

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GOSHEN UTILITIES, INC.)
FOR AN ADJUSTMENT OF RATES PURSUANT)
TO THE ALTERNATIVE RATE FILING)
PROCEDURE FOR SMALL UTILITIES) CASE NO. 98-377

ORDER

On July 15, 1998, Goshen Utilities, Inc., Sewer Division (Goshen), applied for an adjustment of its rates for sewage treatment service pursuant to 807 KAR 5:076. Commission Staff, having performed a limited financial review of Goshen s operations, has prepared the attached Staff Report containing Staff s findings and recommendations regarding the proposed rates. All parties should review the report carefully and provide any written comments or requests for a hearing or informal conference no later than 14 days from the date of this Order.

IT IS THEREFORE ORDERED that all parties shall have no more than 14 days from the date of this Order to provide written comments regarding the attached Staff Report or requests for a hearing or informal conference. If no request for a hearing or informal conference is received, this case shall be submitted to the Commission for decision.

Done at Frankfort, Kentucky, this 11th day of February, 1999.

ATTEST:

By the Commission

Executive Director

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ALTERNATIVE RATES) CASE NO. 98-377
FILING OF GOSHEN UTILITIES, INC.)

STAFF REPORT

Prepared By: John D. Williams
Public Utility Financial
Analyst, Senior
Water and Sewer Revenue
Requirements Branch
Division of Financial Analysis

Prepared By: D. Brent Kirtley
Public Utility Rate
Analyst, Senior
Communications, Water and
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Division of Financial Analysis

STAFF REPORT
ON
GOSHEN UTILITIES, INC., SEWER
CASE NO. 98-377

On July 15, 1998, Goshen Utilities, Inc., Sewer Division (Goshen) filed an application seeking to increase its rates pursuant to 807 KAR 5:076. The application requested approval to increase tariffed sewer rates by 26.4 percent, an increase in annual revenue of \$70,035. Goshen requested assistance from Commission Staff (Staff) in the preparation of its Alternative Rate Filing Application as allowed pursuant to 807 KAR 5:076, Section 2. To assist in the preparation of this application, Staff performed a limited financial review of Goshen s test year operations; the calendar year ended December 31, 1996.

The scope of the review was limited to obtaining information as to whether the test period operating revenues and expenses were representative of normal operations. Insignificant or immaterial discrepancies were not pursued and are not addressed herein.

John Williams of the Commission s Water and Sewer Revenue Requirements Branch performed the limited review on November 13, 1997. Mr. Williams is responsible for the preparation of this Staff Report, except for the determination of normalized operating revenue and Attachments D and E which were prepared by Brent Kirtley of the Commission s Communications, Water and Sewer Rate Design Branch.

A comparison of Goshen's actual and pro forma operations is shown in Attachment A. Based on Staff's recommendations, Goshen's operating statement would appear as set forth in Attachment B. Attachment C compares Goshen's and Staff's revenue requirement calculations. Goshen's application reflected a pro forma revenue requirement of \$336,462, or an increase in revenues of \$70,035. Staff recommends a revenue requirement of \$316,197 or an increase in revenues of \$49,770.

Staff anticipates that the rates recommended herein will generate, at a minimum, sufficient revenues to allow the utility to meet all its cash operating expenses and annual debt service requirements for a period of three years. Should the revenues generated by these rates become inadequate to meet these requirements at any time during the three-year period, the utility should take whatever steps are necessary to remedy the situation. At the end of the three-year period, Staff will perform a limited review of the utility's operations to ensure that the rates remain adequate. As part of that review the utility may be required to file additional information.

Staff performed a cost of service study on Goshen in order to design rates that properly allocate the utility's costs among its customers in a fair, just, and reasonable manner. The study analyzed the utility's costs of providing sewer service, then allocated those costs among three types of classifications: commodity, demand, and customer. Commodity costs are those directly associated with treatment of the waste. Demand costs are those associated with providing the facilities to meet the demands placed on the system. Customer costs are those associated with serving the customers without regard for varying usage.

Currently, Goshen's rates are based on a five-step declining-block rate design applied to customers' monthly consumption of water. However, per EPA suggested guidelines, Staff recommends a monthly customer charge in conjunction with a flat-rate usage charge based on the customer's monthly water consumption.

The monthly customer charge includes only those costs associated with providing sewer service to a customer, irrespective of the customer's usage level. For example, billing and postage are two of the many costs attributable to customers incurred by the utility each month even when a customer does not use the system. The monthly customer charge does not include any costs for treatment of waste. All treatment costs are recovered through the flat-rate usage charge for each thousand gallons of water used. This type of rate design better reflects the actual cost of providing service, diminishes cross subsidization among different levels of sewer users, and allows fairer rates for individual customers. The complete cost of service study is included as Attachment D.

Staff's recommended rate in Attachment E will generate the required revenue from rates of \$316,197.

Signatures

Prepared By: John D. Williams
Public Utility Financial
Analyst, Senior
Water and Sewer Revenue
Requirements Branch
Division of Financial Analysis

Prepared By: D. Brent Kirtley
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Analyst, Senior
Communications, Water and
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Division of Financial Analysis

ATTACHMENT A
STAFF REPORT CASE NO. 98-377
GOSHEN'S REQUESTED OPERATIONS

	Actual			Requested
	Operations	Adjustments	Ref.	Operations
Operating Revenues:				
Measured - General Customers	\$263,398	\$3,029	A	\$266,427
Forfeited Discounts	7,283	0		7,283
Total Operating Revenues	\$270,681	\$3,029		\$273,710
Operating Expenses:				
Operation & Maintenance:				
Operation Labor	\$50,013	(\$7,072)	B	\$42,941
Fuel & Power	32,238	515	C	32,753
Chemicals	16,045	0		16,045
Misc. Supplies & Exp.	1,872	0		1,872
Routine Maintenance Fee	0	14,400	D	14,400
Maint. - Structures	1,393	0		1,393
Maint. - Collection Sys.	2,025	0		2,025
Maint. - Pumping Sys.	3,019	(1,165)	E	1,854
Maint. - Treatment & Disp.	21,634	(16,256)	F	5,378
Uncollectibles	216	0		216
Misc. Customer Accts.	1,365	0		1,365
Admin. & General Salaries	57,656	7,164	G	64,820
Office Supplies	7,782	0		7,782
Outside Services	38,037	(13,924)	H	24,113
Insurance	10,832	(2,727)	I	8,105
Employee Pensions & Benefits	9,831	(378)	J	9,453
Reg. Commission Exp.	1,299	0		1,299
Transportation	7,906	0		7,906
Misc. Gen Exp.	94	0		94
Rents	1,977	0		1,977
Maint. - General Plant	2,144	0		2,144
Operations & Maint. Exp.	\$267,378	(\$19,443)		\$247,935
Depreciation	58,626	(17,592)	K,N	41,034
Amortization	51	1,915	L,N	1,966
Taxes Other Than Income Tax Exp.	12,255	271	M	12,526
Total Operating Expenses	\$338,310	(\$34,849)		\$303,461
Net Operating Income	(\$67,629)	\$37,878		(\$29,751)
Other Income (Expense):				
Income Non-utility Operations	(192)	0		(192)
Interest & Dividend Income	14,688	0		14,688
Misc. Nonoperating Income	3,325	0		3,325
Interest Expense	(5,153)	(2,240)	O	(7,393)
Net Income Available for Operations	(\$54,961)	\$35,638		(\$19,323)

ATTACHMENT B
STAFF REPORT CASE NO. 98-377
STAFF'S RECOMMENDED OPERATIONS

	Actual Operations	Pro Forma Adjustments	Note Ref.	Recommended Operations
Operating Revenues:				
Measured - General Customers	\$263,398	\$3,029	A	\$266,427
Forfeited Discounts	7,283	0		7,283
Total Operating Revenues	\$270,681	\$3,029		\$273,710
Operating Expenses:				
Operation & Maintenance:				
Operation Labor	\$50,013	(\$11,122)	B	\$38,891
Fuel & Power	32,238	515	C	32,753
Chemicals	16,045	0		16,045
Misc. Supplies & Exp.	1,872	0		1,872
Routine Maintenance Fee	0	14,400	D	14,400
Maint. - Structures	1,393	0		1,393
Maint. - Collection Sys.	2,025	0		2,025
Maint. - Pumping Sys.	3,019	(1,165)	E	1,854
Maint. - Treatment & Disp.	21,634	(16,256)	F	5,378
Uncollectibles	216	0		216
Misc. Customer Accts.	1,365	0		1,365
Admin. & General Salaries	57,656	(4,478)	G	53,178
Office Supplies	7,782	0		7,782
Outside Services	38,037	(13,924)	H	24,113
Insurance	10,832	(3,093)	I	7,739
Employee Pensions & Benefits	9,831	(1,162)	J	8,669
Reg. Commission Exp.	1,299	0		1,299
Transportation	7,906	0		7,906
Misc. Gen Exp.	94	0		94
Rents	1,977	0		1,977
Maint. - General Plant	2,144	0		2,144
Operations & Maint. Exp.	\$267,378	(\$36,285)		\$231,093
Depreciation	58,626	(17,592)	K,N	41,034
Amortization	51	2,595	L,N	2,646
Taxes Other Than Income Tax Exp.	12,255	(930)	M	11,325
Total Operating Expenses	\$338,310	(\$52,212)		\$286,098
Net Operating Income	(\$67,629)	\$55,241		(\$12,388)
Other Income (Expense):				
Income Non-utility Operations	(192)	0		(192)
Interest & Dividend Income	14,688	0		14,688
Misc. Nonoperating Income	3,325	0		3,325
Interest Expense	(5,153)	(2,240)	O	(7,393)
Net Income Available for Operations	(\$54,961)	\$53,001		(\$1,960)

ATTACHMENT B
STAFF REPORT CASE NO. 98-377
STATEMENT OF ADJUSTED OPERATIONS

- A. Measured General Revenue. Goshen reported sewer revenues of \$263,398 in its 1996 annual report to the Commission. At the request of Staff, Goshen prepared a billing analysis using billing and usage information for the 1,206 customers served by the utility on December 31, 1996. The information showed annual billings of \$266,427. Staff reviewed the analysis, verified it to within 0.0015 percent, and therefore accepted Goshen's amount of annual billings. The difference between Goshen's annual report and billing analysis resulted in a pro-forma increase to revenue of \$3,029.
- B. Operation Labor. Goshen Utilities, Inc. allocates its payroll between its Sewer and Water Divisions using allocation factors developed in a 1988 time study. Since 1988, the utility has conducted other time studies, which have produced similar results. Therefore, Staff applied Goshen's allocation factor of 30 percent for the Sewer Division to regular and overtime hours worked by the foreman, laborers and maintenance person during the test period. These hours were then multiplied by the 1998 pay rates.
- Test period wages (before allocation) of \$25,270 for a licensed treatment plant operator have been eliminated because the employee resigned and his duties are now performed under contract by Eubank, Hall & Associates, as more fully described in Pro-Forma Adjustment D, below. Staff also eliminated from test year operations the Sewer Division's allocation of 30 percent of the wages for the

Water Division's plant operator. The net result of these of these calculations is a pro-forma reduction to operation labor of (\$11,122).

- C. Fuel & Power. The Utility allocates common office expenses, such as electricity, 50 percent to the Sewer Division and 50 percent to the Water Division since the expenses are fixed in nature. In the test period, the Water Division paid 100 percent of the office electric expense. To reflect the proper allocation, Staff has increased the Sewer Division's electricity expense by 50 percent of the total \$1,030 in office electricity expense, or \$515.
- D. Routine Maintenance Fee. At the end of 1996 the Sewer Division's licensed plant operator resigned. Goshen entered into a routine maintenance contract with Eubank, Hall & Associates to provide this service for \$1,200 per month. This expense appears to be reasonable, thus Staff has included the annualized pro-forma adjustment of \$14,400 for Routine Maintenance Fee.
- E. Maintenance Pumping System. This pro-forma adjustment removes the \$1,165 cost for the installation of an electric service pole at the Harmony Landing Road lift station from test-period operating expenses. Capital expenditures benefit more than one period and therefore should be depreciated rather than expensed. The associated depreciation expense is included in Pro-Forma Adjustment K.
- F. Maintenance Treatment & Disposal Plant. This pro-forma adjustment removes from test-period operating expenses \$16,256 in capital expenditures at the Cardinal Harbour and Trails End treatment plants. Since capital expenditures benefit more than one period they should be depreciated rather than expensed. The associated depreciation expense is included in Pro-Forma Adjustment K.

G. Administrative & General Salaries. Administrative and general salaries were allocated between the Sewer and Water Divisions using factors developed in the 1988 time study. Goshen's application proposed that the manager had increased the time he spends on the Sewer division to 50 percent for consistency with other administrative and general staff. However, the Commission previously accepted Goshen's allocation factors from the 1988 time study in a Staff Report¹ for the Sewer Division and a Settlement Agreement for the Water Division.² An increase to the cost allocation for the Sewer Division without a proportionate, simultaneous decrease for the Water Division would result in double-recovery of that fractional portion of the manager's salary.

Therefore, Staff applied Goshen's allocation factor of 30 percent for the Sewer Division to the manager's 1998 weekly salary rate for administrative and general salaries. Staff used Goshen's 50 percent allocation factor, combined with the regular and overtime hours worked by office employees, as well as the 1998 pay rates, to determine a pro-forma adjustment. Therefore, this expense has been decreased by (\$4,478).

H. Outside Services. Staff made a pro-forma adjustment to this account to include the increase in sludge-hauling fees from an average of \$387.95 to \$396.40 per 5,000 - gallon load. Based on 38 loads per year this results in a \$321 increase.

¹ Case No. 89-081, Adjustment of Rates of the Goshen Utilities, Inc., Sewer Division, Staff Report Dated October, 24, 1989.

² Case No. 96-140, Application of Goshen Utilities, Inc. for (i) a Certificate of Public Convenience and Necessity, (ii) Authorization for Financing of the Construction Project, and (iii) an Adjustment of the Rates for Water Service in Oldham County, Final Order Dated July 19, 1996.

Additionally, during 1996 Goshen paid Al Schneider, a stockholder, a consulting fee of \$20,000 and allocated 50 percent to the Sewer Division. In Case No. 89-081,³ the Commission determined that the consulting services of Mr. Stone, a former Goshen stockholder, were not needed because the current manager had the knowledge and technical experience to operate Goshen. To be consistent with that Commission decision, Mr. Schneider's consulting fee has been removed from test-period operating expenses. Furthermore, non-recurring charges of \$1,275 paid to Headden Septic Service to pump the lift station and \$2,970 to Beckmar Laboratory for MSD sludge analysis have been removed from pro-forma operating expenses. These expenditures are to be recovered through amortization expense due to their non-recurring nature. The associated amortization expense is included in Pro-Forma Adjustment L. The net pro-forma adjustment to Outside Services is a decrease of (\$13,924).

- I. Insurance. This pro-forma adjustment of (\$3,093) reflects Goshen's current insurance premiums for workers compensation, general property and liability insurance, based on the pro-forma payroll allocations and the 30 percent allocation factor used for the Sewer Division's general property and liability coverage.
- J. Employee Pensions & Benefits. Goshen provides family health insurance coverage to all its employees in lieu of higher wages. If an employee opts for single coverage or no health insurance coverage the wages are adjusted

³ Case No. 89-081, Adjustment of Rates of the Goshen Utilities, Inc., Sewer Division, Final Order Dated February 22, 1990.

accordingly. This pro-forma adjustment of (\$1,162) reflects allocating the 5 percent employer retirement contribution and the current employee insurance premiums to the Sewer Division using the payroll allocation factors previously set forth.

- K. Depreciation Expense. The Sewer Division's test-period balance sheet lists Contributions In Aid of Construction (CIAC) of \$1,368,538, which is a form of cost free capital. Depreciation expense on utility plant funded by CIAC (36.281 percent of the total) has been removed in the amount of (\$22,481) to comply with past Commission ratemaking practices. Prior to computing the CIAC adjustment, depreciation expense on 1996 plant acquisitions was normalized to reflect a full year of expense on that utility plant placed in service during the test-year. Depreciation expense on the capital expenditures, both removed from test-year operating expenses (Pro-Forma Adjustment F and E, above), and added for needed upgrades and improvements (Pro-Forma Adjustment N, below), was calculated based on the estimated useful lives of the various capital expenditures, resulting in \$4,889 of additional depreciation expense as shown below:

<u>Item</u>	<u>Adj.</u>	<u>Cost</u>	<u>Life</u>	<u>Expense</u>
6 Techna valve	F	\$ 692	7 yr.	\$ 99
Labor to replace blower motor	F	\$ 315	5 yr.	\$ 45
Replace mechanical aerator	F	\$ 4,881	7 yr.	\$ 697
Fabricate 6 header and Diffuser drops	F	\$ 1,772	7 yr.	\$ 253
20 HP blower motor	F	\$ 797	7 yr.	\$ 114
Replacement parts for aerator	F	\$ 1,256	7 yr.	\$ 179

<u>Item</u>	<u>Adj.</u>	<u>Cost</u>	<u>Life</u>	<u>Expense</u>
Clean site and install new Comminutor	F	\$ 1,329	5 yr.	\$ 266
Expansion site labor	F	\$ 782	20 yr.	\$ 39
Install 3 HP Otterbine aerator In the lagoon	F	\$ 1,541	7 yr.	\$ 220
New blower motor in control Building	F	\$ 2,295	7 yr.	\$ 328
Lincoln 20 HP blower motor	F	\$ 596	7 yr.	\$ 85
Install 230 volt service & pole	E	\$ 1,165	20 yr.	\$ 58
30 HP blower & 40 HP starter	N	\$ 6,000	5 yr.	\$ 1,200
Sutorbilt 40 HP blower, stand And accessories	N	\$12,000	12.5 yr.	\$ 1,001
Install 8 air piping from Building to tanks	N	\$ 1,960	20 yr.	\$ 98
Fabricate & install 6 header on Bridge in tank	N	\$ 4,130	20 yr.	<u>\$ 207</u>
Capital Expenditure Adjustment				<u>\$ 4,889</u>

The total of the above items results in a net pro-forma adjustment to depreciation expense of (\$17,592).

- L. Amortization Expense. This \$2,595 adjustment reflects amortizing the KPDES permits and applications renewed every five years, as well as, the non-recurring expenditures that were removed from test-year operating expenses in Pro-Forma Adjustments H and N. The non-recurring expenditures are amortized over a three-year period. Generally, the Commission recognizes a three-year period as the average between rate case filings. This is deemed reasonable since Goshen's last two rate cases have spanned four years each. Although these are not rate case expenditures, the items are repairs and maintenance, which although non-recurring due to lack of predictability, may arise at any time.
- M. Taxes Other than Income Taxes. This pro-forma adjustment reflects the (\$930) projected decrease in FICA and OASDI taxes due to the reduction in pro-forma payroll.

- N. Trails End WasteWater Treatment Plant Project. These pro-forma adjustments are for the diffused air installation project at Trails End WasteWater Treatment Plant. This project, to be completed in 1998, will improve the utility plant and is appropriate for and consistent with the utility's service to the public. The project includes, in part, financing for and costs of removal of a mechanical bridge, new blowers, and air piping installation. The \$1,500 for removal of the mechanical bridge is considered an amortizable, non-recurring cost and has been included in Pro-Forma Adjustment L. The \$24,600 for new blowers, air-piping, etc. is deemed a depreciable cost and has been included in Pro-Forma Adjustment K.
- O. Financing and Interest Expense. The Utility applied for financing of the Trails End WasteWater Plant Treatment costs with a local financial institution. The proposed terms are a one year renewable maturity, with interest at one percent over the prime rate (8.5% at March 6, 1998) and monthly payments based on 10 year amortization. Staff considers this as long-term in nature with the proceeds of the loan being used for reasonable upgrades and improvements of utility plant. The pro-forma adjustment increasing interest expense by \$2,240 represents the average interest expense for the next three years at 9.5 percent per annum.

ATTACHMENT C
STAFF REPORT, CASE NO. 98-377
COMPARISON OF REQUESTED AND RECOMMENDED
REVENUE REQUIREMENTS

	Goshen Requested	Staff Recommended
Pro Forma Operating Expenses	\$303,461	\$286,098
Divided by: Requested Operating Ratio	88%	88%
Subtotal	\$344,842	\$325,111
Less: Pro Forma Operating Expenses	303,461	286,098
Margin After Income Taxes	\$41,381	\$39,013
Multiplied by: Income Tax Gross-up Factor	1.22549	1.22549
Margin Before Income Taxes	\$50,712	\$47,810
Add: Pro Forma Operating Expenses	303,461	286,098
Interest Expense	7,393	7,393
Total Revenue Requirement	\$361,566	\$341,301
Less: Non-Operating Income	17,821	17,821
Revenue Requirement from Operations	\$343,745	\$323,480
Less: Forfeited Discounts	7,283	7,283
Revenue Requirement from Rates	\$336,462	\$316,197
Less: Normalized Revenues	266,427	266,427
Requested Operating Revenue Increase	\$70,035	\$49,770

ATTACHMENT D-1				
STAFF REPORT CASE NO. 98-377				
COST OF SERVICE STUDY				
ALLOCATION OF PLANT VALUE				
	Total	Commodity	Demand	Customer
Intangible Plant:				
Miscellaneous Intangible Plant	2,094		2,094	
Land and Structures:				
Land and Land Rights	30,035		30,035	
Structures and Improvement	2,531		2,531	
Collection Plant:				
Collection Sewers--Gravity	1,199,809		1,199,809	
Flow Measuring Devices	5,260		5,260	
Pumping Plant:				
Pumping Equipment--Electric	73,731		73,731	
Treatment and Disposal Plant:				
Treatment and Disposal Equipment	128,874		128,874	
Plant Sewers	14,817		14,817	
Other T&D Plant Equipment	24,388		24,388	
Office Furniture and Equipment	15,228			15,228
Subtotal	1,496,767		1,481,539	15,228
Allocation Percentages	100.00%		98.98%	1.02%
General Plant:				
Transportation Equipment	46,264		45,793	471
Tools, Shop, & Garage Equipment	7,612		7,535	77
Communication Equipment	4,608		4,561	47
Other Tangible Equipment	6,555		6,488	67
Total	1,561,806		1,545,916	15,890
SOURCE: 1996 Annual Report and pro-forma adjustments				

ATTACHMENT D-2				
STAFF REPORT CASE NO. 98-377				
COST OF SERVICE STUDY				
ALLOCATION OF OPERATION AND MAINTENANCE EXPENSES				
	Total	Commodity	Demand	Customer
Operation Labor:				
Salaries	38,891		25,294	13,597
Pensions & Benefits	3,662		2,382	1,280
Insurance	3,066		1,994	1,072
Payroll Taxes	3,220		2,094	1,126
Administrative & Managerial:				
Salaries	53,178		24,530	28,649
Pensions & Benefits	5,007		2,310	2,697
Insurance	216		100	116
Payroll Taxes	4,402		2,031	2,372
Maintenance:				
Structures	1,393			1,393
Collection System	2,025		2,025	
Pumping System	1,854		1,854	
Treatment and Disposal	5,378	5,378		
General Plant	2,144		2,144	
Uncollectibles	216			216
Miscellaneous Customer Accounts	1,365			1,365
Vehicle Insurance	4,457		2,229	2,229
Fuel & Power	32,753	32,753		
Chemicals	16,045	16,045		
Outside Services:				
Sludge Hauling	15,063	15,063		
Other	9,050		9,050	
Subtotal	203,385	69,239	78,035	56,111
Less Commodity	69,239			
Total	\$134,146		\$78,035	\$56,111
Allocation Percentages	100.00%		58.17%	41.83%
Office Supplies	7,782		4,527	3,255
Rent	1,977		1,150	827
Transportation	7,906		4,599	3,307
Regulatory Commission	1,299		756	543
Routine System Maintenance	14,400		8,377	6,023
Property Taxes	3,703		2,154	1,549
Miscellaneous General Expense	94		55	39
Miscellaneous Supplies Expense	1,872		1,089	783
Subtotal	\$242,418	\$69,239	\$100,741	\$72,438
Depreciation	41,034		38,314	2,720
Amortization	2,646		2,471	175
Total Operating Expenses	\$286,098	\$69,239	\$141,525	\$75,334
Less Commodity	-69,239			
Total	\$216,859		\$141,525	\$75,334
Allocation Percentages	100.00%		65.26%	34.74%
Misc Non-Operating Income	-3,325		-2,170	-1,155
Interest & Dividend Income	-14,688		-9,586	-5,102
Non-Utility Operations	192		125	67
Interest Expense	7,393		4,825	2,568
Margin Before Income Taxes	47,810		31,202	16,608
Revenue Required from Operations	323,480	69,239	165,921	88,320
Allocation Percentages	100.00%	21.40%	51.29%	27.30%
Less Forfeited Discounts	-7,283	-1,559	-3,736	-1,988
Revenue Required from Rates	\$316,197	67,680	162,186	86,331

