

FLORIDA PUBLIC SERVICE COMMISSION

Item 5

VOTE SHEET

FILED 4/2/2024
DOCUMENT NO. 01536-2024
FPSC - COMMISSION CLERK

April 2, 2024

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

Issue 1: Is the overall quality of service provided by Pluris satisfactory?

Recommendation: Yes. Pluris is meeting all Department of Environmental Protection (DEP) primary and secondary standards and has been responsive to customer complaints. Therefore, the quality of service provided by Pluris should be considered satisfactory.

APPROVED

Issue 2: Are the infrastructure and operating conditions of Pluris' water and wastewater systems in compliance with DEP regulations?

Recommendation: Yes. Pluris' water and wastewater systems are currently in compliance with DEP regulations.


APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING









REMARKS/DISSENTING COMMENTS: *Oral Modification, assigned DN 01379-2024, is attached.*

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

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Issue 3: Should the audit adjustments to rate base be made?

Recommendation: Based on the audit adjustments agreed to by the Utility, as well as further adjustments made by staff, the following adjustments should be made to rate base as set forth in staff's analysis portion of its memorandum dated March 21, 2024.

Table 3-1

	Water	Wastewater
Utility Plant in Service	\$36,796	(\$15,765)
Accumulated Depreciation	\$39,740	\$68,782
Depreciation Expense	\$6,218	(\$14,964)
Contribution-in-Aid-of-Construction (CIAC)	(\$8,409)	-
Accum. Amortization of CIAC	(\$22,924)	(\$63,138)
Amortization Expense	\$273	\$285

APPROVED

Issue 4: What are the Used and Useful (U&U) percentages of the Utility's water and wastewater systems and what adjustments to rate base are necessary?

Recommendation: Staff recommends that Pluris' water treatment plant (WTP), storage, and distribution systems, as well as its wastewater collection system, be considered 100 percent U&U. The WWTP should be treated as 94.3 percent U&U. Additionally, staff recommends no adjustments to purchased power and chemical expenses be made for excessive unaccounted for water (EUW) and infiltration and inflow (I&I). Additionally, the Utility's wastewater rate base adjustment should be increased by \$97. Corresponding adjustments should be made to decrease Pluris' adjusted net wastewater depreciation expense by \$389, and to decrease wastewater property tax by \$646.

APPROVED

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

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Issue 5: Should any adjustments be made the Utility's pro forma plant additions?

Recommendation: Staff recommends that Pluris' proposed asbestos-cement pipe replacement is necessary in order to reduce or eliminate water leaks. However, the Utility has not provided an adequate justification for the approximate 602 percent increase in mobilization costs. As such, staff recommends allowing pro forma in the amount of the original bid of \$2,515,214. Also, based on the reclassification of the pro forma project to different plant accounts, the associated accumulated depreciation should be decreased by \$810 and depreciation expense should be decreased by \$5,859 for water. An additional adjustment should be made to increase corresponding property taxes by \$29,695 ~~\$30,932~~.

APPROVED AS MODIFIED

Issue 6: Should adjustments be made to Pluris' working capital allowance?

Recommendation: Yes, Pluris' working capital allowance (WCA) should be increased by \$19,842 and \$19,717 for the water and wastewater systems, respectively.

APPROVED

Issue 7: What is the appropriate rate base for the test year ended December 31, 2022?

Recommendation: Consistent with staff's recommended adjustments, the appropriate rate base for the test year ended December 31, 2022, is \$7,373,975 for water and \$1,327,085 for wastewater.

APPROVED

Issue 8: What is the appropriate return on equity?

Recommendation: Based in the Commission leverage formula currently in effect, the appropriate return on equity (ROE) is 8.75 ~~8.79~~ percent with an allowed range of plus or minus 100 basis points

APPROVED AS MODIFIED

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

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Issue 9: What is the appropriate weighted average cost of capital including the proper components, amounts, and cost rates associated with the capital structure?

Recommendation: The appropriate weighted average cost of capital for the test year ended December 31, 2022, is 8.24 ~~8.22~~ percent.

APPROVED AS MODIFIED

Issue 10: Should any adjustments be made to test year operating revenues for Pluris' water and wastewater systems?

Recommendation: Yes. Test year operating revenues should be decreased by \$27,488 for water and increased by \$5,776 for wastewater.

APPROVED

Issue 11: Should the audit adjustments to net operating income be made?

Recommendation: Based on the audit adjustments agreed to by the Utility, O&M expense should be decreased by \$4,964 and \$6,059 for the water and wastewater systems, respectively.

APPROVED

Issue 12: Should any adjustments be made to Contractual Services - Management Fees?

Recommendation: Yes, Contractual Services – Management Fees should be reduced by \$264,427 and \$265,903 for the water and wastewater systems, respectively. Further, the Utility should be responsible for providing information that details the relationship of all parent-level and above related parties, total expenses on all levels, and the allocation of expenses and duties performed by employees associated with each entity.

APPROVED

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

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Issue 13: What is the appropriate amount of rate case expense and over what period should it be amortized?

Recommendation: The appropriate amount of rate case expense is \$93,539. This expense should be recovered over four years for an annual expense of \$11,730 for water and \$11,655 for wastewater. Therefore, annual rate case expense should be decreased by \$3,681 for water and \$3,659 for wastewater, from the respective levels of expense included in the MFRs.

APPROVED

Issue 14: Should further adjustments be made to the Utility's O&M expense?

Recommendation: Yes, O&M expenses should be further reduced by \$45,314 and \$56,640, for the water and wastewater systems, respectively.

APPROVED

Issue 15: What is the appropriate amount of income tax expense?

Recommendation: The appropriate amount of income tax expense is \$0 for water and \$0 for wastewater. Income tax expense should be reduced by \$163,539 and \$29,748 for the water and wastewater systems, respectively.

APPROVED

Issue 16: Should adjustments be made to Taxes Other Than Income?

Recommendation: Yes, Taxes Other Than Income (TOTI) should be decreased by ~~\$22,503~~ \$21,266 for the water system and should be decreased by \$27,508 for the wastewater system.

APPROVED AS MODIFIED

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

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Issue 17: What is the appropriate revenue requirement for the test year ended December 31, 2022?

Recommendation: Consistent with staff's recommendation on rate base, cost of capital, and net operating income, the following revenue requirement should be approved:

System	Test Year Revenues	\$ Increase	Revenue Requirement	% Increase
Water	\$1,600,131	\$652,855	\$2,252,986	40.80%
		-\$652,164	\$2,252,295	40.76%
Wastewater	\$1,057,726	\$156,222	\$1,213,948	14.77%
		\$155,864	\$1,213,590	14.74%

APPROVED AS MODIFIED

Issue 18: What are the appropriate rates and rate structure for the Pluris water and wastewater systems?

Recommendation: The recommended rate structures and monthly water and wastewater rates are shown on Schedule Nos. 4-A and 4-B of staff's memorandum dated March 21, 2024. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

APPROVED

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Issue 19: What are the appropriate miscellaneous service charges?

Recommendation: The appropriate miscellaneous service charges are shown on Table 19-5 of staff's memorandum dated March 21, 2024 and should be approved. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

APPROVED

Issue 20: What are the appropriate initial customer deposits for Pluris' water and wastewater systems?

Recommendation: The appropriate initial customer deposits for the residential 5/8 inch x 3/4 inch meter size should be \$188 for water and \$114 for wastewater. The initial customer deposits for all other residential meter sizes and all general service meter sizes should be two times the average estimated bill. The approved initial customer deposits should be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to collect the approved deposits until authorized to change them by the Commission in a subsequent proceeding.

APPROVED

Issue 21: Should Pluris' two private fire protection customers be granted a refund?

Recommendation: Yes, Pluris' two private fire protection customers should be granted a refund. The Utility should be required to refund the difference between the total revenues collected and the appropriate revenues calculated based on one-twelfth of the BFC that is relative to the size of the line since the fire protection customers began receiving service. Staff should be given administrative authority to approve the refund amount based on the aforementioned calculation. The refund amount should be provided to staff for approval within 14 days of the Commission Order. The refunds should be made with interest in accordance with Rule 25-30.360(4), F.A.C. Pursuant to Rule 25-30.360(7), F.A.C., the refund should be made within 90 days of the Commission's order. During the processing of the refund, monthly reports on the status of the refund should be made by the 20th of the following month.

APPROVED

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Issue 22: Should the temporary hydrant meter deposit requested by Pluris be approved?

Recommendation: Yes. Pluris' requested temporary hydrant meter deposit should be approved. Once the temporary meter service is terminated, staff recommends that the Utility credit the customer with the reasonable salvage value of the service facilities and materials pursuant to Rule 25-30.315(2), F.A.C. The approved temporary meter deposit should be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to collect the approved deposit, which covers the anticipated costs of installing and removing facilities and materials for temporary service, until authorized to change it by the Commission in a subsequent proceeding.

APPROVED

Issue 23: Should Pluris' existing service availability charges be revised, and if so, what are the appropriate charges?

Recommendation: Yes. Pluris' existing service availability charges should be revised. The Utility's requested meter installation charge of \$674 should be approved. The water system capacity charge of \$640 should be reclassified as the main extension charge. The wastewater system capacity charge should be discontinued. There are no other service availability charges applicable. The Utility should file a revised tariff sheet and a proposed notice to reflect the Commission-approved meter installation and main extension charges. Pluris should provide notice to property owners who have requested service beginning 12 months prior to the establishment of this docket. The approved charge should be effective for connections made on or after the stamped approval date on the tariff sheet. The utility should provide proof of noticing within 10 days of rendering the approved notice.

APPROVED

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

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Issue 24: Should any portion of the interim revenue increase granted be refunded?

Recommendation: Yes. The appropriate refund amounts should be calculated by using the same data used to establish final rates, excluding rate case expense and other items not in effect during the interim period. The revised revenue requirements for the interim collection period should be compared to the amount of interim revenues granted. Based on these calculations, staff recommends interim refunds of 5.00 ~~3.31~~ percent and 7.72 ~~7.67~~ percent for the water and wastewater systems, respectively. The refunds should be made with interest in accordance with Rule 25-30.360(4), F.A.C. The Utility should be required to submit proper refund reports pursuant to Rule 25-30.360(7), F.A.C. The Utility should treat any unclaimed refunds as CIAC pursuant to Rule 25-30.360(8), F.A.C. Once the appropriate amounts of interim revenues are refunded and the refund amounts are verified by staff, the corporate undertaking should be released.

APPROVED

Issue 25: What is the appropriate amount by which rates should be reduced to reflect the removal of amortized rate case expense for water and wastewater, as required by Section 367.081(8), F.S.?

Recommendation: The water and wastewater rates should be reduced, as shown in Schedule Nos. 4-A and 4-B of staff's memorandum dated March 21, 2024, respectively, to remove the annual amortization of rate case expense grossed-up for RAFs. The decrease in rates should become effective immediately following the expiration of the rate case expense recovery period. Pluris should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the Utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass through increase or decrease and the reduction in the rates due to the amortized rate case expense.

APPROVED

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Issue 26: Should the Utility be required to notify, within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) associated with the Commission approved adjustments?

Recommendation: Yes. The Utility should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission’s decision. Pluris should submit a letter within 90 days of the final order in this docket, confirming that the adjustments to all the applicable NARUC USOA accounts have been made to the Utility’s books and records. In the event the Utility needs additional time to complete the adjustments, notice should be provided within seven days prior to deadline. Upon providing good cause, staff should be given administrative authority to grant an extension of up to 60 days.

APPROVED

Issue 27: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff’s verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by staff, the Utility has notified staff that the adjustments for all the applicable NARUC USOA primary accounts have been made, and the interim refund report has been filed. Once these actions are complete, this docket should be closed administratively.

APPROVED

Hiep Nguyen

From: Kate Hamrick
Sent: Friday, March 29, 2024 11:41 AM
To: Andrew Maurey; Wesley Thurmond; Tom Ballinger; Elisabeth Draper; Mark Cicchetti; Jennifer Crawford; Daniel Dose; Cindy Muir; Apryl Lynn; Braulio Baez; CLK - Agenda Staff; Commissioners & Staffs; Mark Futrell; Keith Hetrick; Mary Anne Helton
Cc: Jacqueline Moore; Asha Maharaj-Lucas
Subject: APPROVED: Request for Oral Modification - Docket No. 20230083-WS
Attachments: Oral Mod Charts.pdf; Oral Mod Charts.docx

Please see the approved oral modification to Item 5, Docket No. 20230083-WS, for the April 2, 2024, Commission Conference.

Kate Hamrick
Executive Assistant to
Mark Futrell
Deputy Executive Director: Technical
Florida Public Service Commission
850-413-6304

From: Braulio Baez <BBaez@PSC.STATE.FL.US>
Sent: Friday, March 29, 2024 11:29 AM
To: Andrew Maurey <AMaurey@PSC.STATE.FL.US>; Mark Futrell <MFutrell@PSC.STATE.FL.US>
Cc: Asha Maharaj-Lucas <AMaharaj@psc.state.fl.us>; Kate Hamrick <KHamrick@psc.state.fl.us>; Mark Cicchetti <MCICCHET@PSC.STATE.FL.US>; Tom Ballinger <TBallinger@PSC.STATE.FL.US>; Elisabeth Draper <EDraper@PSC.STATE.FL.US>; Jennifer Crawford <jcrawfor@psc.state.fl.us>; Mary Anne Helton <MHelton@PSC.STATE.FL.US>
Subject: Re: Request for Oral Modification - Docket No. 20230083-WS

Approved. Thanks.

From: Andrew Maurey
Sent: Friday, March 29, 2024 11:27:33 AM
To: Braulio Baez; Mark Futrell
Cc: Asha Maharaj-Lucas; Kate Hamrick; Mark Cicchetti; Tom Ballinger; Elisabeth Draper; Jennifer Crawford; Mary Anne Helton
Subject: Request for Oral Modification - Docket No. 20230083-WS

Staff requests approval to make an oral modification to staff's recommendation in Docket No. 20230083-WS - Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC., currently scheduled as Item 5 on the April 2, 2024 Commission Conference.

Subsequent to filing the recommendation, the Office of Public Counsel made staff aware of errors in the Excel calculation of pro forma property taxes, the capital structure, and the interim refunds. Additionally, an adjustment included in the revenue requirement and addressed in Issue 4 was not included in Schedule No. 1-C. As a result, modifications to staff's recommendation are necessary to Issues 5, 8, 9, 16, 17, and 24, and Schedule Nos. 1-C, 2, 3-A, 3-B, and 3-C.

The requested modifications increase the recommended revenue requirement for Pluris by \$691, or 0.04 percent, for water and \$357, or 0.03 percent, for wastewater. The requested modifications will also increase the recommended interim refund by \$34,526 for water and \$576 for wastewater.

The text below reflects the type and strike changes to the staff recommendation. With these changes, there are no other impacts to staff's recommendation or calculations aside from the fall-out impact to the rates reflected on Schedule Nos. 4-A and 4-B. The resulting increase in revenue requirement does not change the base facility charges for either water or wastewater, but it does slightly increase the gallonage charges by one to two cents. Staff requests administrative approval to update the rates to reflect these as well as any additional changes that may result from the vote at the Commission Conference. The attached files reflect the fall-out modifications to Schedule Nos. 1-C, 2, 3-A, 3-B, and 3-C.

Issue 5, Page 15, Recommendation Statement

An additional adjustment should be made to increase corresponding property taxes by ~~\$29,695~~ **\$30,932**.

Issue 5, Page 16, Paragraph 3

Therefore, pro forma property taxes should be increased by ~~\$29,695~~ **\$30,932**

Issue 5, Page 16, Conclusion

An additional adjustment should be made to increase corresponding property taxes by ~~\$29,695~~ **\$30,932**.

Issue 8, Page 20, Recommendation Statement

Based in the Commission leverage formula currently in effect, the appropriate return on equity (ROE) is ~~8.75~~ **8.79** percent with an allowed range of plus or minus 100 basis points.

Issue 8, Page 20, Staff Analysis

Based on the Commission leverage formula currently in effect, the appropriate ROE is ~~8.75~~ **8.79** percent.

Issue 9, Page 21, Recommendation Statement

The appropriate weighted average cost of capital for the test year ended December 31, 2022, is ~~8.24~~ **8.22** percent.

Issue 9, Page 22, Conclusion

staff recommends a weighted average cost of capital of ~~8.24~~ **8.22** percent.

Issue 16, Page 37, Recommendation Statement

Yes, Taxes Other Than Income (TOTI) should be decreased by ~~\$22,503~~ **\$21,266** for the water system

Issue 16, Page 37, Staff Analysis

Staff recommends increasing water TOTI by ~~\$29,695~~ **\$30,932** to reflect the increase in property taxes due to the pro forma adjustment discussed in Issue 5.

Based on the adjustments discussed above, staff recommends a decrease in TOTI of ~~\$22,503~~ **\$21,266** (~~\$29,695~~ **\$30,932** - \$50,088 - \$2,110) for the water system,

Issue 17, Page 38, Recommendation Statement

System	Test Year Revenues	\$ Increase	Revenue Requirement	% Increase
Water	\$1,600,131	\$652,855	\$2,252,986	40.80%

		\$652,164	\$2,252,295	40.76%
	\$1,057,726	\$156,222	\$1,213,948	14.77%
Wastewater		\$155,864	\$1,213,590	14.74%

Issue 17, Page 38, Paragraph 2

Consistent with staff's recommended adjustments to rate base, cost of capital, and operating income, staff recommends approval of rates designed to generate a revenue requirement of ~~\$2,252,986~~ ~~2,252,295~~ for the water system and ~~\$1,213,948~~ ~~1,213,590~~ for the wastewater system. This results in an increase of ~~40.80~~ ~~40.76~~ percent for the water system and ~~14.77~~ ~~14.74~~ percent for the wastewater system. Staff's recommended revenue requirement will allow the Utility the opportunity to recover its expenses and earn an ~~8.24~~ ~~8.22~~ percent return on its investment in rate base.

Issue 24, Page 52, Recommendation Statement

Based on these calculations, staff recommends interim refunds of ~~5.00~~ ~~3.31~~ percent and ~~7.72~~ ~~7.67~~ percent for the water and wastewater systems, respectively.

Issue 24, Page 52, Paragraphs 4 and 5

Staff's revised interim revenue requirement is ~~\$1,938,636~~ ~~\$1,973,162~~ and ~~\$1,200,719~~ ~~\$1,201,295~~, for the water and wastewater systems, respectively. These revised amounts reflect a difference of ~~\$102,112~~ ~~\$67,586~~ (\$2,040,748 - ~~\$1,938,636~~ ~~\$1,973,162~~) for water and ~~\$100,394~~ ~~\$99,818~~ (\$1,301,113 - ~~\$1,200,719~~ ~~\$1,201,295~~) for wastewater.

Based on the above, staff recommends refunds of ~~5.00~~ ~~3.31~~ percent (~~\$102,112~~ ~~67,586~~ / \$2,040,748) and ~~7.72~~ ~~7.67~~ percent (~~\$100,394~~ ~~99,818~~ / \$1,301,113) for the water and wastewater systems, respectively.

Schedule No 1-C, Page 58

Pluris Wedgefield, LLC. Adjustments to Rate Base Test Year Ended 12/31/22		Schedule No. 1-C Docket No. 20230083-WS	
Explanation	Water	Wastewater	
Plant In Service			
1 Staff-Adjusted Audit Finding No. 1	\$36,796	(\$15,765)	
2 To reflect the reclassification of a meter installation charge.	<u>268</u>	<u>0</u>	
Total	<u>\$37,064</u>	<u>(\$15,765)</u>	
Accumulated Depreciation			
1 Staff-Adjusted Audit Finding No. 2	\$39,740	\$68,782	
2 To reflect the appropriate pro-forma accumulated depreciation.	<u>(810)</u>	<u>0</u>	
Total	<u>\$38,930</u>	<u>\$68,782</u>	
<u>Non-used and Useful</u>			
<u>To reflect net non-used and useful adjustment</u>	<u>\$0</u>	<u>(\$97)</u>	
CIAC			
1 Audit Finding No. 3	(\$8,409)	\$0	
2 To reflect the reclassification of a meter installation charge.	<u>(268)</u>	<u>0</u>	
Total	<u>(\$8,677)</u>	<u>\$0</u>	
Accumulated Amortization of CIAC			
Audit Finding No. 4	<u>(\$22,924)</u>	<u>(\$63,138)</u>	
Working Capital			
To reflect the unamortized balance of non-recurring expenses.	<u>\$19,842</u>	<u>\$19,717</u>	

Pluris Wedgefield, LLC. Capital Structure 13-Mo. Average Test Year Ended 12/31/22						Schedule No. 2 Docket No. 20230083-WS		
Description	Total Capital	Specific Adjust- ments	Subtotal Adjusted Capital	Pro-rata Adjust- ments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost
Per Utility								
1 Debt	\$1,911,528	\$0	\$1,911,528	\$376,318	\$2,287,846	26.52%	5.70%	1.51%
2 Common Equity	(1,003,979)	6,281,931	5,277,952	1,038,361	6,316,313	73.21%	9.00%	6.59%
3 Customer Deposits	23,168	0	23,168	0	23,168	0.27%	6.00%	0.02%
Total Capital	\$930,717	\$6,281,931	\$7,212,648	\$1,414,679	\$8,627,327	100.00%		8.12%
Description	Adjusted Test Year Total Capital	Pro Forma Adjust- ments	Subtotal Adjusted Capital	Pro-rata Adjust- ments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost
Per Staff								
	\$1,911,528		\$1,911,528	(\$342,345)	\$1,569,183	18.03%		1.03%
4 Debt	\$1,661,528	\$0	\$1,661,528	(\$264,534)	\$1,396,994	16.06%	5.70%	0.92%
				(1,550,892)	7,108,709	81.70%	8.79%	7.18%
5 Common Equity	6,144,387	2,515,214	8,659,601	(1,378,704)	7,280,987	83.68%	8.75%	7.32%
6 Customer Deposits	23,168	0	23,168	0	23,168	0.27%	2.00%	0.01%
	\$8,079,083		\$10,594,297	(\$1,893,237)				8.22%
Total Capital	\$7,829,083	\$2,515,214	\$10,344,297	(\$1,643,237)	\$8,701,060	100.00%		8.24%
						LOW	HIGH	
						7.79%	9.79%	
						RETURN ON EQUITY	7.75%	9.75%
						7.40%	9.03%	
						OVERALL RATE OF RETURN	7.41%	9.08%

Schedule No 3-A, Page 60

Pluris Wedgefield, LLC. Statement of Water Operations Test Year Ended 12/31/22						Schedule No. 3-A Docket No. 20230083-WS	
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>\$1,627,619</u>	<u>\$1,085,570</u>	<u>\$2,713,189</u>	<u>(\$1,113,058)</u>	<u>\$1,600,131</u>	<u>\$652,164</u> <u>\$652,855</u> 40.76% 40.80%	<u>\$2,252,295</u> <u>\$2,252,986</u>
Operating Expenses							
2 Operation & Maintenance	\$1,749,162	(\$404,919)	\$1,344,243	(\$318,387)	\$1,025,856	\$0	\$1,025,856
3 Depreciation	363,029	58,604	421,633	359	421,992	0	421,992
4 Amortization	0	0	0	273	273	0	273
5 Taxes Other Than Income	141,262	48,961	190,223	<u>(21,266)</u> <u>(22,503)</u>	<u>168,957</u> <u>167,720</u>	<u>29,347</u> <u>29,378</u>	<u>198,304</u> <u>197,098</u>
6 Income Taxes	0	<u>163,539</u>	<u>163,539</u>	<u>(163,539)</u>	0	0	0
7 Total Operating Expense	<u>2,253,453</u>	<u>(133,815)</u>	<u>2,119,638</u>	<u>(502,560)</u> <u>(503,798)</u>	<u>1,617,078</u> <u>1,615,840</u>	<u>29,347</u> <u>29,378</u>	<u>1,646,425</u> <u>1,645,219</u>
8 Operating Income	<u>(\$625,834)</u>	<u>\$1,219,385</u>	<u>\$593,551</u>	<u>(\$610,498)</u> <u>(\$609,260)</u>	<u>(\$16,947)</u> <u>(\$15,709)</u>	<u>\$622,817</u> <u>\$623,476</u>	<u>\$605,870</u> <u>\$607,767</u>
9 Rate Base	<u>\$1,426,078</u>		<u>\$7,309,740</u>		<u>\$7,373,975</u>		<u>\$7,373,975</u>
10 Rate of Return	<u>(43.88%)</u>		<u>8.12%</u>		<u>(0.23%)</u> <u>(0.21%)</u>		<u>8.22%</u> <u>8.24%</u>

Schedule No 3-B, Page 61

Pluris Wedgefield, LLC. Statement of Wastewater Operations Test Year Ended 12/31/22						Schedule No. 3-B Docket No. 20230083-WS		
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>\$1,051,949</u>	<u>\$556,115</u>	<u>\$1,608,064</u>	<u>(\$550,338)</u>	<u>\$1,057,726</u>	<u>\$155,864</u> <u>\$156,222</u> 14.74% 14.77%	<u>\$1,213,590</u> <u>\$1,213,948</u>
	Operating Expenses							
2	Operation & Maintenance	\$924,958	\$250,836	\$1,175,794	(\$332,260)	\$843,533	\$0	\$843,533
3	Depreciation	129,820	(845)	128,975	(14,575)	114,400	0	114,400
4	Amortization	0	0	0	285	285	0	285
5	Taxes Other Than Income	141,804	25,025	166,829	(27,508)	139,321	<u>7,014</u> <u>7,030</u>	<u>146,335</u> <u>146,351</u>
6	Income Taxes	<u>0</u>	<u>29,478</u>	<u>29,478</u>	<u>(29,478)</u>	<u>0</u>	<u>0</u>	<u>0</u>
7	Total Operating Expense	<u>1,196,582</u>	<u>304,494</u>	<u>1,501,076</u>	<u>(403,538)</u>	<u>1,097,538</u>	<u>7,014</u> <u>7,030</u>	<u>1,104,552</u> <u>1,104,568</u>
8	Operating Income	<u>(\$144,633)</u>	<u>\$251,621</u>	<u>\$106,988</u>	<u>(\$146,800)</u>	<u>(\$39,812)</u>	<u>\$148,850</u> <u>\$149,192</u>	<u>\$109,038</u> <u>\$109,379</u>
9	Rate Base	<u>(\$2,079,052)</u>		<u>\$1,317,586</u>		<u>\$1,327,085</u>		<u>\$1,327,085</u>
10	Rate of Return	<u>6.96%</u>		<u>8.12%</u>		<u>(3.00%)</u>		<u>8.22%</u> <u>8.24%</u>

Pluris Wedgefield, LLC. Adjustments to Net Operating Income Test Year Ended 12/31/22		Schedule No. 3-C Docket No. 20230083-WS	
Explanation	Water	Wastewater	
Operating Revenues			
1 To remove the requested final revenue increase.	(\$1,085,570)	(\$556,115)	
2 To reflect the appropriate amount of test year revenues.	<u>(27,488)</u>	<u>5,777</u>	
Total	<u>(\$1,113,058)</u>	<u>(\$550,338)</u>	
Operation and Maintenance Expense			
1 Audit Finding No. 8	(\$4,964)	(\$6,059)	
2 To reflect the appropriate amount of test year salaries.	(27,588)	(27,412)	
3 To reflect the appropriate amount of pensions and benefits.	(2,332)	(2,317)	
4 To reflect the appropriate amount of management fees.	(264,427)	(265,903)	
5 To reflect the appropriate amount of rate case expense.	(3,681)	(3,659)	
6 To reflect non-recurring expenses.	(12,978)	(26,580)	
7 To reflect a fuel for power production normalization adjustment.	<u>(2,417)</u>	<u>(331)</u>	
Total	<u>(\$318,387)</u>	<u>(\$332,260)</u>	
Depreciation Expense			
1 Staff-Adjusted Audit Finding No 2	\$6,218	(\$14,964)	
2 To reflect the appropriate pro forma depreciation expense.	(5,859)	0	
3 To reflect the net depreciation on non-U&U adjustment.	<u>0</u>	<u>389</u>	
Total	<u>\$359</u>	<u>(\$14,575)</u>	
Amortization			
Audit Finding No. 4	<u>\$273</u>	<u>\$285</u>	
Taxes Other Than Income			
1 RAFs on revenue adjustment above.	(\$50,088)	(\$24,765)	
2 To remove the property taxes on non-U&U adjustment.	0	(646)	
3 To reflect the fallout of salary adjustment.	(2,110)	(2,097)	
	<u>30,932</u>	<u>0</u>	
4 To reflect the pro forma property tax.	<u>29,695</u>		
	<u>(\$21,266)</u>	<u>(\$27,508)</u>	
Total	<u>(\$22,503)</u>		
Income Taxes			
To remove the income tax provision.	(\$163,539)	(\$29,478)	