

WATER AND WASTERWATER UTILITIES CUMULATIVE PRESENT VALUE OF THE REVENUE REQUIREMENTS
FOR ACQUISITION ADJUSTMENT WORKSHEET

	<u>Escalation Rate</u>	<u>Beginning Cost</u>	<u>Acquired Utility</u>					<u>Nominal Total</u>	<u>5-year CPVRR</u>
			<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>		
Discount Rate / WACC	0.00%								
Start Date									
Acquisition Date									
Discount Rate			1.00000	1.00000	1.00000	1.00000	1.00000		
<u>Revenue Requirements</u>									
Operations and Maintenance ¹	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation and Amortization ²	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes Other Than Income	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense ³	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Return on Equity ⁴	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income Tax ⁵	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
System Impact ⁶	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue Requirements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(Revenue from Customers) ⁸		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Customer (Savings)/Cost⁹		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

¹Represents estimated Operations and Maintenance Expense for operating the system.

²Depreciation and Amortization Expense associated with the assets and system capital expenditures.

³Interest expense assumes weighted cost of debt and debt-to-investor capital ratio excluding any interest expense (if applicable) related to the Acquisition Adjustment.

⁴Return on equity assumes cost of equity and equity-to-investor capital ratio excluding any return (if applicable) related to the Acquisition Adjustment.

⁵Income tax assumes blended state and federal tax rate.

⁶Fixed costs and capital needed to serve the system.

⁷Capital costs related to the unamortized Acquisition Adjustment balance as well as the yearly amortization expense of the Acquisition Adjustment.

⁸Revenue from customers at forecasted rates.

⁹Revenue requirements netted against revenue from customers.

	<u>Escalation Rate</u>	<u>Beginning Cost</u>	<u>Acquiring Utility</u>					<u>Nominal Total</u>	<u>5-year CPVRR</u>
			<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>		
Discount Rate / WACC	0.00%								
Start Date									
Acquisition Date									
Discount Rate			1.00000	1.00000	1.00000	1.00000	1.00000		
<u>Revenue Requirements</u>									
Operations and Maintenance ¹	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation and Amortization ²	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes Other Than Income	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense ³	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Return on Equity ⁴	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income Tax ⁵	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
System Impact ⁶	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisition Adjustment ⁷	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue Requirements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(Revenue from Customers) ⁸		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Customer (Savings)/Cost⁹		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Combined Net Customer (Savings)/Cost		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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⁷Capital costs related to the unamortized Acquisition Adjustment balance as well as the yearly amortization expense of the Acquisition Adjustment.

⁸Revenue from customers at forecasted rates.

⁹Revenue requirements netted against revenue from customers.

Cost Adjustments - Acquired Utility

<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0

Cost Adjustments - Acquiring Utility

<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0