

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water and wastewater rates in Lake County by Lake Utility Services, Inc. | DOCKET NO. 100426-WS
ORDER NO. PSC-11-0149-PCO-WS
ISSUED: March 4, 2011

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman
LISA POLAK EDGAR
RONALD A. BRISÉ
EDUARDO E. BALBIS
JULIE I. BROWN

ORDER SUSPENDING PROPOSED FINAL RATES AND
APPROVING INTERIM RATES SUBJECT TO REFUND

BY THE COMMISSION:

BACKGROUND

Lake Utilities Services, Inc. (LUSI or Utility) is a Class A utility providing water and wastewater service to approximately 8,746 water and 2,827 wastewater customers in Lake County. Water and wastewater rates were last established for this Utility in 2009.¹

On December 27, 2010, LUSI filed the application for rate increase at issue in the instant docket. The Utility requested that the application be processed using the Proposed Agency Action (PAA) procedure and requested interim rates. The test year established for interim and final rates is the 13-month average period ended June 30, 2010.

LUSI requested interim rates designed to generate annual revenues of \$5,624,311 for water only. This represents a revenue increase on an annual basis of \$1,454,208 or 34.87 percent. The Utility requested final rates designed to generate annual water revenues of \$5,840,432 and wastewater revenues of \$2,344,226. This represents a revenue increase of \$1,606,673 (37.95 percent) for water and \$247,262 (11.79 percent) for wastewater.

This order addresses the suspension of LUSI's requested final rates and the Utility's requested interim rates. We have jurisdiction pursuant to Sections 367.081 and 367.082, Florida Statutes (F.S.).

¹ See Order No. PSC-09-0101-PAA-WS, issued February 16, 2009, in Docket No. 070693-WS, In re: Application for increase in water and wastewater rates in Lake County by Lake Utility Services, Inc.

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FPSC-COMMISSION CLERK

SUSPENSION OF PROPOSED WATER RATES

Section 367.081(6), F.S., provides that we may, for good cause, withhold consent to the implementation of the requested rates within 60 days after the date the rate request is filed. Further, Section 367.081(8), F.S., permits the proposed rates to go into effect (secured and subject to refund) at the expiration of five months from the official date of filing if: (1) we have not acted upon the requested rate increase; or (2) our PAA action is protested by a party other than the Utility.

We have reviewed the filing and have considered the information filed in support of the rate application and the proposed final rates. We find that it is necessary to require further investigation of this information, including on-site investigations by our staff accountants and engineers. To date, our staff has initiated an audit of LUSI's books and records, as well as an audit of Utilities, Inc. (UI), the Utility's parent, to examine allocated investment and operating expenses. Both of these audits are tentatively due on March 7, 2011. In addition, while our staff is in receipt of the Utility's responses to our Staff's First Data Request, we find additional requests will be necessary to process this case. Based on the foregoing, we hereby suspend the Utility's requested rate increase.

INTERIM REVENUE INCREASE

On December 27, 2010, LUSI filed its rate base, cost of capital, and operating statements to support its requested interim increase in water rates. Pursuant to Section 367.082(1), F.S., 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. Pursuant to Section 367.081(2)(a), F.S., in a proceeding for an interim increase in rates, we shall authorize, within 60 days of the filing for such relief, the collection of rates sufficient to earn the minimum of the range of rate of return. Based on the Utility's filing and our adjustments below, we find that the Utility has demonstrated a prima facie entitlement in accordance with Section 367.082(1), F.S.

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 adjustments made in the Utility's most recent rate proceeding and annualizing any rate changes. We have reviewed LUSI's interim request, as well as Order No. PSC-09-0101-PAA-WS, in which we last established rate base. Our adjustments are discussed below. The attached accounting schedules illustrate our adjustments to rate base, capital structure, and test year operating income amounts. Rate base is labeled as Schedule No. 1-A. Capital structure is labeled as Schedule No. 2. Operating income is labeled as Schedule No. 3-A, with adjustments shown on Schedule No. 3-B.

Rate Base

In accordance with Rule 25-30.433(2), Florida Administrative Code (F.A.C.), the Utility calculated its working capital allowance based on the balance sheet approach. In its working capital, LUSI included \$262,398 for deferred rate case expense. In the Utility's last rate case, we

approved \$331,450 of rate case expense.² The effective date of final rates in LUSI's last case was March 23, 2009. Based on that date, we have calculated an unamortized balance of \$276,208. It is our practice to include the average approved amount of rate case expense in the working capital calculation for Class A water and wastewater utilities. In the Utility's last case, we allowed half of the total approved rate case expense or \$165,725 ($\$331,450/2$) in working capital. Consistent with that treatment in the last case, we determine that half of the 13-month unamortized balance shall be included in working capital for interim purposes which represents \$138,104 ($\$276,208/2$). As such, based on a 75.19 percent allocation to the water system, we determine that LUSI's working capital allowance shall be reduced by \$93,457 [$(\$262,398 - \$138,104) * .7519$] for water. Therefore, we determine that LUSI's water working capital allowance and rate base for purposes of determining interim rates shall be \$377,247 and \$17,027,286, respectively.

Cost of Capital

For purposes of its interim request, LUSI used a return on equity (ROE) of 11.67 percent and an overall cost of capital of 8.57 percent. Pursuant to Section 367.082(2)(a), F.S., the appropriate ROE for purposes of determining an interim rate increase is the minimum of the ROE range. In its last rate case, we approved an ROE of 12.67 percent with a range of 11.67 percent to 13.67 percent.³ Accordingly, we determine that the appropriate ROE and overall cost of capital for interim purposes are 11.67 percent and 8.57 percent, respectively.

Net Operating Income

Pursuant to Section 367.082(5)(b)1., F.S., the only adjustments made to the interim test year are adjustments consistent with the adjustments made in the most recent rate proceeding. Based on our review, a few adjustments are necessary for interim purposes.

First, LUSI included adjustments to increase water expenses by \$38,662 for salaries and \$20,018 for employee pensions & benefits. In its filing, the Utility stated these adjustments were to correct allocations and to annualize salary and related expenses. We find the Utility's proposed adjustments for annualizing salary and related expenses are pro forma because they are outside the interim test year. Because LUSI did not provide a breakdown of what amount related to correcting allocations and to annualizing salary and related expenses, we determined that these adjustments totaling \$58,680 ($\$38,662 + \$20,018$) shall be removed from the interim net operating income calculation.

Second, in the Utility's last rate case, we reduced LUSI's purchased power and chemicals expenses for excessive unaccounted for water (EUFW).⁴ Based on its filing, the Utility has a weighted EUFW of 7.65 percent for its three water systems. Thus, in accordance with Section 367.082(5)(b)1., F.S. and LUSI's last rate case, we determine that purchased power and

² See Order No. PSC-09-0101-PAA-WS, p. 14.

³ See Order No. PSC-09-0101-PAA-WS, p. 8.

⁴ See Order No. PSC-09-0101-PAA-WS, pp. 26 and 39.

chemicals expenses shall be reduced collectively by \$42,477. Based on the above, we determine that the appropriate test year operating income, before any revenue increase, is \$665,131.

Revenue Requirement

Based on the above adjustments, we approve a water revenue requirement of \$5,502,978. This represents an interim increase in annual water revenues of \$1,332,875 (or 31.96 percent). This increase will allow the Utility the opportunity to recover its operating expenses and earn an 8.57 percent return on its rate base.

APPROPRIATE INTERIM WATER RATES

We determine that interim water service rates for LUSI shall be designed to allow the Utility the opportunity to generate annual operating revenues of \$5,502,978. Before removal of miscellaneous revenues, this would result in an increase of \$1,332,875 or 31.96 percent. To determine the appropriate percentage increase to apply to the service rates, miscellaneous service revenues shall be removed from the test year revenues. The calculation is as follows:

		<u>Water</u>
1	Total Test Year Revenues	\$4,170,103
2	Less: Miscellaneous Revenues	<u>(76,736)</u>
3	Test Year Revenues from Service Rates	<u>\$4,093,367</u>
4	Revenue Increase	\$1,332,875
5	% Service Rate Increase (Line 4/Line 3)	<u>32.56%</u>

The interim rate increase of 32.56 percent shall be applied as an across-the-board increase to the service rates in effect as of June 30, 2010. The approved rates shall be effective for service rendered as of the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. The rates shall not be implemented until our staff verifies that the tariff sheets are consistent with our decision, the proposed customer notice is adequate, the required security has been filed, and the customers have received the notice. The Utility shall provide proof of the date notice was given within 10 days after the date of notice.

The Utility's current rates, proposed interim and final rates, and approved interim rates are shown on Schedule No. 4.

SECURITY TO GUARANTEE 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 this Commission. As discussed above, the total annual interim increase is \$1,332,875. In accordance with Rule 25-30.360, F.A.C., we calculated the potential refund of revenues and interest collected under interim conditions to be \$778,078 in the instant docket. This amount is based on an estimated seven months of revenue being collected from our approved interim rates over the Utility's current authorized rates shown on Schedule No. 4.

LUSI is a wholly-owned subsidiary of Utilities, Inc., which provides all investor capital to its subsidiaries. In Docket No. 090462-WS, we approved a corporate undertaking in the amount of \$599,271 to secure an interim increase granted for Utilities, Inc. of Florida, which is also a wholly-owned subsidiary of UI.⁵ Of the \$599,271 amount, approximately \$152,024 is due to be refunded to the customers.⁶ As a result of our approved interim rates in this docket, the total cumulative corporate undertaking amount is \$930,102, of which \$778,078 is subject to refund in this docket. We reviewed the financial statements of UI to determine if UI can support a cumulative corporate undertaking in the amount of \$930,102.

The criteria for a corporate undertaking include sufficient liquidity, interest coverage, equity ownership, and profitability to guarantee any potential refund. Generally, if a utility has favorable measures, ratios, and trends in these areas, that utility will be allowed a corporate undertaking. We reviewed UI's 2007, 2008, and 2009 unaudited financial statements to determine if UI can support an additional corporate undertaking on behalf of its subsidiary, LUSI. According to its financial statements, UI reported adequate equity ownership, but weak liquidity and insufficient interest coverage and profitability over the review period.

For all three years, UI had negative working capital and a current ratio less than one indicating insufficient liquidity. Liquidity refers to a company's ability to meet short-term and maturing long-term debt obligations. These ratios attempt to determine whether the utility will have sufficient current (or liquid) assets in the form of cash or cash equivalents, which can be converted into cash quickly without loss of value, to pay its current liabilities. The current ratio indicates how many times a utility's current liabilities are covered by its current assets. A current ratio less than one indicates that a utility may not have enough cash or cash equivalents to pay its current liabilities. The interest coverage ratio indicates how many times a utility's interest expense is covered by its earnings. A utility with an interest coverage ratio less than two may have difficulty borrowing additional funds.

⁵ See Order No. PSC-10-0300-PCO-WS, p. 6, issued May 10, 2010, in Docket No. 090462-WS, In re: Application for increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas and Seminole Counties by Utilities, Inc. of Florida.

⁶ See Order No. PSC-10-0585-PAA-WS, p. 43, issued September 22, 2010, in Docket No. 090462-WS, In re: Application for increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas and Seminole Counties by Utilities, Inc. of Florida.

Over the three-year period, UI maintained sufficient equity ownership with an equity ratio of 40 percent. The standard for this measure is generally an equity ratio of at least 30 percent. This standard is based on the benchmark established by Standard & Poor's for BBB-rated water utilities.

UI reported net income of \$1,680,575 in 2007. In 2008, UI experienced a net loss in the amount of \$635,405, but improved profitability to sufficient levels in 2009 achieving net income in the amount of \$5,662,600. Over the three-year period, UI's net income averaged \$2,235,923, which is only 2.4 times the requested cumulative corporate undertaking amount of \$930,102. The preferred average amount of net income should be at least four times greater than the requested corporate undertaking amount.

On the day prior to filing of our staff's recommendation, LUSI submitted UI's unaudited financial statements for 2010. For 2010, UI reported sufficient liquidity, equity ownership and profitability. UI's interest coverage ratio is 1.63, which is below the preferred limit of 2.0, but has been trending upwards since 2008. For 2010, UI had positive working capital and a current ratio of 1.11. UI's profitability in 2010 increased from \$5,276,388 to \$15,576,121 by virtue of a one-time gain on the disposition of utility systems in the amount of \$10,299,733. The amount of the one-time gain is atypical of the amounts UI reported in prior-year financial statements and there is no indication a gain of that magnitude will occur in future years. Excluding the \$10 million gain on the disposition of utility systems in 2010, UI's average net income over the three-year period from 2008 to 2010 is \$4,736,779, or 5.1 times the cumulative corporate undertaking in the amount of \$930,102.

Based on our review of the financial reports submitted by UI, we find UI has adequate resources to support a corporate undertaking in the amount requested. Based on this analysis, we determine that a cumulative corporate undertaking in the amount of \$930,102 is acceptable contingent upon receipt of the written guarantee of UI and written confirmation that UI does not have any outstanding guarantees on behalf of UI-owned utilities in other states.

Pursuant to Rule 25-30.360(6), F.A.C., the Utility shall provide a report by the 20th day of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund shall be with interest and undertaken in accordance with Rule 25-30.360, F.A.C. In no instance shall maintenance and administrative costs associated with any refund be borne by the customers. Such costs are the responsibility of, and shall be borne by, the Utility.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Lake Utilities Services, Inc.'s proposed final water and wastewater rates shall be suspended. It is further

ORDERED that, on an interim basis, Lake Utilities Services, Inc. shall be authorized to collect annual water revenues as indicated in the body of this Order. It is further

ORDERED that the water service rates for Lake Utilities Services, Inc. in effect as of December 31, 2009, shall be increased by 32.56 percent, to generate the approved revenue increase for the interim period. It is further

ORDERED that the approved rates shall be effective for service rendered as of the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1)(a), Florida Administrative Code. It is further

ORDERED that the rates shall not be implemented until our staff verifies that the tariff sheets are consistent with our decision, the proposed customer notice is adequate, the required security has been filed, and the customers have received the notice. It is further

ORDERED that Lake Utilities Services, Inc. shall provide proof of the date notice was given within 10 days after the date of notice. It is further

ORDERED that a corporate undertaking is acceptable contingent upon receipt of the written guarantee of the parent company, Utilities, Inc., and written confirmation of Utilities, Inc.'s continued attestation that it does not have any outstanding guarantees on behalf of Utilities, Inc. owned utilities in other states. It is further

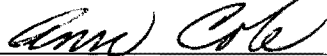
ORDERED that Utilities, Inc. shall be required to file a corporate undertaking on behalf of its subsidiaries to guarantee any potential refunds of revenues collected under interim conditions. It is further

ORDERED that the cumulative amount of revenue that needs to be protected is \$930,102, of which \$778,078 is subject to refund in this docket. It is further

ORDERED that pursuant to Rule 25-30.360(6), F.A.C., Lake Utilities Services, Inc. shall provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund shall be with interest and in accordance with Rule 25-30.360, F.A.C. It is further

ORDERED that the docket shall remain open pending our proposed agency action decision on Lake Utilities Services, Inc.'s requested rate increase.

By ORDER of the Florida Public Service Commission this 4th day of March, 2011.



ANN COLE
Commission Clerk

(S E A L)

ELS

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.

Any party adversely affected by this order, 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.

Lake Utility Services, Inc. Schedule of Water Rate Base Test Year Ended 6/30/10				Schedule No. 1 Docket No. 100426-WS	
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Commission Adjust- ments	Commission Adjusted Test Year
1 Plant in Service	\$43,784,217	(\$7,988,541)	\$35,795,676	\$0	\$35,795,676
2 Land and Land Rights	117,081	(975)	116,106	0	116,106
3 Non-used and Useful Components	0	0	0	0	0
4 Accumulated Depreciation	(6,457,866)	355,770	(6,102,096)	0	(6,102,096)
5 CIAC	(17,058,144)	35,520	(17,022,624)	0	(17,022,624)
6 Amortization of CIAC	3,866,668	(3,691)	3,862,977	0	3,862,977
7 Construction Work in Progress	636,275	(636,275)	0	0	0
8 Working Capital Allowance	<u>0</u>	<u>470,704</u>	<u>470,704</u>	<u>(93,457)</u>	<u>377,247</u>
9 Rate Base	<u>\$24,888,231</u>	<u>(\$7,767,488)</u>	<u>\$17,120,743</u>	<u>(\$93,457)</u>	<u>\$17,027,286</u>

Lake Utility Services, Inc.		Schedule No. 2							
Capital Structure-Simple Average		Docket No. 100426-WS							
Test Year Ended 6/30/10									
Description	Total Capital	Specific Adjustments	Subtotal Adjusted Capital	Prorata Adjustments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost	
Per Utility									
1 Long-term Debt	\$180,000,000	\$0	\$180,000,000	(\$171,886,205)	\$8,113,795	47.39%	6.65%	3.15%	
2 Short-term Debt	29,629,231	0	29,629,231	(28,292,940)	1,336,291	7.81%	4.28%	0.33%	
3 Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%	
4 Common Equity	164,142,503	0	164,142,503	(156,741,509)	7,400,994	43.23%	11.67%	5.04%	
5 Customer Deposits	111,811	0	111,811	0	111,811	0.65%	6.00%	0.04%	
6 Deferred Income Taxes	<u>157,852</u>	<u>0</u>	<u>157,852</u>	<u>0</u>	<u>157,852</u>	<u>0.92%</u>	0.00%	<u>0.00%</u>	
7 Total Capital	<u>\$374,041,397</u>	<u>\$0</u>	<u>\$374,041,397</u>	<u>(\$356,920,654)</u>	<u>\$17,120,743</u>	<u>100.00%</u>		<u>8.57%</u>	
Per Commission									
8 Long-term Debt	\$180,000,000	\$0	\$180,000,000	(\$171,929,908)	\$8,070,092	47.40%	6.65%	3.15%	
9 Short-term Debt	29,629,231	0	29,629,231	(28,300,839)	1,328,392	7.80%	4.28%	0.33%	
10 Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%	
11 Common Equity	164,142,503	0	164,142,503	(156,783,363)	7,359,140	43.22%	11.67%	5.04%	
12 Customer Deposits	111,811	0	111,811	0	111,811	0.66%	6.00%	0.04%	
13 Deferred Income Taxes	<u>157,852</u>	<u>0</u>	<u>157,852</u>	<u>0</u>	<u>157,852</u>	<u>0.93%</u>	0.00%	<u>0.00%</u>	
14 Total Capital	<u>\$374,041,397</u>	<u>\$0</u>	<u>\$374,041,397</u>	<u>(\$357,014,110)</u>	<u>\$17,027,287</u>	<u>100.00%</u>		<u>8.57%</u>	
						LOW	HIGH		
RETURN ON EQUITY						<u>11.67%</u>	<u>13.67%</u>		
OVERALL RATE OF RETURN						<u>8.57%</u>	<u>9.43%</u>		

Lake Utility Services, Inc. Statement of Water Operations Test Year Ended 6/30/10		Schedule No. 3-A Docket No. 100426-WS						
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Commission Adjust- ments	Commission Adjusted Test Year	Revenue Increase	Revenue Requirement	
1 Operating Revenues:	<u>\$4,185,151</u>	<u>\$1,439,160</u>	<u>\$5,624,311</u>	<u>(\$1,454,208)</u>	<u>\$4,170,103</u>	<u>\$1,332,875</u> 31.96%	<u>\$5,502,978</u>	
Operating Expenses								
2 Operation & Maintenance	\$2,583,569	(\$384,235)	\$2,199,334	(\$101,251)	\$2,098,083		\$2,098,083	
3 Depreciation	705,108	65,982	771,090	0	771,090		771,090	
4 Amortization	0	0	0	0	0		0	
5 Taxes Other Than Income	845,645	(180,021)	665,624	(68,985)	596,639	59,979	656,618	
6 Income Taxes	<u>(7,906)</u>	<u>529,004</u>	<u>521,098</u>	<u>(481,938)</u>	<u>39,160</u>	<u>478,991</u>	<u>518,151</u>	
7 Total Operating Expense	<u>\$4,126,416</u>	<u>\$30,730</u>	<u>\$4,157,146</u>	<u>(\$652,174)</u>	<u>\$3,504,972</u>	<u>\$538,970</u>	<u>\$4,043,942</u>	
8 Operating Income	<u>\$58,735</u>	<u>\$1,408,430</u>	<u>\$1,467,165</u>	<u>(\$802,034)</u>	<u>\$665,131</u>	<u>\$793,905</u>	<u>\$1,459,037</u>	
9 Rate Base	<u>\$24,888,231</u>		<u>\$17,120,743</u>		<u>\$17,027,286</u>		<u>\$17,027,286</u>	
10 Rate of Return	<u>0.24%</u>		<u>8.57%</u>		<u>3.91%</u>		<u>8.57%</u>	

Lake Utility Services, Inc.		Schedule No. 3-B
Adjustment to Operating Income		Docket No. 100426-WS
Test Year Ended 6/30/10		
Explanation		Water
<u>Operating Revenues</u>		
	Remove requested final revenue increase	<u>(\$1,454,208)</u>
<u>Operation and Maintenance Expense</u>		
1	To remove pro forma O&M expense adjustments.	<u>(\$58,680)</u>
2	To adjust for excessive unaccounted for water.	<u>(42,477)</u>
	Total	<u>(\$101,157)</u>
<u>Taxes Other Than Income</u>		
1	RAFs on revenue adjustments above	<u>(\$65,439)</u>
2	To remove pro forma payroll tax adjustments.	<u>(3,546)</u>
	Total	<u>(\$68,985)</u>

Lake Utility Services, Inc.			Schedule No. 4		
Water Monthly Service Rates			Docket No. 100426-WS		
Test Year Ended 6/30/10					
	Rates In Effect 6/30/2010	Present Rates	Utility Requested Interim	Utility Requested Final	Commission Approved Interim
<u>Residential Service</u>					
Base Facility Charge by Meter Size:					
5/8" x 3/4"	\$8.36	\$8.48	\$11.31	\$11.74	\$11.08
1"	\$20.90	\$21.21	\$28.29	\$29.36	\$27.71
1-1/2"	\$41.79	\$42.41	\$56.56	\$58.71	\$55.40
2"	\$66.86	\$67.85	\$90.49	\$93.93	\$88.63
3"	\$133.73	\$135.71	\$180.99	\$187.88	\$177.27
4"	\$208.94	\$212.03	\$282.78	\$293.53	\$276.97
6"	\$417.88	\$424.06	\$565.55	\$587.07	\$553.95
8"	\$752.19	\$763.32	\$1,018.00	\$1,056.74	\$997.12
10"	\$1,211.85	\$1,229.79	\$1,640.10	\$1,702.52	\$1,606.45
Gallonage Charge, per 1,000 Gallons					
Up to 5,000 gallons	\$1.69	\$1.72	\$2.29	\$2.38	\$2.24
5,001-10,000 gallons	\$2.12	\$2.15	\$2.86	\$2.98	\$2.81
Over 10,000 gallons	\$2.54	\$2.58	\$3.44	\$3.57	\$3.37
<u>General Service</u>					
Base Facility Charge by Meter Size:					
5/8" x 3/4"	\$8.36	\$8.48	\$11.31	\$11.74	\$11.08
1"	\$20.90	\$21.21	\$28.29	\$29.36	\$27.71
1-1/2"	\$41.79	\$42.41	\$56.56	\$58.71	\$55.40
2"	\$66.86	\$67.85	\$90.49	\$93.93	\$88.63
3"	\$133.73	\$135.71	\$180.99	\$187.88	\$177.27
4"	\$208.94	\$212.03	\$282.78	\$293.53	\$276.97
6"	\$417.88	\$424.06	\$565.55	\$587.07	\$553.95
8"	\$752.19	\$763.32	\$1,018.00	\$1,056.74	\$997.12
10"	\$1,211.85	\$1,229.79	\$1,640.10	\$1,702.52	\$1,606.45
Gallonage Charge, per 1,000 Gallons					
	\$2.29	\$2.32	\$3.10	\$3.21	\$3.04
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>					
3,000 Gallons	\$13.43	\$13.64	\$18.18	\$18.88	\$17.80
5,000 Gallons	\$16.81	\$17.08	\$22.76	\$23.64	\$22.28
10,000 Gallons	\$27.41	\$27.83	\$37.06	\$38.54	\$36.34
Avg. Res. Consumption. of 8,391gallons	\$24.00	\$24.37	\$32.46	\$33.75	\$31.81