

### Variable Rates

	Variable Production Expenses	Annual Variable Expense Amounts
1		
2	Total Variable Costs	\$ 46,855.00
3		
4	Annual Gallons of Water Used	15,101,753 gals
5		
6	Cost per 1,000 Gallons (line 4 ÷ line 2) X 1,000 *	\$3.50 → First Tier Cost per 1,000 gals

### Recommended Tiers Schedule

Monthly Rates		
Tiers	Price per 1,000 gallons	Increase Factor
Tier 1 (Per 1,000 Gallons)	\$ 3.50	
Tier 2 (Per 1,000 Gallons) *	\$ 5.50	150%
Tier 3 (Per 1,000 Gallons) *	\$ 11.00	200%
Tier 4 (Per 1,000 Gallons) *	\$ 16.50	150%
Tier 5 (Per 1,000 Gallons) *	\$ 25.00	150%

\* Amount rounded up to the nearest \$.50

### Recommended Usage Amounts

Monthly Water Usage Amounts	
Gallons per tier:	8,000 gals
0 gals	8,000 gals
8,001 gals	16,000 gals
16,001 gals	24,000 gals
24,001 gals	32,000 gals
32,001 gals	and above

(From Line 6)  
 (Line 12 X Factor)  
 (Line 13 X Factor)  
 (Line 14 X Factor)  
 (Line 15 X Factor)

20 **Fixed Monthly Rates**

Fixed Expenses		
	Connected	Standby
Percent Paid of Fixed Exepnses ==>	70%	30%
Total number of customers by customer type	291	103
BEFORE Taxes		
<b>Total Fixed Expenses [From Exh 2.3]</b>	<b>\$ 295,756.02</b>	
Total Expenses per Customer Type (Allocated by percentage)	\$ 267,365.65	\$ 28,390.37
Annual Fixed Expenses per Customer (line 29 ÷ line 25)	\$ 918.78	\$ 275.63
Monthly Fixed Expense per Customer (line 30 ÷ 12 months)	\$ 77.00	\$ 23.00
AFTER Taxes		
<b>Total Fixed Expenses [From Exh 2.3]</b>	<b>\$ 302,369.77</b>	
Total Expenses per Customer Type (Allocated by percentage)	\$ 273,344.53	\$ 29,025.24
Annual Fixed Expenses per Customer (line 34 ÷ line 25)	\$ 939.33	\$ 281.80
Monthly Fixed Expense per Connected Customer (line 35 ÷ 12 months)	<b>\$78.50</b>	
Monthly Fixed Expense per Standby Customer (line 35 ÷ 12 months)		<b>\$23.50</b>

Monthly Rate for Connected Customers

Monthly Standby Rate

\* Amount rounded up to the nearest \$.50

42 **Billing**

43 **Billing Range**

Monthly Rates	Monthly Water Usage Amounts	Billing per Tier	
		Minimum (Including Monthly Fixed Fee)	Maximum (Including Monthly Fixed Fee)
Tier 1 (Per 1,000 Gallons)	1 gals	\$ 78.50	\$ 106.50
Tier 2 (Per 1,000 Gallons) *	8,001 gals	\$ 106.51	\$ 150.50
Tier 3 (Per 1,000 Gallons) *	16,001 gals	\$ 150.51	\$ 238.50
Tier 4 (Per 1,000 Gallons) *	24,001 gals	\$ 238.52	\$ 370.50
Tier 5 (Per 1,000 Gallons) *	32,001 gals	\$ 370.53	Plus