

DW 20-187

LAKES REGION WATER COMPANY, INC.

Request for Change in Rates

Responses to Commission Record Requests

Date of Request: 05/05/22

Date of Response: 05/18/22

Record Request No. 2

Witnesses: Stephen P. St. Cyr

Request: Please provide Attachment B, Schedules 1-5d to the Settlement Agreement in Excel Format.

Response: An electronic copy of Attachment B, Schedules 1-5d to the Settlement Agreement is being provided electronically with this response in Excel Format with formulas intact and a PDF copy is attached for use on the Commission's Docketbook.

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT
CALCULATION OF STEP ADJUSTMENT

Settlement Proposal
Schedule 1

		Total
2020 Plant Additions (Sch 2)	\$ 206,821	
Less: Accumulated Depreciation - 2020 Plant Additions (Sch 2)	<u>(15,240)</u>	\$ 191,581
2021 Plant Additions (Sch 3)	\$ 670,351	
Less: Accumulated Depreciation - 2021 Plant Additions (Sch 3)	<u>(48,800)</u>	621,551
Cash Working Capital:		
Increase in Operation and Maintenance Expense (Sch 4)	<u>\$ 11,769</u>	
% of O & M Exp's attributable to billings in arrears (1,714 / 1,813):	x 94.54% = \$ 11,127	
% of O & M Exp's attributable to billings in advance (99 / 1,813):	x <u>-5.46%</u> = <u>(643)</u>	
O & M Expenses subject to Cash Working Capital:	10,484	
Cash Working Capital Factor (75 days / 365 days)	<u>20.55%</u>	<u>2,154</u>
Total Addition to Rate Base		815,287
Rate of Return (Att 1; Sch 1a)		x <u>8.52%</u>
Increase in Net Operating Income Requirement		\$ 69,435
Increase in Annual Wage Expense (Sch 4) - Settlement:		11,769
Depreciation Expense:		
Annual Depreciation Expense - 2020 Plant Additions (Sch 2)	\$ 15,240	
Less: Annual Depreciation Expense - 2020 Retirements (Sch 2a)	<u>(668)</u>	\$ 14,572
Annual Depreciation Expense - 2021 Plant Additions (Sch 3)	\$ 48,800	
Less: Annual Depreciation Expense - 2021 Retirements (Sch 3a)	<u>(15,365)</u>	<u>33,435</u>
		48,006
Property Tax Expense:		
Annual Property Tax Expense - 2020 Plant Additions (Sch 2)	\$ 2,358	
Annual Property Tax Expense - 2021 Plant Additions (Sch 3)	<u>7,353</u>	9,712
Increase in Annual Payroll Tax Expense (Sch 4) - Settlement:		900
Income Tax Expense:		
Increase in Net Operating Income Requirement	\$ 69,435	
Income Tax Multiplier (Att 1; Sch 1b)	x <u>0.37142</u>	<u>25,790</u>
Increase in Revenue Requirement		\$ 165,612
Less: Increase in POASI Special Contract (Schedule 5a)		<u>(20,749)</u>
Step Increase		\$ 144,863
Pro Forma Water Revenues from General Customers (Att 1; Sch 3)		\$ 1,337,149
% Increase in Annual Water Revenues from General Customers		<u>10.83%</u>

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT
2020 PLANT, DEPRECIATION, AND STATE AND LOCAL PROPERTY TAXES

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Div #	Name	Acct #	Non-Revenue Producing	Total Division	Annual Depreciation	Net Plant	State Utility Taxes @ \$6.60	Local Property Tax Rates	Local Property Taxes	Total Property Taxes
1	Far Echo Harbor									
	F&W Pump	311	\$ 10,566		\$ 1,057	\$ 9,509	\$ 63	\$ 5.35	\$ 51	\$ 114
	Meters	334	1,767		88	1,679	11	5.35	9	20
	Telemetry	339	4,199	\$ 16,532	600	3,599	24	5.35	19	43
2	Paradise Shores									
	Woodstream Main - 400' of 4" Fusion	331	2,514		50	2,464	16	5.35	13	29
	Main - 300' Liesure Lane	333	1,389		35	1,354	9	5.35	7	16
	Meters	334	5,257	9,160	263	4,994	33	5.35	27	60
3	West Point									
	Meters	334	540		27	513	3	5.35	3	6
	Storage	339	648	1,188	32	616	4	5.35	3	7
4	Waterville Valley Gateway									
	Meters	334	628	628	31	597	4	18.33	11	15
5	Hidden Valley									
	Meters	334	1,625	1,625	81	1,544	10	7.78	12	22
6	Wentworth Cove									
	REPCO Panel	304	8,963		179	8,784	58	17.80	156	214
	Pumpstation upgrades	304	29,633		593	29,040	192	17.80	517	709
	Submersible Pump	311	3,630		363	3,267	22	17.80	58	80
	Water-Right Customer Care Unit	320	10,237		365	9,872	65	17.80	176	241
	Meters	334	502		25	477	3	17.80	8	12
	Telemetry	339	3,952		565	3,387	22	17.80	60	83
	Pressure Tank	339	2,241		1,494	747	5	17.80	13	18
	Compressor	339	1,008	60,166	672	336	2	17.80	6	8
7	Pendelton Cove									
	Meters	334	708	708	35	673	4	17.80	12	16
8	Deer Run									
	Meters	334	351	351	18	333	2	22.27	7	10
9	Woodland Grove									
	Meters	334	458	458	23	435	3	15.39	7	10
10	Echo Lake Woods									
	Meters	334	448	448	22	426	3	15.39	7	9
11	Brake Hill									
	No additions		-	-				13.98	-	-

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT
2020 PLANT, DEPRECIATION, AND STATE AND LOCAL PROPERTY TAXES

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Div #	Name	Acct #	Non-Revenue Producing	Total Division	Annual Depreciation	Net Plant	State Utility Taxes @ \$6.60	Local Property Tax Rates	Local Property Taxes	Total Property Taxes
12	Tamworth Water Works									
	Well Pump	311	4,665		467	4,199	28	20.64	87	114
	Transducer	339	1,703	6,368	170	1,533	10	20.64	32	42
13	175 Estates									
	Anion Softners	320	7,453	7,453	266	7,187	47	18.33	132	179
14	Deer Cove									
	No additions		-	-				17.20	-	-
15	Lake Ossipee Village									
	Telemetry	339	3,556	3,556	508	3,048	20	8.97	27	47
16	Indian Mound									
	Main - Richard Rd 550 2" HDPE	331	2,754		55	2,699	18	16.70	45	63
	Richard Rd - 3 Services / 1 Blowoff	333	1,066	3,820	27	1,039	7	16.70	17	24
17	Gunstock Glen									
	No additions		-	-				13.19	-	-
18	Dockham Shores									
	No additions		-	-				13.19	-	-
19	Wildwood									
	Subdrive	311	1,864		186	1,678	11	10.34	17	28
	Sump Pump	311	297	2,161	30	267	2	10.34	3	5
50	Administrative									
	Driveway - paving	304	9,723		194	9,529	63	5.35	51	114
	Portable Generator	310	34,350		3,435	30,915	N/A	5.35	N/A	-
	Hypotherm 45 Plasma Cutter	343	2,483		124	2,359	N/A	5.35	N/A	-
	2011 Vermeer Vacuum	343	35,000		1,750	33,250	N/A	5.35	N/A	-
	TEGA Electrofusion Processor	343	4,800		240	4,560	N/A	5.35	N/A	-
	Utility Cloud	347	5,000		1,000	4,000	N/A	5.35	N/A	-
	Front Desk Computer	347	843	92,199	169	674	N/A	5.35	N/A	-
	Total Plant Placed in Service		\$ 206,821	\$ 206,821	\$ 15,240	\$ 191,581	\$ 764		\$ 1,594	\$ 2,358

**DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT
2020 RETIREMENTS AND RELATED DEPRECIATION**

Settlement Proposal
Schedule 2a

Account #	Account Description	Cost	2019 Depr Exp	2019 Ending A/D
311	Pumps	\$ 5,874	\$ -	\$ 5,874
331	Mains	1,600	13	1,438
334	Meters	13,884	169	8,046
339	Misc Equipment	3,952	228	2,206
347	Computer Equipment	2,593	258	2,593
Total		\$ 27,903	\$ 668	\$ 20,157

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT

2021 PLANT, DEPRECIATION, AND STATE AND LOCAL PROPERTY TAXES

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Div #	Name	Acct #	Non-Revenue Producing	Revenue Producing	Total Division	CoBank T06 Loan	Annual Depr On Non- Rev. Producing	2021 Proforma Depreciation on 2021 Additions	2021 Net Plant	Utility Prop Taxes \$6.60	Local Property Tax Rates	Local Property Taxes	Total Property Taxes
1	Far Echo Harbor												
	Bed Rock Well Pump	311	\$ 510				\$ 51						
	Meters	334	916				46						
	Transducer	339	915		\$ 2,341		131	\$ 228	\$ 2,113	\$ 14	\$ 5.35	\$ 11	\$ 25
2	Paradise Shores												
	Mt. Roberts Badger M2000 Meter	311	\$ 2,704				\$ 270						
	T&D mains - Robin Lane	331	58,763			\$ 58,873	1,175						
	Paving - Robin Lane (Spring '22) - Settlement	331	12,050				241						
	T&D mains - Sunrise Dr.	331	41,523				830						
	Paving - Sunrise Dr. (Spring '22) - Settlement	331	12,050				241						
	T&D mains - Glen Forest Dr.	331	25,692				514						
	Paving - Glen Forest Dr. (Spring '22) - Settlement	331	12,050				241						
	Services - Robin Lane	333	10,000			7,127	250						
	Services - Sunrise Dr.	333	15,000				375						
	Services - Glen forest	333	5,000				125						
	Meters	334	2,269	534	\$ 197,101		113	\$ 4,376	\$ 192,725	\$ 1,272	\$ 5.35	\$ 1,031	\$ 2,303
	Note: The additions listed above in accounts 331 and 333 are all part of the mains/services replacement project at Paradise Shores.												
3	West Point												
	Meters	334	\$ 526	\$ 176	\$ 526		26	\$ 26	\$ 500	\$ 3	\$ 5.35	\$ 3	\$ 6
4	Waterville Valley												
	Meters	334	\$ 188		\$ 188		9	\$ 9	\$ 179	\$ 1	\$ 18.33	\$ 3	\$ 4
5	Hidden Valley												
	Meters	334	\$ 535		\$ 535		27	\$ 27	\$ 508	\$ 3	\$ 7.78	\$ 4	\$ 7
6	Wentworth Cove												
	Meters	334	\$ 565		\$ 565		28	\$ 28	\$ 537	\$ 4	\$ 17.80	\$ 10	\$ 13
7	Pendleton Cove												
	1" Well Meter	311	\$ 420				\$ 42						
	Meters	334	746	145	\$ 1,166		37	\$ 79	\$ 1,087	\$ 7	\$ 17.80	\$ 19	\$ 27
8	Deer Run												
	BRW#1 Meter	311	\$ 250		\$ 250		\$ 25	\$ 25	\$ 225	\$ 1	\$ 22.27	\$ 5	\$ 6
9	Woodland Grove												
	Meters	334	\$ 170		\$ 170		9	\$ 9	\$ 162	\$ 1	\$ 15.39	\$ 2	\$ 4
11	Brake Hill												
	Pump BRW#1	311	\$ 4,257				\$ 426						
	Meters	334	364		\$ 4,621		18	\$ 444	\$ 4,177	\$ 28	\$ 13.19	\$ 55	\$ 83

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT
2021 PLANT, DEPRECIATION, AND STATE AND LOCAL PROPERTY TAXES

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Div #	Name	Acct #	Non-Revenue Producing	Revenue Producing	Total Division	CoBank T06 Loan	Annual Depr On Non- Rev. Producing	2021 Proforma Depreciation on 2021 Additions	2021 Net Plant	Utility Prop Taxes \$6.60	Local Property Tax Rates	Local Property Taxes	Total Property Taxes
13	175 Estates												
	1" Inline Meter	311	\$ 420				\$ 42						
	Transducer	339	905		\$ 1,325		129	\$ 171	\$ 1,154	\$ 8	\$ 18.33	\$ 21	\$ 29
15	Lake Ossipee												
	Pumps & Meter	311	\$ 8,508				\$ 851						
	Treatment Equipment	320	18,239		\$ 26,747		657	\$ 1,507	\$ 25,240	\$ 167	\$ 8.97	\$ 226	\$ 393
19	Wildwood												
	Pumpstation	304	\$ 167,416				\$ 4,185						
	Power Generator Equipment	310	23,628				2,363						
	Pumping Equipment	311	22,306				2,231						
	Treatment Equipment	320	20,724				746						
	Tank	330	36,127				795						
	Misc. Equipment	339	3,488		\$ 273,689	\$ 260,000	498	\$ 10,818	\$ 262,871	\$ 1,735	\$ 10.34	\$ 2,718	\$ 4,453
	Note: The additions listed above are all part of the system upgrades at Wildwood.												
50	General Administration												
	Leak Detector w/Headset	339	\$ 5,672				810						
	MagneticLocator	339	1,584				226						
	2021 Sure Trac Alum 7x12 Trailer	341	4,378				876						
	2021 Sure Trac LPDump Trailer 6x10 w/tarp	341	8,231				1,646						
	2021 Ford F350	341	57,308				11,462						
	2021 Dodge Ram 1500	341	70,669				14,134						
	2021 Vermeer Vac Restoration	343	13,285		\$ 161,127		1,898	\$ 31,052	\$ 130,075	\$ -		\$ -	\$ -
	Grand Total		\$ 670,351	\$ 855	\$ 670,351	\$ 326,000	\$ 48,800	\$ 48,800	\$ 621,551	\$ 3,244		\$ 4,109	\$ 7,353

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT
2021 RETIREMENTS AND RELATED DEPRECIATION

Settlement Proposal
Schedule 3a

Account	Account Description	Costs	2019 Depr Exp, per Co.	2019 Ending A/D, per Co.
304	Structures	\$ 54,984	\$ 196	\$ 50,154
311	Pumps	25,580	831	22,483
320	Treatment Equipment	5,197	158	3,970
331	Mains	7,049	-	7,049
333	Services	2,760	-	3,385
334	Meters	7,865	242	2,096
339	Misc Equipment	1,703	243	304
341	Transportation Equipment	71,793	13,108	64,063
347	Computer Equipment	5,870	587	2,981
Total		\$ 182,801	\$ 15,365	\$ 156,485

**DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT
WAGE INCREASE PER SETTLEMENT**

Settlement Proposal
Schedule 4

	2022 Wage Increase (a)	Less: Capitalized Wages (b)	Increase in Annual Wages	Increase in Annual Payroll Tax Expense (c)
President	\$ 2,418	\$ (126)	\$ 2,292	\$ 175
Field Supervisor	2,221	(116)	2,105	161
Utility Manager	1,786	(93)	1,693	130
Field Staff	3,675	(192)	3,483	266
Office Staff	2,317	(121)	2,196	168
Total	\$ 12,417	\$ (648)	\$ 11,769	\$ 900

(a) Per Energy 2-18

(b) See Att 1; Sch 3a; Adj #'s 35 and 38

2019 Capitalized Wages (Co's 2019 Ann'l Rpt, Sch F-58, Lines 26-27)	\$ 20,029
2019 Actual Wages (Energy 2-18)	÷ 383,999
Calculated Capitalized Wage Percentage	= <u>5.22%</u>

(c) Multiplied by combined SS and FICA Percentage

7.65%

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT
CALCULATION OF POASI SPECIAL CONTRACT REVENUE ADJUSTMENT
SUMMARY

	<u>Volume Basis</u>	<u>Customer Allocation Basis</u>	<u>POASI</u>	<u>Non - POASI</u>	<u>TOTAL</u>
Revenue Requirement after Tax Effect (Schedule 4b)	\$ 22,368	\$ 2,585	\$ -	\$ 4,410	\$ 29,362
Total Operating Expenses (Schedule 4d)	11,344	2,732	-	1,612	15,688
Less: Other Operating Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues to be Collected via All Water Rates	<u>\$ 33,712</u>	<u>\$ 5,317</u>	<u>\$ -</u>	<u>\$ 6,022</u>	<u>\$ 45,050</u>
Revenues Specific to POASI Special Contract	<u>\$ 33,712</u>	<u>\$ 5,317</u>	<u>\$ -</u>	[REDACTED]	<u>\$ 39,028</u>
	<u>CCF Usage</u>	<u>Customers</u>	<u>Customers</u>		
POASI	15,176	1	1		
Paradise Shores	9,496	414	-		
Total	<u>24,672</u>	<u>415</u>	<u>1</u>		
Rates	<u>\$ 1.37 /ccf</u>	<u>\$ 12.81 /cust</u>	<u>\$ -</u>	POASI only	
Revenues:					
POASI	\$ 20,736	\$ 13	\$ -	\$ -	\$ 20,749
Paradise Shores	12,975	5,304	-	6,022	24,301
Total	<u>\$ 33,712</u>	<u>\$ 5,317</u>	<u>\$ -</u>	<u>\$ 6,022</u>	<u>\$ 45,050</u>

LAKES REGION WATER COMPANY, INC.

STEP ADJUSTMENT

CALCULATION OF POASI SPECIAL CONTRACT REVENUE ADJUSTMENT
REVENUE REQUIREMENT

	<u>Volume Basis</u>	<u>Customer Allocation Basis</u>	<u>POASI</u>	<u>Non - POASI</u>	<u>TOTAL</u>
NET PLANT IN RATE BASE:					
Total Utility Plant in Service (Schedule 4c)	201,187	24,146	-	38,915	264,248
Less: Accumulated Depreciation (Schedule 4c)	(10,236)	(2,016)	-	(1,161)	(13,413)
Net Utility Plant in Service	<u>190,951</u>	<u>22,130</u>	<u>-</u>	<u>37,754</u>	<u>250,835</u>
Contributions in Aid of Construction (CIAC)	-	-	-	-	-
Less: Accumulated Amortization - CIAC	-	-	-	-	-
Net Contributions in Aid of Construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Utility Plant in Rate Base	<u>190,951</u>	<u>22,130</u>	<u>-</u>	<u>37,754</u>	<u>250,835</u>
WORKING CAPITAL IN RATE BASE:					
Materials and Supplies	-	-	-	-	-
Deferred Assets	-	-	-	-	-
Customer Deposits	-	-	-	-	-
Accumulated Deferred Income Taxes - Depreciation	-	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Calculation of Cash Working Capital:					
Operation & Maintenance Expenses	2,694	-	-	-	2,694
Cash Working Capital % (75 days ÷ 365 days)	x <u>20.55%</u> x	x <u>20.55%</u> x	x <u>20.55%</u> x	x <u>20.55%</u> x	x <u>20.55%</u>
Cash Working Capital	<u>554</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>554</u>
Total Working Capital in Rate Base	<u>554</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>554</u>
Total Rate Base	<u>191,505</u>	<u>22,130</u>	<u>-</u>	<u>37,754</u>	<u>251,389</u>
Rate of Return @ Schedule 1a	x <u>8.52%</u> x	x <u>8.52%</u> x	x <u>8.52%</u> x	x <u>8.52%</u> x	x <u>8.52%</u>
Revenue Requirement before Tax Effect	16,310	1,885	-	3,215	21,410
Income Tax Gross-up Factor @ 0.37142	<u>6,058</u>	<u>700</u>	<u>-</u>	<u>1,194</u>	<u>7,952</u>
Revenue Requirement after Tax Effect	<u>\$ 22,368</u>	<u>\$ 2,585</u>	<u>\$ -</u>	<u>\$ 4,410</u>	<u>\$ 29,362</u>

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT

CALCULATION OF POASI SPECIAL CONTRACT REVENUE ADJUSTMENT
UTILITY PLANT IN SERVICE

	Volume Basis	Customer Allocation Basis	POASI	Non - POASI	TOTAL
UTILITY PLANT IN SERVICE:					
303.20 Land and Land Rights	-	-	-	-	-
304.20 Structures and Improvements	-	-	-	-	-
307.20 Wells and Springs	-	-	-	-	-
311.20 Pumping Equipment	2,704	-	-	-	2,704
339.21 Other Miscellaneous Equipment (Division)	-	-	-	-	-
339.22 Other Miscellaneous Equipment (Common)	-	-	-	-	-
339.30 Other Miscellaneous Equipment (Treatment)	-	-	-	-	-
330.40 Distribution Reservoirs and Standpipes	-	-	-	-	-
331.40 Transmission and Distribution Mains	164,642	-	-	-	164,642
333.40 Services	-	-	-	31,389	31,389
334.40 Meters and Meter Installation	-	-	-	7,526	7,526
335.40 Hydrants	-	-	-	-	-
339.41 Other Miscellaneous Equipment (Division)	-	-	-	-	-
339.42 Other Miscellaneous Equipment (Common) (\$7,256 x 22.89%)	1,661	-	-	-	1,661
303.50 Land and Land Rights	-	-	-	-	-
304.50 Structures and Improvements (\$9,723 x 22.89%)	-	2,226	-	-	2,226
310.50 Power Generation Equipment (\$34,350 x 22.89%)	-	7,863	-	-	7,863
340.50 Office Furniture and Equipment	-	-	-	-	-
341.51 Transportation Equipment - Construction (\$12,609 x 22.89%)	2,886	-	-	-	2,886
341.52 Transportation Equipment - Pickups (\$127,977 x 22.89%)	29,294	-	-	-	29,294
343.50 Tools, Shop, and Garage Equipment (\$55,568 x 22.89%)	-	12,720	-	-	12,720
344.50 Laboratory Equipment	-	-	-	-	-
346.00 Communication Equipment	-	-	-	-	-
347.50 Miscellaneous Equipment (\$5,843 x 22.89%)	-	1,337	-	-	1,337
348.50 Other Tangible Plant (Rounding)	-	-	-	-	-
Total Utility Plant in Service	<u>\$ 201,187</u>	<u>\$ 24,146</u>	<u>\$ -</u>	<u>\$ 38,915</u>	<u>\$ 264,248</u>
ACCUMULATED DEPRECIATION:					
303.20 Land and Land Rights	-	-	-	-	-
304.20 Structures and Improvements	-	-	-	-	-
307.20 Wells and Springs	-	-	-	-	-
311.20 Pumping Equipment	(270)	-	-	-	(270)
339.21 Other Miscellaneous Equipment (Division)	-	-	-	-	-
339.22 Other Miscellaneous Equipment (Common)	-	-	-	-	-
339.30 Other Miscellaneous Equipment (Treatment)	-	-	-	-	-
330.40 Distribution Reservoirs and Standpipes	-	-	-	-	-
331.40 Transmission and Distribution Mains	(3,293)	-	-	-	(3,293)
333.40 Services	-	-	-	(785)	(785)
334.40 Meters and Meter Installation	-	-	-	(376)	(376)
335.40 Hydrants	-	-	-	-	-
339.41 Other Miscellaneous Equipment (Division)	-	-	-	-	-
339.42 Other Miscellaneous Equipment (Common) (\$1,036 x 22.89%)	(237)	-	-	-	(237)
303.50 Land and Land Rights	-	-	-	-	-
304.50 Structures and Improvements (\$194 x 22.89%)	-	(44)	-	-	(44)
310.50 Power Generation Equipment (\$3,435 x 22.89%)	-	(786)	-	-	(786)
340.50 Office Furniture and Equipment	-	-	-	-	-
341.51 Transportation Equipment - Construction (\$2,522 x 22.89%)	(577)	-	-	-	(577)
341.52 Transportation Equipment - Pickups (\$25,596 x 22.89%)	(5,859)	-	-	-	(5,859)
343.50 Tools, Shop, and Garage Equipment (\$4,012 x 22.89%)	-	(918)	-	-	(918)
344.50 Laboratory Equipment	-	-	-	-	-
346.00 Communication Equipment	-	-	-	-	-
347.50 Miscellaneous Equipment (\$1,169 x 22.89%)	-	(268)	-	-	(268)
348.50 Other Tangible Plant (Rounding)	-	-	-	-	-
Total Accumulated Depreciation	<u>\$ (10,236)</u>	<u>\$ (2,016)</u>	<u>\$ -</u>	<u>\$ (1,161)</u>	<u>\$ (13,413)</u>

DW 20-187
LAKES REGION WATER COMPANY, INC.
STEP ADJUSTMENT

Settlement Proposal
Schedule 5c

**CALCULATION OF POASI SPECIAL CONTRACT REVENUE ADJUSTMENT
UTILITY PLANT IN SERVICE**

	Volume Basis	Customer Allocation Basis	POASI	Non - POASI	TOTAL
DEPRECIATION EXPENSE:					
303.20 Land and Land Rights	-	-	-	-	-
304.20 Structures and Improvements	-	-	-	-	-
307.20 Wells and Springs	-	-	-	-	-
311.20 Pumping Equipment	270	-	-	-	270
339.21 Other Miscellaneous Equipment (Division)	-	-	-	-	-
339.22 Other Miscellaneous Equipment (Common)	-	-	-	-	-
339.30 Other Miscellaneous Equipment (Treatment)	-	-	-	-	-
330.40 Distribution Reservoirs and Standpipes	-	-	-	-	-
331.40 Transmission and Distribution Mains	3,293	-	-	-	3,293
333.40 Services	-	-	-	785	785
334.40 Meters and Meter Installation	-	-	-	376	376
335.40 Hydrants	-	-	-	-	-
339.41 Other Miscellaneous Equipment (Division)	-	-	-	-	-
339.42 Other Miscellaneous Equipment (Common) (\$1,036 x 22.89%)	237	-	-	-	237
303.50 Land and Land Rights	-	-	-	-	-
304.50 Structures and Improvements (\$194 x 22.89%)	-	44	-	-	44
310.50 Power Generation Equipment (\$3,435 x 22.89%)	-	786	-	-	786
340.50 Office Furniture and Equipment	-	-	-	-	-
341.51 Transportation Equipment - Construction (\$2,522 x 22.89%)	577	-	-	-	577
341.52 Transportation Equipment - Pickups ((\$25,596 - \$13,108) x 22.89%)	2,859	-	-	-	2,859
343.50 Tools, Shop, and Garage Equipment (\$4,012 x 22.89%)	-	918	-	-	918
344.50 Laboratory Equipment	-	-	-	-	-
346.00 Communication Equipment	-	-	-	-	-
347.50 Miscellaneous Equipment ([\$1,169 - \$258] x 22.89%)	-	209	-	-	209
348.50 Other Tangible Plant (Rounding)	-	-	-	-	-
Total Depreciation Expense	<u>\$ 7,236</u>	<u>\$ 1,957</u>	<u>\$ -</u>	<u>\$ 1,161</u>	<u>\$ 10,354</u>

DW 20-187

LAKES REGION WATER COMPANY, INC.

Settlement Proposal
Schedule 5dSTEP ADJUSTMENT
CALCULATION OF POASI SPECIAL CONTRACT REVENUE ADJUSTMENT
OPERATING EXPENSES

	Volume Basis	Customer Allocation Basis	POASI	Non - POASI	TOTAL
OPERATING EXPENSES:					
Operation & Maintenance Expenses:					
Source of Supply Expenses	-	-	-	-	-
Pumping Expenses	-	-	-	-	-
Water Treatment Expenses	-	-	-	-	-
Transmission and Distribution Expenses	-	-	-	-	-
Customer Account Expense	-	-	-	-	-
Subtotal	-	-	-	-	-
Administrative and General Expenses:					
Salary and Wages Expense:					
Superintendent (1.0) (\$2,292 x 22.89%)	525	-	-	-	525
Field Personnel (3.0) (\$5,588 x 22.89%)	1,279	-	-	-	1,279
Office (0.5) (\$1,693 x 50% x 22.89%)	194	-	-	-	194
Office (2.5) ((\$2,196 + (\$1,693 x 50%)) x 22.89%)	-	696	-	-	696
Total Salary and Wages Expense	1,998	696	-	-	2,694
Outside Professional Services	-	-	-	-	-
Outside Professional Services - Discount	-	-	-	-	-
Property Insurance Expense (Allocated by Utility Plant)	-	-	-	-	-
Group Insurance (Allocated by Wages)	-	-	-	-	-
Pension Plan	-	-	-	-	-
Rate Case Expenses	-	-	-	-	-
Regulatory Commission Expense	-	-	-	-	-
Materials	-	-	-	-	-
Contracted Services	-	-	-	-	-
Heat / Electric Expense - Office	-	-	-	-	-
Telephone Expense	-	-	-	-	-
Office Expense	-	-	-	-	-
Dig Safe Expense	-	-	-	-	-
Bank Charges Expense	-	-	-	-	-
Operating Permits Expense	-	-	-	-	-
Total Administrative and General Expenses	1,998	696	-	-	2,694
Total Operation & Maintenance Expenses	1,998	696	-	-	2,694
Depreciation Expense (Schedule 4c)	7,236	1,957	-	1,161	10,354
Amortization of Contributions in Aid of Construction	-	-	-	-	-
Amortization Expense - Other	-	-	-	-	-
Payroll Tax Expense (Allocated by Wages)	153	53	-	-	206
Property Tax Expense	1,957	26	-	451	2,434
Total Operating Expenses	\$ 11,344	\$ 2,732	\$ -	\$ 1,612	\$ 15,688

Property Tax Exp - Customer Allocation Basis:

\$114 x 22.89% = \$26