Utilities, LLC**  
**Initial Rates and Charges**  
**Cost Justification for Miscellaneous Service Charges**

Line No.	Description	Charge During Regular Business Hours	Charge After Regular Business Hours
1	Initial Connection (1)	\$30.00	N/A
2			
3	Normal Reconnection (1)	\$30.00	N/A
4			
5	Violation Reconnection	Actual Cost	Actual Cost
6			
7	Premise Visit Charge (1)	\$30.00	N/A
8			
9	Late Payment Fee (2)	\$7.50	N/A
10			
11	Bad check Charge	Pursuant to 68.065 (2), Florida Statutes	
12			
13	Notes:		
14	(1) Cost Justification		
15	Labor (\$20 * 1.33) = \$26.60		
16	Vehicle (6 miles x \$.58 per mile) = \$3.48		
17	Total = \$30.08, rounded to \$30.00	\$30.00	
18			
19	(2) Cost Justification		
20	Clerical Labor (\$20 * .25) = \$5.00		
21	Supervisor Labor (\$25 * .08) = \$2.00		
22	Printing Supplies (\$.10)		
23	Postage (\$.50)		
24	Total = \$7.60, round to \$7.50	\$7.50	
25			
26	Total new connections 2034	17	
27			
28	Miscellaneous Revenues	\$510.00	

Schedule 7

Environmental Utilities, LLC  
 Initial Rates and Charges  
 Proof of Revenue  
 Projected December, 2034

Line No		Rates for Revenue Requirement	Total ERCs	Total Gallons	Revenue Required Annual Revenue
1	<b>Revenue Proof For Wastewater</b>				
2	<b>Requested Rates - Residential - Monthly</b>				
3	Base Facility Charge	\$ 88.87	11,981		\$ 1,064,698.95
4	Gallorage Charge, 10,000 gallons cap	\$ 28.35		29,518	\$ 836,826.68
5	<b>Total Residential Revenues</b>				<b>\$ 1,901,525.63</b>
6	<b>Average Residential Bill</b>				<b>\$ 158.71</b>
7					
8	<b>Requested Rates - General Service</b>				
9	5/8" x 3/4"	\$ 88.87	0		\$ -
10	3/4"	133.30	0		-
11	1"	222.17	0		-
12	1-1/2" Turbine	444.34	0		-
13	2" Turbine	710.94	0		-
14	3" Turbine	1,555.17	0		-
15	Charge per 1,000 gallons	\$ 34.03		0	\$ -
16	<b>Total General Service Revenues</b>				<b>\$ -</b>
17	<b>Average General Service Bill</b>				<b>N/A</b>
18					
19	<b>Requested Rates - Reclaimed Water</b>				
20	Charge per 1,000 gallons	\$ -		0	\$ -
21					
22	Revenues from Miscellaneous Charges	\$ 30.00	17		\$ 510.00
23					
24	<b>Total Wastewater Revenue at 80% Design Capacity</b>				<b>\$ 1,902,035.63</b>

Environmental Utilities, LLC  
Wastewater Plant and Depreciation  
Schedule 1B Support (Schedule C)

	Cost	Regulatory		2025	2026	2027	2028	2029	2030	2031	2032
		Asset Life	Depr Expense								
<b>WASTEWATER</b>											
<b>UTILITY PLANT IN SERVICE</b>											
<b>353 LAND</b>											
DP/KI Land	300,000										
LGI Property	250,000										
Easements - Legal/Surveying	250,000										
Total 353 Land	800,000										
<b>351 ORGANIZATION</b>											
Engineering GWE	53,000	40	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Milian, Swain & Associates	112,000	40	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Dean Mead	190,000	40	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750
Filing Fees, mail outs, other	10,000	40	250	250	250	250	250	250	250	250	250
Legal for zoning / Other	157,000	40	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925
Total 351 Organization	522,000		13,050	13,050	13,050	13,050	13,050	13,050	13,050	13,050	13,050
Accumulated Depreciation				13,050	26,100	39,150	52,200	65,250	78,300	91,350	104,400
<b>354 STRUCTURE &amp; IMPROVEMENTS</b>											
DP / KI Building	441,000	32	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781
LGI Building	441,000	32	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781
Total 354 Structures & Improvements	882,000		27,563	27,563	27,563	27,563	27,563	27,563	27,563	27,563	27,563
Accumulated Depreciation				27,563	55,125	82,688	110,250	137,813	165,375	192,938	220,500
<b>371 PUMPING EQUIPMENT</b>											
Crush and fill (860 ERCs X \$1500 X 5% for 2 yrs)	1,422,225	18	79,013	79,013	79,013	79,013	79,013	79,013	79,013	79,013	79,013
LPS Tank Installations (1013 ERCs X \$8000 X 5% for 2 yrs)	8,934,660	18	496,370	496,370	496,370	496,370	496,370	496,370	496,370	496,370	496,370
Overhead / Miscellaneous Giffels Webster Engineers	3,110,491	18	172,805	172,805	172,805	172,805	172,805	172,805	172,805	172,805	172,805
Total 371 Pumping Equipment	13,467,376		748,188	748,188	748,188	748,188	748,188	748,188	748,188	748,188	748,188
Accumulated Depreciation				748,188	1,496,375	2,244,563	2,992,750	3,740,938	4,489,125	5,237,313	5,985,500
<b>360 FORCE MAIN</b>											
3" LP Sewer Main PVC - 34,096 LF	751,817	30	25,061	25,061	25,061	25,061	25,061	25,061	25,061	25,061	25,061
4" LP Sewer Main PVC - 9,494 LF	293,080	30	9,769	9,769	9,769	9,769	9,769	9,769	9,769	9,769	9,769
6" Sewer Main PVC - 9,020 LF	298,337	30	9,945	9,945	9,945	9,945	9,945	9,945	9,945	9,945	9,945
8" LP Sewer Main PVC - 15,325 LF	540,666	30	18,022	18,022	18,022	18,022	18,022	18,022	18,022	18,022	18,022
10" LP Sewer Main PVC - 3,677 LF	202,695	30	6,756	6,756	6,756	6,756	6,756	6,756	6,756	6,756	6,756
12" LP Sewer Main PVC 4,250 LF	281,138	30	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371
10" Directional Drill for Water Crossings HDPE 1,171 LF	103,282	30	3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443
16" Directional Drill for Water Crossings HDPE 700 LF	96,469	30	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216
Asphalt Roads	306,936	30	10,231	10,231	10,231	10,231	10,231	10,231	10,231	10,231	10,231
Concrete Driveways	71,552	30	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385
Main Line Road Crossings PVC 45 LF	10,419	30	347	347	347	347	347	347	347	347	347
Overhead / Miscellaneous Giffels Webster Engineers	887,894	30	29,596	29,596	29,596	29,596	29,596	29,596	29,596	29,596	29,596
Total 360 Force Main	3,844,283		128,143	128,143	128,143	128,143	128,143	128,143	128,143	128,143	128,143
Accumulated Depreciation				128,143	256,286	384,428	512,571	640,714	768,857	897,000	1,025,142

Environmental Utilities, LLC  
Wastewater Plant and Depreciation  
Schedule 1B Support (Schedule C)

	Cost	Regulatory		2025	2026	2027	2028	2029	2030	2031	2032
		Asset Life	Depr Expense								
<b>361 SEWER SERVICES (LATERALS)</b>											
On Site Lateral Connection (\$1000 X 1248ERCs X 5% X 2yrs)	1,375,920	38	36,208	36,208	36,208	36,208	36,208	36,208	36,208	36,208	36,208
Overhead / Miscellaneous Giffels Webster Engineers	413,231	38	10,875	10,875	10,875	10,875	10,875	10,875	10,875	10,875	10,875
Total 361 Gravity Main	1,789,151		47,083	47,083	47,083	47,083	47,083	47,083	47,083	47,083	47,083
Accumulated Depreciation				47,083	94,166	141,249	188,332	235,415	282,498	329,580	376,663
<b>390 OFFICE FURNITURE AND EQUIPMENT</b>											
2 Computers	2,205	6	368	368	368	368	368	368	368		
PROFORMA RETIREMENT	(2,205)									(2,205)	
Proforma Replacement: 2 Computers	2,205	6	368							368	368
Other office furniture	2,205	15	147	147	147	147	147	147	147	147	147
Total 341 Office Furniture & Equipment	4,410		882	515	515	515	515	515	515	(1,691)	515
Accumulated Depreciation				515	1,029	1,544	2,058	2,573	3,087	1,397	1,911
<b>391 TRANSPORTATION EQUIPMENT</b>											
2 Service Trucks	110,250	6	18,375	18,375	18,375	18,375	18,375	18,375	18,375		
Service boat	44,100	6	7,350	7,350	7,350	7,350	7,350	7,350	7,350		
Dump Trailer	11,025	6	1,838	1,838	1,838	1,838	1,838	1,838	1,838		
2 Side by side	33,075	6	5,513	5,513	5,513	5,513	5,513	5,513	5,513		
PROFORMA RETIREMENT	(198,450)									(198,450)	
Proforma Replacement: 2 Service Trucks	110,250	6	18,375							18,375	18,375
Proforma Replacement: Service boat	44,100	6	7,350							7,350	7,350
Proforma Replacement: Dump Trailer	11,025	6	1,838							1,838	1,838
Proforma Replacement: 2 Side by side	33,075	6	5,513							5,513	5,513
Total 341 Transportation	198,450		66,150	33,075	33,075	33,075	33,075	33,075	33,075	(165,375)	33,075
Accumulated Depreciation				33,075	66,150	99,225	132,300	165,375	198,450	33,075	66,150
<b>393 TOOLS, SHOP &amp; GARAGE EQUIPMENT</b>											
Tools	55,125	16	3,445	3,445	3,445	3,445	3,445	3,445	3,445	3,445	3,445
Inventory	27,563	16	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Total 397 Miscellaneous Equipment	82,688		5,168	5,168	5,168	5,168	5,168	5,168	5,168	5,168	5,168
Accumulated Depreciation				5,168	10,336	15,504	20,672	25,840	31,008	36,176	41,344
<b>395 POWER OPERATED EQUIPMENT</b>											
2 Trackhoes	110,250	12	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188
Total 396 Power Operated Equipment	110,250		9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188
Accumulated Depreciation				9,188	18,375	27,563	36,750	45,938	55,125	64,313	73,500
<b>TOTAL UPIS - WASTEWATER</b>	<b>21,700,608</b>		<b>1,045,413</b>	<b>1,011,971</b>	<b>1,011,971</b>	<b>1,011,971</b>	<b>1,011,971</b>	<b>1,011,971</b>	<b>1,011,971</b>	<b>811,316</b>	<b>1,011,971</b>



Environmental Utilities, LLC  
Wastewater Plant and Depreciation  
Schedule 1B Support (Schedule C)

	Cost	2033	2034	2035	2036	2037	2038	2039	2040	2041
<b>WASTEWATER</b>										
<b>UTILITY PLANT IN SERVICE</b>										
<b>353 LAND</b>										
DP/KI Land	300,000									
LGI Property	250,000									
Easements - Legal/Surveying	250,000									
Total 353 Land	800,000									
<b>351 ORGANIZATION</b>										
Engineering GWE	53,000	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Milian, Swain & Associates	112,000	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Dean Mead	190,000	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750
Filing Fees, mail outs, other	10,000	250	250	250	250	250	250	250	250	250
Legal for zoning / Other	157,000	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925
Total 351 Organization	522,000	13,050	13,050	13,050	13,050	13,050	13,050	13,050	13,050	13,050
Accumulated Depreciation		117,450	130,500	143,550	156,600	169,650	182,700	195,750	208,800	221,850
<b>354 STRUCTURE &amp; IMPROVEMENTS</b>										
DP / KI Building	441,000	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781
LGI Building	441,000	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781
Total 354 Structures & Improvements	882,000	27,563	27,563	27,563	27,563	27,563	27,563	27,563	27,563	27,563
Accumulated Depreciation		248,063	275,625	303,188	330,750	358,313	385,875	413,438	441,000	468,563
<b>371 PUMPING EQUIPMENT</b>										
Crush and fill (860 ERCs X \$1500 X 5% for 2 yrs)	1,422,225	79,013	79,013	79,013	79,013	79,013	79,013	79,013	79,013	79,013
LPS Tank Installations (1013 ERCs X \$8000 X 5% for 2 yrs)	8,934,660	496,370	496,370	496,370	496,370	496,370	496,370	496,370	496,370	496,370
Overhead / Miscellaneous Giffels Webster Engineers	3,110,491	172,805	172,805	172,805	172,805	172,805	172,805	172,805	172,805	172,805
Total 371 Pumping Equipment	13,467,376	748,188	748,188	748,188	748,188	748,188	748,188	748,188	748,188	748,188
Accumulated Depreciation		6,733,688	7,481,875	8,230,063	8,978,250	9,726,438	10,474,625	11,222,813	11,971,000	12,719,188
<b>360 FORCE MAIN</b>										
3" LP Sewer Main PVC - 34,096 LF	751,817	25,061	25,061	25,061	25,061	25,061	25,061	25,061	25,061	25,061
4" LP Sewer Main PVC - 9,494 LF	293,080	9,769	9,769	9,769	9,769	9,769	9,769	9,769	9,769	9,769
6" Sewer Main PVC - 9,020 LF	298,337	9,945	9,945	9,945	9,945	9,945	9,945	9,945	9,945	9,945
8" LP Sewer Main PVC - 15,325 LF	540,666	18,022	18,022	18,022	18,022	18,022	18,022	18,022	18,022	18,022
10" LP Sewer Main PVC - 3,677 LF	202,695	6,756	6,756	6,756	6,756	6,756	6,756	6,756	6,756	6,756
12" LP Sewer Main PVC 4,250 LF	281,138	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371
10" Directional Drill for Water Crossings HDPE 1,171 LF	103,282	3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443
16" Directional Drill for Water Crossings HDPE 700 LF	96,469	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216
Asphalt Roads	306,936	10,231	10,231	10,231	10,231	10,231	10,231	10,231	10,231	10,231
Concrete Driveways	71,552	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385
Main Line Road Crossings PVC 45 LF	10,419	347	347	347	347	347	347	347	347	347
Overhead / Miscellaneous Giffels Webster Engineers	887,894	29,596	29,596	29,596	29,596	29,596	29,596	29,596	29,596	29,596
Total 360 Force Main	3,844,283	128,143	128,143	128,143	128,143	128,143	128,143	128,143	128,143	128,143
Accumulated Depreciation		1,153,285	1,281,428	1,409,571	1,537,714	1,665,856	1,793,999	1,922,142	2,050,285	2,178,428

**Environmental Utilities, LLC**  
**Wastewater Plant and Depreciation**  
**Schedule 1B Support (Schedule C)**

	Cost	2033	2034	2035	2036	2037	2038	2039	2040	2041
<b>361 SEWER SERVICES (LATERALS)</b>										
On Site Lateral Connection (\$1000 X 1248ERCs X 5% X 2yrs)	1,375,920	36,208	36,208	36,208	36,208	36,208	36,208	36,208	36,208	36,208
Overhead / Miscellaneous Giffels Webster Engineers	413,231	10,875	10,875	10,875	10,875	10,875	10,875	10,875	10,875	10,875
Total 361 Gravity Main	1,789,151	47,083	47,083	47,083	47,083	47,083	47,083	47,083	47,083	47,083
Accumulated Depreciation		423,746	470,829	517,912	564,995	612,078	659,161	706,244	753,327	800,410
<b>390 OFFICE FURNITURE AND EQUIPMENT</b>										
2 Computers	2,205									
PROFORMA RETIREMENT	(2,205)									
Proforma Replacement: 2 Computers	2,205	368	368	368	368					
Other office furniture	2,205	147	147	147	147	147	147	147		
Total 341 Office Furniture & Equipment	4,410	515	515	515	515	147	147	147	-	-
Accumulated Depreciation		2,426	2,940	3,455	3,969	4,116	4,263	4,410	4,410	4,410
<b>391 TRANSPORTATION EQUIPMENT</b>										
2 Service Trucks	110,250									
Service boat	44,100									
Dump Trailer	11,025									
2 Side by side	33,075									
PROFORMA RETIREMENT	(198,450)									
Proforma Replacement: 2 Service Trucks	110,250	18,375	18,375	18,375	18,375					
Proforma Replacement: Service boat	44,100	7,350	7,350	7,350	7,350					
Proforma Replacement: Dump Trailer	11,025	1,838	1,838	1,838	1,838					
Proforma Replacement: 2 Side by side	33,075	5,513	5,513	5,513	5,513					
Total 341 Transportation	198,450	33,075	33,075	33,075	33,075	-	-	-	-	-
Accumulated Depreciation		99,225	132,300	165,375	198,450	198,450	198,450	198,450	198,450	198,450
<b>393 TOOLS, SHOP &amp; GARAGE EQUIPMENT</b>										
Tools	55,125	3,445	3,445	3,445	3,445	3,445	3,445	3,445	3,445	
Inventory	27,563	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	
Total 397 Miscellaneous Equipment	82,688	5,168	5,168	5,168	5,168	5,168	5,168	5,168	5,168	-
Accumulated Depreciation		46,512	51,680	56,848	62,016	67,184	72,352	77,520	82,688	82,688
<b>395 POWER OPERATED EQUIPMENT</b>										
2 Trackhoes	110,250	9,188	9,188	9,188	9,188					
Total 396 Power Operated Equipment	110,250	9,188	9,188	9,188	9,188	-	-	-	-	-
Accumulated Depreciation		82,688	91,875	101,063	110,250	110,250	110,250	110,250	110,250	110,250
<b>TOTAL UPIS - WASTEWATER</b>	<b>21,700,608</b>	<b>1,011,971</b>	<b>1,011,971</b>	<b>1,011,971</b>	<b>1,011,971</b>	<b>969,341</b>	<b>969,341</b>	<b>969,341</b>	<b>969,194</b>	<b>964,026</b>

Environmental Utilities, LLC  
Wastewater Plant and Depreciation  
Schedule 1B Support (Schedule C)

	Cost	2042	2043	2044	2045	2046	2047	2048
<b>WASTEWATER</b>								
<b>UTILITY PLANT IN SERVICE</b>								
<b>353 LAND</b>								
DP/KI Land	300,000							
LGI Property	250,000							
Easements - Legal/Surveying	250,000							
Total 353 Land	800,000							
<b>351 ORGANIZATION</b>								
Engineering GWE	53,000	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Milian, Swain & Associates	112,000	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Dean Mead	190,000	4,750	4,750	4,750	4,750	4,750	4,750	4,750
Filing Fees, mail outs, other	10,000	250	250	250	250	250	250	250
Legal for zoning / Other	157,000	3,925	3,925	3,925	3,925	3,925	3,925	3,925
Total 351 Organization	522,000	13,050	13,050	13,050	13,050	13,050	13,050	13,050
Accumulated Depreciation		234,900	247,950	261,000	274,050	287,100	300,150	313,200
<b>354 STRUCTURE &amp; IMPROVEMENTS</b>								
DP / KI Building	441,000	13,781	13,781	13,781	13,781	13,781	13,781	13,781
LGI Building	441,000	13,781	13,781	13,781	13,781	13,781	13,781	13,781
Total 354 Structures & Improvements	882,000	27,563	27,563	27,563	27,563	27,563	27,563	27,563
Accumulated Depreciation		496,125	523,688	551,250	578,813	606,375	633,938	661,500
<b>371 PUMPING EQUIPMENT</b>								
Crush and fill (860 ERCs X \$1500 X 5% for 2 yrs)	1,422,225	79,013						
LPS Tank Installations (1013 ERCs X \$8000 X 5% for 2 yrs)	8,934,660	496,370						
Overhead / Miscellaneous Giffels Webster Engineers	3,110,491	172,805						
Total 371 Pumping Equipment	13,467,376	748,188	-	-	-	-	-	-
Accumulated Depreciation		13,467,376	13,467,376	13,467,376	13,467,376	13,467,376	13,467,376	13,467,376
<b>360 FORCE MAIN</b>								
3" LP Sewer Main PVC - 34,096 LF	751,817	25,061	25,061	25,061	25,061	25,061	25,061	25,061
4" LP Sewer Main PVC - 9,494 LF	293,080	9,769	9,769	9,769	9,769	9,769	9,769	9,769
6" Sewer Main PVC - 9,020 LF	298,337	9,945	9,945	9,945	9,945	9,945	9,945	9,945
8" LP Sewer Main PVC - 15,325 LF	540,666	18,022	18,022	18,022	18,022	18,022	18,022	18,022
10" LP Sewer Main PVC - 3,677 LF	202,695	6,756	6,756	6,756	6,756	6,756	6,756	6,756
12" LP Sewer Main PVC 4,250 LF	281,138	9,371	9,371	9,371	9,371	9,371	9,371	9,371
10" Directional Drill for Water Crossings HDPE 1,171 LF	103,282	3,443	3,443	3,443	3,443	3,443	3,443	3,443
16" Directional Drill for Water Crossings HDPE 700 LF	96,469	3,216	3,216	3,216	3,216	3,216	3,216	3,216
Asphalt Roads	306,936	10,231	10,231	10,231	10,231	10,231	10,231	10,231
Concrete Driveways	71,552	2,385	2,385	2,385	2,385	2,385	2,385	2,385
Main Line Road Crossings PVC 45 LF	10,419	347	347	347	347	347	347	347
Overhead / Miscellaneous Giffels Webster Engineers	887,894	29,596	29,596	29,596	29,596	29,596	29,596	29,596
Total 360 Force Main	3,844,283	128,143	128,143	128,143	128,143	128,143	128,143	128,143
Accumulated Depreciation		2,306,570	2,434,713	2,562,856	2,690,999	2,819,142	2,947,284	3,075,427

**Environmental Utilities, LLC**  
**Wastewater Plant and Depreciation**  
**Schedule 1B Support (Schedule C)**

	Cost	2042	2043	2044	2045	2046	2047	2048
<b>361 SEWER SERVICES (LATERALS)</b>								
On Site Lateral Connection (\$1000 X 1248ERCs X 5% X 2yrs)	1,375,920	36,208	36,208	36,208	36,208	36,208	36,208	36,208
Overhead / Miscellaneous Giffels Webster Engineers	413,231	10,875	10,875	10,875	10,875	10,875	10,875	10,875
Total 361 Gravity Main	1,789,151	47,083	47,083	47,083	47,083	47,083	47,083	47,083
Accumulated Depreciation		847,493	894,575	941,658	988,741	1,035,824	1,082,907	1,129,990
<b>390 OFFICE FURNITURE AND EQUIPMENT</b>								
2 Computers	2,205							
PROFORMA RETIREMENT	(2,205)							
Proforma Replacement: 2 Computers	2,205							
Other office furniture	2,205							
Total 341 Office Furniture & Equipment	4,410	-	-	-	-	-	-	-
Accumulated Depreciation		4,410	4,410	4,410	4,410	4,410	4,410	4,410
<b>391 TRANSPORTATION EQUIPMENT</b>								
2 Service Trucks	110,250							
Service boat	44,100							
Dump Trailer	11,025							
2 Side by side	33,075							
PROFORMA RETIREMENT	(198,450)							
Proforma Replacement: 2 Service Trucks	110,250							
Proforma Replacement: Service boat	44,100							
Proforma Replacement: Dump Trailer	11,025							
Proforma Replacement: 2 Side by side	33,075							
Total 341 Transportation	198,450	-	-	-	-	-	-	-
Accumulated Depreciation		198,450	198,450	198,450	198,450	198,450	198,450	198,450
<b>393 TOOLS, SHOP &amp; GARAGE EQUIPMENT</b>								
Tools	55,125							
Inventory	27,563							
Total 397 Miscellaneous Equipment	82,688							
Accumulated Depreciation		82,688	82,688	82,688	82,688	82,688	82,688	82,688
<b>395 POWER OPERATED EQUIPMENT</b>								
2 Trackhoes	110,250							
Total 396 Power Operated Equipment	110,250	-	-	-	-	-	-	-
Accumulated Depreciation		110,250	110,250	110,250	110,250	110,250	110,250	110,250
<b>TOTAL UPIS - WASTEWATER</b>	<b>21,700,608</b>	<b>964,026</b>	<b>215,838</b>	<b>215,838</b>	<b>215,838</b>	<b>215,838</b>	<b>215,838</b>	<b>215,838</b>

Environmental Utilities, LLC  
CIAC and Amortization  
Schedule 1B Support (Schedule D)

<b>CIAC Annual Additions</b>													
CIAC Fee	\$ 14,512.55												
Charlotte County Impact Fee	\$ 2,251.00												
<b>Total cost Year 2048</b>	<b>20,900,608</b>	Schedule 1B											
Total Factored ERCs	1,248	Capacity											
<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>
Factored ERCs	860	17	17	17	17	17	17	17	17	17	17	17	17
<b>Annual - Service Availability (not incl CC)</b>	<b>\$12,480,791</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>	<b>\$246,713</b>

Lateral Installation Fee	\$1,434												
Annual Lateral Installation Fee	\$1,232,909	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371
<b>Annual CIAC by Year</b>	<b>\$13,713,699</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>	<b>\$271,085</b>
<b>Total CIAC</b>	<b>\$13,713,699</b>	<b>\$13,984,784</b>	<b>\$14,255,869</b>	<b>\$14,526,953</b>	<b>\$14,798,038</b>	<b>\$15,069,123</b>	<b>\$15,340,208</b>	<b>\$15,611,292</b>	<b>\$15,882,377</b>	<b>\$16,153,462</b>	<b>\$16,424,547</b>	<b>\$16,695,631</b>	<b>\$16,966,716</b>

Collection System Annual Amortization

	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>
Composite Rate													
4.84%	\$ 663,993	\$ 677,119	\$ 690,244	\$ 703,370	\$ 716,495	\$ 729,620	\$ 742,746	\$ 755,871	\$ 768,997	\$ 782,122	\$ 795,248	\$ 808,373	\$ 821,499

Environmental Utilities, LLC  
 CIAC and Amortization  
 Schedule 1B Support (Schedule D)

CIAC Annual Additions											
CIAC Fee											
Charlotte County Impact Fee											
Total cost Year 2048											
Total Factored ERCs											
Year	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Factored ERCs	17	17	17	17	17	17	17	17	17	17	14
Annual - Service Availability (not incl CC)	\$246,713	\$246,713	\$246,713	\$246,713	\$246,713	\$246,713	\$246,713	\$246,713	\$246,713	\$246,713	\$203,176

Lateral Installation Fee											
Annual Lateral Installation Fee	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$24,371	\$20,071
Annual CIAC by Year	\$271,085	\$271,085	\$271,085	\$271,085	\$271,085	\$271,085	\$271,085	\$271,085	\$271,085	\$271,085	\$223,246
Total CIAC	\$17,237,801	\$17,508,886	\$17,779,970	\$18,051,055	\$18,322,140	\$18,593,225	\$18,864,310	\$19,135,394	\$19,406,479	\$19,677,564	\$19,900,810

Collection System Annual Amortization

	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Composite Rate											
4.84%	\$ 834,624	\$ 847,750	\$ 860,875	\$ 874,000	\$ 887,126	\$ 900,251	\$ 913,377	\$ 926,502	\$ 939,628	\$ 952,753	\$ 963,562

Schedule 7 (Support)  
 Page 1

Environmental Utilities, LLC  
 Initial Rates and Charges  
 Projected Net Operating Income  
 Projected Year 2034

Line No.	Projected Costs	Additional Revenues and RAFs	Required Revenues
1	<b>Wastewater</b>		
2	Operating Revenue	\$ 1,902,160	\$ 1,902,160
3			
4	Operating Expenses		
5	Operation & Maintenance Expenses \$ 1,071,003		\$ 1,071,003
6	Depreciation net of CIAC Amortization 216,798		216,798
7	Amortization 17,644		17,644
8	Taxes Other Than Income 159,882	85,597	245,479
9	Income Taxes* 88,944		88,944
10	Total Operating Expenses \$ 1,465,328	\$ 85,597	\$ 1,639,869
11			
12	Net Operating Income (Loss) \$ (1,465,328)	\$ 1,816,563	\$ 262,291
13			
14	Rate Base \$ 3,033,114		\$ 3,033,114
15			
16	Rate of Return		8.65%

Environmental Utilities, LLC  
Initial Rates and Charges  
Wastewater System  
Calculation of Rates for Wastewater Utility based on projections at 80% Design Capacity  
Projected 2034

Line No.	NARUC Acct. No.	Description	Total Revenue Requirement	Allocation Percentage		Allocation Amount	
				Base Facility Charge	Gallorage Charge	Base Facility Charge	Gallorage Charge
1		<b>Operations &amp; Maintenance Expenses</b>					
2	701	Salaries and Wages - Employees	178,138	56%	44%	99,757	78,381
3	703	Salaries and Wages - Other	92,231	56%	44%	51,650	40,582
4	704	Employees Pensions and Benefits	60,952	56%	44%	34,133	26,819
5	710	Purchased Wastewater Treatment	567,122	56%	44%	317,588	249,534
6	711	Sludge Removal Expense	-	56%	44%	-	-
7	715	Purchased Power	15,767	56%	44%	8,829	6,937
8	716	Fuel for Power Production					
9	718	Chemicals		56%	44%	-	-
10	720	Materials and Supplies	15,811	56%	44%	8,854	6,957
11	731	Contractual Services - Engineering		56%	44%	-	-
12	732	Contractual Services - Accounting		56%	44%	-	-
13	733	Contractual Services - Legal		56%	44%	-	-
14	734	Contractual Services - Mgmt. Fees		56%	44%	-	-
15	735	Contractual Services - Testing		56%	44%	-	-
16	736	Contractual Services - Billing	31,559	56%	44%	17,673	13,886
17	740	Rents	15,021	56%	44%	8,411	6,609
18	750	Transportation Expense	20,554	56%	44%	11,510	9,044
19	756	Insurance - Vehicle	7,906	56%	44%	4,427	3,478
20	757	Insurance - General Liability	21,081	56%	44%	11,806	9,276
21	758	Insurance - Workers Comp	24,308	56%	44%	13,612	10,695
22	759	Insurance - Other		56%	44%	-	-
23	766	Regulatory Commission Expense				-	-
24		Amortization of Rate Case Expense					
25	767	Regulatory Commission Expense- Other					
26	770	Bad Debt Expense					
27	775	Miscellaneous Expense	20,554	56%	44%	11,510	9,044
28		<b>Total Operations &amp; Maintenance Expenses</b>	<b>\$ 1,071,003</b>			<b>\$ 599,761</b>	<b>\$ 471,242</b>
29							
30	403	<b>Depreciation - Net of CIAC Amortization</b>	216,798	56%	44%	121,407	95,391
31							
32	407	<b>Amortization Expense - Org Cost</b>	13,050	56%	44%	7,308	5,742
33							
34	407	<b>Amortization Expense - Billing Software</b>	4,594	56%	44%	2,573	2,021
35							
36	408	<b>Taxes Other Than Income</b>	245,479	56%	44%	137,469	108,011
37							
38		<b>Income Taxes</b>	88,944	56%	44%	49,808	39,135
39							
40		<b>Net Operating Income</b>	<b>262,291</b>	56%	44%	<b>146,883</b>	<b>115,408</b>
41							
42		<b>Less: Revenues from Miscellaneous Charges</b>	<b>(510)</b>	100%		<b>(510)</b>	<b>-</b>
43							
44		<b>Total Revenue Requirement from Rates</b>	<b>\$ 1,901,650</b>			<b>\$ 1,064,699</b>	<b>\$ 836,950</b>
45							
46		Factored Bills (Monthly factored bills X 12)				11,981	
47		Annual Billable Gallons					29,518
48							
49		<b>Base Facility Charge</b>				<b>\$ 88.87</b>	
50							
51		<b>Gallorage Charge (per 1,000) - Residential</b>					<b>\$ 28.35</b>
52		<b>Gallorage Charge (per 1,000) - General Service</b>					<b>\$ 34.03</b>
53							
54							
55		<b>Monthly factored bills</b>					
56							
57		5/8" (Res)	1	998	998	1,248	1,248
58		5/8" (Comm)	1	0	0	0	0
59		3/4"	1.5	0	0	0	0
60		1"	2.5	0	0	0	0
61		1-1/2" Turbine	5	0	0	0	0
62		2" Turbine	8	0	0	0	0
63		3" Turbine	17.5	0	0	0	0
64							
65				998	998	1,248	1,248
66							
67		<b>Annual billable gallons</b>	<b>10% Rpression</b>	<b>Adjusted</b>		<b>Annual</b>	
68		Residential Gallons	29,518	23,614		32,797	
69		General Service Gallons	0	0		0	
70			<b>29,518</b>	<b>23,614</b>		<b>32,797</b>	

\*For Income Tax purposes, the Utility opted to be taxed as a C Corporation.



**Environmental Utilities, LLC**  
**Initial Rates and Charges**  
**Projected Capital Structure When Utility Reaches 80% Capacity**

Line No.	Class of Capital	(1)	(2)	(3)	(4)	(5)
		Reconciled to				
		Rate Base (Schedule 1)				
		Year 2034 - 80%	Ratio	Cost Rate	Weighted Cost	
1	Long Term Debt	\$ -				
2	Short Term Debt	-				
3	Preferred Stock	-				
4	Common Equity	3,022,234	99.64%	8.67%	8.63%	
5	Customer Deposits	10,880	0.36%	2.00%	0.01%	
6	Tax Credits - Zero Cost					
7	Tax Credits - Weighted Cost					
8	Accumulated Deferred Income Tax					
9	Other (Explain)					
10						
11	Total	\$ 3,033,114	100.00%			8.64%
12						
13	The cost rate of common equity is based on the leverage formula adopted in Order No. PSC-2024-0165-PAA-WS					
14						
15						
16						
17	<u>Outstanding Customer Deposit Balance</u>		<u>Residential</u>		<u>General</u>	
18	New Customers connected 2033 and 2034		34		Service	
19	Average monthly bill		\$ 158.71			
20	Deposit requested		\$ 320.00			
21						
22	Deposit balance 2034 from new customers		\$ 10,880	\$ -		\$ 10,880

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing prefiled testimony has been furnished by E-mail to the following parties this 23rd day of August, 2024:

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/s/ Martin S. Friedman  
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