

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Application for certificate to provide
wastewater service in Charlotte County, by
Environmental Utilities, LLC

DOCKET NO. 20240032-SU

**NOTICE OF FILING OF PREFILED REBUTTAL TESTIMONY OF DEBORAH D.
SWAIN ON BEHALF OF ENVIRONMENTAL UTILITIES, LLC**

Environmental Utilities, LLC, by and through its undersigned counsel, hereby notices the
filing of the attached Prefiled Rebuttal Testimony of Deborah D. Swain.

Respectfully submitted this 6th day of December,
2024.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Notice of Filing of Rebuttal Testimony has been furnished by electronic mail to the following parties this 6th day of December, 2024:

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/s/ Martin S. Friedman
Martin S. Friedman

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide
wastewater service in Charlotte
County by Environmental Utilities, LLC

Docket No. 20240032-SU

REBUTTAL TESTIMONY

OF

DEBORAH D. SWAIN

on behalf of

Environmental Utilities, LLC

1 **Q. What is the purpose of your Rebuttal Testimony.**

2 A. The purpose of my Rebuttal Testimony is to address portions certain intervenor witnesses'
3 direct testimony.

4 **Q. Which witnesses' testimony will be addressing?**

5 A. I will address testimony of Intervenor witnesses Linda Cotherman and John Shaw.

6 First, I will address the testimony of Linda Cotherman.

7 Fair and equitable rates: Witness Cotherman first states that it is not possible to determine if the
8 rates are fair and equitable because they are pro-forma and no documentation was provided.

9 However, I would point out that since the facilities cannot be constructed until a certificate is
10 approved by the FPSC, all costs in the application are estimates. However, the basis for all of
11 the estimates was provided by the utility witnesses. Furthermore, the full range of costs was
12 included, based upon available information at the time of filing. I have prepared the financial
13 application in support of the initial rates for many new certificate applications, and this
14 application was consistent with respect to the level of information provided in my other
15 applications.

16 Analysis of the Application:

17 Part II B. Financial Ability

- 18 • Witness Cotherman testifies that Exhibit B-1 does not appear to fill the requirement. Exhibit
19 B-1 provides the level of detail available for a utility first applying to the FPSC for a new
20 certificate. At that point, it typically has no activity other than organizational. Furthermore,
21 Schedule 2 provides a detailed proforma balance sheet, Schedule 3 B provides a detailed
22 proforma expense statement, and Schedule 7 (Support) Page 1 provides a proforma
23 statement of net operating income.
- 24 • Witness Cotherman testifies that Exhibit B-2 does not list all the entities providing funding,
25 and criticizes that the prospective funding is contingent upon obtaining an FPSC certificate.

1 This is typical for a utility first applying for a new certificate, and exhibit B-2 serves to
2 show that financing is available when and if needed.

3 Part II F. Proposed Tariff, Exhibit “F”

- 4 • Witness Cotherman claims that the rates and tariffs do not properly reflect the cost of
5 materials. The rates and tariffs are based upon the utility engineer’s estimate of probably
6 construction cost at the time of the application. There is no benefit to the utility nor its
7 consulting engineer to underestimate costs. On the contrary, this could leave the utility in
8 position of significant cash flow losses, which would be detrimental to the owners.
- 9 • Witness Cotherman claims that the documentation was not presented as to how the
10 sewerage flows would be measured for billing. However, Schedule No. 3B and Schedule 7
11 (Support) page 2 shows an amount for contract billing. The utility will contract with the
12 private water utilities to add the wastewater billing to the water bills. I estimated a cost of
13 \$2.00 per bill per month (plus inflation) for this service. As is customary with wastewater
14 utilities, the proposed rates are based on water usage. Wastewater utilities do not install
15 separate meters to read sewerage flow.
- 16 • Witness Cotherman describes “discrepancies” among witnesses and regulations pertaining
17 to ERCs and GPD per ERC. The definition of an ERC is commonly different for varying
18 purposes. For the purposes of design capacity, the gallons per day for each ERC are based
19 upon sewerage flows. For rates, the ERCs are based upon billable water gallons, not
20 wastewater flows. The gallons per day I used were a blended average of the customer usage
21 billed by private water utilities for the prospective customers of the new wastewater utility.
22 The estimated cost of wastewater treatment purchased is 90% of water use, anticipating that
23 90% of water used will be returned to the wastewater treatment plan.

24 **Q. Please provide your comments regarding the direct testimony of Witness John Shaw.**

25 A. Witness Shaw describes what he characterizes as “deficiencies” in certain of the schedules

1 in Exhibit DDS-1.

2 Schedule 1B -

- 3 • Item 6 Collecting system – Witness Shaw appears to be testifying that the cost should
4 be updated to the Intervenor’s estimated cost. The cost I used is based upon estimates
5 by Giffels-Webster Engineers, Inc., and includes overhead and inflation allowances.
- 6 • Item 14 Pumping system – Witness Shaw is incorrectly calculated the cost at 100%
7 of customers connected rather than 80% as required for the determination of rates.
8 He also incorrectly claims that abandoning the septic tank, and general conditions,
9 and markup for construction on a barrier island were excluded. Regarding
10 abandoning the septic tanks, the Technical Memorandum prepared by. includes the
11 cost o per lot to crush and fill the existing the septic tanks, which is included in
12 Pumping Equipment in DDS-1 and includes a provision for overheads The costs do
13 not require additional costs for construction on a barrier island as the base costs
14 contemplated the construction conditions.

15 Schedule 3B -

- 16 • Witness Shaw testifies that the average cost excludes the cost of conveyance by
17 the County, the cost of wastewater treatment by the County, and the cost of
18 disposal by the County. However, the line on that schedule titled “Purchased
19 Wastewater Treatment” includes all the costs from the County per the Bulk
20 Service agreement.

21 Schedule 4B –

- 22 • Witness Shaw identifies a discrepancy between the GWE report (1251) and the
23 cited schedule (1248). The apparent discrepancy is simply a factor of updated
24 estimates as the financial information was prepared. Since the rates are based

1 upon the year 80% capacity is reached, and many of the costs are calculated on
2 a per customer basis, the .2% discrepancy becomes even more de minimus.

3 • Witness Shaw calculates a per connection cost based upon the Intervenor’s
4 determination of construction cost. Even if the cost should be updated as the
5 Intervenor’s claim, the service availability charge Witness Shaw calculates is
6 over-simplified, does not follow the FPSC methodology, and does not comply
7 with Chapter 25-30.580 F.A.C., Guidelines for Designing Service Availability
8 Policy.

9 Schedule 5 -

10 • Witness Shaw seems to be claiming that the fee for the installation of sewer
11 laterals should reflect the Intervenor’s higher construction cost. The fee on
12 Schedule 5 is the Utility’s estimated cost, plus overhead.

13 Schedule 7 -

14 • Witness Shaw testifies that the utility’s calculation of average monthly bill
15 excludes purchased services from the County. As I explained above, these costs
16 are included. The County’s average bill to their customers is irrelevant, as the
17 charge they propose to the Utility is based upon a bulk agreement.

18 DDS 1, page 11 of 21 -

19 • Witness Shaw testifies the LPS tank installation should be depreciated over 7
20 years, rather than the 18 years prescribed by the FPSC, Chapter 25.30-140
21 F.A.C., Depreciation.

22 **Q. Are you sponsoring any rebuttal exhibits?**

23 A. Yes, I have revised my Exhibit DDS-1, and have attached it here as Exhibit DDS-2. The
24 revisions were based upon several factors. Utility Witness Jon Cole has revised some of the
25 construction costs. Furthermore, while reviewing all costs during the preparation of my rebuttal

1 testimony, I determined that the starting date for connections should be changed from 2025 to
2 2027, and the starting number of connections should be 810 instead of 860, largely as a result
3 of the impact of Hurricane Ian in 2022. This changed the date that 80% capacity was reached
4 from 2034 to 2038. As a result, four additional years of inflation were appropriate for most
5 categories of expenses.

6 **Q. What impact do these revisions have?**

7 A. The requested rates have changed very little, but the impact fee requested has increased due to
8 the increase in cost for the force main construction. These revised amounts are included in my
9 Exhibit DDS-2.

10 **Q. Does that conclude your rebuttal testimony?**

11 A. Yes, it does.

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Environmental Utilities, LLC
Application for Original Certificate
Accounting Information

Docket No. 20240032-SU

REVISED 12-6-2024

Environmental Utilities, LLC
Initial Rates and Charges
Accounting Information

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Schedule 1 Summary

**Environmental Utilities, LLC
 Initial Rates and Charges
 Projected Rate Base at 100% and 80% of Designed Capacity**

| Line No | Description | 2053 100% | 2038 80% | Referenced Schedule No. |
|----------------|--------------------------------------|----------------------|---------------------|------------------------------------|
| 1 | Wastewater Rate Base | | | |
| 2 | | | | |
| 3 | Utility Plant in Service | \$ 22,534,079 | \$ 20,329,767 | 1 B |
| 4 | Land and Land Right | \$ 800,000 | \$ 800,000 | |
| 5 | Accumulated Depreciation | (18,732,867) | (9,933,997) | 1 B Support |
| 6 | Contributions in Aid of Construction | (21,217,738) | (16,967,390) | 1 B Support |
| 7 | Accumulated Amortization of CIAC | 17,917,025 | 6,980,166 | 1 B Support |
| 8 | Working Capital Allowance | 177,934 | 174,443 | |
| | Wastewater Rate Base | <u>\$ 1,478,434</u> | <u>\$ 1,382,989</u> | |

Schedule 1 B

**Environmental Utilities, LLC
 Initial Rates and Charges
 Pro Forma Wastewater Utility Plant
 Projected December 2038**

| Line No. | NARUC Acct. | Description | | Accumulated Depreciation |
|-----------------|--------------------|---|----------------------|---------------------------------|
| 1 | 351 | Organization | \$ 522,000 | \$ 156,600 |
| 2 | 352 | Franchises | | |
| 3 | 353 | Land and Land Rights | 800,000 | |
| 4 | 354 | Structures and Improvements | 917,633 | 344,112 |
| 5 | 355 | Power Generation Equipment | | |
| 6 | 360 | Collecting Wastewater - Force | 8,177,355 | 3,270,942 |
| 7 | 361 | Collecting Wastewater - Gravity | | |
| 8 | 361 | Manholes | | - |
| 9 | 362 | Special Collecting Structures | | |
| 10 | 363 | Services to Customers | 1,445,553 | 407,775 |
| 11 | 364 | Flow Measuring Devices | 30,475 | 12,190 |
| 12 | 365 | Flow Measuring Installations | | |
| 13 | 370 | Receiving Wells | | |
| 14 | 371 | Pumping Equipment | 8,798,626 | 5,326,218 |
| 15 | 374 | Reuse Distribution Reservoirs | | |
| 16 | 375 | Reuse T & D | | |
| 17 | 380 | Treatment and Disposal Equipment | | |
| 18 | 381 | Plant Sewers | | |
| 19 | 382 | Outfall Wastewater Lines | | |
| 20 | 389 | Other Plant and Miscellaneous Equipment | | |
| 21 | 390 | Office Furniture and Equipment | 4,878 | 4,419 |
| 22 | 391 | Transportation Equipment | 232,516 | 232,516 |
| 23 | 393 | Tools, Shop and Garage Equipment | 86,028 | 64,521 |
| 24 | 395 | Power Operated Equipment | 114,704 | 114,704 |
| 25 | 397 | Miscellaneous | | |
| 26 | | | <u>\$ 21,129,767</u> | <u>\$ 9,933,997</u> |
| 27 | | | | |
| 28 | | Treatment Capacity (gpd) | N/A | |
| 29 | | Line Capacity | 1,248 | |
| 30 | | ERC = | 90 | |

Schedule 2

Environmental Utilities, LLC
Initial Rates and Charges
Pro Forma Balance Sheet at 100% Design
Projected December 2053

| Line No. | NARUC Acct. | | Assets and Other Debits |
|----------|-------------|---|-------------------------|
| 1 | 101 | Utility Plant In Service | \$ 23,334,079 |
| 2 | 103 | Property Held For Future Use | |
| 3 | 104 | Utility Plant Purchased or Sold | |
| 4 | 105 | Construction Work in Progress | |
| 5 | 108 | Accumulated Depreciation and Amortization of UPIS | (18,732,867) |
| 6 | 114 | Utility Plant Acquisition Adjustments | |
| 7 | 115 | Accumulated Amortization of Utility Plant Acquisition Adjustments | |
| 8 | 121 | Nonutility Property | |
| 9 | 122 | Accumulated Depreciation and Amortization of Nonutility Property | |
| 10 | 124 | Utility Investments | |
| 11 | 131 | Cash | 150,315 |
| 12 | 132 | Special Deposits | |
| 13 | 141 | Customer Accounts Receivable | 77,724 |
| 14 | 143 | Accumulated Provision of Uncollectible Accounts - CR | |
| 15 | 151 | Plant Material and Supplies | |
| 16 | 174 | Miscellaneous Current and Accrued Assets | |
| 17 | 186 | Miscellaneous Deferred Debits | |
| 18 | 190 | Accumulated Deferred Income Taxes | |
| 19 | | Total Assets and Other Debits | \$ 4,829,252 |
| 20 | | | |
| 21 | | Equity Capital | |
| 22 | 201 | Common Stock Issued | |
| 23 | 204 | Preferred Stock Issued | |
| 24 | 211 | Other Paid In Capital | 7,882,815 |
| 25 | 215 | Retained Earnings | 119,320 |
| 26 | 218 | Proprietary Capital | |
| 27 | | Liabilities and Other Credits | |
| 28 | 224 | Long Term Debt | |
| 29 | 231 | Accounts Payable | 50,105 |
| 30 | 232 | Notes Payable | |
| 31 | 235 | Customer Deposits | 77,724 |
| 32 | 236 | Accrued Taxes | |
| 33 | 237 | Accrued Interest | |
| 34 | 241 | Miscellaneous Current and Accrued Liab. | |
| 35 | 252 | Advances for Construction | |
| 36 | 253 | Other Deferred Credits | |
| 37 | 255 | Accumulated Deferred Investment Tax Credits | |
| 38 | 265 | Accumulated Deferred Investment Tax Credits | |
| 39 | 271 | Contributions in Aid of Construction (CIAC) | (21,217,738) |
| 40 | 272 | Accumulated Amortization of CIAC | 17,917,025 |
| 41 | 281 | Accumulated Deferred Income Taxes -Accelerated Amortization | |
| 42 | 282 | Accumulated Deferred Income Taxes -Liberalized Depreciation | |
| 43 | 283 | Accumulated Deferred Income Taxes - Other | |
| 44 | | Total Equity, Liabilities and Other Credits | \$ 4,829,252 |

Schedule 3 B

Environmental Utilities, LLC
Initial Rates and Charges
Wastewater System
Pro Forma Expenses for Wastewater Utility based on projections at 80% Design Capacity
Projected December 2038

| Line No. | NARUC Acct. No. | Description | Wastewater |
|----------|-----------------|---|---------------------|
| 1 | 701 | Salaries and Wages - Employees | \$ 192,822 |
| 2 | 703 | Salaries and Wages - Other | 99,834 |
| 3 | 704 | Employees Pensions and Benefits | 65,976 |
| 4 | 710 | Purchased Wastewater Treatment | 657,100 |
| 5 | 711 | Sludge Removal Expense | - |
| 6 | 715 | Purchased Power | 17,067 |
| 7 | 716 | Fuel for Power Production | - |
| 8 | 718 | Chemicals | - |
| 9 | 720 | Materials and Supplies | 17,114 |
| 10 | 731 | Contract Services - Engineering | - |
| 11 | 732 | Contract Services - Accounting | - |
| 12 | 733 | Contract Services - Legal | - |
| 13 | 734 | Contract Services - Mgmt. Fees | - |
| 14 | 735 | Contract Services - Testing | - |
| 15 | 736 | Contract Services - Billing | 34,160 |
| 16 | 741 | Rental of Building/Real Property | 16,259 |
| 17 | 742 | Rental of Equipment | - |
| 18 | 750 | Transportation Expense | 22,249 |
| 19 | 756 | Insurance - Vehicle | 8,557 |
| 20 | 757 | Insurance - General Liability | 22,819 |
| 21 | 758 | Insurance - Workers Comp | 26,311 |
| 22 | 759 | Insurance - Other | - |
| 23 | 760 | Advertising Expense | - |
| 24 | 766 | Regulatory Commission Expense | - |
| 25 | 767 | Regulatory Commission Expense - Other | - |
| 26 | 770 | Bad Debt Expense | - |
| 27 | 775 | Miscellaneous Expense | 22,249 |
| 28 | 403 | Depreciation - Net of CIAC Amortization | 246,605 |
| 29 | 407 | Amortization Expense - Org Cost | 13,050 |
| 30 | 407 | Amortization Expense - Billing Software Update | 5,943 |
| 31 | 408 | Taxes Other Than Income (1) | 237,588 |
| 32 | | Total Expenses | <u>\$ 1,705,703</u> |
| 33 | | | |
| 34 | | Average cost per customer per month | <u>\$ 91.12</u> |
| 35 | | | |
| 36 | (1) | Taxes other than Income | |
| 37 | | Property Taxes (net tangible plant X millage 14.4402) | \$ 136,336 |
| 38 | | Payroll Taxes | 17,307 |
| 39 | | Regulatory Assessment Fees | 83,945 |
| 40 | | Total | <u>\$ 237,588</u> |

Schedule 4B

**Environmental Utilities, LLC
 Initial Rates and Charges
 Service Availability Charge Analysis for Wastewater
 Projected December 2053**

| Line No. | Description | Wastewater | |
|-----------------|---|-------------------|------------------|
| 1 | Gross Book Value | \$ 23,334,079 | |
| 2 | Land | \$ 800,000 | |
| 3 | Depreciable Plant | \$ 22,534,079 | |
| 4 | Accumulated Depreciation to Date | \$ - | |
| 5 | Accumulated Depreciation at Design Capacity | \$ 18,732,867 | |
| 6 | Net Plant at Design Capacity (includes land) | \$ 1,170,258 | |
| 7 | Transmission & Distribution / Collection Systems | \$ 19,452,755 | |
| 8 | Minimum Level of C.I.A.C. | 83.37% | |
| 9 | C.I.A.C. to Date | \$ - | |
| 10 | Accumulated Amortization of C.I.A.C. to Date | \$ - | |
| 11 | Accumulated Amortization of C.I.A.C. at Design Capacity | \$ - | |
| 12 | Future Customers (ERC) to be Connected | 1,248 | |
| 13 | Composite Depreciation Rate | 3.78% | |
| 14 | Number of Years to Design Capacity | 26 | |
| 15 | Existing Service Availability Charge Per ERC | \$ - | |
| 16 | Level of C.I.A.C. at Design Capacity | 0.00% | |
| 17 | Requested Service Availability Charge Per ERC | \$ 15,587.14 | |
| 18 | Level of C.I.A.C. at Design Capacity | 71.74% | |
| 19 | Minimum Service Availability Charge Per ERC | \$ 1,543.00 | |
| 20 | Level of C.I.A.C. at Design Capacity | 83.37% | |
| 21 | Maximum Service Availability Charge Per ERC | \$ 1,388.00 | Main |
| 22 | Level of C.I.A.C. at Design Capacity | 100% | Capacity |
| 23 | Requested Service Availability Charge Per ERC | <u>\$ 15,587</u> | <u>\$ 15,587</u> |
| 24 | Requested Service Availability Charge Gallon Per Day | <u>\$ 72.16</u> | <u>\$ 72.16</u> |

Schedule 5

**Environmental Utilities, LLC
 Initial Rates and Charges
 Cost Justification for Service Installation Fees
 Projected December 2053**

| Line No. | Description | Wastewater |
|----------|--|---------------------------|
| 1 | Sewer Lateral Installation Fee | |
| 2 | Sewer Lateral Cost | \$ 1,764,983 |
| 3 | Future Customers (ERC) to be Connected | <u>1,248</u> |
| 4 | Sewer Lateral Installation Fee | \$ 1,414.25 |
| 5 | | |
| 6 | Requested Sewer Lateral Installation Fee | <u><u>\$ 1,414.25</u></u> |

Schedule 6

Environmental Utilities, LLC
Initial Rates and Charges
Cost Justification for Miscellaneous Service Charges

| Line No. | Description | Charge During Regular Business Hours | Charge After Regular Business Hours |
|----------|---|--|-------------------------------------|
| 1 | Initial Connection (1) | \$30.00 | N/A |
| 2 | | | |
| 3 | Normal Reconnection (1) | \$30.00 | N/A |
| 4 | | | |
| 5 | Violation Reconnection | Actual Cost | Actual Cost |
| 6 | | | |
| 7 | Premise Visit Charge (1) | \$30.00 | N/A |
| 8 | | | |
| 9 | Late Payment Fee (2) | \$7.50 | N/A |
| 10 | | | |
| 11 | Bad check Charge | Pursuant to 68.065 (2), Florida Statutes | |
| 12 | | | |
| 13 | Notes: | | |
| 14 | (1) Cost Justification | | |
| 15 | Labor (\$20 * 1.33) = \$26.60 | | |
| 16 | Vehicle (6 miles x \$.58 per mile) = \$3.48 | | |
| 17 | Total = \$30.08, rounded to \$30.00 | \$30.00 | |
| 18 | | | |
| 19 | (2) Cost Justification | | |
| 20 | Clerical Labor (\$20 * .25) = \$5.00 | | |
| 21 | Supervisor Labor (\$25 * .08) = \$2.00 | | |
| 22 | Printing Supplies (\$.10) | | |
| 23 | Postage (\$.50) | | |
| 24 | Total = \$7.60, round to \$7.50 | \$7.50 | |
| 25 | | | |
| 26 | Total new connections 2038 | 17 | |
| 27 | | | |
| 28 | Miscellaneous Revenues | \$510.00 | |

Environmental Utilities, LLC
 Initial Rates and Charges
 Proof of Revenue
 Projected December 2038

| Line No | | Rates for Revenue Requirement | Total ERCs | Total Gallons | Revenue Required Annual Revenue |
|---------|--|-------------------------------|------------|---------------|---------------------------------|
| 1 | Revenue Proof For Wastewater | | | | |
| 2 | Requested Rates - Residential - Monthly | | | | |
| 3 | Base Facility Charge | \$ 109.29 | 11,981 | | \$ 1,309,348.09 |
| 4 | Gallorage Charge, 10,000 gallons cap | \$ 18.82 | | 29,518 | \$ 555,523.04 |
| 5 | Total Residential Revenues | | | | \$ 1,864,871.12 |
| 6 | Average Residential Bill | | | | \$ 155.65 |
| 7 | | | | | |
| 8 | Requested Rates - General Service | | | | |
| 9 | 5/8" x 3/4" | \$ 109.29 | 0 | | \$ - |
| 10 | 3/4" | 163.93 | 0 | | - |
| 11 | 1" | 273.22 | 0 | | - |
| 12 | 1-1/2" Turbine | 546.44 | 0 | | - |
| 13 | 2" Turbine | 874.30 | 0 | | - |
| 14 | 3" Turbine | 1,912.53 | 0 | | - |
| 15 | Charge per 1,000 gallons | \$ 22.59 | | 0 | \$ - |
| 16 | Total General Service Revenues | | | | \$ - |
| 17 | Average General Service Bill | | | | N/A |
| 18 | | | | | |
| 19 | Requested Rates - Reclaimed Water | | | | |
| 20 | Charge per 1,000 gallons | \$ - | | 0 | \$ - |
| 21 | | | | | |
| 22 | Revenues from Miscellaneous Charges | \$ 30.00 | 17 | | \$ 510.00 |
| 23 | | | | | |
| 24 | Total Wastewater Revenue at 80% Design Capacity | | | | \$ 1,865,381.12 |

Environmental Utilities, LLC
 Wastewater Plant and Depreciation
 Schedule 1B Support (Schedule C)

| | Cost | Regulatory | | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 |
|--|------------|------------|--------------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|
| | | Asset Life | Depr Expense | | | | | | | | | | | | |
| WASTEWATER | | | | | | | | | | | | | | | |
| UTILITY PLANT IN SERVICE | | | | | | | | | | | | | | | |
| 353 LAND | | | | | | | | | | | | | | | |
| DP/KI Land | 300,000 | | | | | | | | | | | | | | |
| LGI Property | 250,000 | | | | | | | | | | | | | | |
| Easements - Legal/Surveying | 250,000 | | | | | | | | | | | | | | |
| Total 353 Land | 800,000 | | | | | | | | | | | | | | |
| 351 ORGANIZATION | | | | | | | | | | | | | | | |
| Engineering GWE | 53,000 | 40 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 |
| Milian, Swain & Associates | 112,000 | 40 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 |
| Dean Mead | 190,000 | 40 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 |
| Filing Fees, mail outs, other | 10,000 | 40 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| Legal for zoning / Other | 157,000 | 40 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 |
| Total 351 Organization | 522,000 | | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 |
| Accumulated Depreciation | | | 13,050 | 26,100 | 39,150 | 52,200 | 65,250 | 78,300 | 91,350 | 104,400 | 117,450 | 130,500 | 143,550 | 156,600 | |
| 354 STRUCTURE & IMPROVEMENTS | | | | | | | | | | | | | | | |
| DP / KI Building | 458,816 | 32 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 |
| LGI Building | 458,816 | 32 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 |
| Total 354 Structures & Improvements | 917,633 | | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 |
| Accumulated Depreciation | | | 28,676 | 57,352 | 86,028 | 114,704 | 143,380 | 172,056 | 200,732 | 229,408 | 258,084 | 286,760 | 315,436 | 344,112 | |
| 371 PUMPING EQUIPMENT | | | | | | | | | | | | | | | |
| Crush and fill (810 ERCs X \$1500) | 1,215,000 | 18 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| LPS Tank Installations (1248*ERCs X \$7300) | 9,110,400 | 18 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grinder Lift Stations Transportation | 150,000 | 18 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total 371 Pumping Equipment | 10,475,400 | | 401,409 | 401,409 | 408,977 | 416,268 | 423,705 | 431,291 | 439,028 | 446,920 | 454,970 | 463,181 | 471,556 | 480,099 | 488,813 |
| Accumulated Depreciation | | | 401,409 | 810,386 | 1,226,654 | 1,650,359 | 2,081,650 | 2,520,678 | 2,967,599 | 3,422,569 | 3,885,750 | 4,357,307 | 4,837,406 | 5,326,218 | |
| 360 FORCE MAIN | | | | | | | | | | | | | | | |
| 1.5" HDPE Sewer Main PVC - 3,654 LF | 124,236 | 30 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 |
| 2" HDPE Sewer Main PVC - 24,172 LF | 821,848 | 30 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 |
| 3" HDPE Sewer Main PVC - 22,347 LF | 759,798 | 30 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 |
| 4" HDPE Sewer Main PVC -15,538 LF | 574,906 | 30 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 |
| 6" HDPE Sewer Main PVC - 5,316 LF | 255,168 | 30 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 |
| 8" HDPE Sewer Main PVC - 587 LF | 38,155 | 30 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 |
| 8" Directional Drill (LGI to Mainland Tie-in) | 1,650,000 | 30 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Terminal Flushing Connections | 212,400 | 30 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 |
| In-Line Flushing Connections | 61,200 | 30 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 |
| Main Line Road Crossings, Trench Repair, Asphalt Rds | 10,125 | 30 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 |
| Open Cut Trech Repai, Asphalts Rds, Service lateral | - | 30 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Restoration Concrete Driveways | 129,800 | 30 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 |
| Overheads | 1,600,062 | 30 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 |
| Contractor additional costs | 1,939,657 | 30 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 |
| Total 360 Force Main | 8,177,355 | | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 |
| Accumulated Depreciation | | | 272,578 | 545,157 | 817,735 | 1,090,314 | 1,362,892 | 1,635,471 | 1,908,049 | 2,180,628 | 2,453,206 | 2,725,785 | 2,998,363 | 3,270,942 | |
| 363 SEWER SERVICES (LATERALS) | | | | | | | | | | | | | | | |
| On Site Lateral Connection (\$1088 X 1248 ERCs) | 1,357,824 | 38 | | | 0.00% | | | | | | | | | | |
| Overhead / Miscellaneous Giffels Webster Engineers | 407,159 | 38 | | | | | | | | | | | | | |
| Total 361 Gravity Main | 1,764,983 | | 30,149 | 30,149 | 30,832 | 31,491 | 32,162 | 32,847 | 33,546 | 34,258 | 34,985 | 35,727 | 36,483 | 37,254 | 38,041 |
| Accumulated Depreciation | | | 30,149 | 60,981 | 92,472 | 124,634 | 157,482 | 191,027 | 225,286 | 260,271 | 295,998 | 332,480 | 369,734 | 407,775 | |

Environmental Utilities, LLC
 Wastewater Plant and Depreciation
 Schedule 1B Support (Schedule C)

| | Cost | Asset Life | Regulatory | | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 |
|---|-------------------|------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | Depr Expense | | | | | | | | | | | | | |
| 366 FLOW MEASURING DEVICES | | | | | | | | | | | | | | | | |
| Master Meter, replace every 5 years 2027 | 25,000 | 5 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | | | | | | | | |
| Retirement | (25,000) | | | | | | | | (25,000) | | | | | | | |
| Master Meter, replace every 5 years 2032 | 27,602 | 5 | 5,520 | | | | | | | 5,520 | 5,520 | 5,520 | 5,520 | 5,520 | | |
| Retirement | (27,602) | | | | | | | | | | | | | | (27,602) | |
| Master Meter, replace every 5 years 2037 | 30,475 | 5 | 6,095 | | | | | | | | | | | | 6,095 | 6,095 |
| Retirement | (30,475) | | | | | | | | | | | | | | | |
| Master Meter, replace every 5 years 2042 | 33,647 | 5 | 6,729 | | | | | | | | | | | | | |
| Retirement | (33,647) | | | | | | | | | | | | | | | |
| Master Meter, replace every 5 years 2047 | 37,149 | 5 | 7,430 | | | | | | | | | | | | | |
| Total 364 Flow Measurnig Devices | 37,149 | | 30,774 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | (19,480) | 5,520 | 5,520 | 5,520 | 5,520 | (21,507) | 6,095 |
| Accumulated Depreciation | | | | 5,000 | 10,000 | 15,000 | 20,000 | 25,000 | 5,520 | 11,041 | 16,561 | 22,082 | 27,602 | 6,095 | 6,095 | 12,190 |
| 390 OFFICE FURNITURE AND EQUIPMENT | | | | | | | | | | | | | | | | |
| 2 Computers | 2,294 | 6 | 382 | 382 | 382 | 382 | 382 | 382 | 382 | | | | | | | |
| PROFORMA RETIREMENT | (2,294) | 6 | | | | | | | | (2,294) | | | | | | |
| Proforma Replacement: 2 Computers 2033 | 2,584 | 6 | 431 | | | | | | | 431 | 431 | 431 | 431 | 431 | 431 | 431 |
| Other office furniture | 2,294 | 15 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 |
| Total 341 Office Furniture & Equipment | 4,878 | | 966 | 535 | 535 | 535 | 535 | 535 | 535 | (1,711) | 584 | 584 | 584 | 584 | 584 | 584 |
| Accumulated Depreciation | | | | 535 | 1,071 | 1,606 | 2,141 | 2,676 | 3,212 | 1,501 | 2,085 | 2,668 | 3,252 | 3,835 | 3,835 | 4,419 |
| 391 TRANSPORTATION EQUIPMENT | | | | | | | | | | | | | | | | |
| 2 Service Trucks | 114,704 | 6 | 19,117 | 19,117 | 19,117 | 19,117 | 19,117 | 19,117 | 19,117 | | | | | | | |
| Service boat | 45,882 | 6 | 7,647 | 7,647 | 7,647 | 7,647 | 7,647 | 7,647 | 7,647 | | | | | | | |
| Dump Trailer | 11,470 | 6 | 1,912 | 1,912 | 1,912 | 1,912 | 1,912 | 1,912 | 1,912 | | | | | | | |
| 2 Side by side | 34,411 | 6 | 5,735 | 5,735 | 5,735 | 5,735 | 5,735 | 5,735 | 5,735 | | | | | | | |
| PROFORMA RETIREMENT | (206,467) | 6 | (34,411) | | | | | | | (206,467) | | | | | | |
| REPLACEMENT 2033 | 232,516 | 6 | 38,753 | | | | | | | 38,753 | 38,753 | 38,753 | 38,753 | 38,753 | 38,753 | 38,753 |
| RETIREMENT | (232,516) | 6 | (38,753) | | | | | | | | | | | | | |
| REPLACEMENT 2039 | 261,851 | 6 | 43,642 | | | | | | | | | | | | | |
| RETIREMENT | (261,851) | 6 | (43,642) | | | | | | | | | | | | | |
| REPLACEMENT 2045 | 294,886 | 6 | 49,148 | | | | | | | | | | | | | |
| RETIREMENT | (294,886) | 6 | (49,148) | | | | | | | | | | | | | |
| REPLACEMENT 251 | 332,090 | 6 | 55,348 | | | | | | | | | | | | | |
| Total 341 Transportation | 332,090 | | 55,348 | 34,411 | 34,411 | 34,411 | 34,411 | 34,411 | 34,411 | 34,411 | (167,715) | 38,753 | 38,753 | 38,753 | 38,753 | 38,753 |
| Accumulated Depreciation | | | | 34,411 | 68,822 | 103,234 | 137,645 | 172,056 | 206,467 | 38,753 | 77,505 | 116,258 | 155,011 | 193,763 | 193,763 | 232,516 |
| 393 TOOLS, SHOP & GARAGE EQUIPMENT | | | | | | | | | | | | | | | | |
| Tools | 57,352 | 16 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 | 3,585 |
| Inventory | 28,676 | 16 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 |
| RETIREMENT | (86,028) | 16 | (5,377) | | | | | | | | | | | | | |
| REPLACEMENT 2043 | 118,098 | 16 | 7,381 | | | | | | | | | | | | | |
| Total 397 Miscellaneous Equipment | 118,098 | | 7,381 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 | 5,377 |
| Accumulated Depreciation | | | | 5,377 | 10,754 | 16,130 | 21,507 | 26,884 | 32,261 | 37,637 | 43,014 | 48,391 | 53,768 | 59,144 | 59,144 | 64,521 |
| 395 POWER OPERATED EQUIPMENT | | | | | | | | | | | | | | | | |
| 2 Trackhoes | 114,704 | 12 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 |
| Retire | (114,704) | 12 | (9,559) | | | | | | | | | | | | | |
| Replace 2 Trackhoes 2039 | 145,473 | 12 | 12,123 | | | | | | | | | | | | | |
| Retire | (145,473) | 12 | (12,123) | | | | | | | | | | | | | |
| Replace 2 Trackhoes 2051 | 184,494 | 12 | 15,375 | | | | | | | | | | | | | |
| Total 396 Power Operated Equipment | 184,494 | | 12,123 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 | 9,559 |
| Accumulated Depreciation | | | | 9,559 | 19,117 | 28,676 | 38,235 | 47,793 | 57,352 | 66,911 | 76,469 | 86,028 | 95,587 | 105,145 | 105,145 | 114,704 |
| TOTAL UPIS - WASTEWATER | 23,334,079 | | 852,455 | 800,744 | 808,996 | 816,946 | 825,054 | 833,324 | 817,281 | 646,514 | 864,052 | 873,004 | 882,136 | 864,422 | 901,524 | 9,933,997 |
| | | | | 800,744 | 1,609,740 | 2,426,686 | 3,251,740 | 4,085,064 | 4,902,345 | 5,548,859 | 6,412,911 | 7,285,915 | 8,168,051 | 9,032,473 | 9,933,997 | |

Environmental Utilities, LLC
 Wastewater Plant and Depreciation
 Schedule 1B Support (Schedule C)

| | Cost | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 |
|--|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| WASTEWATER | | | | | | | | | | | | | | | | |
| UTILITY PLANT IN SERVICE | | | | | | | | | | | | | | | | |
| 353 LAND | | | | | | | | | | | | | | | | |
| DP/KI Land | 300,000 | | | | | | | | | | | | | | | |
| LGI Property | 250,000 | | | | | | | | | | | | | | | |
| Easements - Legal/Surveying | 250,000 | | | | | | | | | | | | | | | |
| Total 353 Land | 800,000 | | | | | | | | | | | | | | | |
| 351 ORGANIZATION | | | | | | | | | | | | | | | | |
| Engineering GWE | 53,000 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 | 1,325 |
| Milian, Swain & Associates | 112,000 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 |
| Dean Mead | 190,000 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 | 4,750 |
| Filing Fees, mail outs, other | 10,000 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| Legal for zoning / Other | 157,000 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 | 3,925 |
| Total 351 Organization | 522,000 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 | 13,050 |
| Accumulated Depreciation | | 169,650 | 182,700 | 195,750 | 208,800 | 221,850 | 234,900 | 247,950 | 261,000 | 274,050 | 287,100 | 300,150 | 313,200 | 326,250 | 339,300 | 352,350 |
| 354 STRUCTURE & IMPROVEMENTS | | | | | | | | | | | | | | | | |
| DP / KI Building | 458,816 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 |
| LGI Building | 458,816 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 | 14,338 |
| Total 354 Structures & Improvements | 917,633 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 | 28,676 |
| Accumulated Depreciation | | 372,788 | 401,464 | 430,140 | 458,816 | 487,492 | 516,168 | 544,844 | 573,520 | 602,196 | 630,872 | 659,548 | 688,224 | 716,901 | 745,577 | 774,253 |
| 371 PUMPING EQUIPMENT | | | | | | | | | | | | | | | | |
| Crush and fill (810 ERCs X \$1500) | 1,215,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| LPS Tank Installations (1248*ERCs X \$7300) | 9,110,400 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grinder Lift Stations Transportation | 150,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total 371 Pumping Equipment | 10,475,400 | 497,700 | 497,700 | 497,700 | 497,700 | 497,700 | 497,700 | 96,292 | 88,723 | 81,432 | 73,995 | 66,409 | 58,672 | 50,780 | 42,730 | 34,519 |
| Accumulated Depreciation | | 5,823,918 | 6,321,619 | 6,819,319 | 7,317,019 | 7,814,720 | 8,312,420 | 8,408,712 | 8,497,435 | 8,578,867 | 8,652,862 | 8,719,271 | 8,777,944 | 8,828,724 | 8,871,454 | 8,905,973 |
| 360 FORCE MAIN | | | | | | | | | | | | | | | | |
| 1.5" HDPE Sewer Main PVC - 3,654 LF | 124,236 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 | 4,141 |
| 2" HDPE Sewer Main PVC - 24,172 LF | 821,848 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 | 27,395 |
| 3" HDPE Sewer Main PVC - 22,347 LF | 759,798 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 | 25,327 |
| 4" HDPE Sewer Main PVC -15,538 LF | 574,906 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 | 19,164 |
| 6" HDPE Sewer Main PVC - 5,316 LF | 255,168 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 | 8,506 |
| 8" HDPE Sewer Main PVC - 587 LF | 38,155 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 | 1,272 |
| 8" Directional Drill (LGI to Mainland Tie-in) | 1,650,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Terminal Flushing Connections | 212,400 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 | 7,080 |
| In-Line Flushing Connections | 61,200 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 | 2,040 |
| Main Line Road Crossings, Trench Repair, Asphalt Rds | 10,125 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 |
| Open Cut Trech Repai, Asphalts Rds, Service lateral | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Restoration Concrete Driveways | 129,800 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 | 4,327 |
| Overheads | 1,600,062 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 | 53,335 |
| Contractor additional costs | 1,939,657 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 | 64,655 |
| Total 360 Force Main | 8,177,355 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 | 272,578 |
| Accumulated Depreciation | | 3,543,520 | 3,816,099 | 4,088,677 | 4,361,256 | 4,633,834 | 4,906,413 | 5,178,991 | 5,451,570 | 5,724,148 | 5,996,727 | 6,269,305 | 6,541,884 | 6,814,462 | 7,087,041 | 7,359,619 |
| 363 SEWER SERVICES (LATERALS) | | | | | | | | | | | | | | | | |
| On Site Lateral Connection (\$1088 X 1248 ERCs) | 1,357,824 | | | | | | | | | | | | | | | |
| Overhead / Miscellaneous Giffels Webster Engineers | 407,159 | | | | | | | | | | | | | | | |
| Total 361 Gravity Main | 1,764,983 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 | 38,843 |
| Accumulated Depreciation | | 446,619 | 485,462 | 524,305 | 563,149 | 601,992 | 640,835 | 679,679 | 718,522 | 757,366 | 796,209 | 835,052 | 873,896 | 912,739 | 951,582 | 990,426 |

Environmental Utilities, LLC
 Wastewater Plant and Depreciation
 Schedule 1B Support (Schedule C)

| | Cost | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 366 FLOW MEASURING DEVICES | | | | | | | | | | | | | | | | |
| Master Meter, replace every 5 years 2027 | 25,000 | | | | | | | | | | | | | | | |
| Retirement | (25,000) | | | | | | | | | | | | | | | |
| Master Meter, replace every 5 years 2032 | 27,602 | | | | | | | | | | | | | | | |
| Retirement | (27,602) | | | | | | | | | | | | | | | |
| Master Meter, replace every 5 years 2037 | 30,475 | 6,095 | 6,095 | 6,095 | | | | | | | | | | | | |
| Retirement | (30,475) | | | | (30,475) | | | | | | | | | | | |
| Master Meter, replace every 5 years 2042 | 33,647 | | | | 6,729 | 6,729 | 6,729 | 6,729 | 6,729 | | | | | | | |
| Retirement | (33,647) | | | | | | | | | (33,647) | | | | | | |
| Master Meter, replace every 5 years 2047 | 37,149 | | | | | | | | | 7,430 | 7,430 | 7,430 | 7,430 | 7,430 | 7,430 | 7,430 |
| Total 364 Flow Measurnig Devices | 37,149 | 6,095 | 6,095 | 6,095 | (23,746) | 6,729 | 6,729 | 6,729 | 6,729 | (26,217) | 7,430 | 7,430 | 7,430 | 7,430 | 7,430 | 7,430 |
| Accumulated Depreciation | | 18,285 | 24,380 | 30,475 | 6,729 | 13,459 | 20,188 | 26,917 | 33,647 | 7,430 | 14,859 | 22,289 | 29,719 | 37,149 | 44,578 | 52,008 |
| 390 OFFICE FURNITURE AND EQUIPMENT | | | | | | | | | | | | | | | | |
| 2 Computers | 2,294 | | | | | | | | | | | | | | | |
| PROFORMA RETIREMENT | (2,294) | | | | | | | | | | | | | | | |
| Proforma Replacement: 2 Computers 2033 | 2,584 | | | | | | | | | | | | | | | |
| Other office furniture | 2,294 | 153 | 153 | 153 | | | | | | | | | | | | |
| Total 341 Office Furniture & Equipment | 4,878 | 153 | 153 | 153 | - | - | - | - | - | - | - | - | - | - | - | - |
| Accumulated Depreciation | | 4,572 | 4,725 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 | 4,878 |
| 391 TRANSPORTATION EQUIPMENT | | | | | | | | | | | | | | | | |
| 2 Service Trucks | 114,704 | | | | | | | | | | | | | | | |
| Service boat | 45,882 | | | | | | | | | | | | | | | |
| Dump Trailer | 11,470 | | | | | | | | | | | | | | | |
| 2 Side by side | 34,411 | | | | | | | | | | | | | | | |
| PROFORMA RETIREMENT | (206,467) | | | | | | | | | | | | | | | |
| REPLACEMENT 2033 | 232,516 | | | | | | | | | | | | | | | |
| RETIREMENT | (232,516) | (232,516) | | | | | | | | | | | | | | |
| REPLACEMENT 2039 | 261,851 | 43,642 | 43,642 | 43,642 | 43,642 | 43,642 | 43,642 | | | | | | | | | |
| RETIREMENT | (261,851) | | | | | | | (261,851) | | | | | | | | |
| REPLACEMENT 2045 | 294,886 | | | | | | | 49,148 | 49,148 | 49,148 | 49,148 | 49,148 | 49,148 | | | |
| RETIREMENT | (294,886) | | | | | | | | | | | | | (294,886) | | |
| REPLACEMENT 251 | 332,090 | | | | | | | | | | | | | 55,348 | 55,348 | 55,348 |
| Total 341 Transportation | 332,090 | (188,874) | 43,642 | 43,642 | 43,642 | 43,642 | 43,642 | (212,703) | 49,148 | 49,148 | 49,148 | 49,148 | 49,148 | (239,538) | 55,348 | 55,348 |
| Accumulated Depreciation | | 43,642 | 87,284 | 130,925 | 174,567 | 218,209 | 261,851 | 49,148 | 98,295 | 147,443 | 196,591 | 245,739 | 294,886 | 55,348 | 110,697 | 166,045 |
| 393 TOOLS, SHOP & GARAGE EQUIPMENT | | | | | | | | | | | | | | | | |
| Tools | 57,352 | 3,585 | 3,585 | 3,585 | 3,585 | | | | | | | | | | | |
| Inventory | 28,676 | 1,792 | 1,792 | 1,792 | 1,792 | | | | | | | | | | | |
| RETIREMENT | (86,028) | | | | | (86,028) | | | | | | | | | | |
| REPLACEMENT 2043 | 118,098 | | | | | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 |
| Total 397 Miscellaneous Equipment | 118,098 | 5,377 | 5,377 | 5,377 | 5,377 | (78,647) | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 | 7,381 |
| Accumulated Depreciation | | 69,898 | 75,275 | 80,651 | 86,028 | 7,381 | 14,762 | 22,143 | 29,524 | 36,906 | 44,287 | 51,668 | 59,049 | 66,430 | 73,811 | 81,192 |
| 395 POWER OPERATED EQUIPMENT | | | | | | | | | | | | | | | | |
| 2 Trackhoes | 114,704 | | | | | | | | | | | | | | | |
| Retire | (114,704) | (114,704) | | | | | | | | | | | | | | |
| Replace 2 Trackhoes 2039 | 145,473 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | | | |
| Retire | (145,473) | | | | | | | | | | | | | (145,473) | | |
| Replace 2 Trackhoes 2051 | 184,494 | | | | | | | | | | | | | 15,375 | 15,375 | 15,375 |
| Total 396 Power Operated Equipment | 184,494 | (102,581) | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | 12,123 | (130,098) | 15,375 | 15,375 |
| Accumulated Depreciation | | (102,581) | (90,459) | (78,336) | (66,213) | (54,091) | (41,968) | (29,845) | (17,722) | (5,600) | 6,523 | 18,646 | 30,768 | (130,098) | (114,723) | (99,349) |
| TOTAL UPIS - WASTEWATER | 23,334,079 | 571,017 | 918,237 | 918,237 | 888,244 | 834,695 | 920,723 | 262,970 | 517,252 | 477,014 | 503,224 | 495,639 | 487,901 | 49,103 | 481,412 | 473,201 |
| | | 10,505,015 | 11,423,252 | 12,341,489 | 13,229,733 | 14,064,428 | 14,985,151 | 15,248,121 | 15,765,373 | 16,242,388 | 16,745,612 | 17,241,250 | 17,729,152 | 17,778,254 | 18,259,666 | 18,732,867 |

Environmental Utilities, LLC
 Annual Additions to Plant and Depreciation
 Schedule 1B Support (Schedule D)

PLANT ADDITIONS/DEPRECIATION

| | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|--------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| ERCs | \$ 810 | \$ 18 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 |
| Inflation Years | | \$ 1 | \$ 2 | \$ 3 | \$ 4 | \$ 5 | \$ 6 | \$ 7 | \$ 8 | \$ 9 | \$ 10 | \$ 11 | \$ 12 |
| Pumping Equipment | \$ 7,225,356 | \$ 136,235 | \$ 131,239 | \$ 133,864 | \$ 136,542 | \$ 139,272 | \$ 142,058 | \$ 144,899 | \$ 147,797 | \$ 150,753 | \$ 153,768 | \$ 156,843 | \$ 159,980 |
| 5.56% | | | | | | | | | | | | | |
| Depreciation Exp | \$ 401,409 | \$ 408,977 | \$ 416,268 | \$ 423,705 | \$ 431,291 | \$ 439,028 | \$ 446,920 | \$ 454,970 | \$ 463,181 | \$ 471,556 | \$ 480,099 | \$ 488,813 | \$ 497,700 |
| Accum Depreciation | \$ 401,409 | \$ 810,386 | \$ 1,226,654 | \$ 1,650,359 | \$ 2,081,650 | \$ 2,520,678 | \$ 2,967,599 | \$ 3,422,569 | \$ 3,885,750 | \$ 4,357,307 | \$ 4,837,406 | \$ 5,326,218 | \$ 5,823,918 |
| Sewer Laterals | \$ 1,145,664 | \$ 25,968 | \$ 25,016 | \$ 25,517 | \$ 26,027 | \$ 26,547 | \$ 27,078 | \$ 27,620 | \$ 28,172 | \$ 28,736 | \$ 29,310 | \$ 29,897 | \$ 30,495 |
| 2.63% | | | | | | | | | | | | | |
| Depreciation Exp | \$ 30,149 | \$ 30,832 | \$ 31,491 | \$ 32,162 | \$ 32,847 | \$ 33,546 | \$ 34,258 | \$ 34,985 | \$ 35,727 | \$ 36,483 | \$ 37,254 | \$ 38,041 | \$ 38,843 |
| Accum Depreciation | \$ 30,149 | \$ 60,981 | \$ 92,472 | \$ 124,634 | \$ 157,482 | \$ 191,027 | \$ 225,286 | \$ 260,271 | \$ 295,998 | \$ 332,480 | \$ 369,734 | \$ 407,775 | \$ 446,619 |

PLANT ADDITIONS/DEPRECIATION

| | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| ERCs | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 17 | \$ 12 |
| Inflation Years | \$ 13 | \$ 14 | \$ 15 | \$ 16 | \$ 17 | \$ 18 | \$ 19 | \$ 20 | \$ 21 | \$ 22 | \$ 23 | \$ 24 | \$ 25 | \$ 26 |
| Pumping Equipment | \$ 163,180 | \$ 166,443 | \$ 169,772 | \$ 173,168 | \$ 176,631 | \$ 180,164 | \$ 183,767 | \$ 187,442 | \$ 191,191 | \$ 195,015 | \$ 198,915 | \$ 202,894 | \$ 206,951 | \$ 149,005 |
| 5.56% | | | | | | | | | | | | | | |
| Depreciation Exp | \$ 497,700 | \$ 497,700 | \$ 497,700 | \$ 497,700 | \$ 497,700 | \$ 96,292 | \$ 88,723 | \$ 81,432 | \$ 73,995 | \$ 66,409 | \$ 58,672 | \$ 50,780 | \$ 42,730 | \$ 34,519 |
| Accum Depreciation | \$ 6,321,619 | \$ 6,819,319 | \$ 7,317,019 | \$ 7,814,720 | \$ 8,312,420 | \$ 8,408,712 | \$ 8,497,435 | \$ 8,578,867 | \$ 8,652,862 | \$ 8,719,271 | \$ 8,777,944 | \$ 8,828,724 | \$ 8,871,454 | \$ 8,905,973 |
| Sewer Laterals | \$ 31,105 | \$ 31,727 | \$ 32,361 | \$ 33,008 | \$ 33,669 | \$ 34,342 | \$ 35,029 | \$ 35,729 | \$ 36,444 | \$ 37,173 | \$ 37,916 | \$ 38,675 | \$ 39,448 | \$ 28,403 |
| 2.63% | | | | | | | | | | | | | | |
| Depreciation Exp | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 | \$ 38,843 |
| Accum Depreciation | \$ 485,462 | \$ 524,305 | \$ 563,149 | \$ 601,992 | \$ 640,835 | \$ 679,679 | \$ 718,522 | \$ 757,366 | \$ 796,209 | \$ 835,052 | \$ 873,896 | \$ 912,739 | \$ 951,582 | \$ 990,426 |

Environmental Utilities, LLC
 CIAC and Amortization
 Schedule 1B Support (Schedule D)

| CIAC Annual Additions | | | | | | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| CIAC Fee | \$ 15,587.14 | | | | | | | | | | | | | | |
| Charlotte County Impact Fee | \$ 2,251.00 | | | | | | | | | | | | | | |
| Total cost Year 2053 | 22,534,079 | Schedule 1B | | | | | | | | | | | | | |
| Total Factored ERCs | 1,248 | Capacity | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| Year | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 |
| Factored ERCs | 810 | 18 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 |
| Annual - Service Availability (not incl CC) | \$12,625,586 | \$280,569 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 |
| Lateral Installation Fee | | \$1,414 | | | | | | | | | | | | | |
| Annual Lateral Installation Fee | \$1,145,542 | \$25,456 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 |
| Annual CIAC by Year | \$13,771,128 | \$306,025 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 |
| Total CIAC | \$13,771,128 | \$14,077,153 | \$14,366,177 | \$14,655,200 | \$14,944,224 | \$15,233,248 | \$15,522,271 | \$15,811,295 | \$16,100,319 | \$16,389,342 | \$16,678,366 | \$16,967,390 | \$17,256,414 | \$17,545,437 | \$17,834,461 |
| Collection System Annual Amortization | | | | | | | | | | | | | | | |
| | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 |
| Composite Rate | | | | | | | | | | | | | | | |
| 3.78% | \$ 520,956 | \$ 532,533 | \$ 543,466 | \$ 554,400 | \$ 565,334 | \$ 576,267 | \$ 587,201 | \$ 598,135 | \$ 609,068 | \$ 620,002 | \$ 630,936 | \$ 641,869 | \$ 652,803 | \$ 663,736 | \$ 674,670 |

Environmental Utilities, LLC
 CIAC and Amortization
 Schedule 1B Support (Schedule D)

| Year | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 | TOTAL |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------------|
| CIAC Annual Additions | | | | | | | | | | | | | |
| CIAC Fee | | | | | | | | | | | | | |
| Charlotte County Impact Fee | | | | | | | | | | | | | |
| Total cost Year 2053 | | | | | | | | | | | | | |
| Total Factored ERCs | | | | | | | | | | | | | |
| Factored ERCs | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 12 | 1,248 |
| Annual - Service Availability (not incl CC) | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$264,981 | \$187,046 | \$19,452,755 |

| Lateral Installation Fee | | | | | | | | | | | | | | |
|---------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-------------|
| Annual Lateral Installation Fee | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$24,042 | \$16,971 | \$1,764,983 |

| | | | | | | | | | | | | | |
|---------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------------|
| Annual CIAC by Year | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$289,024 | \$204,017 | \$21,217,738 |
|---------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------------|

| | | | | | | | | | | | | |
|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total CIAC | \$18,123,485 | \$18,412,508 | \$18,701,532 | \$18,990,556 | \$19,279,579 | \$19,568,603 | \$19,857,627 | \$20,146,650 | \$20,435,674 | \$20,724,698 | \$21,013,721 | \$21,217,738 |
|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|

Collection System Annual Amortization

| | | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 |
|----------------|----|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Composite Rate | | | | | | | | | | | | | |
| 3.78% | \$ | \$ 685,604 | \$ 696,537 | \$ 707,471 | \$ 718,405 | \$ 729,338 | \$ 740,272 | \$ 751,206 | \$ 762,139 | \$ 773,073 | \$ 784,007 | \$ 794,940 | \$ 802,658 |

Schedule 7 (Support)
 Page 1

Environmental Utilities, LLC
 Initial Rates and Charges
 Projected Net Operating Income
 Projected Year 2038

| Line No. | Projected Costs | Additional Revenues and RAFs | Required Revenues |
|----------|---|------------------------------|-------------------|
| 1 | Wastewater | | |
| 2 | Operating Revenue | \$ 1,865,439 | \$ 1,865,439 |
| 3 | | | |
| 4 | Operating Expenses | | |
| 5 | Operation & Maintenance Expenses \$ 1,202,518 | | \$ 1,202,518 |
| 6 | Depreciation net of CIAC Amortization 246,605 | | 246,605 |
| 7 | Amortization 18,993 | | 18,993 |
| 8 | Taxes Other Than Income 153,643 | 83,945 | 237,588 |
| 9 | Income Taxes* 40,415 | | 40,415 |
| 10 | Total Operating Expenses \$ 1,621,759 | \$ 83,945 | \$ 1,746,118 |
| 11 | | | |
| 12 | Net Operating Income (Loss) \$ (1,621,759) | \$ 1,781,494 | \$ 119,320 |
| 13 | | | |
| 14 | Rate Base \$ 1,382,989 | | \$ 1,382,989 |
| 15 | | | |
| 16 | Rate of Return | | 8.63% |

Environmental Utilities, LLC
 Initial Rates and Charges
 Wastewater System
 Calculation of Rates for Wastewater Utility based on projections at 80% Design Capacity
 Projected 2038

| Line No. | NARUC Acct. No. | Description | Total Revenue Requirement | Allocation Percentage | | Allocation Amount | |
|----------|-----------------|---|---------------------------|-----------------------|------------------|----------------------|-------------------|
| | | | | Base Facility Charge | Gallorage Charge | Base Facility Charge | Gallorage Charge |
| 1 | | Operations & Maintenance Expenses | | | | | |
| 2 | 701 | Salaries and Wages - Employees | 192,822 | 50% | 50% | 96,411 | 96,411 |
| 3 | 703 | Salaries and Wages - Other | 99,834 | 50% | 50% | 49,917 | 49,917 |
| 4 | 704 | Employees Pensions and Benefits | 65,976 | 50% | 50% | 32,988 | 32,988 |
| 5 | 710 | Purchased Wastewater Treatment | 657,100 | 75% | 25% | 492,825 | 164,275 |
| 6 | 711 | Sludge Removal Expense | - | 50% | 50% | - | - |
| 7 | 715 | Purchased Power | 17,067 | 50% | 50% | 8,533 | 8,533 |
| 8 | 716 | Fuel for Power Production | | | | | |
| 9 | 718 | Chemicals | | 0% | 100% | - | - |
| 10 | 720 | Materials and Supplies | 17,114 | 25% | 75% | 4,279 | 12,836 |
| 11 | 731 | Contractual Services - Engineering | | 100% | 0% | - | - |
| 12 | 732 | Contractual Services - Accounting | | 100% | 0% | - | - |
| 13 | 733 | Contractual Services - Legal | | 10% | 90% | - | - |
| 14 | 734 | Contractual Services - Mgmt. Fees | | 100% | 0% | - | - |
| 15 | 735 | Contractual Services - Testing | | 0% | 100% | - | - |
| 16 | 736 | Contractual Services - Billing | 34,160 | 100% | 0% | 34,160 | - |
| 17 | 740 | Rents | 16,259 | 100% | 0% | 16,259 | - |
| 18 | 750 | Transportation Expense | 22,249 | 50% | 50% | 11,124 | 11,124 |
| 19 | 756 | Insurance - Vehicle | 8,557 | 50% | 50% | 4,279 | 4,279 |
| 20 | 757 | Insurance - General Liability | 22,819 | 50% | 50% | 11,410 | 11,410 |
| 21 | 758 | Insurance - Workers Comp | 26,311 | 50% | 50% | 13,156 | 13,156 |
| 22 | 759 | Insurance - Other | | 50% | 50% | - | - |
| 23 | 766 | Regulatory Commission Expense | | | | - | - |
| 24 | | Amortization of Rate Case Expense | | | | | |
| 25 | 767 | Regulatory Commission Expense- Other | | | | | |
| 26 | 770 | Bad Debt Expense | | | | | |
| 27 | 775 | Miscellaneous Expense | 22,249 | 50% | 50% | 11,124 | 11,124 |
| 28 | | Total Operations & Maintenance Expenses | \$ 1,202,518 | | | \$ 786,465 | \$ 416,053 |
| 29 | | | | | | | |
| 30 | 403 | Depreciation - Net of CIAC Amortization | 246,605 | 100% | 0% | 246,605 | - |
| 31 | | | | | | | |
| 32 | 407 | Amortization Expense - Org Cost | 13,050 | 100% | 0% | 13,050 | - |
| 33 | | | | | | | |
| 34 | 407 | Amortization Expense - Billing Software | 5,943 | 100% | 0% | 5,943 | - |
| 35 | | | | | | | |
| 36 | 408 | Taxes Other Than Income | 237,588 | 100% | 0% | 237,588 | - |
| 37 | | | | | | | |
| 38 | | Income Taxes | 40,415 | 50% | 50% | 20,207 | 20,207 |
| 39 | | | | | | | |
| 40 | | Net Operating Income | 119,320 | 0% | 100% | - | 119,320 |
| 41 | | | | | | | |
| 42 | | Less: Revenues from Miscellaneous Charges | (510) | 100% | | (510) | - |
| 43 | | | | | | | |
| 44 | | Total Revenue Requirement from Rates | \$ 1,864,929 | | | \$ 1,309,348 | \$ 555,580 |
| 45 | | | | | | | |
| 46 | | Factored Bills (Monthly factored bills X 12) | | | | 11,981 | |
| 47 | | Annual Billable Gallons | | | | | 29,518 |
| 48 | | | | | | | |
| 49 | | Base Facility Charge | | | | \$ 109.29 | |
| 50 | | | | | | | |
| 51 | | Gallorage Charge (per 1,000) - Residential | | | | | \$ 18.82 |
| 52 | | Gallorage Charge (per 1,000) - General Service | | | | | \$ 22.59 |
| 53 | | | | | | | |
| 54 | | | | | | | |
| 55 | | Monthly factored bills | | 80% | | 100% | |
| 56 | | | | Bills | Factored | Bills | Factored |
| 57 | | 5/8" (Res) | 1 | 998 | 998 | 1,248 | 1,248 |
| 58 | | 5/8" (Comm) | 1 | 0 | 0 | 0 | 0 |
| 59 | | 3/4" | 1.5 | 0 | 0 | 0 | 0 |
| 60 | | 1" | 2.5 | 0 | 0 | 0 | 0 |
| 61 | | 1-1/2" Turbine | 5 | 0 | 0 | 0 | 0 |
| 62 | | 2" Turbine | 8 | 0 | 0 | 0 | 0 |
| 63 | | 3" Turbine | 17.5 | 0 | 0 | 0 | 0 |
| 64 | | | | | | | |
| 65 | | | | 998 | 998 | 1,248 | 1,248 |
| 66 | | | | | | | |
| 67 | | Annual billable gallons | 10% Rpression | Adjusted | | Annual | |
| 68 | | Residential Gallons | 29,518 | 23,614 | | 32,797 | |
| 69 | | General Service Gallons | 0 | 0 | | 0 | |
| 70 | | | 29,518 | 23,614 | | 32,797 | |

*For Income Tax purposes, the Utility opted to be taxed as a C Corporation.

Environmental Utilities, LLC
Initial Rates and Charges
Projected Capital Structure When Utility Reaches 80% Capacity

| (1) | (2) | (3) | (4) | (5) | |
|----------|---|--|--------------------|----------------|---------------|
| Line No. | Class of Capital | Reconciled to Rate Base (Schedule 1) Year 2038 - 80% | Ratio | Cost Rate | Weighted Cost |
| 1 | Long Term Debt | \$ - | | | |
| 2 | Short Term Debt | - | | | |
| 3 | Preferred Stock | - | | | |
| 4 | Common Equity | 1,372,109 | 99.21% | 8.67% | 8.60% |
| 5 | Customer Deposits | 10,880 | 0.79% | 2.00% | 0.02% |
| 6 | Tax Credits - Zero Cost | | | | |
| 7 | Tax Credits - Weighted Cost | | | | |
| 8 | Accumulated Deferred Income Tax | | | | |
| 9 | Other (Explain) | | | | |
| 10 | | | | | |
| 11 | Total | \$ 1,382,989 | 100.00% | | 8.62% |
| 12 | | | | | |
| 13 | The cost rate of common equity is based on the leverage formula adopted in Order No. PSC-2024-0165-PAA-WS | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | General | |
| 17 | <u>Outstanding Customer Deposit Balance</u> | | <u>Residential</u> | <u>Service</u> | |
| 18 | New Customers connected 2037 and 2038 | | 34 | | |
| 19 | Average monthly bill | | \$ 155.65 | | |
| 20 | Deposit requested | | \$ 320.00 | | |
| 21 | | | | | |
| 22 | Deposit balance 2034 from new customers | | \$ 10,880 | \$ - | \$ 10,880 |