

State of Florida



Public Service Commission
CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: 11/7/02

TO: DIRECTOR, DIVISION OF THE COMMISSION
ADMINISTRATIVE SERVICES (BAYO)

FROM: DIVISION OF ECONOMIC REGULATION (REVELL, G. EDWARD)
DRAPER, MERCHANT) FROM
OFFICE OF GENERAL COUNSEL (STERN) MKS

RECEIVED-PRO
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COMMISSION CLERK
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LM

RE: DOCKET NO. 020409-SU - APPLICATION FOR RATE INCREASE IN
CHARLOTTE COUNTY BY UTILITIES, INC. OF SANDALHAVEN.

AGENDA: 11/19/02 - REGULAR AGENDA - DECISION ON INTERIM RATES-
PARTICIPATION IS LIMITED TO COMMISSION AND STAFF

CRITICAL DATES: 60-DAY SUSPENSION DATE: 11/30/02

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\020409.RCM

CASE BACKGROUND

Utilities, Inc. of Sandalhaven (Sandalhaven or utility) is a class B wastewater utility providing service to approximately 1,000 customers in Charlotte County. Sandalhaven is a wholly-owned subsidiary of Utilities, Inc. In its 2001 Annual Report, the utility reported operating revenues of \$221,904 and a net operating loss of \$16,329.

In 1995, the PSC was given jurisdiction over privately-owned water and wastewater utilities in Charlotte County as a result of a resolution by the Board of County Commissioners of Charlotte County. Sandalhaven was granted a grandfather certificate by Order No. PSC-95-0478-FOF-SU, issued April 13, 1995. In 1999, the Commission approved the certificate transfer of Sandalhaven Utility, Inc. to Utilities, Inc. of Sandalhaven by Order No. PSC-99-2114-PAA-SU, issued October 25, 1999.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

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DATE: November 7, 2002

This utility has never had a full rate case; however the utility's rate base was established as of August 31, 1998, by Order No. PSC-99-2114-PAA-SU. The rates and charges for service were continued as approved in Order No. PSC-95-0478-FOF-SU.

On August 16, 2002, the utility filed for approval of final and interim rate increases, pursuant to Sections 367.081 and 367.082, Florida Statutes. However, the information submitted did not satisfy the minimum filing requirements (MFRs) for a general rate increase. Subsequently, on October 1, 2002, the utility satisfied the MFRs and this date was designated as the official filing date, pursuant to Section 367.083, Florida Statutes. The utility requested that the Commission process this case under the proposed agency action (PAA) procedure.

The test year for interim and final purposes is the historical test year ended December 31, 2001. Sandalhaven has requested interim revenues of \$305,495, which represents an increase of \$83,590 or 37.67%. The requested final revenues are \$336,914, representing an increase of \$115,009, or 51.83%.

The sixty-day statutory deadline for the Commission to suspend the utility's requested final rates is November 30, 2002. This recommendation addresses the suspension of Sandalhaven's final rates and staff's recommended interim rate increase.

The Commission has jurisdiction pursuant to Sections 367.081, and 367.082, Florida Statutes.

DISCUSSION OF ISSUES

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

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

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, Section 367.081(8), Florida Statutes, permits the proposed rates to go into effect, (secured 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.

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 recommends 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 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 revenue increase be approved?

RECOMMENDATION: Yes. On an interim basis, the utility should be authorized to collect annual wastewater revenues as indicated below: (REVELL, G. EDWARDS)

	<u>Revenues</u>	<u>\$ Increase</u>	<u>% Increase</u>
Wastewater	\$276,505	\$54,601	24.61%

STAFF ANALYSIS: As stated in its MFRs, Sandalhaven requests interim rates designed to generate annual revenues of \$305,495. This represents a wastewater revenue increase of \$83,590 (37.67%). The utility has filed rate base, cost of capital, and operating statements to support its requested wastewater increase.

Staff has reviewed the utility's interim request, as well as prior orders concerning the utility's rate base. Staff's recommended adjustments are discussed below. We have attached accounting schedules to illustrate staff's recommended rate base, capital structure, and test year operating income amounts. The rate base schedule is labeled as No. 1, the capital structure schedule is No. 2, and the operating income schedule is No. 3.

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 was Order No. PSC-99-2114-PAA-SU, issued October 25, 1999, in Docket No. 981221-SU. That order established rate base, and depreciation rates, and ordered that a positive acquisition adjustment would not be recognized in the calculation of rate base.

RATE BASE

The utility has filed a simple average rate base for the calendar year ending December 31, 2001. The utility made adjustments to remove non-used and useful plant of \$120,350; to remove \$8,546 in Construction Work in Progress; to remove the positive acquisition adjustment of \$448,387; and to increase rate base by \$47,715 to reflect a proforma adjustment to impute accumulated amortization of contributions in aid of construction (CIAC) not accrued in 1999. It also made an adjustment to working capital to reflect 1/8 of operation and maintenance (O&M) expenses.

Based on our analysis, staff believes that three adjustments discussed below are necessary to the utility's rate base.

Non-used and Useful Plant

In its MFRs, the utility calculated used and useful wastewater treatment pursuant to Rule 25-30.431 and proposed Rule 25-30.432, Florida Administrative Code. The annual average daily flow (AADF) plus an allowance for growth, was matched against the AADF permitted capacity of the treatment plant. The utility did not make an adjustment for excess inflow and infiltration in its used and useful calculation. The allowance for growth was derived using linear regression, consistent with Commission Rule 25-30.431. The utility's calculated used and useful percentage is 60.27% for treatment and disposal plant, or 39.73% non-used and useful. The utility has reflected its collection system as 100% used and useful because it states that virtually all wastewater mains and lift stations are contributed by developers.

Before the utility applied its non-used and useful percentage to treatment plant, it removed \$74,546 as reuse facilities considered 100% used and useful. As a result, the utility calculated a weighted non-used and useful percentage of 33.78% to be applied to treatment and disposal accounts, excluding land.

Staff has reviewed the utility's calculation of used and useful and staff believes that it is appropriate on an interim basis, except for the removal of the reuse plant. The utility's MFRs do not specifically reflect any balances of reuse-designated plant. The Uniform System of Accounts, since 1996, has specifically delineated plant accounts for reuse water treatment, disposal and distribution functions. Since this utility has not reflected these amounts in its filing, staff do not have a prima facie basis to support that these amounts are, in fact, reuse related and thus to be deemed 100% used and useful. Thus, staff believes that the used and useful percentage of 60.27%, or 39.73% non-used and useful, should be applied to the plant, accumulated depreciation and depreciation expense accounts. This results in a decrease to rate base of \$21,198 for net non-used and useful and \$879 to test year depreciation expense.

Accumulated Amortization of CIAC

In its MFRs, the utility made a proforma adjustment to

increase rate base to impute amortization of CIAC not accrued in 1999. This adjustment is not consistent with the last rate proceeding and is not appropriate for interim purposes. As such, staff has decreased accumulated amortization of CIAC by \$47,715 to remove this adjustment from rate base.

Working Capital

Staff is recommending adjustments to O&M expenses later in this issue. Corresponding adjustments should also be made to reduce working capital by \$1,794 to reflect 1/8 of the staff recommended O&M expense adjustments.

Based on the above adjustments, staff recommends that Sandalhaven's interim rate base should be \$168,095. Schedule No. 1-A details staff's recommended rate base, with adjustments reflected on Schedule No. 1-B.

COST OF CAPITAL

In its MFRs, Sandalhaven used a simple average capital structure, which consisted of allocated investor sources of capital from Utilities, Inc. (the parent) and actual customer deposits for Sandalhaven. Sandalhaven did not include any balance of deferred income taxes in its capital structure. Since the utility has never had an authorized return on equity (ROE) established, Sandalhaven used 11.14%, the mid-point of the cost rate calculated using the leverage formula in effect at December 31, 2001. This formula was established by Order No. PSC-01-2514-FOF-WS, issued December 24, 2001, in Docket No. 010006-WS. The utility's requested interim cost of capital was 9.16%.

Staff has reviewed the utility's calculation and we believe that two adjustments are appropriate. First, pursuant to Section 367.082, Florida Statutes, the required rate of return for an interim increase, a utility that has never had an authorized ROE, shall be calculated using the minimum of the current equity leverage formula. The current leverage formula was approved by Order No. PSC-02-0898-PAA-WS, issued July 5, 2002, in Docket No. 020006-WS, and was made final by Consummating Order No. PSC-02-1252-CO-WS, issued September 11, 2002. Using the 2002 leverage formula and Sandalhaven's adjusted equity ratio, staff calculated a ROE of 10.94%, with a range of 9.94% to 11.94%. Using the

minimum of the range, for interim purposes, staff recommends a cost of equity of 9.94%.

Staff's second adjustment to cost of capital relates to the exclusion of Sandalhaven's balance of accumulated deferred income taxes in the utility's calculated cost of capital. As reflected in its MFRs, Sandalhaven has a simple average balance of credit deferred income taxes of \$8,107. Pursuant to Rule 25-30.433(3), Florida Administrative Code, net credit deferred income taxes shall be included in the capital structure. Staff has reflected these amounts in the cost of capital calculation at zero cost.

Based on the above, staff's recommended cost of capital for interim purposes should be 8.16%. Schedule No. 2 illustrates staff's recommended cost of capital.

NET OPERATING INCOME

Operating Revenues

Section 367.082(5)(b)(1), Florida Statutes, states that the achieved rate of return is calculated by applying appropriate adjustments and annualizing any rate changes occurring during the interim test year. For purposes of the interim application, Sandalhaven chose the test year ending December 31, 2001. Adjusted test year operating revenues were \$221,904. Staff has reviewed the utility's revenues and recommends no adjustments.

Operating Expenses

The utility made several adjustments to operating expenses for interim purposes. Staff has reviewed these and we believe that several adjustments are appropriate, as discussed below.

Sandalhaven increased salaries for differences between the test year expense and present salaries, reduced pensions and benefits, increased the common expense allocation, and decreased bad debts to reflect the collection of guaranteed revenues originally written off. Based on staff's review, the adjustment to bad debt expense is a correction of an error. The other 3 adjustments are proforma in nature and are not appropriate on an interim basis and should be disallowed. These adjustments result in a reduction to O&M expenses of \$14,352. Corresponding

adjustments should also be made to remove the utility's proforma adjustment for payroll taxes of \$1,335.

Staff has also made corresponding adjustments to depreciation expense and property taxes related to our recommended used and useful adjustment.

Net Operating Income

Based on these adjustments, staff recommends that the appropriate test year operating income, before any revenue increase, is a loss of \$18,800. Schedule No. 3-A illustrates staff's recommended net operating income, with adjustments reflected on Schedule No. 3-B.

REVENUE REQUIREMENT

Based on the above, staff recommends an interim revenue requirement of \$276,505 as shown on attached Schedule No. 3. This represents an interim increase in annual wastewater revenues of \$54,601, or 24.61%. This will allow the utility the opportunity to recover its operating expenses and earn an 8.16% return on its rate base.

ISSUE 3: What are the appropriate interim wastewater rates?

RECOMMENDATION: The service rates for Sandalhaven in effect as of December 31, 2001, should be increased by 25.22% to generate the recommended revenue increase for the interim period. The approved rates should be effective for service rendered as of the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code, provided the customers have received notice. Also, the rates should not be implemented until the required security has been filed. The utility should provide proof to staff of the date notice was given within 10 days after the date of notice. (REVELL)

STAFF ANALYSIS: Staff recommends that interim service rates for Sandalhaven be designed to allow the utility the opportunity to generate additional annual operating revenues of \$54,601, an increase of 24.61%. To determine the appropriate increase to apply to the service rates, miscellaneous service and other revenues should be removed from the test year revenues. The calculation is as follows:

1	Total Test Year Revenues	\$221,904
2	Less: Miscellaneous & Other Revenues	\$5,392
3	Test Year Revenues from Service Rates	\$216,512
4	Revenue Increase	\$54,601
5	% Service Rate Increase (Line 4/Line3)	25.22%

This rate increase of 25.22% should be applied as an across the board increase to the service rates in effect as of December 31, 2001. The interim rates should be implemented for service rendered on or after the stamped approval date on the tariff sheets, provided customers have received notice. The revised tariff sheets will be approved upon staff's verification that the tariff sheets are consistent with the Commission's decision, that the proposed notice to the customers is adequate, and that the required security discussed in Issue 4 has been filed. The utility should provide proof to staff of the date notice was given within 10 days after the date of notice.

The utility's current and proposed interim and final rates, and staff's recommended interim rates, are shown on Schedule No. 4.

ISSUE 4: What is the appropriate security to guarantee the interim increase?

RECOMMENDATION: The utility should be required to file a corporate undertaking by the parent company to guarantee any potential refunds of wastewater revenues collected under interim conditions. The corporate undertaking should be in the amount of \$36,615. Pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility should 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 should be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code. (REVELL, D. DRAPER)

STAFF ANALYSIS: Pursuant to Section 367.082(2)(a), Florida Statutes, the excess of interim rates over the previously authorized rates shall be collected under guarantee subject to refund with interest. Staff has reviewed the financial data of the utility and its parent company and recommends approval of a corporate undertaking guaranteed by the parent company. Staff has calculated the potential refund of wastewater revenues and interest collected under interim conditions to be \$36,615. This amount is based on an estimated eight months of revenue being collected from staff's recommended interim rates over the previously authorized rates shown on Schedule No. 4.

The corporate undertaking should state that it will be released or terminated upon subsequent order of the Commission addressing any refund requirements. Also, pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility should 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 should be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code.

In no instance should maintenance and administrative costs associated with any refund be borne by the customers. The costs are the responsibility of, and should be borne by, the utility.

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UTILITIES, INC. OF SANDALHAVEN SCHEDULE OF WASTEWATER RATE BASE TEST YEAR ENDED 12/31/01						SCHEDULE NO. 1-A DOCKET 020409-SU
DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUST- MENTS	ADJUSTED TEST YEAR PER UTILITY	STAFF ADJUST- MENTS	STAFF ADJUSTED TEST YEAR	
1 UTILITY PLANT IN SERVICE	\$1,685,206	\$0	\$1,685,206	\$0	\$1,685,206	
2 LAND	\$225,000	\$0	\$225,000	\$0	\$225,000	
3 NON-USED & USEFUL COMPONENTS	\$0	(\$120,350)	(\$120,350)	(\$21,198)	(\$141,548)	
4 CWIP	\$8,546	(\$8,546)	\$0	\$0	\$0	
5 ACCUMULATED DEPRECIATION	(\$565,289)	\$0	(\$565,289)	\$0	(\$565,289)	
6 CIAC	(\$1,607,051)	\$0	(\$1,607,051)	\$0	(\$1,607,051)	
7 AMORTIZATION OF CIAC	\$544,039	\$47,715	\$591,754	(\$47,715)	\$544,039	
8 ACQUISITION ADJUSTMENT - NET	\$448,387	(\$448,387)	\$0	\$0	\$0	
9 WORKING CAPITAL ALLOWANCE	<u>\$0</u>	<u>\$29,531</u>	<u>\$29,531</u>	<u>(\$1,794)</u>	<u>\$27,737</u>	
10 RATE BASE	<u>\$738,838</u>	<u>(\$500,037)</u>	<u>\$238,801</u>	<u>(\$70,706)</u>	<u>\$168,095</u>	

UTILITIES, INC. OF SANDALHAVEN		SCHEDULE NO. 1-B
ADJUSTMENTS TO RATE BASE		DOCKET NO. 020409-SU
TEST YEAR ENDED 12/31/01		
EXPLANATION		WASTEWATER
<u>NON-USED AND USEFUL COMPONENTS</u>		
1 To reflect net non-used and useful adjustment-Plant.		(\$29,629)
2 To reflect net non-used and useful adjustment-Acc. Deprec.		<u>\$8,431</u>
Total		<u>(\$21,198)</u>
<u>ACCUMULATED AMORTIZATION OF CIAC</u>		
3 To remove utility's adjustment to impute amort. not accrued in 1999.		<u>(\$47,715)</u>
<u>WORKING CAPITAL</u>		
4 To reduce to 1/8 O&M expense.		<u>(\$1,794)</u>

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UTILITIES, INC. OF SANDALHAVEN CAPITAL STRUCTURE-SIMPLE AVERAGE TEST YEAR ENDED 12/31/01						SCHEDULE NO. 2 DOCKET 020409-SU	
DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUST- MENTS (EXPLAIN)	PRO RATA ADJUST- MENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST
PER UTILITY							
1 LONG TERM DEBT	\$72,051,803	\$0	(\$71,948,438)	\$103,365	43.28%	8.82%	3.82%
2 SHORT-TERM DEBT	\$15,659,000	\$0	(\$15,636,545)	\$22,455	9.40%	2.54%	0.24%
3 PREFERRED STOCK	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
4 COMMON EQUITY	\$73,169,033	\$0	(\$73,064,076)	\$104,957	43.95%	11.14%	4.90%
5 CUSTOMER DEPOSITS	\$8,025	\$0	\$0	\$8,025	3.36%	6.00%	0.20%
6 DEFERRED INCOME TAXES	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
10 TOTAL CAPITAL	<u>\$160,887,861</u>	<u>\$0</u>	<u>(\$160,649,059)</u>	<u>\$238,802</u>	<u>100.00%</u>		<u>9.15%</u>
PER STAFF							
11 LONG TERM DEBT	\$72,051,803	\$0	(\$71,983,745)	\$68,058	40.49%	8.82%	3.57%
12 SHORT-TERM DEBT	\$15,659,000	\$0	(\$15,644,209)	\$14,791	8.80%	2.54%	0.22%
13 PREFERRED STOCK	\$0	\$0	\$-0	\$0	0.00%	0.00%	0.00%
14 COMMON EQUITY	\$73,169,033	\$0	(\$73,099,920)	\$69,113	41.12%	9.93%	4.08%
15 CUSTOMER DEPOSITS	\$8,025	\$0	\$0	\$8,025	4.77%	6.00%	0.29%
16 DEFERRED INCOME TAXES	\$0	\$8,107	\$0	\$8,107	4.82%	0.00%	0.00%
17 TOTAL CAPITAL	<u>\$160,887,861</u>	<u>\$8,107</u>	<u>(\$160,727,873)</u>	<u>\$168,095</u>	<u>100.00%</u>		<u>8.16%</u>
					<u>LOW</u>	<u>HIGH</u>	
RETURN ON EQUITY					9.93%	11.93%	
OVERALL RATE OF RETURN					8.16%	8.99%	
<u>Specific Staff Adjustment</u>							
1. Include balance of deferred income taxes in cost of capital							

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UTILITIES, INC. OF SANDALHAVEN						SCHEDULE NO. 3-A	
STATEMENT OF WASTEWATER OPERATIONS						DOCKET 020409-SU	
TEST YEAR ENDED 12/31/01							
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>\$221,904</u>	<u>\$83,590</u>	<u>\$305,494</u>	<u>(\$83,590)</u>	<u>\$221,904</u>	<u>\$54,601</u> 24.61%	<u>\$276,505</u>
OPERATING EXPENSES							
2 OPERATION & MAINTENANCE	\$228,069	\$8,182	\$236,251	(\$14,352)	\$221,899	\$0	\$221,899
3 DEPRECIATION	\$4,507	(\$4,990)	(\$483)	(\$879)	(\$1,362)	\$0	(\$1,362)
4 AMORTIZATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 TAXES OTHER THAN INCOME	\$37,964	\$3,124	\$41,088	(\$5,440)	\$35,648	\$2,457	\$38,105
6 INCOME TAXES	<u>(\$32,307)</u>	<u>\$39,076</u>	<u>\$6,769</u>	<u>(\$22,250)</u>	<u>(\$15,481)</u>	<u>\$19,622</u>	<u>\$4,141</u>
7 TOTAL OPERATING EXPENSES	<u>\$238,233</u>	<u>\$45,392</u>	<u>\$283,625</u>	<u>(\$42,921)</u>	<u>\$240,704</u>	<u>\$22,079</u>	<u>\$262,783</u>
8 OPERATING INCOME	<u>(\$16,329)</u>	<u>\$38,198</u>	<u>\$21,869</u>	<u>(\$40,669)</u>	<u>(\$18,800)</u>	<u>\$32,522</u>	<u>\$13,723</u>
9 RATE BASE	<u>\$738,838</u>		<u>\$238,801</u>		<u>\$168,095</u>		<u>\$168,095</u>
10 RATE OF RETURN	<u>-2.21%</u>		<u>9.16%</u>		<u>-11.18%</u>		<u>8.16%</u>

UTILITIES, INC. OF SANDALHAVEN ADJUSTMENTS TO OPERATING INCOME TEST YEAR ENDED 12/31/01		SCHEDULE NO. 3-B DOCKET NO. 020409-SU
EXPLANATION		WASTEWATER
<u>OPERATING REVENUES</u>		
1	Remove requested interim revenue increase.	<u>(\$83,590)</u>
<u>OPERATION & MAINTENANCE EXPENSE</u>		
2	Remove proforma salary adjustments.	(\$15,751)
3	Remove proforma pensions and benefits.	\$2,255
4	Remove proforma common expense allocation.	<u>(\$856)</u>
	Total	<u>(\$14,352)</u>
<u>DEPRECIATION EXPENSE-NET</u>		
5	To reflect non-used and useful adjustment.	<u>(\$879)</u>
<u>TAXES OTHER THAN INCOME</u>		
6	RAFs on revenue adjustments above.	(\$3,762)
7	Remove proforma taxes on salary increases.	(\$1,335)
8	Property taxes on increased non-used and useful %.	<u>(\$344)</u>
	Total	<u>(\$5,440)</u>
<u>INCOME TAXES</u>		
9	To adjust to test year income tax expense.	<u>(\$22,250)</u>

UTILITIES, INC. OF SANDALHAVEN WASTEWATER MONTHLY SERVICE RATES TEST YEAR ENDED 12/31/01		SCHEDULE NO. 4 DOCKET 020409-SU		
	Rates Prior to Filing	Utility Requested Interim	Utility Requested Final	Staff Recomm. Interim
<u>Residential</u>				
Base Facility Charge All Meter Sizes:	\$12.00	\$16.66	\$18.40	\$15.03
Gallonge Charge (per 1,000 gallons) 8,000 gallons maximum	\$2.59	\$3.59	\$3.97	\$3.24
<u>Multi-Family</u>				
Base Facility Charge: All Meter Sizes:	\$12.00	\$16.66	\$18.40	\$15.03
Gallonge Charge (per 1,000 gallons)	\$2.59	\$3.59	\$3.97	\$3.24
<u>General Service</u>				
Base Facility Charge: Meter Size:				
5/8" x 3/4"	\$12.00	\$16.66	\$18.40	\$15.03
1"	\$30.00	\$41.64	\$46.01	\$37.57
1-1/2"	\$60.00	\$83.28	\$92.02	\$75.13
1-1/2" (15 ERC Restaurant)	\$180.00	\$249.83	\$276.07	\$225.39
2"	\$96.00	\$133.24	\$147.24	\$120.21
3"	\$180.00	\$249.83	\$276.07	\$225.39
4"	\$300.00	\$416.38	\$460.12	\$375.66
6"	\$600.00	\$832.75	\$920.24	\$751.31
Gallonge Charge, per 1,000 Gallons	\$2.59	\$3.59	\$3.97	\$3.24
<u>Guaranteed Revenue Charge</u>	\$12.00	\$16.66	\$18.40	\$15.03
<u>Typical Residential Bills</u>				
5/8" x 3/4" Meter Size				
3,000 Gallons	\$19.77	\$27.43	\$30.31	\$24.76
5,000 Gallons	\$24.95	\$34.61	\$38.25	\$31.24
8,000 Gallons	\$32.72	\$45.38	\$50.16	\$40.95