

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of MAGNOLIA MANOR)	DOCKET NO. 881089-WU
WATER WORKS for a staff-assisted rate)	ORDER NO. 20990
case in Sumter County.)	ISSUED: 4-6-89

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 JOHN T. HERNDON

ORDER AUTHORIZING TEMPORARY RATES IN EVENT OF PROTEST

AND

PROPOSED AGENCY ACTION

ORDER GRANTING INCREASED WATER RATES,
ESTABLISHING MISCELLANEOUS SERVICE CHARGES, AND
ESTABLISHING RATE STRUCTURE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission of its intent, pursuant to Sections 367.081, 367.011, and 367.121, Florida Statutes, to grant increased water rates to Magnolia Manor Water Works in Sumter County, to establish miscellaneous service charges, and to establish rate structure. These actions are preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code. By this Order, the Commission also authorizes, as final action, temporary rates in the event a person other than the utility files a protest to the proposed agency action.

CASE BACKGROUND

The service area and treatment facilities of Magnolia Manor Water Works, ("Magnolia Manor" or "utility"), are located in Sumter County. The utility provides water service to the Magnolia Manor subdivision pursuant to Certificate No. 495-W.

On October 17, 1988, Magnolia Manor applied for a staff-assisted rate case and staff assistance was thereafter granted. During the processing of this case, the utility notified this Commission, pursuant to Section 367.165, Florida Statutes, of its intent to abandon the utility, effective December 25, 1988. On January 10, 1989, USA Utilities, Inc., was appointed receiver by the circuit court. On January 18, 1989, the receiver informed this Commission that it wished to continue with the staff-assisted rate case.

DOCUMENT NUMBER-DATE

03507 APR -6 1989

CASE RECORDS/REPORTING

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In conjunction with this case, staff performed an audit of the utility's books and records; performed an engineering investigation in the service area; reviewed records and the rate application on file at the Commission; conducted telephone interviews with utility personnel; prepared used and useful analyses of the treatment plant and distribution system; and reviewed operation and maintenance costs and additional cost data submitted by the receiver. A customer meeting was held in the service area on March 2, 1989, to receive customer testimony regarding quality of service and to respond to questions on other issues.

The test period selected for the rate case is the twelve month period ended August 31, 1988.

CUSTOMER MEETING AND QUALITY OF SERVICE

At the time of staff's inspection in October, 1988, the chemical feed pump used for disinfection was not functioning. There was no plant flow meter to record flows, no maintenance log available, and no certified operator maintaining the facility. Since the receiver had taken over operations of the plant in January of 1989, most of these deficiencies have been corrected.

At the customer meeting, three customers, the president of the company acting as receiver, and the county attorney attended. The customers had no complaints and appeared to be satisfied with the quality of service. The county attorney stated the County's satisfaction with the work completed by the receiver. The receiver representative described the improvements recently performed, including the replacement of nonfunctioning meters, installation of a chemical feed pump for chlorination, and a plant operator. The need to perform further improvements including rewiring pump controls, connecting the second well to the system, and gradual replacement of substandard piping in the distribution system were also discussed.

In consideration of the foregoing, we find that the quality of service is satisfactory.

RATE BASE

Our calculations of the utility's rate base are displayed on Schedule No. 1-A, attached. Schedule No. 1-B, attached, presents the adjustments to rate base. Further detail is given below.

Used and Useful - Actual flow data does not exist since the plant had no flow meter during the test year. The maximum daily flow was estimated by using three times the American Water Works Association minimum flow standards per connection. With one of the two wells considered as backup, the plant is fully utilized by existing customers. The type and size of the distribution system's piping is inadequate, the growth rate is minimal, and the information available indicates the service area is built-out. Therefore, we find that the plant and distribution system are 100% used and useful.

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Plant-In-Service - The utility lacks sufficient records of the value of the utility plant. Therefore, the plant-in-service balance was determined by an original cost study performed by Commission staff. The year end balance is \$11,756, with a negative \$112 13-month average adjustment for a 13-month average balance of \$11,644.

Land - The land and all other utility property was purchased in March, 1985, by Mr. George Wilkens. This property is subject to two mortgages held by two previous owners of the utility system. The value of utility land, based on current assessed value trended back to 1965, the date of dedication to utility service, is \$2,000.

Contributions-In-Aid-Of-Construction (CIAC) - By Rule 25-30.570, Florida Administrative Code, imputed CIAC equals the value of the water transmission and distribution system. In this case, the original cost study did not assign a value to this system because it does not meet American Water Works Association standards. There is no record of collection of tap fees prior to the current owner. Under these circumstances, we find it appropriate to assume that any previous fees collected would be offset by the actual initial value of the distribution system. Therefore, CIAC equals the tap fees collected by the current owner: \$265 at year-end. The 13-month average adjustment is negative \$132; therefore, the 13-month average balance is \$133.

Accumulated Amortization of CIAC and Accumulated Depreciation - Accumulated Amortization of CIAC and Accumulated Depreciation were calculated as follows. Depreciation expense through March, 1984, was calculated using a composite rate of 2.5%, as was Commission practice at that time. Subsequent to March, 1984, computations followed the guidelines of Rule 25-30.140(2), Florida Administrative Code.

Working Capital - It is Commission practice to use the balance sheet method of calculating a working capital allowance. In this case, due to the very small size of the utility (test year revenues are less than \$10,000) and the recent takeover of utility operation by a court appointed receiver, we find it appropriate to use the one-eighth of operation and maintenance (O & M) expenses formula approach. Therefore, the working capital allowance is \$960.

Thirteen-Month Average - Rate base was determined using 13-month average figure. The 13-month average rate base is \$9,318. We calculated this amount by subtracting the sum of accumulated depreciation, amortization, and the CIAC from the sum of depreciable plant-in-service and land. No acquisition adjustment determination was made because the system is currently operating under receivership and no change in ownership has occurred since the Commission secured jurisdiction over Sumter County on January 13, 1987.

COST OF CAPITAL

Schedule No. 2, attached, displays our calculation of the utility's capital structure and rate of return for ratemaking

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purposes. We find it appropriate to allow a return on equity to the receiver operating and improving the system. The utility property is encumbered by two mortgages. However, the court has not directed the receiver to pay these mortgages. Since the receiver is operating the system and is not presently paying the mortgages, we find it appropriate to allow a return on equity as if the system were 100% equity. At 100% equity, the overall rate of return is 12.13%.

We also note that the outstanding loan balance is \$25,384, whereas rate base is \$9,318. If the court were to direct the receiver to pay the mortgages, the receiver would experience a considerable deficit of funds since rates have been set to allow for a return on rate base, not on the outstanding mortgage balance.

NET OPERATING INCOME

Our calculations indicate that Net Operating Income is \$1,130. These calculations are displayed on Schedule Nos. 3-A, 3-B, and 3-C, attached. Schedule No. 3-A presents the utility's operating statement and an explanation of the adjustments on Schedule No. 3-B. Schedule No. 3-C provides further detail on O & M expenses. Details of the adjustments follow.

Test Year Revenue - The utility recorded \$4,116 in revenue for the test year. We increased revenue by \$537 to impute unbilled revenue and to annualize the effect of a 1988 price index. Test year revenue, as adjusted, is \$4,653.

O & M Expenses - The utility recorded expenses of \$2,624 for the test year. The approved level of expenses is \$7,683. Details of the adjustments follow.

Outside Services - The utility did not have a certified operator during the test year. A certified operator was hired in January, 1989, when the receiver took over operation of the utility. This account was increased by \$2,700 for the operator's annual salary.

Materials and Supplies - This account has been increased by \$325 for meter replacement since a number of the meters are not working and many are very old, and by \$52 for chemical expense.

Water Testing - The utility received a pass-through for \$800 of DER-required water testing prior to the test year. Additional water testing costing \$340 was also conducted during the test year. The total expense of \$1,140 was amortized over three years since these tests must be performed once every three years. The account was increased by \$230 to reflect a yearly expense of \$380.

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Management Fee - Administrative costs of operating the system include \$434 for meter reading, \$964 for Administrative and general expenses, \$105 for associated payroll taxes, and \$501 for office expense. We find it appropriate to allow the receiver a management fee equivalent to these expenses, \$2,004.

Purchased Power - This account has been reduced by \$110 to remove an expense outside the test year. Thirteen bills were included in the test year.

Regulatory Commission Expense - The utility did not record rate case expense in the test year. We find it appropriate to include \$38 of rate case expense based on a filing fee of \$150 amortized over 4 years.

Meter Reading - The utility recorded expenses of \$180 for meter reading services in the test year. This account has been increased by \$254 to reflect a total yearly expense that we consider reasonable.

Administrative and General Services - During the test year, no salary was paid for the administrative work required by the utility due to lack of funds. We find that \$964 is a reasonable expenditure for this work.

Office Expense - During the course of the audit, the utility records were maintained at the personal residence of Mr. Wilkens. The space dedicated to the water system was approximately 10.43% of the residence. We have included a \$501 allowance which we consider a reasonable amount for office space, electric, water, and telephone bills for the test period.

Depreciation Expense - Depreciation and amortization expense, calculated as described above, are \$529 and \$3, respectively, based on a composite rate of 4.57%. Depreciation expense, net of amortization of CIAC, is \$529.

Taxes Other Than Income - Taxes other than income were adjusted for regulatory assessment fees applied to the revenue change.

REVENUE REQUIREMENT

In order to recover prudent expenses and have the opportunity to earn a 12.13% rate of return, we find that annual operating revenues of \$9,839 are appropriate. This represents an increase of \$5,186 on an annual basis.

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RATES AND RATE STRUCTURE

The following rates are designed to allow the utility the opportunity to generate the approved revenue requirement.

WATER

Residential and General Service

MONTHLY

<u>Meter Size</u>		<u>Approved Rate</u>
5/8" x 3/4"	Base Facility Charge	\$ 6.30
Full 3/4"	(no gallons included)	9.45
1"		15.75
1-1/2"		31.50
2"		50.40
3"		100.80
4"		157.50
6"		315.00
Gallonage Charge per 1,000 gallons		3.08

This rate structure includes a base facility charge. Such rate structure gives customers greater control over their water bills, promotes conservation, and more equitably distributes the cost of providing service. The utility shall collect the base facility charge from each customer, including any customer who disconnects from the system and subsequently reconnects within one year.

The utility's previous rates were:

WATER

Residential and General Service

MONTHLY

<u>Meter Size</u>		<u>Present Rate</u>
All Sizes	Base charge includes 5,000 gallons	\$ 7.02
	Gallonage charge per 1,000 gallons over the 5,000 gallon minimum	.81
	Vacation rate (when consumption is less than 200 gallons per month)	3.24

Miscellaneous Service Charges - The utility current has no authorized miscellaneous service charges. The following charges are designed to charge the cost of miscellaneous services to the customer receiving the service, rather than to the ratepaying body as a whole. The following charges are approved:

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Initial Connection	\$15.00
Normal Reconnection	\$15.00
Violation Reconnection	\$15.00
Premises Visit	\$10.00

The definition of each charge is provided for clarification:

Initial Connection - This charge is to be levied for service initiation at a location where service did not exist previously.

Normal Reconnection - This charge is to be levied for transfer of service to a new customer account at the same location or reconnection of service subsequent to a customer request disconnection.

Violation Reconnection - This charge is to be levied subsequent to disconnection of service for cause including a delinquency in bill payment.

Premises Visit Charge (In Lieu of Disconnection) - This charge is to be levied when a service representative visits a premises for the purpose of discontinuing service for non-payment of a due and collectible bill and does not discontinue because the customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

TEMPORARY RATES IN THE EVENT OF PROTEST

This Order proposes an increase in water rates. Without a provision for increased temporary rates, a timely protest could delay what may be a justified rate increase, pending a formal hearing and final order in this case, resulting in unrecoverable loss of revenue to the utility. Accordingly, in the event of a timely protest filed by anyone other than the utility, we authorize collection of the proposed rates as temporary rates, subject to refund, provided that the utility furnishes adequate security for such potential refund. The security shall be in the form of a bond or letter of credit in the amount of \$2,700 or an escrow agreement with an independent financial institution, pursuant to a written agreement. If this alternative is chosen, all revenue collected under the rate increase would be subject to escrow. Any withdrawal of funds from this escrow account shall be subject to the prior approval of this Commission. Should any refund ultimately be required, it shall be made with interest calculated pursuant to Rule 25-30.360, Florida Administrative Code. The utility or entity collecting the rates shall keep an accurate account, in detail, of all monies received by the rate increases, specifying by whom and in whose behalf the amounts were paid. The utility or entity collecting the rates shall file a report

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no later than the twentieth day of each month the temporary rates are in effect, showing the amount of revenue that would have been collected under the older rates. In the event there is no protest to this Order, a consummating order will be issued indicating that the proposed agency action has become effective and final.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application of Magnolia Manor Water Works for a staff-assisted rate case is granted, as set out in the body of this Order. It is further

ORDERED that each of the findings herein are approved in every respect. It is further

ORDERED that all matters contained herein and attached hereto, whether in the form of discourse or schedules are, by this reference, specifically made integral parts of this Order. It is further

ORDERED that the provisions of this Order issued as proposed agency action shall become final unless an appropriate petition in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, FL 32399-0870, by the close of business on April 27, 1989. It is further

ORDERED the utility shall not implement the rates and miscellaneous service charges approved and set forth herein until it has received approval of revised tariff sheets. It is further

ORDERED that revised tariff sheets submitted by the utility will be approved upon Commission staff's verification that the tariffs are consistent with this Order, that the proposed customer notice is adequate, and that the required security has been provided. It is further

ORDERED that, in the event this Order becomes final, the rates approved herein shall be effective for meter readings on or after thirty days from the stamped approval date of revised tariff sheets. It is further

ORDERED that, in the event this Order becomes final, the miscellaneous service charges approved herein shall be effective for services rendered on or after the stamped approval date of revised tariff sheets. It is further

ORDERED that, in the event this Order becomes final, the utility shall notify each affected customer of the increased rates and charges authorized and explain the reasons for such increases and new charges. The form of such notice and explanation shall be submitted to this Commission for its prior approval. It is further

ORDERED that after April 27, 1989, this Commission shall either issue a notice of further proceedings or an order acknowledging that the provisions of this notice have become final. It is further

ORDERED that in the event that a written objection to this proposed Order is timely filed by a person other than the

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utility, the utility shall be permitted to collect the increased rates proposed herein, as temporary rates, subject to refund with interest, for service provided on or after April 6, 1989, under the terms and conditions set forth in the body of this Order. In the event of such objection, the utility shall notify each affected customer of the temporary nature and conditions of the new rates. Such notice and explanation shall be submitted to this Commission for its prior approval. It is further

ORDERED that the temporary rate provisions of this Order are not issued as proposed agency action. It is further

ORDERED that in the event this Order becomes final, and all conditions hereunder are satisfied, Docket No. 881089-WU shall be closed.

By Order of the Florida Public Service Commission,
 this 6th day of APRIL, 1989.



 STEVE TRIBBLE, Director
 Division of Records & Reporting

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our action granting increased water rates, establishing rate structure and approving miscellaneous service charges is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on

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April 27, 1989. In the absence of such a petition, this order shall become effective April 28, 1989, as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If the relevant portion of this order becomes final and effective on April 28, 1989, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

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MAGNOLIA MANOR WATER WORKS
 SCHEDULE OF WATER RATE BASE
 TEST YEAR ENDED 8/31/88

SCHEDULE NO. 1-A
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	TEST YEAR PER UTILITY	COMM. ADJUST. TO UTIL. BAL.	BALANCE PER COMM.
	-----	-----	-----
UTILITY PLANT IN SERVICE	\$ 0	\$ 11,644	\$ 11,644
LAND/NON-DEPRECIABLE ASSETS	0	2,000	2,000
PLANT HELD FOR FUTURE USE	0	0	0
ACQUISITION ADJUSTMENT	0	0	0
C.W.I.P.	0	0	0
C.I.A.C.	0	(133)	(133)
ACCUMULATED DEPRECIATION	0	(5,156)	(5,156)
AMORTIZATION OF ACQ. ADJ.	0	0	0
AMORTIZATION OF C.I.A.C.	0	3	3
WORKING CAPITAL ALLOWANCE	0	960	960
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RATE BASE	\$ 0	\$ 9,318	\$ 9,318
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MAGNOLIA MANOR WATER WORKS
SCHEDULE OF ADJUSTMENTS TO RATE BASE
TEST YEAR ENDED 8/31/88

SCHEDULE NO. 1-B
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A. PLANT IN SERVICE		

1. ADJUST PLANT BALANCE TO VALUE PER THE STAFF'S ORIGINAL COST STUDY		11,756
2. 13-MONTH AVERAGE		(112)

		11,644

B. LAND		

RECORD VALUE PER THE ORIGINAL COST STUDY		2,000

C. CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)		

1. CASH CONTRIBUTION		(265)
2. 13-MONTH AVERAGE		102

		(163)

D. ACCUMULATED DEPRECIATION		

1. ADJUST DEPRECIATION BASED ON COMMISSION APPROVED RATES		(5,422)
2. 13-MONTH AVERAGE		266

		(5,156)

E. AMORTIZATION OF CIAC		

1. ADJUST AMORTIZATION BASED ON COMMISSION APPROVED RATES		6
2. 13-MONTH AVERAGE		(3)

		3

F. WORKING CAPITAL		

ADJUST USING ONE-EIGHTH OF O & M EXPENSES		960

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MAGNOLIA MANOR WATER WORKS
 SCHEDULE OF CAPITAL STRUCTURE
 TEST YEAR ENDED 9/31/88

SCHEDULE NO. 2
 DOCKET NO. 881089-WU

	TEST YEAR BALANCES	COMM. ADJUST. TO UTIL. BAL.	BALANCE PER COMM.	PERCENT OF TOTAL	COST	WEIGHTED COST
LONG TERM DEBT	\$ 25,384	\$ (25,384)	\$ 0	0.00%	9.54%	0.00%
COMMON EQUITY	0	9,318	9,318	100.00%	12.13%	12.13%
TOTAL	\$ 25,384	\$ (16,066)	\$ 9,318	100.00%		12.13%

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MAGNOLIA MANOR WATER WORKS
SCHEDULE OF WATER OPERATING STATEMENT
TEST YEAR ENDED 8/31/88

SCHEDULE NO. 3-A
DOCKET NO. 881089-WU

	TEST YEAR PER UTILITY	COMM. ADJUST. TO UTIL. BAL.	COMM. ADJUST. TEST YEAR	COMM. ADJUST. FOR INCREASE	BALANCE PER COMM.
OPERATING REVENUES	\$ 4,116	\$ 537	\$ 1,653	\$ 5,186	\$ 9,839
OPERATING EXPENSES:					
OPERATION AND MAINTENANCE	2,624	5,059	7,683	0	7,683
DEPRECIATION	0	529	529	0	529
TAXES OTHER THAN INCOME	316	51	367	130	497
INCOME TAXES	0	0	0	0	0
TOTAL OPERATING EXPENSES	\$ 2,940	\$ 5,639	\$ 8,579	\$ 130	\$ 8,709
OPERATING INCOME/(LOSS)	\$ 1,176	\$ (5,102)	\$ (3,926)	\$ 5,056	\$ 1,130
RATE BASE	\$ 0		\$ 9,318		\$ 9,318
RATE OF RETURN	ERR		-42.13%		12.13%

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MAGNOLIA MANOR WATER WORKS
SCHEDULE OF ADJUSTMENTS TO INCOME STATEMENT
TEST YEAR ENDED 8/31/88

SCHEDULE NO. 3-B
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A. OPERATING REVENUES	

IMPUTE REVENUE FOR UNBILLED CUSTOMERS & ANNUALIZE THE EFFECT OF A 1988 PRICE INDEX	537

B. OPERATION & MAINTENANCE EXPENSE	

1. PRO FORMA OPERATOR'S SALARY	2,700
2. PRO FORMA MANAGEMENT FEE	1,824
3. ALLOWANCE FOR METER REPLACEMENT & CHEMICALS	377
4. OTHER (NET)	158

	5,059

C. DEPRECIATION EXPENSE (NET OF AMORTIZATION OF CIAC)	

1. DEPRECIATION EXPENSE	532
2. AMORTIZATION EXPENSE	(3)

	529

D. TAXES OTHER THAN INCOME TAX	

1. ADDITIONAL REGULATORY ASSESSMENT FEES DUE	61
2. DISALLOW INTEREST PENALTY ON PROPERTY TAXES	(10)

	51

E. OPERATING REVENUES	

ADJUST REVENUES TO ALLOW THE UTILITY THE OPPORTUNITY TO RECOVER ITS EXPENSES & EARN A FAIR RATE OF RETURN ON ITS INVESTMENT	5,186

F. TAXES OTHER THAN INCOME TAX	

INCREASED REGULATORY ASSESSMENT FEES DUE ON ADDITIONAL REVENUE	130

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SCHEDULE NO. 3-C
 DOCKET NO. 881089-WU

MAGNOLIA MANOR WATER WORKS
 WATER OPERATION & MAINTENANCE EXPENSES
 TEST YEAR ENDED 8/31/88

	UTILITY BALANCE	COMM. ADJUST.	COMM. BALANCE
	-----	-----	-----
SALARIES & WAGES/MANAGEMENT FEE	180	1,824	2,004
PURCHASED POWER	1,424	(110)	1,314
MATERIALS & SUPPLIES	147	377	524
DER WATER TESTING	150	230	380
TRANSPORTATION EXPENSE	340	0	340
OUTSIDE SERVICES	0	2,700	2,700
REGULATORY COMMISSION EXPENSE	0	38	38
MISC SUPPLIES & EXPENSE	303	0	303
TOTAL OPERATION AND MAINTENANCE EXPENSES	----- 2,624	----- 5,059	----- 7,683
	-----	-----	-----