

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water and
wastewater rates in Orange County by Pluris
Wedgfield, LLC.

DOCKET NO. 20230083-WS
ORDER NO. PSC-2023-0387-PCO-WS
ISSUED: December 27, 2023

The following Commissioners participated in the disposition of this matter:

ANDREW GILES FAY, Chairman
ART GRAHAM
GARY F. CLARK
MIKE LA ROSA
GABRIELLA PASSIDOMO

ORDER APPROVING INTERIM RATES AND SUSPENDING PROPOSED FINAL RATES

BY THE COMMISSION:

Background

Pluris Wedgfield, LLC. (Pluris or Utility) is a Class A utility providing water and wastewater service to approximately 1,743 water customers and 1,711 wastewater customers in Orange County. Rates were last established for this Utility in its 2017 limited proceeding.¹ The Utility's last comprehensive base rate proceeding was in 2012.² In 2022, Pluris recorded total company operating revenues of \$1,627,619 for water and \$1,051,949 for wastewater and operating expenses of \$1,749,162 for water and \$924,958 for wastewater.

On September 22, 2023, Pluris filed its application for approval of interim and final water and wastewater rate increases. In its application, the Utility requested that we process the Utility's rate case using the proposed agency action procedure as provided in Section 367.081(10), Florida Statutes (F.S.). On October 19, 2023, Commission staff sent the Utility a letter indicating deficiencies in the filing of its minimum filing requirements (MFRs). The Utility filed a deficiency response letter that cured its deficiencies on October 26, 2023. Thus, the official filing date is October 26, 2023.

The Utility's application for increased interim and final water and wastewater rates is based on the historical 13-month average period ended December 31, 2022. Pluris is requesting an increase to recover all expenses it will incur in order to generate a fair rate of return on its investment and pro forma plant additions.

¹Order No. PSC-2018-0311-PAA-WS, issued June 13, 2018, in Docket No. 20170166-WS, *In re: Application for limited proceeding rate increase in Orange County by Pluris Wedgfield, Inc.*

²Order No. PSC-13-0187-PAA-WS, issued May 2, 2013, in Docket No. 20120152-WS, *In re: Application for increase in water and wastewater rates in Orange County by Pluris Wedgfield, Inc.*

The Utility requested interim rates designed to generate revenues of \$2,370,815 for water and \$1,593,586 for wastewater. This results in a revenue increase of \$743,196, or 45.66 percent, for water and \$541,637, or 51.49 percent, for wastewater. The Utility requested final rates designed to generate annual revenues of \$2,713,189 for water and \$1,608,064 for wastewater. This represents revenue increases of \$1,085,570, or 66.7 percent, for water and \$556,115, or 52.87 percent, for wastewater.

The original 60-day statutory deadline for us to suspend Pluris' requested final rates and address its interim rate request was November 21, 2023. However, by letter dated September 26, 2023, the Utility agreed to extend the statutory time frame by which we were required to address the suspension of Pluris' final rates and its interim rate request to December 5, 2023. This order addresses the suspension of the Utility's requested final rates and its requested interim rates. We have jurisdiction pursuant to Sections 367.081, 367.082, and 367.101, F.S.

Decision

I. Suspension of Rates

Section 367.081(6), F.S., provides that the rates proposed by the utility shall become effective within 60 days after filing, unless we vote to withhold consent to the implementation of the requested rates. Further, the above-referenced statute permits the proposed final rates to go into effect, under bond, escrow, or corporate undertaking, eight months after filing, unless final action has been taken by us.

We reviewed the filing and considered the proposed rates and charges, 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 elaboration and explanation regarding this data and to require the production of additional and/or corroborative data. Commission staff initiated an audit of Pluris' books and records. The audit report is tentatively due on December 21, 2023. In addition, Commission staff sent its first set of discovery on October 30, 2023, and additional requests will be necessary to process this case. Finally, a customer meeting will be scheduled in the Utility's service area to permit Commission staff to hear comments from customers regarding the Utility's quality of service and the requested rate increase. Based on the foregoing, we find that the Utility's proposed final rates and charges shall be suspended.

II. Interim Revenue Increase

Pursuant to Section 367.082(1), F.S., we may authorize the collection of interim rates during any proceeding for a change of rates upon petition from any party or on its own motion. In order to establish a prima facie entitlement for interim relief, the utility shall demonstrate that it is earning outside the range of reasonableness on its rate of return.

On September 22, 2023, Pluris filed rate base, cost of capital, and operating income schedules to support its requested interim increase. Pursuant to Section 367.082(5)(b)1., F.S., the achieved rate of return for interim purposes must be calculated by applying adjustments consistent with those used in the utility's most recent rate proceeding and annualizing any rate

changes. We reviewed Pluris' interim request and Order No. PSC-2013-187-PAA-WS, its last rate case. We also reviewed Order No. PSC-2018-0311-PAA-WS, a limited proceeding setting Pluris' current rates. Attached are accounting schedules to illustrate our approval of rate base, capital structure, and test year operating income amounts. The rate base schedules are labeled as Schedule Nos. 1-A, 1-B, and 1-C. The capital structure schedule is labeled Schedule No. 2. The operating income schedules are labeled as Schedule Nos. 3-A, 3-B, and 3-C. Our adjustments are discussed below.

Interim Rate Base

In its filing, the Utility made adjustments to used and useful (U&U) amounts based on non-used and useful percentages and working capital adjustments based on corresponding adjustments to operation and maintenance (O&M) expense. However, we find additional adjustments to rate base are necessary for interim purposes.

Used & Useful

Pursuant to Section 367.082, F.S., the method used to calculate U&U in Pluris' last rate case must be used for interim purposes. In Order No. PSC-2013-0187-PAA-WS, we found that Pluris' water treatment plant and storage were 100 percent U&U, the water distribution system and wastewater collection system were 85.1 percent U&U, and the wastewater treatment plant was 72.1 percent U&U. In its filing, the Utility did not calculate any U&U adjustments to the water treatment plant, water storage, water distribution, or wastewater collection and calculated a 94.35 percent U&U for the wastewater treatment plant. Based on our review, we find that the water treatment plant and storage shall be considered 100 percent U&U, the water distribution system and wastewater collection system shall be considered 92.2 percent U&U, and the wastewater treatment plant shall be considered 81.8 percent U&U.

In its filing, the Utility did not make a non-U&U adjustment for the water system. Based on our adjustments to U&U above, we find that a net non-U&U adjustment of \$39,751 to reduce plant in service for the water system is necessary. Pluris made a net non-U&U adjustment to the wastewater system of \$8,648 to reduce plant in service and to recognize its calculation of U&U for the wastewater treatment plant. We find that the non-U&U adjustment to the wastewater system be increased by \$88,071 to further reduce plant in service. As such, we find for a decrease of \$39,751 to the water system and a decrease of \$96,719 to the wastewater system.

Working Capital Allowance

Rule 25-30.433(2), Florida Administrative Code (F.A.C.), requires that Class A utilities use the balance sheet method to calculate the working capital allowance. Based on the balance sheet method, working capital is calculated as current assets less current liabilities. In its filing, Pluris reflected a total working capital allowance balance of \$389,416 for the water system and \$386,942 for the wastewater system. We have recalculated the working capital allowance as \$420,559 for the water system and \$355,800 for the wastewater system. Therefore, we find for a

working capital allowance balance of \$420,559 for the water system and \$355,800 for the wastewater system.

Based on the above, we find Pluris' interim rate base shall be \$4,844,521 for water and \$1,198,373 for wastewater. The schedules for rate base are attached as Schedules 1-A, 1-B, and 1-C.

Interim Cost of Capital

In its filing, the Utility reflected an ROE of 9.00 percent. The Utility's requested return on equity was calculated using the current leverage formula in effect. However, pursuant to Section 367.082, F.S., an interim increase shall be calculated using the minimum ROE limit authorized in the utility's last rate case. According to Order No. PSC-2013-0187-PAA-WS, the minimum of the Utility's authorized range of return on equity is 9.88 percent. The Utility also proposed a cost rate for customer deposits of 6.00 percent. However, based on Rule 25-30.311(4)(a), F.A.C., we find for a cost rate of 2.00 percent.

The Utility's capital structure was derived from its 13-month average balance sheet shown on MFR Schedules A-18 and A-19. In 2021 and 2022, an investment of approximately \$7.9 million was made to recapitalize the Utility. This investment was originally recorded in other accounts and was reclassified and recorded as common equity in December 2022. The resulting capital structure was reconciled to a rate base consistent with the Utility's last rate case, Docket No. 20230152-WS.

Therefore, based on an analysis of the MFRs, Order No. PSC-2013-0187-PAA-WS, and adjustments to rate base discussed above, we find for an overall rate of return of 8.83 percent. The schedule for cost of capital is attached as Schedule 2.

Interim Net Operating Income

In its filing, Pluris calculated test year revenues of \$1,627,619 for water and \$1,051,949 for wastewater. To calculate the appropriate amount of interim test year operating revenues, we removed the Utility's requested interim revenue increase of \$743,196 from water and \$541,637 from wastewater. Based on our recalculation of revenues, we find for an increase to test year revenues of \$2,831 and \$4,978 for water and wastewater, respectively. Based on the above, we find that the appropriate interim test year revenues, before any increase, shall be \$1,630,450 for water and \$1,056,927 for wastewater. In addition, we find for a corresponding adjustment to reduce regulatory assessment fees (RAFs) by \$33,316 for water and \$24,150 for wastewater.

Operating Expenses

In its filing, the Utility included adjustments to O&M expense, depreciation expense, Taxes Other Than Income expense (TOTI), and income tax expense. We have determined that additional adjustments to Operating Expense are necessary for interim purposes.

O&M Expense

Pluris proposed increases of \$237,010 to Contractual Services – Management Fees for both the water and wastewater systems to reflect corporate restructuring costs. Pluris also proposed an adjustment of \$655,854 to Contractual Services – Legal for the water system to remove legal fees associated with a water quality lawsuit.³ This adjustment is proposed by the Utility due to a promise the Utility previously made to customers that the legal costs associated with that case would not be reflected in rates. Upon review, the adjustments proposed for corporate restructuring are pro forma in nature, which is not allowed for interim rates pursuant to Section 367.083, F.S. Therefore, we find that O&M expense be decreased by \$237,010 for both water and wastewater. As such, we find for O&M expense of \$1,093,307 for water and \$924,958 for wastewater.

Depreciation

In its filing, the Utility reflected an adjustment to decrease wastewater depreciation expense by \$845 due to a corresponding non-U&U adjustment. However, due to our U&U adjustments as discussed above, we require further corresponding adjustments to depreciation expense. We find for a decrease to depreciation expenses in the amount of \$2,768 and \$7,707 for water and wastewater, respectively, based on the corresponding non-U&U adjustments discussed above. This results in a total depreciation expense of \$360,261 and \$121,268 for water and wastewater, respectively.

TOTI

In its filing, Pluris calculated TOTI balances of \$174,816 for water and \$166,178 for wastewater. As discussed above, we find for RAF adjustments to decrease water and wastewater TOTI by \$33,316 and \$24,150, respectively, based on our adjustment to test year revenues. We also find it necessary to decrease TOTI by \$559 and \$3,947 for water and wastewater, respectively, to remove property taxes associated with our non-U&U adjustments. Additionally, we have a corresponding adjustment to increase TOTI by \$18,463 and \$10,988 for water and wastewater, respectively, to recognize interim revenue increases, as discussed further below. As such, we find TOTI balances of \$159,404 ($\$174,816 - \$33,316 - \$559 + \$18,463$) and \$149,069 ($\$166,178 - \$24,150 - \$3,947 + \$10,988$) for water and wastewater, respectively.

Income Tax

In its filing, the Utility requested income tax expense of \$108,578 and \$29,478 for water and wastewater, respectively. The Internal Revenue Service (IRS) defines a partnership as “the relationship between two or more people to do trade or business” and adds that a partnership “does not pay income tax, instead, it ‘passes through’ profits or losses to its partners. Each partner reports their share of the partnership’s income or loss on their tax return.”⁴ In its last rate case, Pluris was a registered corporation and thus had to pay income taxes directly. However,

³ *Kohl et al., v. Pluris Wedgefield, LLC, et al.*, No. 2020-CA-004390 (Fla. 9th Cir. Ct. 2023).

⁴ <https://www.irs.gov/businesses/partnerships>

according to its annual report, the Utility is now a limited liability corporation, classified as a partnership. Our practice has been to remove income tax expense for partnerships, as they do not pay income taxes directly.⁵ Further, in its filing, the Utility reported no income taxes paid in the test year but requested an adjustment to include income tax expense in the amounts stated above. These amounts are pro forma in nature and are thus not allowed for interim rates pursuant to Section 367.083, F.S. Therefore, we find for decreases to income tax of \$108,578 and \$29,478 for water and wastewater, respectively, resulting in a \$0 balance in both accounts.

Based on the above, we find for a total decrease of \$382,232 (-\$237,010 - \$2,768 - \$33,875 - \$108,578) to water Operating Expenses and \$302,292 (-\$237,010 - \$7,707 - \$28,097 - \$29,478) to wastewater Operating Expenses. As such, we find for total Operating Expenses of \$1,594,508 for water and \$1,184,307 for wastewater, resulting in a net Operating Income of \$427,776 for water and \$105,818 for wastewater.

Interim Revenue Requirement

In its filing, the Utility requested interim revenue requirements to generate annual revenue of \$2,370,815 for water and \$1,593,586 for wastewater. Consistent with our decisions on rate base, cost of capital, and operating income, we find for an interim revenue requirement of \$2,040,748 for water and \$1,301,113 for wastewater. This represents interim increases in annual revenues of \$410,299, or 25.16 percent, for water and \$244,186, or 23.10 percent, for wastewater. The schedules for operating income are attached as Schedules 3-A, 3-B, and 3-C.

III. Appropriate Interim Water and Wastewater Rates

We find it appropriate to design interim service rates for Pluris to allow the Utility the opportunity to generate annual operating revenues of \$2,040,748 for water and \$1,301,113 for wastewater. Before removal of miscellaneous revenues, this would result in an increase of \$410,299 (or 25.16 percent) for water and \$244,186 (or 23.10 percent) for wastewater. To determine the appropriate percentage increase to apply to the service rates, miscellaneous revenues shall be removed from test year operating revenues. The calculation is as follows:

⁵ Order No. PSC-04-1270-PAA-WS, issued December 22, 2004, in Docket No. 20041141-WS, *In re: Application for certificates to provide water and wastewater service in Lake County by Hidden Valley SPE LLC d/b/a Orange Lake*; Order No. PSC-07-0068-PAA-WS, issued August 20, 2007, in Docket No. 20060747-WS, *In re: Application for staff-assisted rate case in Highlands County by Mink Associated II, LLC d/b/a Crystal Lake Club Utilities*; Order No. PSC-08-0262-PAA-WS, issued April 28, 2008, in Docket No. 20070414-WS, *In re: Application for staff-assisted rate case in Polk County by Hidden Cove, Ltd.*

Table 1
Percentage Service Rate Increase

	<u>Water</u>	<u>Wastewater</u>
1 Total Test Year Operating Revenues	\$1,630,450	\$1,056,927
2 Less: Miscellaneous Revenues	<u>\$28,875</u>	<u>\$0</u>
3 Test Year Revenues from Service Rates	\$1,601,575	\$1,056,927
4 Revenue Increase	<u>\$410,299</u>	<u>\$244,186</u>
5 Percentage Service Rate Increase (Line 4/ Line 3)	<u>25.61%</u>	<u>23.10%</u>

Source: Revenue Requirement

The interim rate increase of 25.61 percent for water and 23.10 percent for wastewater shall be applied as an across-the-board increase to the water and wastewater rates, respectively. The rates, as shown on Schedule Nos. 4-A and 4-B, shall be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30-475(1), F.A.C. The Utility shall file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. In addition, the approved rates shall not be implemented until the required security has been filed, Commission staff has approved the proposed customer notice, and the notice has been received by the customers. The Utility shall provide proof of the date notice was given within 10 days of the date of the notice.

IV. Appropriate Security to Guarantee the Interim Increase

Pursuant to Section 367.082, F.S., revenues collected under interim rates shall be placed under bond, escrow, letter of credit, or corporate undertaking, subject to refund with interest at a rate ordered by us. As stated above, the total annual interim revenue increase is \$654,485. We calculated the potential refund of revenues and interest collected under interim conditions in accordance with Rule 25-30.360, F.A.C., and determined the amount to be \$444,181. This amount is based on an estimated eight months of revenue being collected from our approved interim rates over the Utility's current authorized rates.

The criteria for a corporate undertaking include sufficient liquidity, ownership equity, profitability, and interest coverage to guarantee any potential refund. We reviewed Pluris' Annual Reports filed with us for 2022, 2021, and 2020. In 2022, Pluris had sufficient liquidity and ownership equity but insufficient interest coverage and negative net income. In 2021, Pluris incurred an extraordinary reduction to net income of \$3,300,000 due to a legal settlement. Based on Pluris' reported financial condition for the three-year period, the Utility has the financial capability to support a corporate undertaking in the amount requested. We also evaluated the confidential financial statements for Pluris' parent company, Pluris Capital Group, LLC, f.k.a. Pluris Holdings, LLC, for the same three-year period. The financial statements show that Pluris Capital Group, LLC, has sufficient liquidity, equity ownership, interest coverage, and net income to support a corporate undertaking of \$444,181 to guarantee any potential refunds of interim water and wastewater revenues. Therefore, we find that Pluris Capital Group, LLC, must provide a written guarantee that it will support a corporate undertaking on behalf of its subsidiary, Pluris Wedgefield, LLC.

Our brief financial analysis was only appropriate for deciding whether Pluris can support a corporate undertaking in the amount requested and shall not be considered a finding regarding our position on other issues in this proceeding.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Pluris Wedgefield LLC's proposed final water and wastewater rates shall be suspended. It is further

ORDERED that the request for an interim rate increase for water and wastewater rates by Pluris Wedgefield LLC is hereby granted, as set forth herein. It is further

ORDERED that the interim rate increase of 25.61 percent for water and 23.10 percent for wastewater shall be applied as an across-the-board increase to the water and wastewater rates, respectively. The rates, as shown on Schedule Nos. 4-A and 4-B shall be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30-475(1), F.A.C. It is further

ORDERED that the Utility shall file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. In addition, the approved rates shall not be implemented until the required security has been filed, staff has approved the proposed customer notice, and the notice has been received by the customers. The Utility shall provide proof of the date notice was given within 10 days of the date of the notice. It is further

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

ORDERED that in order to secure the interim rates approved herein, Pluris Capital Group, LLC, on behalf of its subsidiary, Pluris Wedgefield, LLC, shall provide a written guarantee that it will support a corporate undertaking on behalf of Pluris Wedgefield, LLC, in the amount of \$444,181, subject to refund. It is further

ORDERED that this docket shall remain open pending our final action on the Utility's requested rate increase.

By ORDER of the Florida Public Service Commission this 27th day of December, 2023.


ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
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Tallahassee, Florida 32399
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

AAW

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order suspending the permanent rates, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, 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 wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, 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.

Any party adversely affected by this order approving interim rates, which is non-final in nature, may request (1) reconsideration within 10 days pursuant to Rule 25-22.0376, 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 wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Citizens of the State of Florida v. Mayo, 316 So.2d 262 (Fla. 1975), states that an order on interim rates is not final or reviewable until a final order is issued. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

Pluris Wedgefield, LLC.			Schedule No. 1-A		
Schedule of Water Rate Base			Docket No. 20230083-WS		
Test Year Ended 12/31/22					
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Commission Adjust- ments	Commission Adjusted Test Year
1 Plant in Service	\$11,966,333	\$0	\$11,966,333	\$0	\$11,966,333
2 Land and Land Rights	1,443	0	1,443	0	1,443
3 Non-used and Useful Components	0	0	0	(39,751)	(39,751)
4 Accumulated Depreciation	(5,893,414)	0	(5,893,414)	0	(5,893,414)
5 CIAC	(3,001,852)	0	(3,001,852)	0	(3,001,852)
6 Amortization of CIAC	1,391,204	0	1,391,204	0	1,391,204
7 Working Capital Allowance	<u>(3,037,636)</u>	<u>3,427,052</u>	<u>389,416</u>	<u>31,143</u>	<u>420,559</u>
8 Rate Base	<u>\$1,426,078</u>	<u>\$3,427,052</u>	<u>\$4,853,130</u>	<u>(\$69,377)</u>	<u>\$4,844,521</u>

Pluris Wedgefield, LLC.			Schedule No. 1-B		
Schedule of Wastewater Rate Base			Docket No. 20230083-WS		
Test Year Ended 12/31/22					
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Commission Adjust- ments	Commission Adjusted Test Year
1 Plant in Service	\$9,152,109	\$0	\$9,152,109	\$0	\$9,152,109
2 Land and Land Rights	97,402	0	97,402	0	97,402
3 Non-used and Useful Components	0	(8,648)	(8,648)	(88,071)	(96,719)
4 Accumulated Depreciation	(7,119,861)	0	(7,119,861)	0	(7,119,861)
5 CIAC	(4,344,556)	0	(4,344,556)	0	(4,344,556)
6 Amortization of CIAC	3,154,198	0	3,154,198	0	3,154,198
7 Working Capital Allowance	<u>(3,018,344)</u>	<u>3,405,286</u>	<u>386,942</u>	<u>(31,142)</u>	<u>355,800</u>
8 Rate Base	<u>(\$2,079,052)</u>	<u>\$3,396,638</u>	<u>\$1,317,586</u>	<u>(\$119,213)</u>	<u>\$1,198,373</u>

Pluris Wedgefield, LLC.		Schedule No. 1-C	
Adjustments to Rate Base		Docket No. 20230083-WS	
Test Year Ended 12/31/22			
Explanation	Water	Wastewater	
Non-used and Useful			
To reflect net non-used and useful adjustment.	<u>(\$39,751)</u>	<u>(\$88,071)</u>	
Working Capital			
To reflect corresponding O&M adjustment	<u>\$31,143</u>	<u>(\$31,412)</u>	

Pluris Wedgefield, LLC. Capital Structure Test Year Ended 12/31/22							Schedule No. 2 Docket No. 20230083-WS		
Description	Total Capital	Specific Adjust- ments	Subtotal Adjusted Capital	Pro rata Adjust- ments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost	
Per Utility									
1 Long-term Debt	\$1,911,528	\$0	\$1,911,528	\$0	\$1,911,528	26.50%	5.70%	1.51%	
2 Short-term Debt	0	0	0	0	0	0.00%	0.00%	0.00%	
3 Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%	
4 Common Equity	5,277,952	0	5,277,952	0	5,277,952	73.18%	9.00%	6.59%	
5 Customer Deposits	23,168	0	23,168	0	23,168	0.32%	6.00%	0.02%	
6 Deferred Income Taxes	0	0	0	0	0	0.00%	0.00%	0.00%	
7 Total Capital	<u>\$7,212,648</u>	<u>\$0</u>	<u>\$7,212,648</u>	<u>\$0</u>	<u>\$7,212,648</u>	<u>100.00%</u>		<u>8.12%</u>	
Per Commission									
8 Long-term Debt	\$1,911,528	\$0	\$1,911,528	(\$473,405)	\$1,474,123	24.39%	5.70%	1.39%	
9 Short-term Debt	0	0	0	0	0	0.00%	0.00%	0.00%	
10 Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%	
11 Common Equity	5,894,387	0	5,894,387	(1,348,783)	4,545,604	75.22%	9.88%	7.43%	
12 Customer Deposits	23,168	0	23,168	0	23,168	0.38%	2.00%	0.01%	
13 Deferred Income Taxes	0	0	0	0	0	0.00%	0.00%	0.00%	
14 Total Capital	<u>\$7,829,083</u>	<u>\$0</u>	<u>\$7,829,083</u>	<u>(\$1,786,189)</u>	<u>\$6,042,894</u>	<u>100.00%</u>		<u>8.83%</u>	
						<u>LOW</u>	<u>HIGH</u>		
RETURN ON EQUITY						<u>9.88%</u>	<u>11.88%</u>		
OVERALL RATE OF RETURN						<u>8.83%</u>	<u>10.33%</u>		

Pluris Wedgefield, LLC						Schedule No. 3-A	
Statement of Water Operations						Docket No. 20230083-WS	
Test Year Ended 12/31/22							
Description	Test Year Per Utility	Utility Adjustments	Adjusted Test Year Per Utility	Commission Adjustments	Commission Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$1,627,619</u>	<u>\$743,196</u>	\$2,370,815	(\$740,365)	\$1,630,450	\$410,299 25.16%	\$2,040,748
Operating Expenses							
2 Operation & Maintenance	\$1,749,162	(\$418,845)	\$1,330,317	(\$237,010)	\$1,093,307		\$1,093,307
3 Depreciation	363,029	0	363,029	(2,768)	360,261		360,261
4 Amortization	0	0	0	0	0		0
5 Taxes Other Than Income	141,262	33,554	174,816	(33,875)	140,941	18,463	159,404
6 Income Taxes	<u>0</u>	<u>108,578</u>	<u>108,578</u>	<u>(108,578)</u>	<u>0</u>	<u>0</u>	<u>0</u>
7 Total Operating Expense	<u>2,253,453</u>	<u>(276,713)</u>	<u>1,976,740</u>	<u>(382,232)</u>	<u>1,594,508</u>	<u>18,463</u>	<u>1,612,972</u>
8 Operating Income	<u>(\$625,834)</u>	<u>\$1,019,909</u>	<u>\$394,075</u>	<u>(\$358,134)</u>	<u>\$35,941</u>	<u>\$391,835</u>	<u>\$427,776</u>
9 Rate Base	<u>\$1,426,078</u>		<u>\$4,853,130</u>		<u>\$4,844,521</u>		<u>\$4,844,521</u>
10 Rate of Return	<u>(43.88%)</u>		<u>8.12%</u>		<u>0.74%</u>		<u>8.83%</u>

Pluris Wedgefield, LLC.		Schedule No. 3-B						
Statement of Wastewater Operations		Docket No. 20230083-WS U						
Test Year Ended 12/31/22								
Description	Test Year Per Utility	Utility Adjustments	Adjusted Test Year Per Utility	Commission Adjustments	Commission Adjusted Test Year	Revenue Increase	Revenue Requirement	
1	Operating Revenues:	<u>\$1,051,949</u>	<u>\$541,637</u>	<u>\$1,593,586</u>	<u>(\$536,659)</u>	<u>\$1,056,927</u>	<u>\$244,186</u> 23.10%	<u>\$1,301,113</u>
	Operating Expenses							
2	Operation & Maintenance	\$924,958	\$237,010	\$1,161,968	(\$237,010)	\$924,958		\$924,958
3	Depreciation	129,820	(845)	128,975	(7,707)	121,268		121,268
4	Amortization	0	0	0	0	0		0
5	Taxes Other Than Income	141,804	24,374	166,178	(28,097)	138,081	10,988	149,069
6	Income Taxes	<u>0</u>	<u>29,478</u>	<u>29,478</u>	<u>(29,478)</u>	<u>0</u>	<u>0</u>	<u>0</u>
7	Total Operating Expense	<u>1,196,582</u>	<u>290,017</u>	<u>1,486,599</u>	<u>(302,292)</u>	<u>1,184,307</u>	<u>10,988</u>	<u>1,195,295</u>
8	Operating Income	<u>(\$144,633)</u>	<u>\$251,620</u>	<u>\$106,987</u>	<u>(\$234,367)</u>	<u>(\$127,380)</u>	<u>\$233,198</u>	<u>\$105,818</u>
9	Rate Base	<u>(\$2,079,052)</u>		<u>\$1,317,586</u>		<u>\$1,198,373</u>		<u>\$1,198,373</u>
10	Rate of Return	<u>(6.96%)</u>		<u>8.12%</u>		<u>(10.63%)</u>		<u>8.83%</u>

Pluris Wedgefield, LLC.		Schedule No. 3-C	
Adjustments to Operating Income		Docket No. 20230083-WS	
Test Year Ended 12/31/22			
Explanation		Water	Wastewater
Operating Revenues			
1	To remove requested interim revenue increase.	(\$743,196)	(\$541,637)
2	To reflect the appropriate amount of test year revenues	<u>2,831</u>	<u>4,978</u>
	Total	<u>(\$740,365)</u>	<u>(\$536,659)</u>
Operation and Maintenance Expense			
1	To remove pro-forma expense	(\$237,010)	(\$237,010)
	Total	<u>(\$237,010)</u>	<u>(\$237,010)</u>
Depreciation Expense - Net			
1	To remove depreciation expense on non-U&U adjustment.	<u>(\$2,768)</u>	<u>(\$7,707)</u>
	Total	<u>(\$2,768)</u>	<u>(\$7,707)</u>
Taxes Other Than Income			
1	To remove RAFs on revenue increase.	(\$33,316)	(\$24,150)
2	To remove property taxes on non-U&U adjustments.	<u>(559)</u>	<u>(3,947)</u>
	Total	<u>(\$33,875)</u>	<u>(\$28,097)</u>
Income Taxes			
1	To remove income tax provision.	<u>(\$108,578)</u>	<u>(\$29,478)</u>
	Total	<u>(\$108,578)</u>	<u>(\$29,478)</u>

PLURIS WEDGEFIELD, LLC		SCHEDULE NO. 4-A		
TEST YEAR ENDED DECEMBER 31, 2022		DOCKET NO. 20230083-WS		
MONTHLY WATER RATES				
	Utility Current Rate	Utility Requested Interim Rates	Utility Requested Final Rates	Commission Approved Interim Rates
Residential Service				
Base Facility Charge by Meter Size				
5/8"X3/4"	\$28.10	\$41.03	\$47.12	\$35.30
3/4"	\$42.16	\$61.55	\$70.68	\$52.95
1"	\$70.26	\$102.58	\$117.80	\$88.25
1-1/2"	\$140.52	\$205.16	\$235.60	\$176.50
2"	\$224.84	\$328.27	\$376.96	\$282.40
3"	\$449.68	\$656.53	\$753.92	\$564.80
4"	\$702.62	\$1,025.83	\$1,178.00	\$882.50
6"	\$1,405.25	\$2,051.67	\$2,356.00	\$1,765.00
Gallonge Charge - Residential Service				
0 - 5,000 Gallons	\$8.86	\$12.94	\$14.86	\$11.13
5,001 - 10,000 Gallons	\$11.01	\$16.07	\$18.46	\$13.83
Over 10,000 Gallons	\$16.52	\$24.12	\$27.70	\$20.75
General and Irrigation Service				
Base Facility Charge by Meter Size				
5/8"X3/4"	\$28.10	\$41.03	\$47.12	\$35.30
3/4"	\$42.16	\$61.55	\$70.68	\$52.95
1"	\$70.26	\$102.58	\$117.80	\$88.25
1-1/2"	\$140.52	\$205.16	\$235.60	\$176.50
2"	\$224.84	\$328.27	\$376.96	\$282.40
3"	\$449.68	\$656.53	\$753.92	\$564.80
4"	\$702.62	\$1,025.83	\$1,178.00	\$882.50
6"	\$1,405.25	\$2,051.67	\$2,356.00	\$1,765.00
8"	\$2,528.88	\$3,692.16	\$4,240.80	\$3,177.00
Charge per 1,000 gallons - General Service and Irrigation	\$10.00	\$14.60	\$16.77	\$12.56
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>				
2,000 Gallons	\$45.82	\$66.91	\$76.84	\$57.56
4,000 Gallons	\$63.54	\$92.79	\$106.56	\$79.82
8,000 Gallons	\$105.43	\$153.94	\$176.80	\$132.44

PLURIS WEDGEFIELD, LLC		SCHEDULE NO. 4-B		
TEST YEAR ENDED DECEMBER 31, 2022		DOCKET NO. 20230083-WS		
MONTHLY WASTEWATER RATES				
	Utility Current Rate	Utility Requested Interim Rates	Utility Requested Final Rates	Commission Approved Interim Rates
Residential Service				
Base Facility Charge - All Meter Sizes	\$31.21	\$45.57	\$46.19	\$38.42
Charge Per 1,000 gallons				
8,000 gallon cap	\$4.57	\$6.67	\$6.76	\$5.63
General Service				
Base Facility Charge by Meter Size				
5/8" x 3/4"	\$31.21	\$45.57	\$46.19	\$38.42
3/4"	\$46.81	\$68.34	\$69.29	\$57.63
1"	\$78.01	\$113.89	\$115.48	\$96.05
1-1/2"	\$156.03	\$227.80	\$230.95	\$192.10
2"	\$249.64	\$364.47	\$369.25	\$307.36
3"	\$499.29	\$728.96	\$692.85	\$614.72
4"	\$780.14	\$1,139.00	\$1,154.75	\$960.50
6"	\$1,560.28	\$2,278.01	\$2,309.50	\$1,921.00
8"	\$2,808.69	\$4,100.69	\$4,157.10	\$3,457.80
Charge per 1,000 gallons	\$5.46	\$7.97	\$8.08	\$6.72
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>				
2,000 Gallons	\$40.35	\$58.91	\$59.71	\$49.68
4,000 Gallons	\$49.49	\$72.25	\$73.23	\$60.94
8,000 Gallons	\$67.77	\$98.93	\$100.27	\$83.46