

## REFERENCES

- A. The Current Billing Analysis results in pro forma water sales revenue of \$1,204,120. This reflects a full year at the retail rates that were effective in 2023 and indicates a decrease to water sales of \$54,780 is required.
- B. Water tapping fees are adjusted by \$23,100 to reflect tapping fee revenues in excess of expenditures.
- C. The PSC requires adjustments to a water utility's depreciation expense when asset lives fall outside the ranges recommended by NARUC in its publication titled "Depreciation Practices for Small Utilities" and by Commission on Rural Water in its publication titled "Average Service Lifetimes, Major Systems Components – Wastewater Systems". Therefore, adjustments are included to bring asset lives to the midpoint of the recommended ranges resulting in an increase in depreciation expense of \$10,791, as shown in Table A.