

1                                    **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **In re: Applications For An Amendment            )**  
3 **Of Certificate For An Extension                    )**  
4 **Of Territory And For an Original                   )**  
5 **Water And Wastewater Certificate                )**  
6 **(for a utility in existence and charging        )**  
7 **for service)    )**

**Docket No. 992040-WS**

8 **In re: Application by Nocatee Utility            )**  
9 **Corporation for Original Certificates for       )**  
10 **Water & Wastewater Service in Duval           )**  
11 **and St. Johns Counties, Florida                )**

**Docket No. 990696-WS**

12                                    **Supplemental Intervenor's Testimony of Michael E. Burton**

13 Q: Are you the same Michael E. Burton who has previously filed testimony in this case?

14 A: Yes I am.

15 Q: What have you reviewed in preparation for your participation in this case.

16 A: I have reviewed the testimony and exhibits previously filed in this case.

17 Q: Have you also reviewed specifically the Supplemental Direct Testimonies of Douglas Miller  
18 and Ms. Deborah Swain, filed July, 2000 on behalf of Nocatee Utility Corporation (NUC)  
19 in this proceeding?

20 A: Yes I have.

21 Q: Were there portions of these testimonies that caused you concerns?

22 A: Yes. Ms. Swain's testimony include a rate comparison of NUC's new rates, as adjusted for  
23 the final terms of the wholesale service agreement with the JEA with Intercoastal's current  
24 rates. The rate comparisons presented in her Exhibit DDS-12, Page 2, actually are  
25 comparisons of monthly water and wastewater bills of a single family residential customer  
with a 5/8 x 3/4 inch meter at various levels of water usage.

Ms. Swains's comparison includes assumed monthly water usages of 3,000 gallons per  
month, 5,000 gallons per month, 5,333 gallons per month, 10,000 gallons per month and

DOCUMENT NUMBER-DATE

01221 JAN 26 05

1 25,000 gallons per month. If one examines the results of Ms. Swain's comparison, for a  
2 customer with both water and wastewater service, the total monthly water and wastewater  
3 bill would be 1) lower for NUC than for Intercoastal at the assumed water usages of 3,000,  
4 5,000 and 5,333 gallons per month, 2) slightly higher for NUC than for Intercoastal at the  
5 assumed water usage of 10,000 gallons per month, and 3) significantly higher for NUC than  
6 for Intercoastal at the assumed water usage of 25,000 gallons per month.

7 The problem that I have with this comparison is that the only relevant ranges of water usage  
8 for comparison are 10,000 gallons per month and higher. Three of the assumed water  
9 usages, namely 3,000, 5,000, 5,333 gallons per month show that NUC's rates result in lower  
10 monthly bills than would Intercoastal's. However, this is misleading because these ranges  
11 of water usage are not relevant for comparison because the water usage for the vast majority  
12 of single family residential customers in the Nocatee development will be significantly  
13 greater than that.

14 Q: How do you know that?

15 A: Well, for one thing, NUC's own engineers have prepared usage projections for the phasing  
16 of the Nocatee development which show that a single family residential customer is expected  
17 to use 350 gallons per day of water. This converts to 10,646 gallons per month (350 gpd x  
18 365 days per year / 12 months per year).

19 Q: Do you think that is a reasonable expectation of water usage for a single family residential  
20 customer?

21 A: Yes, for planning purposes.

22 Q: Can it be tested or verified in any way?

23 A: Yes. Intercoastal's service area includes a number of single family residential developments  
24 in the western portion of its service area along SR 210, between Highway A1A and the  
25 Intracoastal Waterway. I have included Exhibit MB-4 which presents the results of a bill

1 frequency analysis of Sawmill Lakes, one of these subdivisions. This analysis shows that  
2 the actual water usage of single family customers similar to the single family customers that  
3 will live in Nocatee is considerably higher than even the 10,646 gallon per month planning  
4 estimate used by NUC.

5 Q: Would you please explain the results of the analysis shown in Exhibit MB-4?

6 A: Exhibit MB-4 presents the graphical results of what is commonly referred to as a bill  
7 frequency analysis. This analysis compiles the number of bills issued at 1,000 gallon  
8 increments from 0 gallons per month usage to the largest gallons per month for which a bill  
9 was issued. For single family residential customers the number of bills issued for usage over  
10 50,000 gallons per month is very small so the graphical representations of a bill frequency  
11 analysis are typically limited to the most relevant range of usage, which is what I have done  
12 in Exhibit MB-4.

13 The results of this analysis, as presented in Exhibit MB-4, Page 1 of 3 show that in Sawmill  
14 Lakes, 77.5% of all bills issued were for usage greater than 10,000 gallons per month.  
15 Furthermore, 50% of all bills issued were for usage greater than 15,000 gallons per month  
16 and the average usage is 18,000 gallons per month.

17 Based upon this analysis and the rate comparisons presented in Exhibit MB-7, Intercoastal's  
18 rates will result in lower monthly water and wastewater bills than NUC's rates for over  
19 77.5% of all single family residential customers in Nocatee.

20 Looked at another way, the results of Exhibit MB-4, Page 2 of 3 show that if one considered  
21 the "proper bill comparison range" to be that range which comprised 60% of the bills issued,  
22 with 20% falling below that range and 20% falling above that range, that range would be  
23 from 9,500 to 26,500 gallons per month.

24 Based upon this analysis and the rate comparisons presented in Exhibit MB-7, Intercoastal's  
25 rates will result in lower monthly water and wastewater bills than NUC's rates for all single

1 family residential customers with usage in that range.

2 Exhibit MB-4, Page 3 of 3 shows that if the definition of the “proper bill comparison range”  
3 were that range which comprised 80% of the bills issued, with 10% falling below that range  
4 and 10% falling above that range, that range would be from 7,000 to 30,000 gallons per  
5 month.

6 Based upon this analysis and the rate comparisons presented in Exhibit MB-7, NUC’s rates  
7 will result in slightly lower monthly water and wastewater bills than Intercoastal’s rates for  
8 single family residential customers with usage at the lowest end of that range but the vast  
9 majority, approximately 90%, of the customers with usage in that range would have lower  
10 bills with Intercoastal’s rates than with NUC’s rates.

11 Q: This is quite different from your original testimony which stated that the average single  
12 family residential usage in the Intercoastal service area is 5,333 gallons per month. How do  
13 you explain the difference?

14 A: When looked at for the entire Intercoastal service area, the average single family residential  
15 usage is 5,333 gallons per month. However, this includes a large number of individually  
16 metered condominiums that actually exhibit usage characteristics more like multi-family  
17 users. Also, most of these condos are located in the resort area of Intercoastal’s service area  
18 in the Ponte Vedra Beach and Sawgrass area and include the effects of seasonal occupancy,  
19 which always causes an average usage to be lower than if there were year round occupancy.

20 Q: Then, you believe that the usage in Sawmill Lakes is more representative of the usage to be  
21 expected from Nocatee?

22 A: Yes. In fact, I have included in Exhibit MB-5 pictures of three typical single family homes  
23 that are located in Sawmill Lakes and the other subdivisions in the western portion of  
24 Intercoastal’s service area. I believe that based upon what has been presented regarding the  
25 nature of the Nocatee development, these homes are representative of the types of homes that

1 will be constructed in Nocatee. Furthermore, based upon all accounts of the Nocatee  
2 development, it will be an extensive residential community, not a resort destination.  
3 Therefore, one would expect year round occupancy.

4 Q: Is there any concrete evidence that the Nocatee development will be predominantly a  
5 residential community?

6 A: Yes. I have included Exhibit MB-6 which includes an analysis of the first two phases of the  
7 Nocatee development in terms of projected water demands by the types of land uses expected  
8 in Nocatee.

9 Q: What is the source of this analysis?

10 A: The projected water usage by land use type presented on page 3 of Exhibit MB-6 was  
11 provided to my by Jim Miller, Intercoastal's engineer in this case. It is my understanding  
12 that Jim Miller obtained this information from an analysis of NUC's engineers.

13 Q: What does Exhibit MB-6 show?

14 A: It shows that based upon the water demand analysis of NUC's engineers, single family  
15 residential customers will comprise 72.33% of the water demands and 68.75% of the  
16 wastewater flows or approximately 70% of the combined water and wastewater demands in  
17 the development. This is based upon conversion of the water and wastewater demands of  
18 NUC's engineers to ERCs by land use type using NUC's assumed demands per ERC of 350  
19 gallons per day for water and 280 gallons per day for wastewater.

20 Q: Can you summarize your conclusions regarding the testimony you have just given?

21 A: Simply stated, I believe that the documentation provided in my testimony and exhibits  
22 clearly supports the conclusion that any comparisons of the effects of the rates of Intercoastal  
23 and the rates of NUC upon the monthly bills of customers 1) should focus on the single  
24 family residential class as it will be the predominant land use in Nocatee, 2) must consider  
25 that the predominant amount of billed water usage for such comparisons should be at least

1 10,000 gallons per month, and 3) Intercoastal's rates are lower than NUC's rates in all  
2 relevant ranges of expected water usage from 10,000 gallons per month and higher.

3 Q: Do you have any other concerns regarding Ms. Swain's testimony?

4 A: Yes. Ms. Swain's Exhibit DDS-12 presents a rate comparison of NUC's rates and  
5 Intercoastal's rates, assuming Intercoastal's rates today. Her testimony also indicates that  
6 NUC's proposed rates are set based upon year four, when build out is expected to be 80%.  
7 However, I have provided extensive testimony that supports the projection that Intercoastal's  
8 rates will be significantly lower by 2005 if awarded this service area extension. In fact, the  
9 analysis presented in my rebuttal testimony showed that if Intercoastal "stood in NUC's  
10 shoes" with regard to their contract with the JEA and implemented NUC's service plan,  
11 Intercoastal's rates would result in a monthly water and wastewater bill of \$64.62 in 2005  
12 for 10,000 gallons per month water usage, compared to NUC's rate of \$79.71 per month for  
13 the same usage, a rate which is 23.4% higher than Intercoastal's rate.

14 I believe that the valid comparison would be to compare the effects of NUC's and  
15 Intercoastal's rates for ten years from the beginning of the development. Since NUC has not  
16 provided testimony as to their projected rates beyond 2005, such a multi year comparison can  
17 only be made through 2005. I have prepared such a comparison which is presented in  
18 Exhibit MB-7.

19 Exhibit MB-7 shows that in 2000 Intercoastal's current and projected water and sewer rates  
20 are less than NUC's rates for all water usage 10,000 gallons per month and greater, and in  
21 2005 Intercoastal's rates are projected to be significantly lower than NUC's rates for all  
22 water usage 10,000 gallons per month and greater.

23 Q: Have you analyzed the effects of the changes that Ms. Swain made to NUC's rates based  
24 upon the final wholesale service agreement with the JEA?

25 A: Yes. It is interesting that the final terms of the JEA agreement result in rates for NUC that

1 virtually equal the Intercoastal rates at 10,000 gallons per month of water usage, the amount,  
2 as I have testified earlier, that NUC's engineers used in calculating projected water demands.  
3 Without the Intercoastal alternative, I wonder if the terms of the final agreement would have  
4 had the same result.

5 Q: Will the terms of the final JEA wholesale service agreement affect your analysis of  
6 Intercoastal's rates, and if so how?

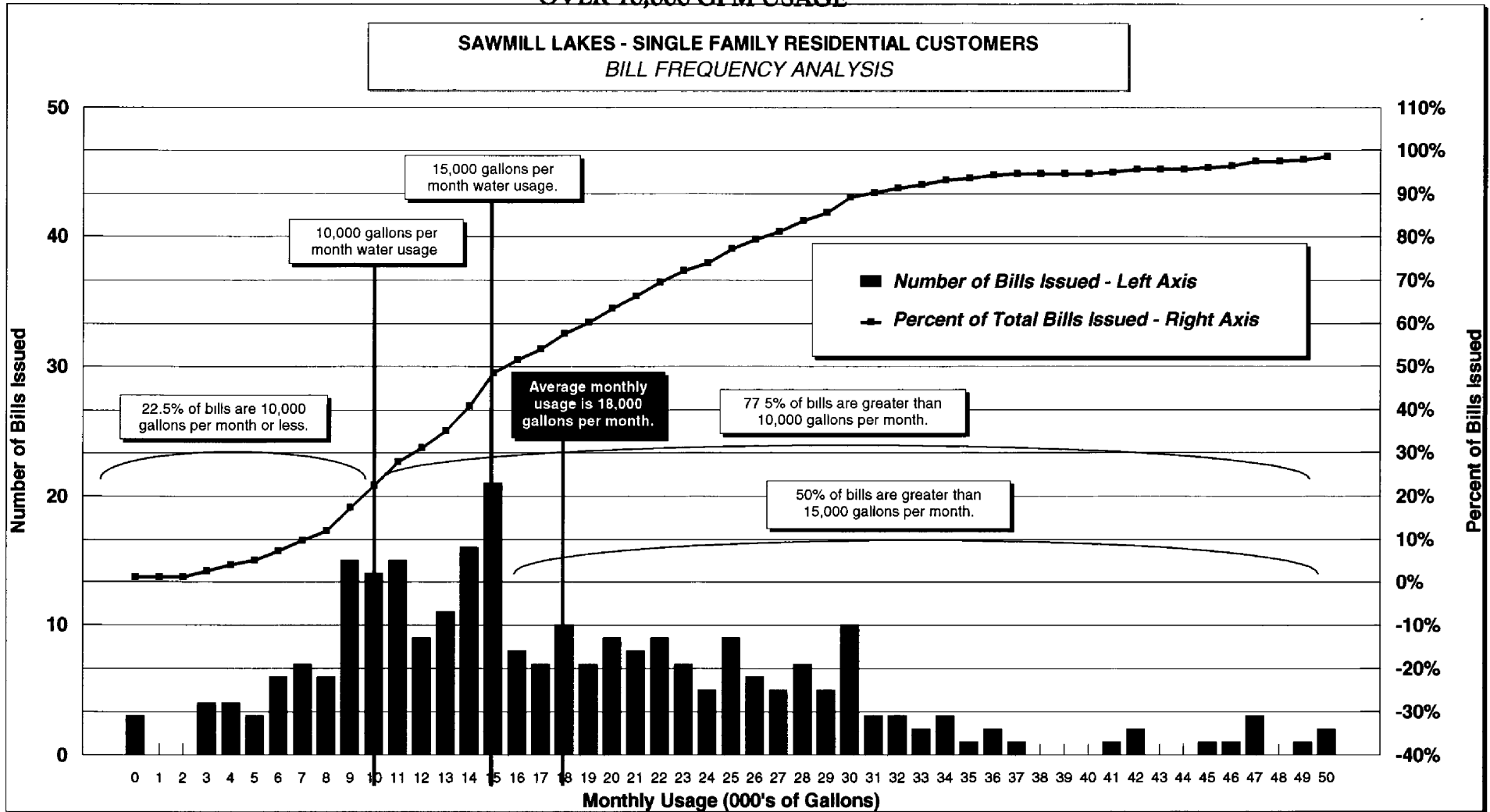
7 A: Yes. The terms of the JEA agreement would result in a reduction in the Intercoastal rates  
8 projected in my prior rebuttal testimony of approximately .5% in the scenario where  
9 Intercoastal would implement NUC's wholesale plan of service. However, the terms of the  
10 JEA wholesale agreement would obviously not effect Intercoastal's stand alone plan of  
11 service, which still would result in rates in 2005 for 10,000 gallons per month of water usage  
12 of \$71.84, an amount that is approximately 10% lower than NUC's rates of \$79.71 at the  
13 same usage. This fact, that Intercoastal has a viable service plan alternative that is not  
14 dependent upon the JEA and which still results in rates that are lower than NUC's proposed  
15 rates, should give the rate payers in the Nocatee service area comfort and should be  
16 compelling evidence to the Commission that Intercoastal will provide quality utility service  
17 to this service area at the lowest possible cost to the rate payer.

18 Q: Does this conclude your testimony?

19 A: Yes.

20  
21  
22  
23  
24  
25 Intercoa\psc\supp interv-burton.tmy

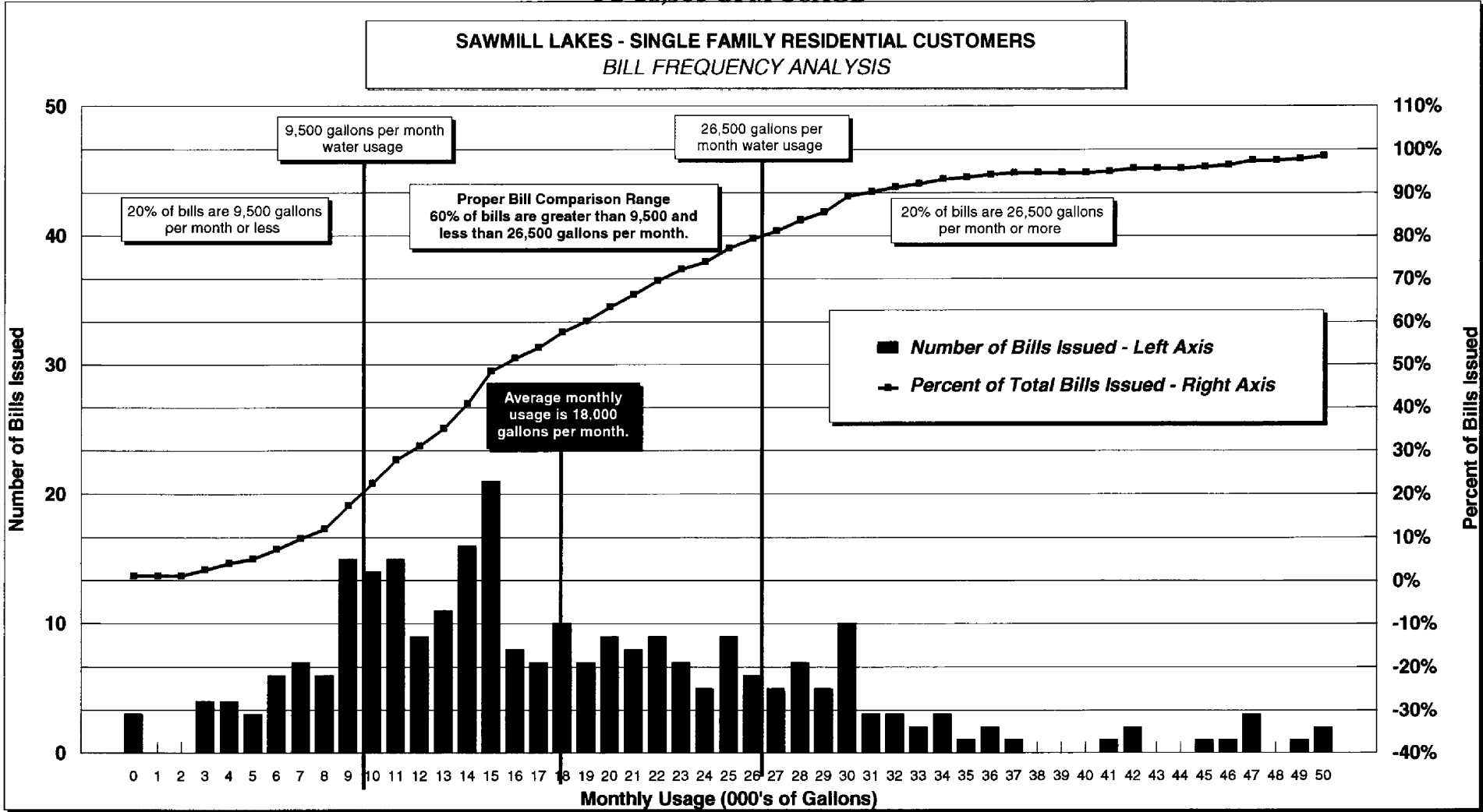
**INTERCOASTAL UTILITIES, INC.**  
**ANALYSIS OF TYPICAL SINGLE FAMILY RESIDENTIAL WATER USAGE PROFILE**  
**COMPARISON RANGE -**  
**OVER 10,000 GPM USAGE**



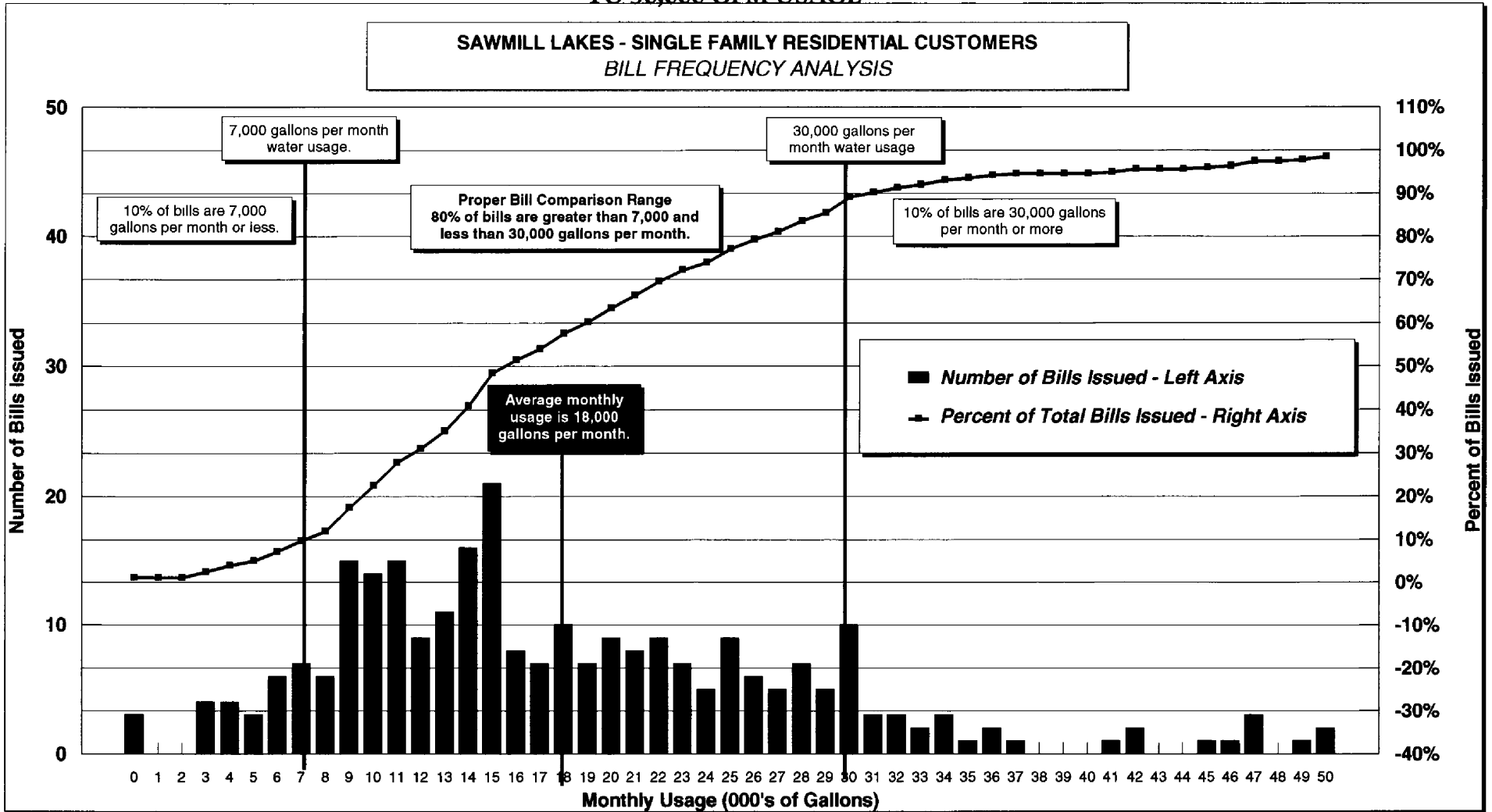
SOURCE: BURTON & ASSOCIATES  
 C:\DATA\123\ICU\REBUT\SUMM16 WK4



**INTERCOASTAL UTILITIES, INC.**  
**ANALYSIS OF TYPICAL SINGLE FAMILY RESIDENTIAL WATER USAGE PROFILE**  
**COMPARISON RANGE - 9,500**  
**TO 26,500 GPM USAGE**



**INTERCOASTAL UTILITIES, INC.**  
**ANALYSIS OF TYPICAL SINGLE FAMILY RESIDENTIAL WATER USAGE PROFILE**  
**COMPARISON RANGE - 7,000**  
**TO 30,000 GPM USAGE**

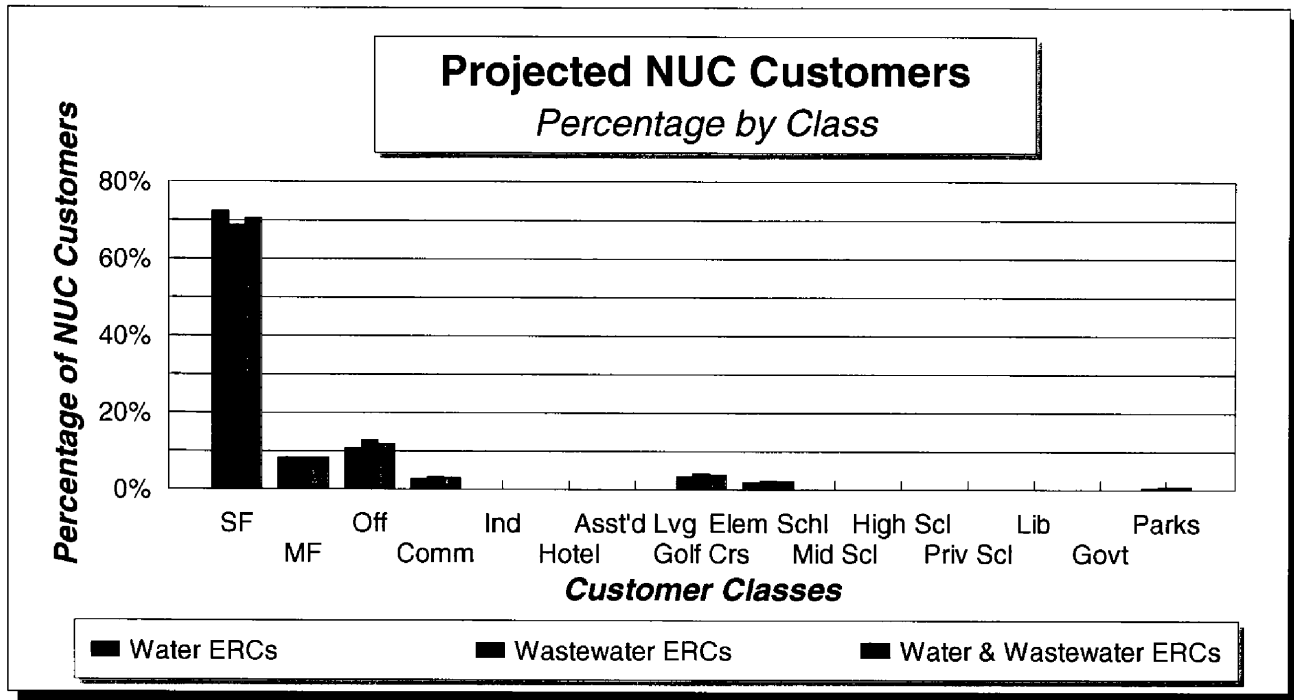


**INTERCOASTAL UTILITIES, INC.**  
***TYPICAL SINGLE FAMILY HOMES IN THE WESTERN PORTION OF***  
***INTERCOASTAL'S SERVICE AREA***



**INTERCOASTAL UTILITIES, INC.  
SERVICE AREA CASE**

**ERU PROJECTIONS FROM NUC PHASING SCHEDULE**



**Average single family residential water usage @ 350 gallons per day is projected to be 10,646 gallons per month**

**SOURCE: DATA; NUC ANALYSIS; BURTON & ASSOCIATES**  
C:\DATA\123\ICU\REBUT\BURTON-1.WK4

01/09/2001

**INTERCOASTAL UTILITIES, INC.  
SERVICE AREA CASE**

**ERU PROJECTIONS FROM NUC PHASING SCHEDULE**

| <b>Water</b>      | 350 gpd per ERC |                |              |                |
|-------------------|-----------------|----------------|--------------|----------------|
|                   | Phase 1         |                | Phase 2      |                |
|                   | ERCs            | % of Phase 1   | ERCs         | % of Phase 2   |
| Single Family     | 1,500           | 72.33%         | 2,000        | 62.08%         |
| Multifamily       | 171             | 8.27%          | 514          | 15.96%         |
| Office Space      | 223             | 10.77%         | 392          | 12.18%         |
| Commercial        | 57              | 2.76%          | 86           | 2.66%          |
| Industrial        | 0               | 0.00%          | 36           | 1.11%          |
| Hotel             | 0               | 0.00%          | 0            | 0.00%          |
| Assisted Living   | 0               | 0.00%          | 64           | 2.00%          |
| Golfcourse        | 71              | 3.44%          | 71           | 2.22%          |
| Elementary School | 40              | 1.93%          | 40           | 1.24%          |
| Middle School     | 0               | 0.00%          | 0            | 0.00%          |
| High School       | 0               | 0.00%          | 0            | 0.00%          |
| Private School    | 0               | 0.00%          | 0            | 0.00%          |
| Library           | 0               | 0.00%          | 0            | 0.00%          |
| County Annex      | 0               | 0.00%          | 0            | 0.00%          |
| Parks             | 11              | 0.51%          | 18           | 0.55%          |
| <b>Total</b>      | <b>2,074</b>    | <b>100.00%</b> | <b>3,222</b> | <b>100.00%</b> |

| <b>Wastewater</b> | 280 gpd per ERC |                |              |                |
|-------------------|-----------------|----------------|--------------|----------------|
|                   | Phase 1         |                | Phase 2      |                |
|                   | ERCs            | % of Phase 1   | ERCs         | % of Phase 2   |
| Single Family     | 1,500           | 68.75%         | 2,000        | 58.48%         |
| Multifamily       | 179             | 8.18%          | 536          | 15.67%         |
| Office Space      | 279             | 12.80%         | 490          | 14.34%         |
| Commercial        | 71              | 3.27%          | 107          | 3.13%          |
| Industrial        | 0               | 0.00%          | 45           | 1.31%          |
| Hotel             | 0               | 0.00%          | 0            | 0.00%          |
| Assisted Living   | 0               | 0.00%          | 80           | 2.35%          |
| Golfcourse        | 89              | 4.09%          | 89           | 2.61%          |
| Elementary School | 50              | 2.29%          | 50           | 1.46%          |
| Middle School     | 0               | 0.00%          | 0            | 0.00%          |
| High School       | 0               | 0.00%          | 0            | 0.00%          |
| Private School    | 0               | 0.00%          | 0            | 0.00%          |
| Library           | 0               | 0.00%          | 0            | 0.00%          |
| County Annex      | 0               | 0.00%          | 0            | 0.00%          |
| Parks             | 13              | 0.61%          | 22           | 0.65%          |
| <b>Total</b>      | <b>2,182</b>    | <b>100.00%</b> | <b>3,420</b> | <b>100.00%</b> |

SOURCE: DATA; NUC ANALYSIS; BURTON & ASSOCIATES

C:\DATA\123\NCU\REBUT\BURTON-1 WK4

01/09/2001

**INTERCOASTAL UTILITIES, INC.  
SERVICE AREA CASE**

***NUC Phasing 10/18/99***

| Phase 1           | Unit        | Value   | Water      |         | Wastewater |         | Reclaimed Water |         |
|-------------------|-------------|---------|------------|---------|------------|---------|-----------------|---------|
|                   |             |         | Usage Rate | Total   | Usage Rate | Total   | Usage Rate      | Total   |
| Single Family     | gpd         | 1,500   | 350        | 525,000 | 280        | 420,000 | 224.75          | 337,125 |
| Multifamily       | gpd         | 200     | 300        | 60,000  | 250        | 50,000  | 66.67           | 13,334  |
| Office Space      | gpd/sqft    | 521,200 | 0.15       | 78,180  | 0.15       | 78,180  | 0.1             | 52,120  |
| Commercial        | gpd/sqft    | 100,000 | 0.2        | 20,000  | 0.2        | 20,000  | 0.1             | 10,000  |
| Industrial        | gpd/sqft    | 0       | 0.1        | 0       | 0.1        | 0       | 0.1             | 0       |
| Hotel             | gpd/room    | 0       | 125        | 0       | 125        | 0       | 1,000           | 62,000  |
| Assisted Living   | gpd/bed     | 0       | 125        | 0       | 125        | 0       | 1,000           | 62,000  |
| Golfcourse        | gpd/acre    | 200     | 25,000     | 25,000  | 25,000     | 25,000  | 3,250           | 650,000 |
| Elementary School | gpd/student | 700     | 20         | 14,000  | 20         | 14,000  | 1,000           | 20,000  |
| Middle School     | gpd/student | 0       | 25         | 0       | 25         | 0       | 1,000           | 0       |
| High School       | gpd/student | 0       | 25         | 0       | 25         | 0       | 1,000           | 0       |
| Private School    | gpd/student | 0       | 20         | 0       | 20         | 0       | 1,000           | 0       |
| Library           | gpd/sqft    | 0       | 0.15       | 0       | 0.15       | 0       | 0.1             | 0       |
| County Annex      | gpd/sqft    | 0       | 0.15       | 0       | 0.15       | 0       | 0.1             | 0       |
| Parks             | gpd/acre    | 37      | 100        | 3,700   | 100        | 3,700   | 1,000           | 37,000  |
| Phase 2           | Unit        | Value   | Water      |         | Wastewater |         | Reclaimed Water |         |
| Single Family     | gpd         | 2,000   | 350        | 700,000 | 280        | 560,000 | 224.75          | 449,500 |
| Multifamily       | gpd         | 600     | 300        | 180,000 | 250        | 150,000 | 66.67           | 40,002  |
| Office Space      | gpd/sqft    | 915,500 | 0.15       | 137,325 | 0.15       | 137,325 | 0.1             | 91,550  |
| Commercial        | gpd/sqft    | 150,000 | 0.2        | 30,000  | 0.2        | 30,000  | 0.1             | 15,000  |
| Industrial        | gpd/sqft    | 125,000 | 0.1        | 12,500  | 0.1        | 12,500  | 0.1             | 12,500  |
| Hotel             | gpd/room    | 0       | 125        | 0       | 125        | 0       | 1,000           | 62,000  |
| Assisted Living   | gpd/bed     | 180     | 125        | 22,500  | 125        | 22,500  | 1,000           | 62,000  |
| Golfcourse        | gpd/acre    | 0       | 25,000     | 25,000  | 25,000     | 25,000  | 3,250           | 0       |
| Elementary School | gpd/student | 700     | 20         | 14,000  | 20         | 14,000  | 1,000           | 20,000  |
| Middle School     | gpd/student | 0       | 25         | 0       | 25         | 0       | 1,000           | 0       |
| High School       | gpd/student | 0       | 25         | 0       | 25         | 0       | 1,000           | 0       |
| Private School    | gpd/student | 0       | 20         | 0       | 20         | 0       | 1,000           | 0       |
| Library           | gpd/sqft    | 0       | 0.15       | 0       | 0.15       | 0       | 0.1             | 0       |
| County Annex      | gpd/sqft    | 0       | 0.15       | 0       | 0.15       | 0       | 0.1             | 0       |
| Parks             | gpd/acre    | 62      | 100        | 6,200   | 100        | 6,200   | 1,000           | 62,000  |

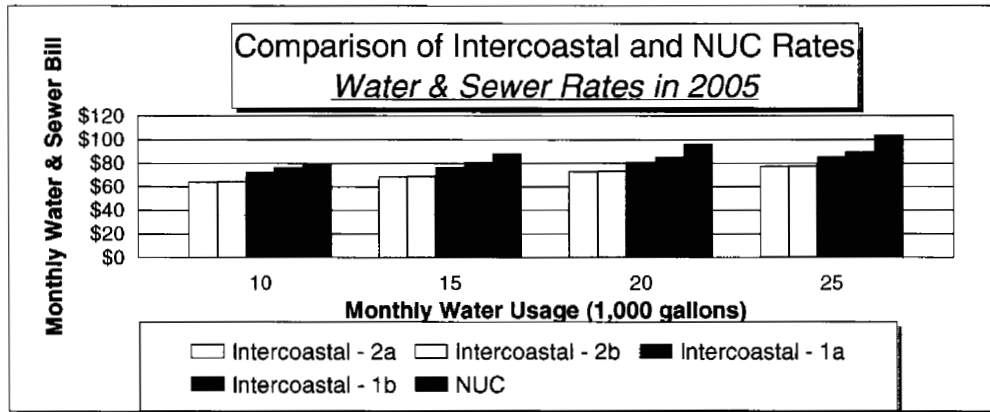
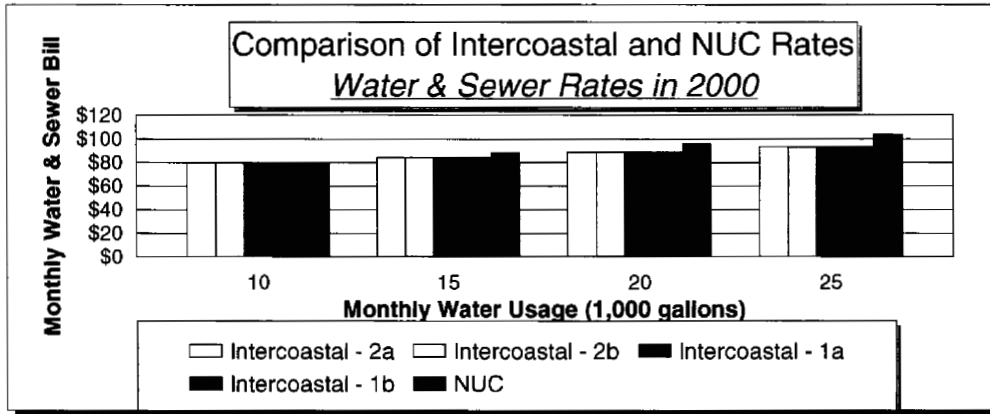
SOURCE: NUC

C:\DATA\123\UC\REBUT\BURTON-1 WK4

01/09/2001

**INTERCOASTAL UTILITIES, INC.  
SERVICE AREA CASE**

**COMPARISON OF INTERCOASTAL AND NUC RATES**



| Scenario          | Description  |
|-------------------|--|
| Intercoastal - 1a | Intercoastal Utilities - "Assume Implementation of Intercoastal's Stand Alone Service Plan" with 100% Debt / 0% Equity |
| Intercoastal - 1b | Intercoastal Utilities - "Assume Implementation of Intercoastal's Stand Alone Service Plan" with 60% Debt / 40% Equity |
| Intercoastal - 2a | Intercoastal Utilities- "Assume Implementation of NUC's JEA Wholesale Service Plan" with 100% Debt / 0% Equity         |
| Intercoastal - 2b | Intercoastal Utilities- "Assume Implementation of NUC's JEA Wholesale Service Plan" with 60% Debt / 40% Equity         |
| NUC               | NUC - JEA Wholesale Service Plan   |

**SOURCE: DATA; NUC & INTERCOASTAL  
ANALYSIS; BURTON & ASSOCIATES**

**INTERCOASTAL UTILITIES  
RECLAIMED WATER SYSTEM  
COMPARISON OF AVERAGE WATER AND WASTEWATER BILLS FOR INTERCOASTAL AND NUC**

2000

| <b>TOTAL WATER BILL - 2000</b>           |   |   |  |   |         |          |
|--|---|---|--|---|---------|----------|
| SELECTED SCENARIOS                       |   |   |  |   |         |          |
| USAGE                                    | ICU - STAND ALONE -<br>100% DEBT / 0%<br>EQUITY | ICU - STAND ALONE -<br>60% DEBT / 40%<br>EQUITY | ICU - NUC PLAN -<br>100% DEBT / 0%<br>EQUITY | ICU - NUC PLAN - 60%<br>DEBT / 40% EQUITY | NUC     |          |
| 10,000                                   | \$15.81   | \$15.81   | \$15.81                                      | \$15.81                                   | \$15.81 | \$23.80  |
| 15,000                                   | \$20.26   | \$20.26   | \$20.26                                      | \$20.26                                   | \$20.26 | \$31.70  |
| 20,000                                   | \$24.71   | \$24.71   | \$24.71                                      | \$24.71                                   | \$24.71 | \$39.60  |
| 25,000                                   | \$29.16   | \$29.16   | \$29.16                                      | \$29.16                                   | \$29.16 | \$47.50  |
| <b>TOTAL SEWER BILL - 2000</b>           |   |   |  |   |         |          |
| SELECTED SCENARIOS                       |   |   |  |   |         |          |
| USAGE                                    | ICU - STAND ALONE -<br>100% DEBT / 0%<br>EQUITY | ICU - STAND ALONE -<br>60% DEBT / 40%<br>EQUITY | ICU - NUC PLAN -<br>100% DEBT / 0%<br>EQUITY | ICU - NUC PLAN - 60%<br>DEBT / 40% EQUITY | NUC     |          |
| 10,000                                   | \$63.89   | \$63.89   | \$63.89                                      | \$63.89                                   | \$63.89 | \$55.91  |
| 15,000                                   | \$63.89   | \$63.89   | \$63.89                                      | \$63.89                                   | \$63.89 | \$55.91  |
| 20,000                                   | \$63.89   | \$63.89   | \$63.89                                      | \$63.89                                   | \$63.89 | \$55.91  |
| 25,000                                   | \$63.89   | \$63.89   | \$63.89                                      | \$63.89                                   | \$63.89 | \$55.91  |
| <b>TOTAL WATER AND SEWER BILL - 2000</b> |   |   |  |   |         |          |
| SELECTED SCENARIOS                       |   |   |  |   |         |          |
| USAGE                                    | ICU - STAND ALONE -<br>100% DEBT / 0%<br>EQUITY | ICU - STAND ALONE -<br>60% DEBT / 40%<br>EQUITY | ICU - NUC PLAN -<br>100% DEBT / 0%<br>EQUITY | ICU - NUC PLAN - 60%<br>DEBT / 40% EQUITY | NUC     |          |
| 10,000                                   | \$79.70   | \$79.70   | \$79.70                                      | \$79.70                                   | \$79.70 | \$79.71  |
| 15,000                                   | \$84.15   | \$84.15   | \$84.15                                      | \$84.15                                   | \$84.15 | \$87.61  |
| 20,000                                   | \$88.60   | \$88.60   | \$88.60                                      | \$88.60                                   | \$88.60 | \$95.51  |
| 25,000                                   | \$93.05   | \$93.05   | \$93.05                                      | \$93.05                                   | \$93.05 | \$103.41 |

2005

| <b>TOTAL WATER BILL - 2005</b>           |   |   |  |   |         |          |
|--|---|---|--|---|---------|----------|
| SELECTED SCENARIOS                       |   |   |  |   |         |          |
| USAGE                                    | ICU - STAND ALONE -<br>100% DEBT / 0%<br>EQUITY | ICU - STAND ALONE -<br>60% DEBT / 40%<br>EQUITY | ICU - NUC PLAN -<br>100% DEBT / 0%<br>EQUITY | ICU - NUC PLAN - 60%<br>DEBT / 40% EQUITY | NUC     |          |
| 10,000                                   | \$15.81   | \$15.81   | \$15.68                                      | \$15.76                                   | \$15.76 | \$23.80  |
| 15,000                                   | \$20.26   | \$20.26   | \$20.09                                      | \$20.19                                   | \$20.19 | \$31.70  |
| 20,000                                   | \$24.71   | \$24.71   | \$24.51                                      | \$24.63                                   | \$24.63 | \$39.60  |
| 25,000                                   | \$29.16   | \$29.16   | \$28.92                                      | \$29.06                                   | \$29.06 | \$47.50  |
| <b>TOTAL SEWER BILL - 2005</b>           |   |   |  |   |         |          |
| SELECTED SCENARIOS                       |   |   |  |   |         |          |
| USAGE                                    | ICU - STAND ALONE -<br>100% DEBT / 0%<br>EQUITY | ICU - STAND ALONE -<br>60% DEBT / 40%<br>EQUITY | ICU - NUC PLAN -<br>100% DEBT / 0%<br>EQUITY | ICU - NUC PLAN - 60%<br>DEBT / 40% EQUITY | NUC     |          |
| 10,000                                   | \$56.03   | \$60.31   | \$48.36                                      | \$48.59                                   | \$48.59 | \$55.91  |
| 15,000                                   | \$56.03   | \$60.31   | \$48.36                                      | \$48.59                                   | \$48.59 | \$55.91  |
| 20,000                                   | \$56.03   | \$60.31   | \$48.36                                      | \$48.59                                   | \$48.59 | \$55.91  |
| 25,000                                   | \$56.03   | \$60.31   | \$48.36                                      | \$48.59                                   | \$48.59 | \$55.91  |
| <b>TOTAL WATER AND SEWER BILL - 2005</b> |   |   |  |   |         |          |
| SELECTED SCENARIOS                       |   |   |  |   |         |          |
| USAGE                                    | ICU - STAND ALONE -<br>100% DEBT / 0%<br>EQUITY | ICU - STAND ALONE -<br>60% DEBT / 40%<br>EQUITY | ICU - NUC PLAN -<br>100% DEBT / 0%<br>EQUITY | ICU - NUC PLAN - 60%<br>DEBT / 40% EQUITY | NUC     |          |
| 10,000                                   | \$71.84   | \$76.12   | \$64.04                                      | \$64.35                                   | \$64.35 | \$79.71  |
| 15,000                                   | \$76.29   | \$80.57   | \$68.45                                      | \$68.78                                   | \$68.78 | \$87.61  |
| 20,000                                   | \$80.74   | \$85.02   | \$72.87                                      | \$73.22                                   | \$73.22 | \$95.51  |
| 25,000                                   | \$85.19   | \$89.47   | \$77.28                                      | \$77.65                                   | \$77.65 | \$103.41 |

SOURCE: BURTON &amp; ASSOCIATES

01/19/2001

C:\DATA\12\ICU\ESTIM-3\FAMS101C WK4