

APPENDIX D

Redfield Water Feasibility Study

	Year 1	Year 2	Year 3
Revenues (at MOAW Rates)	10,954	11,553	11,496
Less Expenses:			
Fuel & Power *	2,751	2,866	2,985
Chemicals *	0	0	0
Waste Disposal *	0	0	0
Labor	0	0	0
Group Insurance	0	0	0
Other Benefits	0	0	0
Shared Business Services	1,236	1,526	1,579
Regulatory Expenses	5,000	5,100	5,202
Insurance Other Than Group	511	545	554
Customer Accounting	148	155	155
Rents	0	0	0
General Office Expense	12	12	12
Miscellaneous *	1,829	1,866	1,903
Maintenance *	6,500	6,630	6,763
Depreciation	5,798	5,892	5,989
Amortization	0	0	0
General Taxes	1,492	1,484	1,476
Total Expenses	25,277	26,075	26,618
Net Income Before Interest & Taxes	(14,323)	(14,522)	(15,122)

Assumptions:

- 20 customers in 2015, no customer growth
- Use existing MOAW Jefferson City water rates at closing
- Expenses based of Redfield 2011 expenses, inflated to 2015 (expenses with *)
- Shared Business Services, IOTG, Customer Accounting based on MOAW allocations
- Bad debt expense assumed to be 1% of revenues (included in Customer Accounting)
- Property tax rate assumed to be 1% of net book value of plant
- Assumes \$5,000 in regulatory expenses for PSC fees & assessments