

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF )  
EASTERN HEIGHTS UTILITIES INC. FOR A ) CAUSE NO. 45435-U  
NEW SCHEDULE OF RATES AND )  
CHARGES. )  
)

SUPPLEMENT TO THE OUCC'S REPORT

CONSISTING OF

SUPPLEMENTAL TESTIMONY  
OF  
CARLA F. SULLIVAN

ON BEHALF OF THE  
INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

PUBLIC'S EXHIBIT NO. 1-S

January 15, 2021

Respectfully submitted,

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR



Daniel M. Le Vay, Atty. No. 22184-49  
Deputy Consumer Counselor

**CERTIFICATE OF SERVICE**

This is to certify that a copy of the foregoing *Supplement to the OUCC's Report Consisting of Public's Exhibit No. 1-S - OUCC's Supplemental Testimony of Carla F. Sullivan* has been provided to the following individuals by electronic service on January 15, 2021.

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**SUPPLEMENTAL TESTIMONY OF OUCC WITNESS CARLA F. SULLIVAN  
CAUSE NO. 45435-U  
EASTERN HEIGHTS UTILITIES, INC.**

**I. INTRODUCTION**

1 **Q: Please state your name and business address.**

2 A: My name is Carla F. Sullivan, and my business address is 115 West Washington  
3 Street, Suite 1500 South, Indianapolis, Indiana 46204.

4 **Q: Did you previously provide testimony in this proceeding?**

5 A: Yes. My case-in-chief testimony was filed as Public's Exhibit No. 1 and includes  
6 my qualifications and experience.

7 **Q: What is the purpose of your supplemental testimony?**

8 A: In my case-in-chief testimony, I recommended a post-test year customer growth  
9 revenue adjustment. This post-test year growth adjustment increased revenue by  
10 \$26,253. But I did not include an estimate of the increased operating expenses the  
11 utility would incur to secure those revenues. I refer to these below as increased  
12 system delivery expenses. My supplemental testimony identifies and quantifies  
13 those expenses resulting in the OUCC increasing its recommended rate increase  
14 from 27.90% to 28.11%.

15 **Q: Do you sponsor any schedules?**

16 A: Yes. The schedules below were updated and revised to incorporate the increased  
17 operating expenses associated with residential customer growth that the OUCC  
18 identified:

19 Schedule 1 – Comparison of Overall Revenue Requirement (page 1)  
20 Reconciliation of Net Operating Income Statement Adjustments  
21 (page 2)

- 1 Schedule 2 – Comparative Balance Sheet as of December 31, 2017, 2018, and  
2 2019
- 3 Schedule 3 – Comparative Income Statement for the twelve months ended  
4 December 31, 2017, 2018, and 2019
- 5 Schedule 4 – *Pro Forma* Net Operating Income Statement
- 6 Schedule 5 – OUCC Revenue Adjustments
- 7 Schedule 6 – OUCC Expense Adjustments
- 8 Schedule 7 – Extensions and Replacements
- 9 Schedule 8 – Current and Proposed Rates and Charges

## II. SYSTEM DELIVERY EXPENSE

10 **Q: What do you mean by “system delivery” expense?**

11 A: System delivery expenses are expenses that are directly affected by increases or  
12 decreases in water consumption and the number of bills issued. These include  
13 purchased power expense, chemical expense, and postage expense.

14 **Q: To calculate its post-test year customer growth expense adjustment, did you  
15 use the same costs and methodology Eastern Heights used to calculate its test  
16 year customer growth expense adjustment?**

17 A: Yes. Eastern Heights calculated total system delivery expense of \$3.39 on a per bill  
18 basis, dividing test year delivery expense by the number of test year bills:

	<b>Purchased Power (Adj. 6-4)</b>	<b>Chemical (Adj. 6-5)</b>	<b>Postage (Adj. 6-11)</b>
Test Year Expense	\$ 179,282	\$ 55,772	\$ 45,565
Test Year Billings	<u>82,845</u>	<u>82,845</u>	<u>82,845</u>
Cost Per Bill	<u>\$ 2.1641</u>	<u>\$ 0.6732</u>	<u>\$ 0.55</u>
Total System Delivery Cost Per Bill			<u>\$ 3.39</u>

1 **Q: Do you accept the methodology Eastern Heights used to determine system**  
2 **delivery costs?**

3 A: Yes. The OUCC typically calculates system delivery costs on a per gallon basis  
4 rather than a per bill basis. In this case, the effect of the difference in the two  
5 methods is immaterial. Therefore, I accept the methodology used and costs  
6 calculated by Eastern Heights.

7 **Q: What system delivery expense adjustment do you recommend to capture the**  
8 **costs associated with post-test year residential customer growth?**

9 A: I recommend an additional \$4,190 be included in *pro forma* operating expenses to  
10 reflect additional system delivery costs associated with post-test year residential  
11 customer growth. I determined Eastern Heights experienced an increase of 103  
12 residential customers during the post-test year adjustment period. This results in  
13 1,236 additional billings per year (103 x 12). Based on a cost of \$3.39 per billing,  
14 providing water to these additional 103 customers would create an additional  
15 \$4,190 in annual operating expenses (\$3.38 x 1,236). See OUCC Schedule 6,  
16 Adjustment 6. Based on this additional operating expense, I recommend the  
17 Commission approve an overall rate increase of 28.11% to generate an additional  
18 \$560,742 of revenues.

19 **Q: Does this conclude your testimony?**

20 A: Yes.

**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**Comparison Applicant's and OUCC's  
Revenue Requirements**

	<u>Per Applicant</u>	<u>Per OUCC</u>	<u>Sch Ref</u>	<u>OUCC More (Less)</u>
Operating Expenses	\$ 1,896,293	\$ 1,889,345	4	\$ (6,948)
Extensions and Replacements	481,025	424,751	7	(56,274)
Debt Service	<u>326,301</u>	<u>326,301</u>	APP	<u>-</u>
Total Revenue Requirements	2,703,619	2,640,397		(63,222)
Less: Revenue Requirement Offsets:				
Interest Income	(14,660)	(14,660)	3	-
Non Utility Income	-	(7,900)	3	(7,900)
Rental Income	<u>-</u>	<u>(19,756)</u>	3	<u>(19,756)</u>
Net Revenue Requirements	2,688,959	2,598,081		(90,878)
Less: Revenues at current rates subject to increase	(1,974,585)	(1,997,511)	4	(22,926)
Other revenues at current rates	<u>(71,824)</u>	<u>(39,828)</u>	4	<u>31,996</u>
Net Revenue Increase Required	642,550	560,742		(81,808)
Add: Additional IURC Fee	<u>834</u>	<u>714</u>		<u>(120)</u>
Recommended Increase	<u>\$ 643,384</u>	<u>\$ 561,456</u>		<u>\$ (81,928)</u>
Recommended Percentage Increase	<u>32.58%</u>	<u>28.11%</u>		<u>-4.47%</u>

<u>Current Rate for 5,000 Gallons</u>	<u>Proposed</u>			<u>OUCC</u>
	<u>Petitioner</u>	<u>OUCC</u>		<u>More (Less)</u>
Current Rate = \$21.59	\$ 28.62	\$ 27.66	8	\$ (0.96)

**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**Reconciliation of Net Operating Income Statement Adjustments**  
*Pro-forma Present Rates*

	<u>Per Applicant</u>	<u>Per OUCC</u>	<u>OUCC More (Less)</u>
Operating Revenue Adjustments			
Test Year Normalization	\$ 3,946	\$ 3,946	\$ -
Post-Test Year Customer Growth	-	26,253	26,253
Meter Calibration Adjustment	-	(3,327)	(3,327)
Elimination of Surcharge Revenues	-	(31,996)	\$ (31,996)
Total Operating Revenues	<u>3,946</u>	<u>(5,124)</u>	<u>(9,070)</u>
O&M Expense Adjustments			
Salaries and Wages - Employee	17,496	17,496	-
Capitalized Labor	-	(7,708)	(7,708)
Salaries and Wages - Officers	10,847	10,847	-
Employee Benefits	8,026	8,026	-
Emp. Benefits - PERF/Pension	1,312	1,312	-
Purchased Power	396	396	-
Chemical Expense	123	123	-
System Delivery Expense	-	4,190	4,190
Material and Supplies	(8,434)	(10,279)	(1,845)
Contractual Services - Engineering	-	(2,516)	(2,516)
Periodic Maintenance Expense	36,676	38,276	1,600
Insurance	3,762	3,762	-
Rate Case Expense	3,000	3,000	-
Miscellaneous Expense	100	100	-
IURC Fee	118	118	-
Revenue Off Set (APP Adjustment 16)	7,669	-	(7,669)
Reclassification of E&R	-	7,000	7,000
Taxes Other Than Income	<u>1,969</u>	<u>1,969</u>	<u>-</u>
Total Operating Expenses	<u>83,060</u>	<u>76,112</u>	<u>(6,948)</u>
Net Operating Income	<u>\$ 79,114</u>	<u>\$ 81,236</u>	<u>\$ (2,122)</u>

**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**COMPARATIVE BALANCE SHEET**  
**As of December 31,**

<b><u>ASSETS</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Utility Plant in Service:			
Utility Plant in Service	\$ 26,255,767	\$ 26,066,499	\$ 26,043,806
Less: Accumulated Depreciation	9,552,685	9,105,881	8,644,107
Accumulated Amortization	12,024	12,024	12,024
Add: Utility Plant Acquisition Adjustment	48,256	64,341	80,427
Net Utility Plant in Service	<u>16,739,314</u>	<u>17,012,935</u>	<u>17,468,102</u>
Other Property an Investments:			
Nonutility Property	216,569	283,410	283,410
Less: Accumulated Depreciation	35,661	35,936	32,868
Add: Special Funds	341,796	341,796	341,796
Total Other Property and Investments	<u>522,704</u>	<u>589,270</u>	<u>592,338</u>
Current Assets:			
Cash and Cash Equivalents	400	400	400
Other Special Deposits	600,000	-	-
Working Funds	258,617	479,358	437,468
Temporary Cash Investments	-	580,215	680,061
Accounts Receivable	88,977	81,804	97,663
Materials and Supplies	91,111	97,742	82,230
Prepays	77,000	75,000	65,550
Total Current Assets	<u>1,116,105</u>	<u>1,314,519</u>	<u>1,363,372</u>
Total Assets	<u>\$ 18,378,123</u>	<u>\$ 18,916,724</u>	<u>\$ 19,423,812</u>
<b><u>LIABILITIES</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Equity			
Retained Earnings	\$ 289,448	\$ 823,249	\$ 1,202,593
Paid in Capital	-	-	-
Total Equity	<u>289,448</u>	<u>823,249</u>	<u>1,202,593</u>
Contributions in Aid of Construction	13,683,453	13,532,289	13,502,849
Long-term Debt			
Rural Development Loans	3,498,212	3,679,663	3,846,329
Total Long-term Debt	<u>3,498,212</u>	<u>3,679,663</u>	<u>3,846,329</u>
Current Liabilities			
Accounts Payable	43,062	47,021	58,198
Notes Payable	181,777	179,544	176,892
Customer Deposits	655,704	635,858	617,511
Accrued Taxes	17,959	10,188	10,144
Accrued Interest	8,508	8,912	9,296
Other Current Liabilities	<u>907,010</u>	<u>881,523</u>	<u>872,041</u>
Total Liabilities	<u>\$ 18,378,123</u>	<u>\$ 18,916,724</u>	<u>\$ 19,423,812</u>



**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**COMPARATIVE INCOME STATEMENT**  
**Twelve Months Ended December 31,**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Operating Revenues</b>			
Unmetered Water Sales	\$ 2,010	\$ 2,824	\$ 2,380
Residential Metered Water Sales	1,728,711	1,742,074	1,727,925
Commercial Metered Water Sales	69,002	76,432	80,297
Industrial Meters Water Sales	12,830	9,463	9,668
Public Authorities	50,700	48,544	50,977
Multi Family	14,093	14,758	16,819
Public Fire Protection	61,030	59,662	60,267
Private Fire Protection	7,123	6,808	6,560
Sales for Resales	11,025	12,890	11,433
Late Fees	14,115	15,985	16,146
Miscellaneous Service Revenue	39,828	43,363	39,157
Other Operating Revenues	31,996	31,452	30,855
Total Operating Revenues	<u>2,042,463</u>	<u>2,064,255</u>	<u>2,052,484</u>
<b>Operating Expenses</b>			
Salaries and Wages - Employee	609,123	596,195	547,951
Salaries and Wages - Officers and Directors	22,500	25,230	24,860
Employee Pension and Benefits	349,650	359,857	329,732
Purchased Power	179,282	192,330	172,480
Chemicals	55,772	46,639	43,241
Materials and Supplies	350,040	329,915	192,521
<b>Contractual Services</b>			
Engineering	13,533	5,630	4,044
Accounting	32,345	28,740	31,925
Legal	29,749	20,442	21,606
Other/Testing	713	845	932
Other	1,518	7,008	4,368
Transportation Expense	49,831	56,738	40,796
<b>Insurance</b>			
Vehicle	9,838	7,512	8,304
General Liability	24,222	28,257	28,541
Workman's Compensation	13,199	8,601	6,545
Other	10,270	10,232	10,294
Bad Debt Expense	5,790	4,010	4,276
Miscellaneous Expense	2,090	2,061	751
Total O&M Expense	<u>1,759,465</u>	<u>1,730,242</u>	<u>1,473,167</u>
Depreciation Expense	499,750	491,408	490,582
Amortization Expense	16,086	16,086	16,086
Payroll Taxes	53,768	46,151	43,087
Total Operating Expenses	<u>2,329,069</u>	<u>2,283,887</u>	<u>2,022,922</u>
Net Operating Income	(286,606)	(219,632)	29,562
<b>Other Income (Expense)</b>			
Leases	19,756	15,050	9,300
Gain (Loss) on Sale of Assets	(87,734)	(15,137)	(129,674)
Interest Income	14,660	9,757	5,242
Nonutility Income	7,900	26,702	42,556
Miscellaneous Nonutility Expenses	(18,393)	(4,294)	(4,803)
Interest Expense	(183,384)	(191,790)	(199,718)
Total Other Income (Expense)	<u>(247,195)</u>	<u>(159,712)</u>	<u>(277,097)</u>
Net Income	<u>\$ (533,801)</u>	<u>\$ (379,344)</u>	<u>\$ (247,535)</u>

EASTERN HEIGHTS UTILITIES, INC  
CAUSE NUMBER 45435-U

*Pro-forma* Net Operating Income Statement

	Year Ended 12/31/2019	Adjustments	Sch Ref	<i>Pro forma</i> Present Rates	Adjustments	Sch Ref	<i>Pro forma</i> Proposed Rates
Operating Revenues							
Water Sales	\$ 1,877,346	\$ 3,844	APP	\$ 1,904,218	\$ 535,233	1	\$ 2,439,451
Commercial Sales		102	APP				
Green County Jail Refund		(3,327)	5-2				
Post-test Year Growth		26,253	5-3				
Fire Protection	68,153			68,153	19,156	1	87,309
Sales for Resale	11,025			11,025	3,099	1	14,124
Late Payment Charges	14,115			14,115	3,967	1	18,082
Other Revenue and Surcharge	71,824	(31,996)	5-1	39,828			39,828
Total Operating Revenues	<u>2,042,463</u>	<u>(5,124)</u>		<u>2,037,339</u>	<u>561,456</u>		<u>2,598,794</u>
				1,997,511			
O&M Expense							
Salaries and Wages - Employee	609,123	17,496	APP	618,911			618,911
Capitalized Labor		(7,708)	6-1				
Salaries and Wages - Officers	22,500	10,847	APP	33,347			33,347
Employee Benefits	303,576	8,026	APP	311,602			311,602
Emp. Benefits - PERF/Pension	46,074	1,312	APP	47,386			47,386
Purchased Power	179,282	396	APP	179,678			179,678
Chemical Expense	55,772	123	APP	55,895			55,895
System Delivery Expense	-	4,190	6-6	4,190			4,190
Material and Supplies	181,865	(10,279)	6-2	171,586			171,586
Contractual Services - Engineering	13,533	(2,516)	6-3	11,017			11,017
Contractual Services - Accounting	32,345			32,345			32,345
Contractual Services - Legal	29,749			29,749			29,749
Contractual Services - Testing	713			713			713
Contractual Services - Other	1,518			1,518			1,518
Transportation Expense	49,831			49,831			49,831
Periodic Maintenance Expense	168,175	38,276	6-4	206,451			206,451
Insurance	57,529	3,762	APP	61,291			61,291
Rate Case Expense		3,000	APP	3,000			3,000
Bad Debt	5,790			5,790			5,790
Property Taxes	2,090			2,090			2,090
Miscellaneous Expense		100	APP	100			100
IURC Fee		118	APP	118			118
Revenue Off Set (APP Adjustment 16)		-		-			-
Reclassification of E&R		7,000	6-5	7,000			7,000
Depreciation Expense	499,750			499,750			499,750
Amortization Expense	16,086			16,086			16,086
Taxes Other Than Income							-
Payroll Taxes	53,768	1,969	APP	55,737	714	1	56,451
Total Operating Expenses	<u>2,329,069</u>	<u>76,112</u>		<u>2,405,181</u>	<u>714</u>		<u>2,405,895</u>
Net Operating Income	<u>\$ (286,606)</u>	<u>\$ (81,236)</u>		<u>\$ (367,842)</u>	<u>\$ 560,742</u>		<u>\$ 192,899</u>

**EASTERN HEIGHTS UTILITIES, INC  
CAUSE NUMBER 45435-U**

**OUCS Revenue Adjustments**

**(1)**

**Surcharge Revenue**

To reflect the elimination of surcharge revenue.

<i>Pro forma</i> Surcharge Revenue	\$ -
	<u>(31,996)</u>
<b>Adjustment Increase (Decrease)</b>	<b><u>\$ (31,996)</u></b>

**(2)**

**Applicant's Calibration Overcharge Adjustment**

To reflect overcharge to Green County Jail from September to December 2019. (Applicant included this adjustment as Expense Adjustment #16)

4" Meter Minimum 123,000 Gallons	\$ 321.78
10,000 Gallons @ \$2.38/1,000 Rate	23.80
Fire Protection Service	<u>43.70</u>
	389.28
Times 4 Months	<u>4</u>
	1,557
Less: Actual Charges September to December 2019	<u>(4,884)</u>
<b>Adjustment Increase (Decrease)</b>	<b><u>\$ (3,327)</u></b>

**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**OUCC Revenue Adjustments**

**(3)**

**Post Test Year Residential Normalization Adjustment**

To adjust for residential customer growth subsequent to the test year.

Number of Residential Customer at 12/31/20	6,909
Less: Number of Residential Customer at 12/31/19	<u>(6,806)</u>
Number of Additional Monthly Customers	103
Times 12 to Annualize	<u>12</u>
Number of Additional Annual Customers	1,236
Times Average Test Year Billing	<u>\$ 21.24</u>
<b>Adjustment Increase (Decrease)</b>	<b><u><u>\$ 26,253</u></u></b>

<b>Residential</b>			
	<b><u>Billings</u></b>		
		Total Residential Billings as of September 2020	61,670
Jan	6,815	October 2020 Residential Billings	6,935
Feb	6,806	November 2020 Residential Billings	<u>6,944</u>
Mar	6,801	Total Residential Billings as of November 2020	75,549
Apr	6,813	Less: Total Residential Billings as of December 2020	<u>82,458</u>
May	6,821	Residential Customers as of 12/31/2020	<u><u>6,909</u></u>
Jun	6,867		
Jul	6,896		
Aug	6,924		
Sep	<u>6,927</u>		
Total	<u><u>61,670</u></u>		

**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**OUCS Expense Adjustments**

(1)

**Capitalize Labor**

To capitalize labor associated with test year connections.

Labor Authorized in TD2190	\$ 111.38	
Number of Single Meter Taps	<u>66</u>	7,351.08
Labor Authorized in TD2190	\$ 111.38	
Additional Labor Authorized in TD2190	<u>7.43</u>	
Total Dual Meter Installation Labor	118.81	
Number of Dual Meter Taps	<u>3</u>	356.43
		<u>\$ (7,708)</u>

(2)

**Non-Recurring Material and Supplies**

To remove non-recurring expense incurred due a lightening strike.

<u>Vendor</u>	<u>Description</u>	<u>Account</u>	<u>Amount</u>
Bastin Logan	Well Motor 75 HP - Loaner	6205	\$ (8,434)
B L Anderson	Work on Computer Boards	6205	<u>(1,845)</u>
			<u>\$ (10,279)</u>

(3)

**Wellhead Protection Costs**

To amortize test year wellhead protection costs over five years.

Wessler Invoice 33566	\$ 1,542.15
Wessler Invoice 34121	<u>1,602.94</u>
Total Test Year Wellhead Protection Cost	3,145.09
Divide by Five Years	<u>5</u>
Annual Wellhead Protection Cost	<u>\$ 629</u>
Total Test Year Wellhead Protection Cost	(3,145)
Less: Annual Wellhead Protection Cost	<u>629</u>
	<u>\$ (2,516)</u>

**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**OUCS Expense Adjustments**

(4)

**Periodic Maintenance Expense**

To adjust for periodic maintenance expense.

Tank Painting/Cleaning	\$ 2,966,264	
Amortize over 15 years	<u>15</u>	197,751
Well Cleaning and Well Pump Maintenance	35,502	
	<u>5</u>	7,100
Booster Pump Maintenance	\$ 8,000.0	
	<u>5</u>	1,600
Total Periodic Maintenance Expense		<u>206,451</u>
Less: Test Year Expense		<u>(168,175)</u>
<b>Adjustment Increase (Decrease)</b>		<b><u>\$ 38,276</u></b>

(5)

**Reclassification of E&R as Operating Expense**

To reclassify E&R items as Operating Expense.

Water Loss Audit and Risk Assessment	\$ 15,000	
Emergency Response Plan	10,000	
Cyber Security Plan	<u>10,000</u>	
	\$ 35,000	
	<u>5</u>	
<b>Adjustment Increase (Decrease)</b>		<b><u>\$ 7,000</u></b>

(6)

**System Delivery Adjustment**

To increase operating expenses that result from post-test year customer growth.

Test Year Purchased Power Expense	\$ 179,282	
Test Year Chemical Expense	<u>55,772</u>	
	235,054	
Divided by: # of Test Year Bills	<u>82,845</u>	
Cost Per Bill	\$ 2.84	
Plus: Postage Cost	<u>0.55</u>	
	\$ 3.39	
Times: Number of Additional Post-Test Year Bills	<u>1,236</u>	
<b>Adjustment Increase (Decrease)</b>		<b><u>\$ 4,190</u></b>

**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**Extensions and Replacements**

To reflect the average amount of extensions and replacements required over a five year period.

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>
SCADA Improvements (20 Sites)	\$ -	\$ 275,000	\$ -	\$ -	\$ -	\$ 275,000
Bloomfield Wellfield Generator	-	-	-	222,000	-	222,000
Trailer Generator	-	-	100,000	-	-	100,000
Booster Station #2 Replacement	-	-	-	265,360	-	265,360
Water Main Relocation - US231	125,395	-	-	-	-	125,395
Water Main Replacement - Hobbievill	-	-	-	656,000	-	656,000
Vehicles	61,000	61,000	61,000	61,000	61,000	305,000
Excavator Trades	5,000	5,000	5,000	5,000	5,000	25,000
SR 58 Water Service Tie-Overs	150,000	-	-	-	-	150,000
	<u>\$ 341,395</u>	<u>\$ 341,000</u>	<u>\$ 166,000</u>	<u>\$ 1,209,360</u>	<u>\$ 66,000</u>	<u>2,123,755</u>

Divide by 5 Years

5

**Average Annual Extensions and Replacements**

\$ 424,751

**EASTERN HEIGHTS UTILITIES, INC**  
**CAUSE NUMBER 45435-U**

**Current and Proposed Rates and Charges**

	<u>Current</u>	<u>Petitioner Proposed</u>	<u>OUCC Proposed</u>	<u>OUCC More (Less)</u>
<b>Metered Rate</b>				
First 3,000 Gallons	\$ 4.95	\$ 6.56	\$ 6.34	(0.22)
Next 12,000 Gallons	3.37	4.47	4.32	(0.15)
Next 35,000 Gallons	2.65	3.51	3.39	(0.12)
Next 100,000 Gallons	2.38	3.16	3.05	(0.11)
All Over 150,000 Gallons	2.16	2.86	2.77	(0.09)
<b>Minimum Rate</b>				
5/8" - 3,000 Gallons	14.85	19.69	19.02	(0.67)
3/4" - 4,500 Gallons	19.91	26.4	25.51	(0.89)
1" - 7,500 Gallons	30.02	39.8	38.46	(1.34)
1 1/2" - 17,400 Gallons	61.65	81.74	78.98	(2.76)
2" - 30,000 Gallons	95.04	126.01	121.75	(4.26)
3" - 69,000 Gallons	193.26	256.23	247.58	(8.65)
4" - 123,000 Gallons	321.78	426.63	412.23	(14.40)
6" - 276,000 Gallons	658.20	872.66	843.21	(29.45)
<b>Hydrant Charge per Annual</b>				
Public	364.68	483.50	467.18	(16.32)
Private	364.68	483.50	467.18	(16.32)
2" Service	58.27	77.26	74.65	(2.61)
3" Service	131.12	173.84	167.97	(5.87)
4" Service	233.08	309.03	298.59	(10.44)
6" Service	524.43	695.31	671.84	(23.47)
8" Service	936.48	1,241.62	1,199.70	(41.92)
10" Service	1,456.74	1,931.39	1,866.20	(65.19)
12" Service	2,097.70	2,781.20	2,687.32	(93.88)