



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

DATE: MAY 4, 2000

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BANKS)

FROM: DIVISION OF WATER AND WASTEWATER (FLETCHER, BINTZ, MERCHANT, WETHERINGTON, CROUCH) *el*
DIVISION OF LEGAL SERVICES (FUDGE, JAEGER) *el*

RE: DOCKET NO. 991643-SU - APPLICATION FOR INCREASE IN WASTEWATER RATES IN SEVEN SPRINGS SYSTEM IN PASCO COUNTY BY ALOHA UTILITIES, INC.
COUNTY: PASCO

AGENDA: MAY 16, 2000 - REGULAR AGENDA - DECISION ON INTERIM RATES - PARTICIPATION IS LIMITED TO COMMISSIONERS AND STAFF

CRITICAL DATES: 60-DAY SUSPENSION DATE: JUNE 3, 2000
8-MONTH EFFECTIVE DATE: DECEMBER 4, 2000

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\WAW\WP\991643I.RCM

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CASE BACKGROUND

Aloha Utilities, Inc. (Aloha or utility), is a Class A water and wastewater utility in Pasco County. The utility consists of two distinct service areas, Aloha Gardens and Seven Springs. These service areas are physically divided by U.S. Highway 19, the major north/south highway through Pinellas and Pasco County. The utility's service area is located within the Northern Tampa Bay Water Use Caution Area as designed by the Southwest Florida Water Management District (SWFWMD). Critical water supply concerns have been identified by SWFWMD within this area.

In its 1998 annual report, Aloha reported operating revenues of \$2,046,925 and \$3,340,293 for water and wastewater, respectively. In 1998, the utility served 11,732 water and 11,193 wastewater customers. Rate base was last established for Aloha's

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Seven Springs wastewater system by Order No. PSC-99-1917-PAA-WS, issued September 28, 1999, in Dockets Nos. 970536-WS and 980245-WS. This Order was consummated by Order No. PSC-99-2083-CO-WS, issued October 21, 1999.

On February 9, 2000, Aloha filed an application for an increase in rates for its Seven Springs wastewater system. The utility was notified of several deficiencies in the minimum filing requirements (MFRs) by staff. Those deficiencies were corrected and the official filing date was established as April 4, 2000, pursuant to Section 367.083, Florida Statutes.

Aloha's requested test year for interim purposes is the historical year ended September 30, 1999. The utility's requested test year for the setting of final rates is the projected year ended September 30, 2001. Also, the utility requested that this application be directly set for hearing. The case has been set for hearing in Pasco County on September 25 and 26, 2000.

In its MFRs, the utility has requested annual interim revenues of \$2,568,801. This represents a revenue increase of \$48,532 (or 1.92%). For final consideration, the utility has requested total revenues of \$4,374,495. This represents a revenue increase of \$1,593,501 (or 57.29%). The final revenues are based on the utility's request for an overall rate of return of 9.24%.

The sixty-day statutory deadline for the Commission to suspend the utility's requested rates is June 3, 2000. This recommendation addresses the suspension of Aloha's requested final rates and its interim request.

DISCUSSION OF ISSUES

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

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

STAFF ANALYSIS: Section 367.081(6), Florida Statutes, provides that the rates proposed by the utility shall become effective within sixty days after filing unless the Commission votes to withhold consent to 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 the Commission.

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

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

ISSUE 2: Should an interim rate increase be approved?

RECOMMENDATION: Based on the test year ending September 30, 1999, the utility was earning below the minimum of its authorized rate of return and would be entitled to increased interim revenues as indicated below.

	<u>Revenues</u>	<u>\$ Increase</u>	<u>% Increase</u>
Wastewater	\$2,500,310	\$9,039	0.36%

However, subsequent to the test year, the utility implemented a price index which increased its rates greater than 0.36%. Therefore, the utility is already charging rates greater than the rates that would result from the interim increase calculation, and thus no further increase is warranted at this time. (CROUCH, FLETCHER, JAEGER)

STAFF ANALYSIS: Aloha requested interim rates for its Seven Springs wastewater system to generate annual revenues of \$2,568,801. This amount represents an increase of \$48,532 (or 1.92%). The test year for interim rates is the historical year ended September 30, 1999. The utility filed rate base, cost of capital, and operating statements to support its requested increase. In its application, the utility has used a thirteen-month average to calculate its requested rate base and cost of capital. The utility is a Class A utility and filed its MFRs consistent with the averaging requirement of Rule 25-30.433, Florida Administrative Code.

Staff has reviewed the utility's interim request, as well as the prior rate proceeding order, and has made adjustments as discussed below. The attached accounting schedules illustrate staff's recommended rate base, capital structure, and test year operating income amounts. The rate base schedule is numbered 1-A, and the adjustments to rate base are shown on Schedule No. 1-B. The capital structure schedule is Schedule No. 2. The operating statement is Schedule No. 3-A, and the schedule of adjustments to operating statement is Schedule No. 3-B.

Pursuant to Section 367.082(5)(b)(1), Florida Statutes, the achieved rate of return for interim purposes shall be calculated by applying appropriate adjustments consistent with those used in the utility's most recent rate proceeding. The utility's most recent rate proceeding order was Order No. PSC-99-1917-PAA-WS, issued September 28, 1999, in Dockets Nos. 970536-WS and 980245-WS. This PAA Order was consummated by Order No. PSC-99-2083-CO-WS, issued

October 21, 1999. As addressed in this order, the utility disagreed with three of the Commission's adjustments in that case. Those adjustments included the disallowance of capitalized invoices previously expensed, the removal of an interest bearing cash operating account from working capital, and the reduction of officers' salaries and associated benefits and payroll taxes. The utility requested and the Commission agreed that the utility should be allowed to fully litigate its objections to those adjustments in its next rate case. However, the Commission specifically stated that those adjustments should be used for the calculation of interim rates and any earnings investigation pending the conclusion of any rate case.

RATE BASE

Capitalized Invoices Previously Expensed

As discussed earlier, the Commission disallowed the capitalization of invoices previously expensed. Specifically, this adjustment reduced plant by \$127,231. In its MFRs, the utility stated it included the \$127,231 amount and the associated \$59,861 of accumulated depreciation in its rate base. It also included the related depreciation expense of \$6,675 in its application. In accordance with the interim statute, staff recommends that plant, accumulated depreciation, and depreciation expense be reduced by \$127,231, \$59,861, and \$6,675, respectively.

Non-Used and Useful

Based on staff's review of the MFRs, the utility's treatment facilities are at 100% of their permitted capacity. This is supported by flow data which shows that average daily flows are near or exceeding permitted capacity. Further, all reuse facilities are 100% used and useful which is consistent with the treatment approved by the Commission in the utility's most recent reuse proceeding. See Order No. PSC-97-0280-FOF-WS, issued March 12, 1997, in Docket No. 950615-SU. The utility's collection system is only built to serve existing customers. Accordingly, staff believes that no used and useful adjustment is appropriate for interim purposes.

Working Capital Allowance

In its MFRs, Aloha calculated a working capital allowance of \$637,066 for the total company. The utility allocated its working capital allowance based on the ratio of operation & maintenance (O&M) expenses of each of its four divisions. The Seven Springs

wastewater system accounts for 40.34% of Aloha's total interim test year O&M expenses, which resulted in a \$256,992 working capital allocation for this system.

The utility included the thirteen-month average balance of its interest bearing cash operating account (\$555,738) to calculate its total company working capital. Aloha also included \$9,572 of interest income from its cash operating account in Seven Springs' above-the-line wastewater revenues. As previously stated, in the utility's last rate proceeding, the cash operating account was excluded from working capital and the interest income from its cash operating account was recorded below-the-line.

To comply with the interim statute, staff recommends that the cash operating account be excluded from working capital and the interest income from its cash operating account be recorded below-the-line. Based on the above, staff recommends that the utility's requested working capital for its Seven Springs wastewater system be reduced by \$224,184. This results in a working capital allowance of \$32,808 for interim purposes.

COST OF CAPITAL

In its MFRs, the utility used a thirteen-month average capital structure and made pro rata adjustments to all accounts except for customer deposits to reconcile the capital structure to rate base. The utility also used the minimum range of its last authorized rate of return on equity. Aloha calculated an overall rate of return of 9.19%.

Pursuant to Section 367.082(5)(b), Florida Statutes, the required rate of return shall be calculated using the last authorized rate of return on equity and the interim test year cost rates of other sources of capital. Further, the return on equity for an interim increase should be calculated using the lower end of the range of the utility's last authorized return on equity. Staff has reviewed the utility's capital structure and believes two adjustments are necessary for interim purposes. In its last rate proceeding, the Commission made pro rata adjustments to all components of capital, including customer deposits. As such, staff recommends that all sources be reconciled to comply with the interim statute.

Secondly, in its MFRs, the utility used cost rates of 10.82% and 10.75% for variable cost long-term debt issued by Linda L. Speer, a related party. In its application, Aloha used the prime interest rate as of February 2000 (when the MFRs were prepared)

plus 2% for this related party debt. Aloha's 10.82% cost rate included the amortization of issuing expense associated with this debt.

In the utility's last rate proceeding, the Commission approved a cost rate of prime plus 2 percent and did not address the recovery of any issuing expense related to this related party debt. Further, prime interest rates are reported on the first day of each month. Since the interim test year is the year ended September 30, 1999, staff believes that the prime rate of 7.90% should be used. This is a weighted cost of the prime rate during the interim test year. As such, staff recommends a cost rate of 9.90% for this related party debt. Thus, staff calculated a weighted average cost of long-term debt of 9.86% which is 90 basis points lower than the utility's requested rate of 10.76%.

Based on staff's recommended adjustments, Aloha's minimum overall rate of return should be 8.79%. This is a slight reduction from the utility's requested return of 9.19%.

NET OPERATING INCOME

Test Year Revenues

In its MFRs, the utility made a \$29,384 adjustment to correct test year revenues. This included \$19,426 associated with a price index which was implemented after the test year and \$9,958 to correct measured service revenues. Staff agrees with the utility that the measured revenue adjustment is appropriate.

Section 367.082(5)(b)(1), Florida Statutes, states that any rate changes which occurred during the interim test year must be annualized in order to calculate the achieved rate of return. Staff has reviewed the index adjustment and believes that in accordance with Section 367.082(5)(b)(1), Florida Statutes, the revenues from that increase cannot be considered in calculating the appropriate interim rate increase. Because the price index was implemented after the end of the interim test year, staff recommends that \$19,426 of annualized revenues associated with this price index should be removed from the test year revenues.

Operation & Maintenance Expense

In Aloha's last rate proceeding, the Commission limited the vice president's salary to 20 percent of the president's salary and set the secretary/treasurer's salary at \$42,000. The Commission also reduced benefits and payroll taxes related to these salary

reductions. In its MFRs, the utility stated that it did not make any of these adjustments for interim. To comply with the interim statute, staff recommends that officers' salaries, benefits, and payroll taxes should be reduced by \$20,783, \$7,128, and \$1,865, respectively.

Taxes Other Than Income

In the utility's last rate proceeding, the Commission reduced Aloha's tangible personal property and real estate taxes because the utility paid its taxes in December and did not take available discounts by paying its 1998 taxes in November. Specifically, the Commission reduced tangible personal property taxes by \$1,911 and real estate taxes by \$550. The interim statute requires that these adjustments be consistently applied to the interim test year period. Because the utility's 1998 taxes encompass three months of the interim test year and the fact that its 1999 taxes were paid a month after the interim test year, staff believes the exact dollar adjustments in the utility's last rate proceeding should be made for interim as well. Therefore, staff recommends that the utility's tangible personal property and real estate taxes should be reduced by \$1,911 and \$550, respectively.

REVENUE REQUIREMENT

Staff has calculated the interim revenue requirement using the actual operating expenses for the year ended September 30, 1999, as adjusted, and a minimum 8.79% rate of return on a thirteen-month average rate base. Based on the above, staff recommends that the appropriate interim revenue requirement is \$2,500,310, which represents an annual increase of \$9,039 (0.36%).

INTERIM RATES

The utility's current rates are a result of a recent Commission approved price index for Aloha's Seven Springs wastewater system. The current rates became effective on January 18, 2000. To generate the required \$9,039 interim increase and calculate the appropriate interim rates, staff has multiplied the 0.36% increase times the rates in effect during the test year. Based on these calculations, the interim rates are less than the utility's currently authorized rates (as increased by the price index), i.e., by implementing a price index the utility increased its rates greater than the indicated 0.36%. Therefore, the utility is already charging rates greater than would be the authorized interim increase, and no further increase is warranted at this time. The utility's test year rates, current rates, requested

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interim rates, and staff's calculated interim rates are shown on
Schedule No. 4.

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**ALOHA UTILITIES, INC., SEVEN SPRINGS SYSTEM
 SCHEDULE OF WASTEWATER RATE BASE
 INTERIM TEST YEAR ENDED 09/30/99**

**SCHEDULE NO. 1-A
 DOCKET 991643-SU**

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUST- MENTS	ADJUSTED TEST YEAR PER	STAFF ADJUST- MENTS	STAFF ADJUSTED TEST YEAR
1 UTILITY PLANT IN SERVICE	\$13,726,891	\$0	\$13,726,891	(\$127,231)	\$13,599,660
2 LAND	\$548,944	\$0	\$548,944	\$0	\$548,944
3 NON-USED & USEFUL COMPONENTS	\$0	\$0	\$0	\$0	\$0
4 ACCUMULATED DEPRECIATION	(\$3,416,846)	\$0	(\$3,416,846)	\$59,861	(\$3,356,985)
5 CIAC	(\$9,423,903)	\$0	(\$9,423,903)	\$0	(\$9,423,903)
6 AMORTIZATION OF CIAC	\$2,535,276	\$0	\$2,535,276	\$0	\$2,535,276
7 ACQUISITION ADJUSTMENTS - NET	\$0	\$0	\$0	\$0	\$0
8 ADVANCES FOR CONSTRUCTION	\$0	\$0	\$0	\$0	\$0
9 UNFUNDED POST-RETIRE. BENEFITS	\$0	\$0	\$0	\$0	\$0
10 DEFERRED INCOME TAXES	\$0	\$0	\$0	\$0	\$0
11 WORKING CAPITAL ALLOWANCE	\$0	\$256,992	\$256,992	(\$224,184)	\$32,808
12 OTHER	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
RATE BASE	<u>\$3,970,362</u>	<u>\$256,992</u>	<u>\$4,227,354</u>	<u>(\$291,554)</u>	<u>\$3,935,800</u>

**ALOHA UTILITIES, INC., SEVEN SPRINGS SYSTEM
ADJUSTMENTS TO RATE BASE
INTERIM TEST YEAR ENDED 09/30/99**

**SCHED. NO. 1-B
DOCKET 991643-SU**

EXPLANATION	WASTEWATER
<u>PLANT IN SERVICE</u> Reduce plant per Order No. PSC-99-1967-PAA-WS.	<u>(\$127,231)</u>
<u>LAND</u> None	<u>\$0</u>
<u>NON-USED AND USEFUL</u> None	<u>\$0</u>
<u>ACCUMULATED DEPRECIATION</u> Reduce accum. depr. per Order No. PSC-99-1967-PAA-WS.	<u>\$59,861</u>
<u>CIAC</u> None	<u>\$0</u>
<u>ACCUM. AMORT. OF CIAC</u> None	<u>\$0</u>
<u>WORKING CAPITAL</u> Reduce working capital per Order # PSC-99-1967-PAA-WS.	<u>(\$224,184)</u>

**ALOHA UTILITIES, INC. - SEVEN SPRINGS
CAPITAL STRUCTURE
INTERIM TEST YEAR ENDED 09/30/99**

**SCHEDULE NO. 2
DOCKET 991643-SU**

DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUSTMENTS (EXPLAIN)	PRO RATA ADJUSTMENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST		
PER									
1 LONG TERM DEBT	\$3,645,178	\$0	(\$1,463,692)	\$2,181,486	51.60%	10.76%	5.55%		
2 SHORT-TERM DEBT	\$61,538	\$0	(\$24,632)	\$36,906	0.87%	9.03%	0.08%		
3 PREFERRED STOCK	\$600,000	\$0	(\$240,965)	\$359,035	8.49%	9.12%	0.77%		
4 COMMON EQUITY	\$1,920,473	\$0	(\$770,760)	\$1,149,713	27.20%	9.12%	2.48%		
5 CUSTOMER DEPOSITS	\$215,795	\$0	\$0	\$215,795	5.10%	6.00%	0.31%		
6 DEFERRED INCOME TAXES	\$475,501	\$0	(\$191,082)	\$284,419	6.73%	0.00%	0.00%		
7 DEFERRED ITC'S-ZERO	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%		
8 DEFERRED ITC'S-WTD. COST	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%		
9 OTHER	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%		
10 TOTAL CAPITAL	<u>\$6,918,485</u>	<u>\$0</u>	<u>(\$2,691,131)</u>	<u>\$4,227,354</u>	<u>100.00%</u>		<u>9.19%</u>		
PER									
11 LONG TERM DEBT	\$3,645,178	\$0	(\$1,571,502)	\$2,073,676	52.69%	9.86%	5.20%		
12 SHORT-TERM DEBT	\$61,538	\$0	(\$26,530)	\$35,008	0.89%	9.03%	0.08%		
13 PREFERRED STOCK	\$600,000	\$0	(\$258,671)	\$341,329	8.67%	9.12%	0.79%		
14 COMMON EQUITY	\$1,920,473	\$0	(\$827,951)	\$1,092,522	27.76%	9.12%	2.53%		
15 CUSTOMER DEPOSITS	\$215,795	\$0	(\$93,033)	\$122,762	3.12%	6.00%	0.19%		
16 DEFERRED INCOME TAXES	\$475,501	\$0	(\$204,997)	\$270,504	6.87%	0.00%	0.00%		
17 DEFERRED ITC'S-ZERO	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%		
18 DEFERRED ITC'S-WTD. COST	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%		
19 OTHER	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%		
17 TOTAL CAPITAL	<u>\$6,918,485</u>	<u>\$0</u>	<u>(\$2,982,685)</u>	<u>\$3,935,800</u>	<u>100.00%</u>		<u>8.79%</u>		
					LOW	HIGH			
					RETURN ON EQUITY	<u>9.12%</u>	<u>11.12%</u>		
					OVERALL RATE OF RETURN	<u>8.79%</u>	<u>9.34%</u>		

**ALOHA UTILITIES, INC. - SEVEN
 STATEMENT OF WASTEWATER OPERATIONS
 INTERIM TEST YEAR ENDED 09/30/99**

**SCHEDULE NO. 3-A
 DOCKET 991643-SU**

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUST- MENTS	ADJUSTED TEST YEAR PER UTILITY	STAFF ADJUST- MENTS	STAFF ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	<u>\$2,490,885</u>	<u>\$77,916</u>	<u>\$2,568,801</u>	<u>(\$77,530)</u>	<u>\$2,491,271</u>	<u>\$9,039</u> 0.36%	<u>\$2,500,310</u>
2 OPERATING EXPENSES							
OPERATION & MAINTENANCE	\$1,677,897	(\$100,161)	\$1,577,736	(\$27,911)	\$1,549,825	\$0	\$1,549,825
3 DEPRECIATION	\$174,599	\$0	\$174,599	(\$6,675)	\$167,924	\$0	\$167,924
4 AMORTIZATION	(\$38,622)	\$0	(\$38,622)	\$0	(\$38,622)	\$0	(\$38,622)
5 TAXES OTHER THAN INCOME	\$400,644	\$3,283	\$403,927	(\$7,815)	\$396,112	\$407	\$396,519
6 INCOME TAXES	<u>\$62,667</u>	<u>\$0</u>	<u>\$62,667</u>	<u>\$12,981</u>	<u>\$75,648</u>	<u>\$3,248</u>	<u>\$78,896</u>
7 TOTAL OPERATING EXPENSES	<u>\$2,277,185</u>	<u>(\$96,878)</u>	<u>\$2,180,307</u>	<u>(\$29,420)</u>	<u>\$2,150,887</u>	<u>\$3,655</u>	<u>\$2,154,542</u>
8 OPERATING INCOME	<u>\$213,700</u>	<u>\$174,794</u>	<u>\$388,494</u>	<u>(\$48,111)</u>	<u>\$340,383</u>	<u>\$5,384</u>	<u>\$345,767</u>
9 RATE BASE	<u>\$3,970,362</u>		<u>\$4,227,354</u>		<u>\$3,935,800</u>		<u>\$3,935,800</u>
10 RATE OF RETURN	<u>5.38%</u>		<u>9.19%</u>		<u>8.65%</u>		<u>8.79%</u>

**ALOHA UTILITIES, INC. - SEVEN SPRINGS SYSTEM
 ADJUSTMENTS TO OPERATING INCOME
 INTERIM TEST YEAR ENDED 09/30/99**

**SCHED. NO. 3-B
 DOCKET 991643-SU**

EXPLANATION	WASTEWATER
<u>OPERATING REVENUES</u>	
1 Remove interest income on cash operating acct.	(\$9,572)
2 Remove after test year annualized index adjustment.	(19,426)
3 Remove utility requested revenue increase.	(48,532)
Total	<u>(\$77,530)</u>
<u>OPERATION & MAINTENANCE EXPENSE</u>	
1 Reduce officers salaries.	(\$20,783)
2 Reduce pensions & benefits.	(7,128)
Total	<u>(\$27,911)</u>
<u>DEPRECIATION EXPENSE-NET</u>	
Reduce depreciation expense.	<u>(\$6,675)</u>
<u>TAXES OTHER THAN INCOME</u>	
1 RAFs on corrected test year revenues.	(\$3,489)
2 Reduce payroll taxes.	(1,865)
3 Reduce tangible property taxes.	(1,911)
4 Reduce real estate property taxes.	(550)
Total	<u>(\$7,815)</u>
<u>INCOME TAXES</u>	
To adjust to test year income tax expense.	<u>\$75,648</u>

**ALOHA UTILITIES, INC. - SEVEN SPRINGS SYSTEM
 WASTEWATER MONTHLY SERVICE RATES
 INTERIM TEST YEAR ENDED 09/30/99**

**SCHEDULE NO. 4
 DOCKET 991643-SU**

	Rates As of 09/30/99	Rates As of 01/18/00	Utility Requested Interim	Staff Calculated Interim
<u>Residential</u>				
Base Facility Charge:				
Meter Size 5/8"X3/4"	\$8.93	\$8.99	\$9.16	\$8.96
Gallage Charge - Per 1,000 gallons (10,000 gallon cap)	\$2.30	\$2.32	\$2.36	\$2.31
<u>General Service</u>				
Base Facility Charge:				
Meter Size 5/8"X3/4"	\$8.93	\$8.99	\$9.16	\$8.96
1"	\$22.33	\$22.48	\$22.91	\$22.41
1 1/2"	\$44.66	\$44.96	\$45.83	\$44.82
2"	\$71.46	\$71.94	\$73.33	\$71.72
3"	\$142.92	\$143.88	\$146.65	\$143.43
4"	\$223.25	\$224.75	\$229.08	\$224.05
6"	\$446.63	\$449.62	\$458.28	\$448.24
8"	\$714.60	\$719.39	\$733.24	\$717.17
Gallage Charge, per 1,000	\$2.76	\$2.78	2.83	\$2.77
<u>Reclaimed Water</u>				
Mitchell Property	\$0.00	\$0.00	\$0.00	\$0.00
All Others	\$0.25	\$0.25	\$0.25	\$0.25
<u>Typical Residential Bills</u>				
5/8" Meter Size				
3,000 Gallons	\$15.83	\$15.95	\$16.24	\$15.89
5,000 Gallons	\$20.43	\$20.59	\$20.96	\$20.50
10,000 Gallons	\$31.93	\$32.19	\$32.76	\$32.04
(Wastewater Gallage Cap - 10,000 Gallons)				