

Attachment A

Noel

Customer Charge Residential and Commercial	Meter Size	Current Rate	Proposed Rate	% increase (decrease)
	5/8"	\$7.76	\$23.88	207.73%
	3/4"	\$10.50	\$33.43	218.38%
	1"	\$15.65	\$40.59	159.36%
	2"	\$44.20	\$126.54	186.29%
	4"	\$132.30	\$334.26	152.65%

Industrial	Meter Size	Current Rate	Proposed Rate	% increase (decrease)
	2"	\$44.20	\$126.54	186.29%
	4"	\$132.30	\$334.26	152.65%
	6"	\$222.00	\$501.40	125.86%

Commodity Charge (per 1,000 gallons)

Residential Commercial Industrial	Current Rate	Proposed Rate	% increase (decrease)
	\$1.80	\$3.04	68.89%
	\$1.80	\$3.04	68.89%
	\$1.67	\$3.04	82.04%

Billing Determinants Residential and Commercial	Meter Size	No. Customers	Total Sales (1000 gallons)
	5/8"	613	31,537
	3/4"	20	4,872
	1"	20	10,987
	2"	7	9,797
	4"	1	52,783
	Total	661	109,976

Billing Determinants Industrial	Meter Size	No. Customers	Total Sales (1000 gallons)
	2"	1	3,368
	4"	1	52,416
	6"	2	-
	Total	4	55,784

KMB

Customer Charge

	Meter Size	Current Rate	Proposed Rate	% increase (decrease)	
Residential	Cedar Hill	3/4"	\$ 8.68	\$30.04	246.08%
	Cedar Hill	1"	\$ 14.47	\$60.08	315.20%
	City of Scottsdale	5/8"	\$ 42.42	\$30.04	-29.18%
	Crest View Acres	5/8"	\$ 12.45	\$30.04	141.29%
	High Ridge	5/8"	\$ 6.54	\$30.04	359.33%
	Hillshine	5/8"	\$ 14.28	\$30.04	110.36%
	Lakewood Hills	5/8"	\$ 13.53	\$30.04	122.03%
	Warren Woods	5/8"	\$ 23.39	\$30.04	28.43%
	Average Residential	5/8"	\$ 12.92	\$30.04	132.51%
	Average Residential	1"	\$ 14.47	\$60.08	315.20%

	Meter Size	Current Rate	Proposed Rate	% increase (decrease)	
Commercial	Cedar Hill	3/4"	\$8.68	\$30.04	246.08%
	Cedar Hill	1"	\$14.47	\$60.08	315.20%
	City of Scottsdale	5/8"	\$51.48	\$30.04	-41.65%
	Hillshine	5/8"	\$14.28	\$30.04	110.36%
	Lakewood Hills	5/8"	\$13.53	\$30.04	122.03%

Commodity Charge (per 1,000 gallons)

	Meter Size	Current Rate	Proposed Rate	% increase (decrease)	
Residential	Cedar Hill	3/4"	\$ 1.84	\$ 6.65	261.46%
	Cedar Hill	1"	\$ 1.84	\$ 6.65	261.46%
	City of Scottsdale	5/8"	\$ 5.52	\$ 6.65	20.49%
	Crest View Acres	5/8"	\$ 3.67	\$ 6.65	81.22%
	High Ridge	5/8"	\$ 2.44	\$ 6.65	172.57%
	Hillshine	5/8"	\$ 2.77	\$ 6.65	140.10%
	Lakewood Hills	5/8"	\$ 3.51	\$ 6.65	89.48%
	Warren Woods	5/8"	\$ 5.29	\$ 6.65	25.72%
	Average Residential	5/8"	\$ 2.86	\$ 6.65	132.52%
	Average Residential	1"	\$ 1.84	\$ 6.65	261.46%

	Meter Size	Current Rate	Proposed Rate	% increase (decrease)	
Commercial	Cedar Hill	3/4"	\$ 1.84	\$ 6.65	261.46%
	Cedar Hill	1"	\$ 1.84	\$ 6.65	261.46%
	City of Scottsdale	5/8"	\$ 5.52	\$ 6.65	20.49%
	Hillshine	5/8"	\$ 2.77	\$ 6.65	140.10%
	Lakewood Hills	5/8"	\$ 3.51	\$ 6.65	89.48%

Billing Determinants	Meter Size	No. Customers	Total Sales (1000 gallons)
	5/8"	336	16,085
	3/4"	181	7,568
Residential and Commercial	1"	13	978
	Total	530	24,631

Silverleaf

Customer Charge

Meter Size	Current Rate	Proposed Rate	% increase (decrease)
3/4"	\$8.96	\$26.65	197.43%
1"	\$14.93	\$45.31	203.48%
2"	\$47.76	\$106.61	123.22%
3"	\$89.55	\$293.17	227.38%
4"	\$149.25	\$373.13	150.00%

Commodity Charge (per 1,000 gallons)

Current Rate	Proposed Rate	% increase (decrease)
\$5.96	\$6.73	12.92%

Billing Determinants

Meter Size	No. Customers	Total Sales (1000 gallons)
3/4"	644	14,507
1"	21	1,895
2"	80	15,731
3"	10	3,331
4"	3	1,045
Total	758	36,510

Cape Rock Village Sewer

Customer Charge	Current Rate	Proposed Rate	% increase (decrease)
Single Family	\$27.60	\$45.67	65.47%
Multi-Family	\$22.08	\$45.67	106.84%

Billing Determinants	No. Customers
Single Family	169
Multi-Family	1
	170

Timber Creek and Ozark Mountain Sewer

Customer Charge	Meter Size	Current Rate	Proposed Rate	% increase (decrease)
	5/8" & 3/4"	\$16.00	\$37.07	131.69%
	1"	\$26.67	\$63.02	136.30%
	2"	\$85.33	\$196.47	130.25%
	3"	\$160.00	\$370.69	131.68%

Commodity Charge (per 1,000 gallons)

Current Rate	Proposed Rate	% increase (decrease)
\$17.24	\$26.97	56.44%

Billing Determinants	Meter Size	No. Customers	Total Sales (1000 gallons)
	5/8" & 3/4"	228	4,196
	1"	3	618
	2"	14	2,969
	3"	1	404
	Total	246	8,187

Noel
Rate Making Income Statement

Operating Revenues at Current Rates	
Tarrified Rate Revenues*	\$ 367,222
Other Operating Revenues*	\$ 2,641
Total Operating Revenues	\$ 369,863

Account #	Item	Amount	Allocation	Fixed Charges	Variable Charges
601.100	Labour-Operations-Source of Supply	\$ 133,865	0%	\$ -	\$ 133,865
610.000	Purchases Water-Ops-SOS	\$ 280	0%	\$ -	\$ 280
615.000	Purchased Power-Ops-SOS	\$ 102,924	0%	\$ -	\$ 102,924
615.000	Purchased Power-Ops-T&D	\$ 6,172	0%	\$ -	\$ 6,172
615.000	Purchased Power	\$ 3,123	0%	\$ -	\$ 3,123
618.000	Chemicals-Ops-WT	\$ 9,064	0%	\$ -	\$ 9,064
636.000	Contract Service-Other-Ops-SOS	\$ 7,046	0%	\$ -	\$ 7,046
636.000	Contract Service-Other	\$ 14,844	0%	\$ -	\$ 14,844
636.100	Contractual Services-Outside Oper-Ops-SOS	\$ 1,500	0%	\$ -	\$ 1,500
620.000	Materials and Supplies	\$ 17,372	0%	\$ -	\$ 17,372
675.000	Licenses and Fees	\$ 482	100%	\$ 482	\$ -
675.000	DNR Fees	\$ 2,577	100%	\$ 2,577	\$ -
620.200	Billing Supplies and Postage	\$ 4,274	100%	\$ 4,274	\$ -
604.000	Group Benefits	\$ 5,104	100%	\$ 5,104	\$ -
604.100	401K Match	\$ 5,355	100%	\$ 5,355	\$ -
604.200	Health Care/ESPP Expense	\$ 28,189	100%	\$ 28,189	\$ -
604.400	Group Life	\$ 480	100%	\$ 480	\$ -
634.300	LABS US BS Non Lab - NAR	\$ 525	100%	\$ 525	\$ -
634.700	LU Canada Allocation - Admin	\$ 2,207	100%	\$ 2,207	\$ -
634.900	APUC Allocation - Admin	\$ 7,511	100%	\$ 7,511	\$ -
636.800	LABS NonLabor Allocations NARUC	\$ 9,395	100%	\$ 9,395	\$ -
636.900	LABS Corporate Service Non-Labour Allocation	\$ 4,962	100%	\$ 4,962	\$ -
637.100	LABS US CS Non Labor - NAR	\$ 124	100%	\$ 124	\$ -
637.200	LU Corp US Admin Allocation	\$ 389	100%	\$ 389	\$ -
637.300	LU Region Labor	\$ 4,300	100%	\$ 4,300	\$ -
637.300	LU Region Admin Allocation	\$ 950	100%	\$ 950	\$ -
650.000	Transportation Expenses	\$ 3,621	100%	\$ 3,621	\$ -
650.000	Transportation Expenses	\$ 99	100%	\$ 99	\$ -
656.000	Insurance-Vehicle-ADMIN	\$ 390	100%	\$ 390	\$ -
657.000	Insurance-General Liability	\$ 2,906	100%	\$ 2,906	\$ -
658.000	Workers Compensation	\$ 1,303	100%	\$ 1,303	\$ -
666.000	Regulatory Commission Expense	\$ 2,366	100%	\$ 2,366	\$ -
675.000	Travel	\$ 1,124	100%	\$ 1,124	\$ -
675.000	Meals and Entertainment	\$ 267	100%	\$ 267	\$ -
675.000	Telephone Expense	\$ 13,721	100%	\$ 13,721	\$ -
675.000	Bank Charges	\$ 16,650	100%	\$ 16,650	\$ -
403.000	Depreciation Expense, Dep. Exp.	\$ 150,283	35%	\$ 52,599	\$ 97,684
408.000	Property Taxes	\$ 11,914	35%	\$ 4,170	\$ 7,744
408.000	Payroll Taxes	\$ 10,570	35%	\$ 3,700	\$ 6,871
0.000	Customer Deposit Expense	\$ 146	35%	\$ 51	\$ 95
	Interest Expense	\$ 41,705	35%	\$ 14,597	\$ 27,108
	Return on Equity	\$ 66,427	35%	\$ 23,249	\$ 43,178
	Income Taxes	\$ 22,752	35%	\$ 7,963	\$ 14,789
	Total Cost of Service	\$ 719,258		\$ 225,600	\$ 493,658
	Cost to Recover in Rates	\$ 716,617		\$ 225,600	\$ 491,017
	Overall Revenue Increase Needed	\$ 349,395		\$ 149,495	\$ 199,900

Noel

Development of Tariffed Rates-Water

Agreement is to modify rate design to include usage data now available per customer based on the currently metered customers average usage. In addition, the part time customer factor is now the same as sewer.

Revenues Generated by Current Tariffed Rates	\$ 367,222
Agreed-Upon Overall Revenue Increase	\$ 349,395
Percentage Increase Needed	95.146%

Metered Customer Rates

Residential	Current Service Charge	Proposed Service Charge		Current Usage Rate	Proposed Usage Rate
5/8" Meter	\$ 7.76	\$ 23.88	\$	1.80	\$ 3.04
3/4" Meter	\$ 10.50	\$ 33.43	\$	1.80	\$ 3.04
1" Meter	\$ 15.65	\$ 40.59	\$	1.80	\$ 3.04

Commercial	Current Service Charge	Proposed Service Charge		Current Usage Rate	Proposed Usage Rate
5/8" Meter	\$ 7.76	\$ 23.88	\$	1.80	\$ 3.04
3/4" Meter	\$ 10.50	\$ 33.43	\$	1.80	\$ 3.04
1" Meter	\$ 15.65	\$ 40.59	\$	1.80	\$ 3.04
2" Meter	\$ 44.20	\$ 126.54	\$	1.80	\$ 3.04
4" Meter	\$ 132.30	\$ 334.26	\$	1.80	\$ 3.04

Industrial	Current Service Charge	Proposed Service Charge		Current Usage Rate	Proposed Usage Rate
2" Meter	\$ 44.20	\$ 126.54	\$	1.67	\$ 3.04
4" Meter	\$ 132.30	\$ 334.26	\$	1.67	\$ 3.04
6" Meter	\$ 222.00	\$ 501.40	\$	1.67	\$ 3.04

Customer Charge	Number	Factor	Customer Equivalents	Customer Charge
5/8" Meter	613	1	613.0	\$ 23.88
3/4" Meter	20	1.4	28.0	\$ 33.43
1" Meter	20	1.7	34.0	\$ 40.59
2" Meter	8	5.3	42.4	\$ 126.54
4" Meter	2	14.0	28.0	\$ 334.26
6" Meter	2	21	42.0	\$ 501.40
			787.4	

Customer Charge Calculation:

\$ 225,600 \$ 23.88

Commodity Charge Calculation:

\$ 491,017

Gallons (1,000)

Residential and Commercial

\$ 333,892

109,976

\$ 3.04

Industrial

\$ 157,125

55,784

\$ 2.82

**KMB Combined
Rate Making Income Statement**

Operating Revenues at Current Rates	
Tarrified Rate Revenues*	\$ 151,522
Other Operating Revenues*	\$ 8,602
Total Operating Revenues	\$ 160,124

<u>Account #</u>	<u>Item</u>	<u>Amount</u>	<u>Allocation</u>	<u>Fixed Charges</u>	<u>Variable Charges</u>
601.100	Labour-Operations-Source of Supply	\$ 15,755	0%	\$ -	\$ 15,755
610.000	Purchases Water-Ops-SOS	\$ 145	0%	\$ -	\$ 145
615.000	Purchased Power-Ops-SOS	\$ 11,287	0%	\$ -	\$ 11,287
615.000	Purchased Power-Ops-T&D	\$ 2,909	0%	\$ -	\$ 2,909
636.000	Contract Service-Other-Ops-SOS	\$ 6,821	0%	\$ -	\$ 6,821
636.000	Contract Service-Other	\$ 169,390	20%	\$ 33,878	\$ 135,512
620.000	Materials and Supplies	\$ 4,450	100%	\$ 4,450	\$ -
675.000	Licenses and Fees	\$ 232	100%	\$ 232	\$ -
675.000	DNR Fees	\$ 3,090	100%	\$ 3,090	\$ -
620.200	Billing Supplies and Postage	\$ 3,192	100%	\$ 3,192	\$ -
604.000	Group Benefits	\$ 2,403	100%	\$ 2,403	\$ -
604.100	401K Match	\$ 950	100%	\$ 950	\$ -
604.200	Health Care/ESPP Expense	\$ 13,305	100%	\$ 13,305	\$ -
604.400	Group Life	\$ 227	100%	\$ 227	\$ -
634.200	LU US Allocation - Admin	\$ 702	100%	\$ 702	\$ -
634.300	LABS US BS Non Lab - NAR	\$ 247	100%	\$ 247	\$ -
634.700	LU Canada Allocation - Admin	\$ 1,083	100%	\$ 1,083	\$ -
634.900	APUC Allocation - Admin	\$ 3,599	100%	\$ 3,599	\$ -
636.800	LABS NonLabor Allocations NARUC	\$ 4,494	100%	\$ 4,494	\$ -
636.900	LABS Corporate Service Non-Labour Allocatior	\$ 2,379	100%	\$ 2,379	\$ -
637.100	LABS US CS Non Labor - NAR	\$ 57	100%	\$ 57	\$ -
637.200	LU Corp US Admin Allocation	\$ 182	100%	\$ 182	\$ -
637.300	LU Region Labor	\$ 1,942	100%	\$ 1,942	\$ -
637.300	LU Region Admin Allocation	\$ 448	100%	\$ 448	\$ -
650.000	Transportation Expenses	\$ 31	100%	\$ 31	\$ -
656.000	Insurance-Vehicle-ADMIN	\$ 179	100%	\$ 179	\$ -
657.000	Insurance-General Liability	\$ 1,369	100%	\$ 1,369	\$ -
658.000	Workers Compensation	\$ 613	100%	\$ 613	\$ -
666.000	Regulatory Commission Expense	\$ 1,104	100%	\$ 1,104	\$ -
675.000	Travel	\$ 231	100%	\$ 231	\$ -
675.000	Meals and Entertainment	\$ 272	100%	\$ 272	\$ -
675.000	Telephone Expense	\$ 159	100%	\$ 159	\$ -
675.000	Bank Charges	\$ 7,288	100%	\$ 7,288	\$ -
403.000	Depreciation Expense, Dep. Exp.	\$ 43,823	100%	\$ 43,823	\$ -
408.000	Property Taxes	\$ 5,948	100%	\$ 5,948	\$ -
408.000	Payroll Taxes	\$ 1,647	100%	\$ 1,647	\$ -
	Customer Deposit Expense	\$ 174	100%	\$ 174	\$ -
	Interest Expense	\$ 17,847	100%	\$ 17,847	\$ -
	Return on Equity	\$ 28,837	100%	\$ 28,837	\$ -
	Income Taxes	\$ 9,356	100%	\$ 9,356	\$ -
	Total Cost of Service	\$ 368,167		\$ 195,738	\$ 172,429
	Cost to Recover in Rates	\$ 359,565		\$ 195,738	\$ 163,827
	Overall Revenue Increase/Decrease Needed	\$ 208,043		\$ 44,216	\$ 163,827

**Holiday Hills, Timber Creek and Ozark Mountain
Rate Making Income Statement**

Operating Revenues at Current Rates	
Tarrified Rate Revenues	\$ 352,572
Other Operating Revenues	\$ 3,764
Total Operating Revenues	\$ 356,336

Account #	Item	Amount	Allocation	Fixed Charges	Variable Charges
601.100	Labour-Operations-Source of Supply	\$ 32,302	40%	\$ 12,921	\$ 19,381
610.000	Purchases Water-Ops-SOS	\$ 424	40%	\$ 170	\$ 254
615.000	Purchased Power-Ops-SOS	\$ 58,536	40%	\$ 23,414	\$ 35,122
615.000	Purchased Power-Ops-T&D	\$ 12,128	40%	\$ 4,851	\$ 7,277
618.000	Chemicals-Ops-WT	\$ 2,231	40%	\$ 892	\$ 1,339
636.000	Contract Service-Other-Ops-SOS	\$ 8,316	40%	\$ 3,326	\$ 4,990
636.000	Contract Service-Other	\$ 45,665	40%	\$ 18,266	\$ 27,399
636.100	Contractual Services-Outside Oper-Ops-SOS	\$ 92,972	40%	\$ 37,189	\$ 55,783
620.000	Materials and Supplies	\$ 17,753	100%	\$ 17,753	\$ -
675.000	Licenses and Fees	\$ 1,861	100%	\$ 1,861	\$ -
675.000	DNR Fees	\$ 2,599	50%	\$ 1,300	\$ 1,300
620.200	Billing Supplies and Postage	\$ 4,452	100%	\$ 4,452	\$ -
604.000	Group Benefits	\$ 5,012	100%	\$ 5,012	\$ -
604.100	401K Match	\$ 1,292	100%	\$ 1,292	\$ -
604.200	Health Care/ESPP Expense	\$ 27,500	100%	\$ 27,500	\$ -
604.400	Group Life	\$ 534	100%	\$ 534	\$ -
634.200	LU US Allocation - Admin	\$ 1,668	100%	\$ 1,668	\$ -
634.300	LABS US BS Non Lab - NAR	\$ 189	100%	\$ 189	\$ -
634.700	LU Canada Allocation - Admin	\$ 2,115	100%	\$ 2,115	\$ -
634.900	APUC Allocation - Admin	\$ 8,101	100%	\$ 8,101	\$ -
636.800	LABS NonLabor Allocations NARUC	\$ 10,293	100%	\$ 10,293	\$ -
636.900	LABS Corporate Service Non-Labour Allocation	\$ 5,335	100%	\$ 5,335	\$ -
637.100	LABS US CS Non Labor - NAR	\$ 120	100%	\$ 120	\$ -
637.200	LU Corp US Admin Allocation	\$ 213	100%	\$ 213	\$ -
637.300	LU Region Labor	\$ 4,002	100%	\$ 4,002	\$ -
637.300	LU Region Admin Allocation	\$ 918	100%	\$ 918	\$ -
650.000	Transportation Expenses	\$ 67	100%	\$ 67	\$ -
656.000	Insurance-Vehicle-ADMIN	\$ 380	100%	\$ 380	\$ -
657.000	Insurance-General Liability	\$ 2,843	100%	\$ 2,843	\$ -
658.000	Workers Compensation	\$ 1,267	50%	\$ 634	\$ 634
666.000	Regulatory Commission Expense	\$ 2,845	100%	\$ 2,845	\$ -
675.000	Travel	\$ 493	100%	\$ 493	\$ -
675.000	Meals and Entertainment	\$ 134	100%	\$ 134	\$ -
675.000	Telephone Expense	\$ 7,729	100%	\$ 7,729	\$ -
675.000	Bank Charges	\$ 15,602	100%	\$ 15,602	\$ -
403.000	Depreciation Expense, Dep. Exp.	\$ 121,053	60%	\$ 72,632	\$ 48,421
407.400	Amortization of Regulatory Assets	\$ 109	60%	\$ 65	\$ 44
408.000	Property Taxes	\$ 6,831	60%	\$ 4,099	\$ 2,732
408.000	Payroll Taxes	\$ 2,800	60%	\$ 1,680	\$ 1,120
0.000	Customer Deposit Expense	\$ 106	100%	\$ 106	\$ -
409.100	Current Income Taxes	\$ 24,193	60%	\$ 14,516	\$ 9,677
	Interest Expense	\$ 32,579	60%	\$ 19,547	\$ 13,032
	Return on Equity	\$ 52,137	60%	\$ 31,282	\$ 20,855
	Total Cost of Service	\$ 617,699		\$ 368,341	\$ 249,358
	Cost to Recover in Rates	\$ 613,935		\$ 368,341	\$ 245,594
	Overall Revenue Increase Needed	\$ 261,363		\$ 233,367	\$ 27,996

Holiday Hills, Timber Creek and Ozark Mountain

Development of Tariffed Rates-Water

Agreement is to modify rate design to include usage data now available per customer based on the currently metered customers average usage. In addition, the part time customer factor is now the same as sewer.

Revenues Generated by Current Tariffed Rates	\$ 352,572
Agreed-Upon Overall Revenue Increase	\$ 261,363
Percentage Increase Needed	74.130%

Metered Customer Rates

	Current Service Charge	Proposed Service Charge		Current Usage Rate	Proposed Usage Rate
3/4" Meter	\$ 8.96	\$ 26.65	\$	5.96	\$ 6.73
1" Meter	\$ 14.93	\$ 45.31	\$	5.96	\$ 6.73
2" Meter	\$ 47.76	\$ 106.61	\$	5.96	\$ 6.73
3" Meter	\$ 89.55	\$ 293.17	\$	5.96	\$ 6.73
4" Meter	\$ 149.25	\$ 373.13	\$	5.96	\$ 6.73

Customer Charge	Number	Factor	Customer Equivalents	Customer Charge
3/4" Meter	644	1	644.0	\$ 26.65
1" Meter	21	1.7	35.7	\$ 45.31
2" Meter	80	4	320.0	\$ 106.61
3" Meter	10	11.0	110.0	\$ 293.17
4" Meter	3	14	42.0	\$ 373.13

1151.7

Customer Charge Calculation:

	3/4" Meter	\$	368,341	\$	26.65
--	------------	----	---------	----	-------

Commodity Charge Calculation:

	3/4" Meter	\$	245,594	Gallons (1,000)	36,510	\$	6.73
--	------------	----	---------	------------------------	--------	----	------

Cape Rock Village

Rate Making Income Statement

Operating Revenues at Current Rates

Tariffed Rate Revenues *	\$	56,238
Other Operating Revenues *	\$	1,220
Total Operating Revenues	\$	57,458

* See "Revenues - Current Rates" for Details.

Account #	Item	Amount
701.100	Salaris and Wages-Operations	\$ 7,568
715.100	Purchased Power-Ops-Collect	\$ 2,832
715.500	Purchased Power-Ops-Treat&Disp	\$ 1,924
737.400	LU Region Labor	\$ 710
736.100	Transmission & Distribution	\$ 1,637
736.200	Contract Water Testing	\$ 18,378
720.800	Materials & Supplies	\$ 37
704.000	Group Benefits	\$ 701
704.100	401K Match	\$ 574
704.200	Health Care/ESPP Expense	\$ 3,990
704.400	Group Life	\$ 87
750.000	Transportation Expenses	\$ 10
756.000	Insurance-Vehicle-Admin	\$ 52
757.000	Insurance-General Liability	\$ 395
758.000	Workers Compensation	\$ 174
775.000	License and Fees	\$ 6
775.000	Travel	\$ 66
775.000	Meals and Entertainment	\$ 103
775.000	Telephone Expense	\$ 18
737.100	LABS US Bus Labor Alloc	\$ 68
737.200	LABS US Corp Admin Alloc	\$ 16
737.300	LU Corp US Admin Alloc	\$ 51
737.400	LU Regional Admin Allocation	\$ 734
767.800	Reg. Commission Expense	\$ 502
775.800	Licenses and Fees	\$ 73
775.800	DNR Fees	\$ 3,000
403.000	Depreciation Expense	\$ 30,090
408.000	Property Taxes	\$ 1,962
408.000	Payroll Taxes	\$ 1,428
	Interest Expense	\$ 5,479
	Return on Equity	\$ 8,737
	Additional Current Tax Required	\$ 2,989
	Total Cost of Service	\$ 94,391
	Cost to recover in rates	\$ 93,171
	Overall Revenue Increase Needed	\$ 36,933

Cape Rock Village

Development of Tariffed Rates-Sewer

Agreement is to modify rate design to include usage data now available per customer based on the currently metered customers average usage. In addition, the part time customer factor is now the same as sewer.

Revenues Generated by Current Tariffed Rates	\$ 56,238
Agreed-Upon Overall Revenue Increase	\$ 36,933
Percentage Increase Needed	65.673%

Metered Customer Rates

	Current Service Charge	Proposed Service Charge	Current Usage Rate	Proposed Usage Rate
Single Family Dwelling	\$ 27.60	\$ 45.67	\$ -	\$ -
Multi-Family Dwelling	\$ 22.08	\$ 45.67		
Customer Charge				Customer Charge
Single Family Dwelling	169	1	169.0	\$ 45.67
Multi-Family Dwelling	1	1	1.0	\$ 45.67
			170.00	
Customer Charge Calculation:		\$ 93,171	\$	45.67
Commodity Charge Calculation:			Gallons (1,000)	
		\$ -	-	-

Timber Creek and Ozark Mountain
Rate Making Income Statement

Tarrified Rate Revenues*	\$ 202,143
Other Operating Revenues*	\$ -
Total Operating Revenues	\$ 202,143

<u>Account #</u>	<u>Item</u>	<u>Amount</u>	<u>Allocation</u>	<u>Fixed Charges</u>	<u>Variable Charges</u>
701.100	Salaries and Wages-Operations	\$ 14,359	20%	\$ 2,872	\$ 11,487
715.100	Purchased Power-Ops-Collect	\$ 14,295	20%	\$ 2,859	\$ 11,436
715.500	Purchased Power-Ops-Treat&Disp	\$ 6,210	20%	\$ 1,242	\$ 4,968
718.500	Chemicals-Ops-Treat&Disp	\$ 13,814	20%	\$ 2,763	\$ 11,051
735.500	Contract Serv-Test-Ops-Treat&Disp	\$ 2,418	20%	\$ 484	\$ 1,934
736.100	Contract Serv-Other-Ops-Collect	\$ 90	20%	\$ 18	\$ 72
736.100	Contractural Services-Other	\$ 53,735	20%	\$ 10,747	\$ 42,988
736.200	Contract Serv-Outside Oper-Ops-Collect	\$ 66,078	20%	\$ 13,216	\$ 52,862
720.800	Office Expense & Supplies	\$ 119	100%	\$ 119	\$ -
704.000	Group Benefits	\$ 2,163	100%	\$ 2,163	\$ -
704.100	401K Match	\$ 303	100%	\$ 303	\$ -
704.200	Health Care/ESPP Expense	\$ 11,800	100%	\$ 11,800	\$ -
704.400	Group Life	\$ 210	100%	\$ 210	\$ -
750.000	Transportation Expenses	\$ 29	100%	\$ 29	\$ -
756.000	Insurance-Vehicle-ADMIN	\$ 166	100%	\$ 166	\$ -
757.000	Insurance-General Liability	\$ 1,228	100%	\$ 1,228	\$ -
758.000	Workers Compensation	\$ 549	50%	\$ 275	\$ 275
775.000	Licenses and Fees	\$ 72	100%	\$ 72	\$ -
775.000	Travel	\$ 158	100%	\$ 158	\$ -
775.000	Meals and Entertainment	\$ 60	100%	\$ 60	\$ -
775.000	Telephone Expense	\$ 58	100%	\$ 58	\$ -
737.100	LABS US Bus Labor Alloc	\$ 220	100%	\$ 220	\$ -
737.200	LABS US Corp Admin Alloc	\$ 52	100%	\$ 52	\$ -
737.300	LU Corp US Admin Alloc	\$ 163	100%	\$ 163	\$ -
737.400	LU Region Admin Allocation	\$ 2,372	100%	\$ 2,372	\$ -
767.800	Reg. Commission Expense	\$ 1,046	100%	\$ 1,046	\$ -
775.800	Licenses and Fees	\$ 2,680	100%	\$ 2,680	\$ -
775.800	DNR Fees	\$ 6,000	50%	\$ 3,000	\$ 3,000
403.000	Depreciation Expense, Dep. Exp.	\$ 81,722	50%	\$ 40,861	\$ 40,861
408.000	Property Taxes	\$ 2,266	50%	\$ 1,133	\$ 1,133
408.000	Payroll Taxes	\$ 788	50%	\$ 394	\$ 394
	Interest Expense	\$ 24,448	50%	\$ 12,224	\$ 12,224
	Return on Equity	\$ 38,983	50%	\$ 19,492	\$ 19,492
	Additional Current Tax Required	\$ 13,338	50%	\$ 6,669	\$ 6,669
	Total Cost of Service	\$ 361,992		\$ 141,146	\$ 220,846
	Cost to Recover in Rates	\$ 361,992		\$ 141,146	\$ 220,846
	Overall Revenue Increase Needed	\$ 159,849		\$ (60,997)	\$ 220,846

Timber Creek and Ozark Mountain

Revenue Annualizations at Current Rates-Sewer

Agreement is to modify rate design to include usage data now available per customer based on the currently metered customers average usage. In addition, the part time customer factor is now the same as sewer.

Revenues Generated by Current Tariffed Rates	\$ 202,142
Agreed-Upon Overall Revenue Increase	\$ 159,849
Percentage Increase Needed	79.078%

Metered Customer Rates

	Current Service Charge	Proposed Service Charge		Current Usage Rate	Proposed Usage Rate
3/4" and 5/8"	\$ 16.00	\$ 37.07	\$	17.24	\$ 26.97
1"	\$ 26.67	\$ 63.02	\$	17.24	\$ 26.97
2"	\$ 85.33	\$ 196.47	\$	17.24	\$ 26.97
3"	\$ 160.00	\$ 370.69	\$	17.24	\$ 26.97

Customer Charge	Number	Factor	Customer Equivalents	Customer Charge
3/4" and 5/8"	228	1	228.0	\$ 37.07
1"	3	1.7	5.1	\$ 63.02
2"	14	5.3	74.2	\$ 196.47
3"	1	10	10.0	\$ 370.69
			317	

Customer Charge Calculation: \$ 141,146 \$ 37.07

Commodity Charge Calculation: \$ 220,846 **Gallons (1,000)** 8,187 \$ 26.97

Water Service Charges

New Service Connection Fee Consists of the costs incurred by the Company for construction including parts, material, labor and equipment, but excluding the cost of the meter. See Rule 5 B.	Actual Cost
Service Connection Inspection Fee See Rule 5 B. 2 and 5 B. 3.	\$25
Water Service Line Inspection Fee See Rule 5 C.	\$25
Turn-On/Turn-Off Fee	\$25
On-site Collection Charge This charge will be added to the current bill if the Company personnel is on-site to disconnect the service when the Customer pays the bill. The disconnection fee may not be assessed if the service is not physically disconnected.	\$15
Meter Test Fee See Rule 12 B.	\$25
Meter Conversion or Relocation Fee	Actual Cost
Late Charges The late charge is calculated monthly with the greater amount above being added to the delinquent bill in accordance with Rule 10 G.	\$5 or 3%

Sewer Service Charges

Service Connection Inspection Fee \$25
See Rule 5 B.

Reconnection of Service Sewer after Physical Disconnection - Actual Cost

Reconnection of Service for Disconnects Caused by Nonpayment of Bill - \$25.00*

Reconnection of Service for Voluntary Disconnects of Less Than 30 Days - \$25.00*

Reconnection of Service for “Seasonal” Disconnects - \$25.00 plus the monthly customer charge times the number of months “off-system” (not to exceed 6 months) where the same beneficial service recipient discontinues and restores service to the same location within a 12-month period. Restoration of service of a nonpayment disconnect after 45 days is deemed to be a seasonal reconnection of service.*

On-site Collection Charge \$15
This charge will be added to the current bill if the Company personnel is on-site to disconnect the service when the Customer pays the bill. The disconnection fee may not be assessed if the service is not physically disconnected.

Late Charges \$5 or 3%
The late charge is calculated monthly with the greater amount above being added to the delinquent bill in accordance with Rule 10 G.

Returned Check Charges \$25

*These charges apply in those situations where the discontinuance of service was accomplished by the discontinuance of water service via a water meter shut-off.