

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for rate) DOCKET NO. 950828-WS
increase in Marion County by) ORDER NO. PSC-96-0305-FOF-WS
Rainbow Springs Utilities, Inc.) ISSUED: February 28, 1996
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER SUSPENDING PROPOSED RATES AND
GRANTING INTERIM RATE INCREASE SUBJECT TO REFUND

BY THE COMMISSION:

BACKGROUND

Rainbow Springs Utilities, Inc. (Rainbow Springs or utility), is a Class B utility that provides water and wastewater service in Marion County. As of December 31, 1994, the utility was serving 1,012 water customers and 668 wastewater customers. The utility is not located in a critical use area. During the historical test year ending March 31, 1995, the utility recorded operating revenues of \$216,046 for water and \$175,923 for wastewater. During the same period, the recorded net operating income for water was \$51,028, and the net operating loss for wastewater was \$704.

On November 17, 1995, the utility filed an application for increased rates pursuant to Section 367.081, Florida Statutes. The utility's application had several deficiencies. On December 12, 1995, these deficiencies were corrected and that date became the official filing date pursuant to Section 367.083, Florida Statutes. The utility has requested that the Commission process this application using the proposed agency action (PAA) procedures set forth in Section 367.081(8), Florida Statutes.

The utility has not requested an interim rate increase for the water system. The utility has requested an interim rate increase of \$46,014 (26.16%) for its wastewater system. The utility states that this increase will allow it to earn a rate of return of 10.19%.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

The utility's last rate proceeding was considered in Docket No. 810352-WS. By Order No. 10995, issued July 15, 1982, the utility was granted a rate increase as well as a grandfather certificate. Other than indexes and pass-throughs, the utility has not had a rate increase since then.

The utility's application for increased final rates is based upon the projected test year ending March 31, 1997. Its requested rates are designed to generate annual revenues of \$325,414 for water service (a \$53,769 or 24.89% increase) and \$480,460 for wastewater service (a \$304,537 or 173.11% increase). The utility's requested rate increase will reportedly produce a 10.35% rate of return. The utility contends that collection of increased rates is necessary to support substantial additions to plant in service. These additions include construction of a 500,000 gallon water storage tank, expansion of one wastewater treatment plant from 65,000 gallons per day to 230,000 gallons per day, abandonment of a 90,000 gallons per day wastewater treatment plant, and increasing the wastewater effluent disposal capacity. Overall, the projected construction costs are \$444,413 for water and \$1,696,287 for wastewater.

SUSPENSION OF RATES

Section 367.081(6), Florida Statutes, provides that the rate schedules proposed by the utility shall become effective within sixty (60) days after filing unless the Commission votes to withhold consent to implementation of the requested rates. Further, Section 367.081(8), Florida Statutes, states that the utility may implement its requested rates (under bond 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.

We have reviewed the filing and have considered the proposed rates, the revenues thereby generated, and the information filed in support of the rate application. We find 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 by our staff will include on-site investigations by staff accountants, engineers and rate analysts. In consideration of the above, we find that it is appropriate to suspend the proposed rate increase.

INTERIM REVENUE REQUIREMENT

Rainbow Springs requested interim rates for its wastewater system designed to generate annual revenues of \$221,937. This amount represents an increase of 26.16% or \$46,014. No interim rate increase was requested for the water system. The test year for interim rates is the historical year ended March 31, 1995. The utility filed rate base, cost of capital and operating statements to support its requested interim increases.

Our calculation of the appropriate rate base for interim purposes is depicted on Schedules 1-A and 1-B for water and wastewater, respectively. Schedule No. 2 is the capital structure schedule. Schedules Nos. 3-A and 3-B are the operating statements for water and wastewater, respectively, and Schedule No. 3-C is the schedule of adjustments to the operating statements.

Last Rate Proceeding

In Rainbow Springs' last rate proceeding, the utility requested approval of grandfather certificates and an increase in its rates. The final order, Order No. 10995, in that docket was issued subsequent to a protest of the Commission's PAA order in the case. However, that order did not fully explain all bases used in determination of the revenue requirement. Further, it included rate base and operating statements, but did not include a capital structure schedule. The final order presented overall rates of return for each system, but did not provide the specific calculations as to how those returns were derived.

Section 367.082(5)(b)(1), Florida Statutes, requires that interim rates be determined by making appropriate adjustments consistent with those made in the last rate proceeding. Because of the lack of detail provided in Order No. 10995, we find that we have insufficient information in this case to enable us to make adjustments consistent with those made in the last rate proceeding. As such, we are only addressing the specific adjustments to rate base, cost of capital and net operating income below that we believe can be made under the interim statute.

Rate Base

In its minimum filing requirements (MFRs), the utility used the formula method, or one-eighth of operation and maintenance (O&M) expenses, to calculate the working capital allowance. Section 367.082(5)(b)(1), Florida Statutes, states that the achieved rate of return shall be calculated by applying appropriate adjustments made in the last rate proceeding. Because we are

unable to determine how the working capital allowance was calculated in the last rate proceeding, we find that it is appropriate to use the rule currently in effect. Rule 25-30.433, Florida Administrative Code, requires that all Class B utilities use the formula method. Therefore, we have made no adjustment to the utility's calculation of working capital.

The only other adjustments the utility made to its rate base appear to be corrections of errors. Based on our analysis, rate base amounts of \$424,294 for water and \$424,339 for wastewater are appropriate.

Cost of Capital

In its MFRs, the utility used a simple average capital structure and made no specific adjustments. The utility then decreased two of its three capital components using pro rata adjustments to reconcile the capital structure to rate base. Using the actual cost of debt, a cost rate of 5.98% for customer deposits, and an equity cost rate of 10.26%, the utility requested an overall cost of capital of 10.19%.

Our first adjustment reflects the appropriate cost rate on customer deposits. Rule 25-30.311(4)(a), Florida Administrative Code, requires that each utility which requires deposits to be made by its residential customers shall pay a minimum rate of interest on such deposits of 6.00% per annum. In its MFRs, the utility does not explain why it used a rate different than that required by the rule. Therefore, we have applied a cost of 6.00% to customer deposits.

Our second adjustment is to reflect the appropriate return on equity (ROE). Because we were unable to determine the ROE that was applied in the last rate proceeding, we find that for interim purposes, the utility should be treated as if no prior return on equity had been established. Section 367.082(6), Florida Statutes, states that the Commission is allowed to establish interim rates for a utility that does not have a previously authorized rate of return. Section 367.081(4)(f), Florida Statutes, allows the Commission to use the leverage graph to determine the cost of equity for utilities that have not had an equity return established. In calculating an interim increase, Section 367.082(5)(b)(3), Florida Statutes, requires that the minimum of the range of the rate of return on equity be used to determine the cost of capital.

Using the current leverage graph formula determined by the Commission in Order No. PSC-95-0982-FOF-WS, issued on August 10,

1995, we calculated the minimum return on equity at 9.25%. Reflecting the above adjustments to the cost of capital, we have calculated an overall rate of return of 9.24% for interim purposes.

Net Operating Income

In its MFRs, Rainbow Springs' calculations reflected that water was earning more and wastewater was earning less than a fair rate of return. As such, the utility only requested an interim increase for its wastewater system. The utility further requested that no water revenues be held subject to refund for potential overearnings.

Upon our review of the utility's interim filing, we find that two adjustments to net operating income are appropriate. In its application, Rainbow Springs annualized its index rate adjustment received on August 7, 1995. Section 367.082(5)(b)(1), Florida Statutes, states that revenues should be annualized to reflect any rate changes that occurred during the interim test year. Because this index did not occur within the utility's test year, an adjustment was made to remove the annualization, resulting in a decrease of \$29,418 for water and \$8,258 for wastewater.

During the test year, the utility incorrectly billed general service customers as residential customers with a 10,000 gallon cap. As a result of this error, wastewater operating revenue shall be increased by \$2,739 to reflect the amount that the utility would have booked.

Based on the above, test year net operating income before any revenue increase shall be \$22,934 for water, with an operating loss of \$5,974 for wastewater. This results in an achieved rate of return on rate base of 5.41% and (1.41)% for water and wastewater, respectively. Because we find that the required rate of return for interim purposes is 9.24%, it appears that the utility is earning less than a fair rate of return for both systems.

Revenue Requirement

Based upon recovery of actual operating expenses for the test year ended March 31, 1995, and a 9.24% overall rate of return on an average rate base, we find that an interim revenue requirement of \$217,717 for wastewater is appropriate. This amount represents an annual increase of \$47,313 (or 27.77%). Even though our calculations reveal that the water system is underearning, the utility did not request an interim increase for its water system. This treatment has been consistently applied by the Commission in interim rate proceedings. See Orders Nos. PSC-96-0119-FOF-WS, PSC-

95-0513-FOF-WS, and PSC-94-1237-FOF-WS, issued on January 23, 1996, May 9, 1995, and October 11, 1994, respectively. Accordingly, no water interim increase shall be granted.

INTERIM WASTEWATER RATES

We find it appropriate that interim service rates for Rainbow Springs be designed to allow the utility the opportunity to generate additional annual operating revenues of \$47,313 for its wastewater system. This results in an increase of 27.77% in its existing wastewater rates, excluding miscellaneous revenues, when applied as an across the board increase to total revenues.

The interim rates shall be implemented for service rendered on or after the stamped approval date on the tariff sheets provided customers have received notice pursuant to Rule 25-30.475, Florida Administrative Code. The rates may not be implemented until proper notice has been received by the customers. The utility shall provide proof of the date notice was given no less than 10 days after the date of notice. The revised tariff sheets will be approved upon staff's verification that the tariffs are consistent with the Commission's decision, that the proposed notice to the customers of the approved increase is adequate, and the required security discussed below has been filed.

The utility's test year, current, proposed interim, and proposed final rates, and the approved interim rates are shown on Schedule No. 4.

SECURITY FOR REFUND

Pursuant to Section 367.082, Florida Statutes, the excess of interim rates over the previously authorized rates shall be collected under guarantee subject to refund with interest. The amount of a potential refund in this case has been calculated to be \$36,986. A review of the utility's financial statements indicates that the utility cannot support a corporate undertaking for \$36,986 due to inadequate liquidity and declining profitability. Therefore, we find it appropriate to require the utility to provide security in the form of a letter of credit, bond, or escrow agreement to guarantee the funds collected subject to refund.

If the security provided is an escrow account, that account shall be established between the utility and an independent financial institution pursuant to a written escrow agreement. The Commission shall be a party to the written escrow agreement and a signatory to the escrow account. The written escrow agreement shall state the following: that the account is established at the

direction of this Commission for the purpose set forth above; that no withdrawals of funds shall occur without the prior approval of the Commission through the Director of the Division of Records and Reporting; that the account shall be interest bearing; that information concerning the escrow account shall be available from the institution to the Commission or its representative at all times; and that pursuant to Cosentino v. Elson, 263 So. 2d 253 (Fla. 3d DCA 1972), escrow accounts are not subject to garnishments. The utility shall deposit the funds to be escrowed, \$4,109, into the escrow account each month. If a refund to the customers is required, all interest earned by the escrow account shall be distributed to the customers. If a refund to the customers is not required, the interest earned by the escrow account shall revert to the utility.

If the utility chooses to provide security in the form of a bond or a letter of credit, the instrument shall be in the amount of \$36,986. If the utility chooses a bond as security, the bond shall state that it will be released or shall terminate upon subsequent order of the Commission addressing overearnings or requiring a refund. If the utility chooses to provide a letter of credit as security, the letter of credit shall state that it is irrevocable for the period it is in effect and that it will be in effect until a final Commission order is rendered addressing overearnings or requiring a refund.

Irrespective of the type of security provided, the utility shall keep an accurate and detailed account of all monies it receives. Pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility shall 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 shall be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code. In no instance shall maintenance and administrative costs associated with any refund be borne by the customers. The costs are the responsibility of, and shall be borne by, the utility.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the final rates and schedules proposed by Rainbow Springs Utilities, Inc., are hereby suspended in accordance with Section 367.081(6), Florida Administrative Code. It is further

ORDERED that the request for an interim increase in wastewater rates by Rainbow Springs Utilities, Inc., is hereby granted to the extent set forth in the body of this Order. It is further

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ORDERED that each of the findings made in the body of this Order is hereby approved in every respect. It is further

ORDERED that all matters contained in the schedules attached hereto are incorporated herein by reference. It is further

ORDERED that the approved interim rates shall become effective for service rendered on or after the stamped approval date on the tariff sheets, provided customers have received notice. It is further

ORDERED that the difference between the interim rates granted herein and Rainbow Springs Utilities, Inc.'s, previously authorized rates shall be collected subject to refund, with interest. It is further

ORDERED that Rainbow Springs Utilities, Inc., shall provide a bond or letter of credit in the amount of \$36,986 or an escrow agreement as guarantee for any potential refund of interim wastewater revenues. It is further

ORDERED that the approved interim rates shall become effective for service rendered on or after the stamped approval date on the tariff sheets. It is further

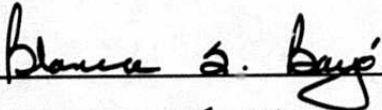
ORDERED that prior to the implementation of the interim rates approved herein, Rainbow Springs Utilities, Inc., shall file and have approved tariff pages revised in accordance with the provisions of this Order, appropriate security for the refund, a proposed customer notice, and proof that the customers have received notice of the rate increase. It is further

ORDERED that the tariff sheets will be stamped approved upon verification that they are consistent with our decision herein, that the proposed customer notice is adequate, and that the appropriate security is provided. It is further

ORDERED that during the time the interim rates are in effect, Rainbow Springs Utilities, Inc., shall file a report by the twentieth day of each month indicating the monthly and total revenue collected subject to refund, pursuant to Rule 25-30.360(6), Florida Administrative Code.

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By ORDER of the Florida Public Service Commission, this 28th
day of February, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) 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 wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

RAINBOW SPRINGS UTILITIES, L.C. SCHEDULE OF WATER RATE BASE TEST YEAR ENDED MARCH 31, 1995			SCHEDULE NO. 1-A DOCKET NO. 950828-WS			
COMPONENT	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	
1 UTILITY PLANT IN SERVICE	\$ 866,141	(32,359)	\$ 833,782	0	833,782	
2 LAND	1,506	0	1,506	0	1,506	
3 NON-USED & USEFUL COMPONENTS	(54,220)	0	(54,220)	0	(54,220)	
4 ACCUMULATED DEPRECIATION	(188,696)	10,336	(178,360)	0	(178,360)	
5 CIAC	(214,132)	0	(214,132)	0	(214,132)	
6 AMORTIZATION OF CIAC	19,240	0	19,240	0	19,240	
7 OTHER - PREPAID CONNECTIONS	0	0	0	0	0	
8 ADVANCES FOR CONSTRUCTION	0	0	0	0	0	
9 DEFERRED TAXES	0	0	0	0	0	
10 WORKING CAPITAL ALLOWANCE	16,478	0	16,478	0	16,478	
RATE BASE	\$ 446,317	(22,023)	\$ 424,294	0	424,294	

RAINBOW SPRINGS UTILITIES, L.C. SCHEDULE OF WASTEWATER RATE BASE TEST YEAR ENDED MARCH 31, 1995			SCHEDULE NO. 1-B DOCKET NO. 950828-WS			
COMPONENT	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	
1 UTILITY PLANT IN SERVICE	\$ 1,404,893	32,359 \$	1,437,252	0	1,437,252	
2 LAND	0	0	0	0	0	
3 NON-USED & USEFUL COMPONENTS	(179,225)	0	(179,225)	0	(179,225)	
4 ACCUMULATED DEPRECIATION	(387,690)	(10,336)	(398,026)	0	(398,026)	
5 CIAC	(496,432)	0	(496,432)	0	(496,432)	
6 AMORTIZATION OF CIAC	43,344	0	43,344	0	43,344	
7 OTHER - PREPAID CONNECTIONS	0	0	0	0	0	
8 ADVANCES FOR CONSTRUCTION	0	0	0	0	0	
9 DEFERRED TAXES	0	0	0	0	0	
10 WORKING CAPITAL ALLOWANCE	17,426	0	17,426	0	17,426	
RATE BASE	\$ 402,316	22,023 \$	424,339	0	424,339	

RAINBOW SPRINGS UTILITIES, L.C.
CAPITAL STRUCTURE
TEST YEAR ENDED MARCH 31, 1995

SCHEDULE NO. 2
DOCKET NO. 950828-WS

DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUSTMENTS (EXPLAIN)	PRO RATA ADJUSTMENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST
PER UTILITY							
1 LONG TERM DEBT	50,276	0	(848)\$	49,428	5.82%	9.30%	0.54%
2 SHORT-TERM DEBT	0	0	0	0	0.00%	0.00%	0.00%
3 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
4 COMMON EQUITY	808,541	0	(13,049)	795,492	93.74%	10.26%	9.62%
5 CUSTOMER DEPOSITS	3,713	0	0	3,713	0.44%	5.98%	0.03%
6 DEFERRED ITC'S-ZERO COST	0	0	0	0	0.00%	0.00%	0.00%
7 DEFERRED ITC'S-WTD COST	0	0	0	0	0.00%	0.00%	0.00%
8 DEFERRED INCOME TAXES	0	0	0	0	0.00%	0.00%	0.00%
9 TOTAL CAPITAL	<u>862,530</u>	0	<u>(13,897)\$</u>	<u>848,633</u>	<u>100.00%</u>		<u>10.19%</u>
PER COMMISSION							
10 LONG TERM DEBT	50,276	0	(810)\$	49,466	5.83%	9.30%	0.54%
11 SHORT-TERM DEBT	0	0	0	0	0.00%	0.00%	0.00%
12 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
13 COMMON EQUITY	808,541	0	(13,027)	795,514	93.74%	9.25%	8.67%
14 CUSTOMER DEPOSITS	3,713	0	(60)	3,653	0.43%	6.00%	0.03%
15 DEFERRED ITC'S-ZERO COST	0	0	0	0	0.00%	0.00%	0.00%
15 DEFERRED ITC'S-WTD COST	0	0	0	0	0.00%	0.00%	0.00%
16 DEFERRED INCOME TAXES	0	0	0	0	0.00%	0.00%	0.00%
17 TOTAL CAPITAL	<u>862,530</u>	0	<u>(13,897)\$</u>	<u>848,633</u>	<u>100.00%</u>		<u>9.24%</u>

RANGE OF REASONABLENESS	LOW	HIGH
RETURN ON EQUITY (ROE)	9.25%	11.25%
OVERALL RATE OF RETURN	9.24%	11.11%

RAINBOW SPRINGS UTILITIES, L.C.
STATEMENT OF WATER OPERATIONS
TEST YEAR ENDED MARCH 31, 1995

SCHEDULE NO. 3-A
DOCKET NO. 950828-WS

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	186,628	21,259	207,887	(21,259)	186,628	17,039	203,667
OPERATING EXPENSES:						9.13%	
2 OPERATION AND MAINTENANCE	159,918	(28,095)	131,823	0	131,823 \$		131,823
3 DEPRECIATION	19,565	(3,900)	15,665	0	15,665		15,665
4 AMORTIZATION	0	0	0	0	0		0
5 TAXES OTHER THAN INCOME	16,671	492	17,163	(957)	16,206	767	16,973
6 INCOME TAXES	0	0	0	0	0	0	0
7 TOTAL OPERATING EXPENSES	196,154	(31,503)	164,651	(957)	163,694	767	164,461
8 OPERATING INCOME	(9,526)	52,762	43,236	(20,302)	22,934	16,272	39,205
9 RATE BASE	446,317		424,294		424,294		424,294
RATE OF RETURN	-2.13%		10.19%		5.41%		9.24%

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RAINBOW SPRINGS UTILITIES, L.C.
 STATEMENT OF WASTEWATER OPERATIONS
 TEST YEAR ENDED MARCH 31, 1995

SCHEDULE NO. 3-B
 DOCKET NO. 950828-WS

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	167,665	54,272	221,937	(51,533)	170,404	47,313	217,717
OPERATING EXPENSES						27.77%	
2 OPERATION AND MAINTENANCE	165,148	(25,737)	139,411	0	139,411 \$		139,411
3 DEPRECIATION	23,692	(4,406)	19,286	0	19,286		19,286
4 AMORTIZATION	0	0	0	0	0		0
5 TAXES OTHER THAN INCOME	19,205	795	20,000	(2,319)	17,681	2,129	19,810
6 INCOME TAXES	0	0	0	0	0	0	0
7 TOTAL OPERATING EXPENSES	208,045	(29,348)	178,697	(2,319)	176,378	2,129	178,507
8 OPERATING INCOME	(40,380)	83,620	43,240	(49,214)	(5,974)	45,184	39,210
9 RATE BASE	402,316		424,339		424,339		424,339
RATE OF RETURN	-10.04%		10.19%		-1.41%		9.24%

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RAINBOW SPRINGS UTILITIES, L.C.
 ADJUSTMENTS TO OPERATING STATEMENTS
 TEST YEAR ENDED MARCH 31, 1995

SCHEDULE NO. 3-C
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EXPLANATION	WATER	WASTEWATER
(1) OPERATING REVENUES		
a) To reverse utility's proposed revenue increase.	\$ 8,159	\$ (46,014)
b) To adjust revenues to historic test year revenues for period ended 03/31/95.	(29,418)	(8,258)
c) To correct utility billing error for residential customers.	<u>2,739</u>	<u>2,739</u>
	<u>\$ (21,259)</u>	<u>\$ (51,533)</u>
(2) TAXES OTHER THAN INCOME		
a) To remove RAFs pertaining to requested revenue increase.	<u>\$ (957)</u>	<u>\$ (2,319)</u>
(3) OPERATING REVENUES		
a) To reflect recommended revenue requirement.	<u>\$ 17,039</u>	<u>\$ 47,313</u>
(4) TAXES OTHER THAN INCOME		
a) To reflect RAFs pertaining to recommended revenue requirement.	<u>\$ 767</u>	<u>\$ 2,129</u>