

**Monthly Rates**

Expenses			
		Connected	Standby
The Percentage of Standby Customers rates, based on Connected Customers rates			25%
Total number of customers by customer type		34	6
Before Taxes			
Total Fixed Expenses [From Exh 2.3]		\$ 64,757.95	
Annual Fixed Expenses per Customer Type *		\$ 1,824.17	\$ 456.04
Monthly Fixed Expense per Customer Type ** (line 7 ÷ 12 months)		\$ 152.50	\$ 38.50
After Taxes			
Total Fixed Expenses [From Exh 2.3]		\$ 65,296.95	
Annual Fixed Expenses per Customer Type *		\$ 1,839.35	\$ 459.84
Monthly Fixed Expense per Customer Type ** (line 11 ÷ 12 months)		\$ 153.50	\$ 38.50
		Connected	Standby

**Billing**

Sample Billing Amounts Comparing Current to Recommended Rates			
Description	Current Monthly Rates	Division Recommended Monthly Rates	Percent Increase
Unmetered Water for Connected Customers	\$ 19.00	\$153.50	708%
Standby Customers	\$ -	\$38.50	N/A

\* This amount is weighted based on the standby percentage and the number of customers of each type.  
 (Standby customers ÷ Connected customers equal the standby percentage.)

\*\* Amount rounded up to the nearest \$0.50

**Comments**

The purpose of this schedule is to calculate just, reasonable, and adequate rates to generate sufficient revenues to fully fund the fixed expenses and reserve requirements to promote the Company's safe, healthy, economical, efficient, and reliable operation. Just, reasonable, and adequate rates will protect the long-range interests of consumers in obtaining continued quality and proper levels of service at the lowest cost to customers.

**Line 12 - Monthly Rates**

This section shows the amount of expenses paid by connected and standby customers. Typically, Standby Customers pay between 20 to 30 percent of what the Connected Customers pay. Standby customers are generally not connected to the water system or using its services and pay less than connected customers. Standby charges are essentially an assessment charged to unimproved properties to ensure that adequate water service will be available for that parcel when needed.