



Control Number: 49351



Item Number: 83

Addendum StartPage: 0

SOAH DOCKET NO. 473-19-5674.WS  
PUC DOCKET NO. 49351



RATEPAYERS' APPEAL OF THE  
DECISION BY BEAR CREEK SPECIAL  
UTILITY DISTRICT TO CHANGE  
RATES

§ BEFORE THE STATE OFFICE  
§ OF  
§ ADMINISTRATIVE HEARINGS



DIRECT TESTIMONY OF  
ROSHAN POKHREL  
INFRASTRUCTURE DIVISION  
PUBLIC UTILITY COMMISSION OF TEXAS  
OCTOBER 19, 2020

## Table of Contents

|      |   |    |
|------|---|----|
| I.   | PROFESSIONAL QUALIFICATIONS .....                     | 3  |
| II.  | PURPOSE AND SCOPE OF TESTIMONY.....                   | 4  |
| III. | CAPITAL OUTLAY AND ENGINEERING SERVICE EXPENSES ..... | 5  |
| IV.  | RATE DESIGN DISCUSSION.....                           | 6  |
| V.   | CONCLUSION.....                                       | 14 |

### ATTACHMENTS:

|                 |  |
|-----------------|--|
| Attachment RP-1 | Resume of Roshan Pokhrel                     |
| Attachment RP-2 | AWWA's Recommended Meter Equivalency Factors |
| Attachment RP-3 | Staff Adjusted Rate Workpaper                |

1 **I. PROFESSIONAL QUALIFICATIONS**

2 **Q. Please state your name and business address.**

3 A. My name is Roshan Pokhrel. I work at the Public Utility Commission of Texas, located at  
4 1701 N. Congress Avenue, Austin, Texas 78711-3326.

5 **Q. By whom are you currently employed and in what capacity?**

6 A. I have been employed by the Public Utility Commission of Texas (Commission) since  
7 December 17, 2018, as an Engineering Specialist in the Infrastructure Division.

8 **Q. On whose behalf are you testifying?**

A. I am testifying on behalf of Commission Staff (Staff).

9 **Q. Please state your educational background and professional experience.**

10 A. I have provided a summary of my educational background and professional regulatory  
11 experience in Attachment RP-1 to my direct testimony.

12 **Q. Are you a registered professional engineer?**

13 A. No, I am an Engineer-in-Training (EIT) and my Texas EIT certification number is 63332.

14 **Q. Have you filed testimony at the Commission in previous cases?**

15 A. Yes. I have filed testimony previously for Docket No. 50200 – *Application of Undine Texas,*  
16 *LLC and Undine Texas Environmental, LLC for authority to change rates,* and Docket No.  
17 *49337 – Application of Woodland Hills Water, LLC for authority to change rates.*

1 **II. PURPOSE AND SCOPE OF TESTIMONY**

2 **Q. What is the purpose of your testimony?**

3 A. The purpose of my testimony is to present Staff's recommendation for the rate design for the  
4 retail water service provided to the ratepayers of Bear Creek Special Utility District (Bear  
5 Creek SUD) in regards to appeal of the Bear Creek SUD's decision to change the rates  
6 charged for water service filed by the Ratepayers of Bear Creek SUD (Ratepayers) on March  
7 18, 2019.

8 **Q. What issues identified by the Commission in the Preliminary Order of the docket will**  
9 **you address?**

10 A. In my testimony, I will address the following issues identified in the preliminary order issued  
11 on July 18, 2019:

- 12 3. Do the retail water rates being charged by Bear Creek SUD fulfill the  
13 requirements of TWC § 13.043(j)?  
14 b. Are the rates not unreasonably preferential, prejudicial, or discriminatory?  
15 c. Are the rates sufficient, equitable, and consistent in application to each  
16 class of customers?  
17 5. What information was available to Bear Creek SUD at the time it made its  
18 decision to increase the water utility service rates? TWC § 13.043(e).  
19 6. Considering only the information available to Bear Creek SUD's governing body  
20 at the time of its decision, what are the just and reasonable rates for Bear  
21 Creek SUD that are sufficient, equitable, and consistent in application to  
22 each customer class and that are not unreasonably preferential, prejudicial,  
23 or discriminatory? TWC §§ 13.043(e) and (j); and 16 TAC §§ 24.101(e) and  
24 (i).  
25 c. What is the appropriate allocation of the revenue to customer classes?  
26 d. What is the appropriate design of rates for each class to recover Bear  
27 Creek SUD's revenue requirement?

1 **Q. What have you relied upon in making your evaluation and arriving at your conclusions**  
2 **and recommendations in the present proceeding.**

3 A. I reviewed the rate appeal filed by the Ratepayers, the direct testimony and exhibits filed by  
4 Bear Creek SUD and Ratepayers, and the replies to discovery requests. I also used Staff  
5 witness Debi Loockerman's recommended revenue requirement to calculate the  
6 recommended rates.

7 **Q. If you do not address an issue or position in your testimony, should that be interpreted**  
8 **as Staff supporting Bear Creek SUD's or the Ratepayers' position on that issue?**

9 A. No. The fact that I do not address an issue or position in my testimony should not be  
10 construed as agreeing with, endorsing, or consenting to any position taken by another party.

11 **Q. Have you prepared any attachments related to your testimony?**

12 A. Yes. I have prepared three attachments filed with the testimony.

13 **Q. Were these attachments prepared by you or under your supervision?**

14 A. Yes.

15 **III. CAPITAL OUTLAY AND ENGINEERING SERVICE EXPENSES**

16 **Q. What is the amount for capital outlay and engineering expenses included in the revenue**  
17 **requirement presented by Jay Joyce, on behalf of Bear Creek SUD, in his testimony?**  
18 **Do you have any adjustments to those expenses?**

19 A. Mr. Joyce suggested \$277,922 be included in the revenue requirement as the capital outlay

1 for Bear Creek SUD as part of the October 2018 rate design.<sup>1</sup> Bear Creek SUD's witness Jay  
2 Joyce supports this amount by averaging the four historical capital outlays from 2014 to  
3 2017.<sup>2</sup> I agree with Mr. Joyce's opinion that some of the capital expenditures should be  
4 funded by using rate revenues instead of bond proceedings.<sup>3</sup> This will help to increase the  
5 financial stability of the utility. The method Mr. Joyce used is a typical practice by most  
6 governmental utilities and therefore, I do not have any adjustment to capital outlay. Also,  
7 Bear Creek SUD included \$200,000 of engineering service expenses as part of the revenue  
8 requirement<sup>4</sup> in their budget, which is used to set rates. This includes engineering expenses  
9 for the design of new pump station 1<sup>5</sup>. Bear Creek SUD has proposed to install a 0.5 MG  
10 ground storage tank and two 400 GPM pumps under the Project 1.1 Pump Station #1 - Phase  
11 1 Upgrades and the final design has been completed.<sup>6</sup> Thus, the engineering expense seems  
12 reasonable, and I did not adjust this amount.

13 **IV. RATE DESIGN DISCUSSION**

14 **Q. Can you explain the rates of Bear Creek SUD?**

15 A. Bear Creek SUD previously charged the rates shown in Table 1 prior to October 9, 2019 when  
16 Bear Creek SUD's adopted of the rates that are the subject of this appeal.

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<sup>1</sup> Direct Testimony of Jay Joyce at 18, Exhibit JJJ-7 at 64 (Aug. 3, 2020). (Joyce Direct)

<sup>2</sup> *Id.*

<sup>3</sup> *Id.* at 17.

<sup>4</sup> *Id.* at 47.

<sup>5</sup> Bear Creek Special Utility District Responses to Commission Staff's Third Request for Information at 31 (July 11, 2019).

<sup>6</sup> Direct Testimony of Joe Helmsberger, (Exhibit JH-3) at 63 (Aug. 3, 2020).

Table 1: Bear Creek SUD's Previous Rates<sup>7</sup>

| Monthly Base Charge (includes 0 gallons) |          | Gallage Charge per 1,000 Gallons |         |
|--|----------|----------------------------------|---------|
| Meter Size                               | Rate     | Usage                            | Rate    |
| ¾"                                       | \$25.00  | 0 to 5,000                       | \$6.05  |
| 1"                                       | \$50.00  | 5,001 to 10,000                  | \$6.71  |
| 2"                                       | \$88.00  | 10,001 to 15,000                 | \$7.70  |
| 3"                                       | \$176.00 | 15,001 to 25,000                 | \$9.52  |
| 4"                                       | \$352.00 | Over 25,001                      | \$10.73 |
| 6"                                       | \$704.00 |                                  |         |

1 The water rates appealed by the Ratepayers of Bear Creek SUD (effective from December  
2 18, 2018 to February 17, 2020) are shown in Table 2.

Table 2: Bear Creek SUD's Appealed Rates<sup>8</sup>

| Monthly Base Charge (includes 0 gallons) |          | Gallage Charge per 1,000 Gallons |         |
|--|----------|----------------------------------|---------|
| Meter Size                               | Rate     | Usage                            | Rate    |
| ¾"                                       | \$35.00  | 0 to 5,000                       | \$6.35  |
| 1"                                       | \$60.00  | 5,001 to 10,000                  | \$7.05  |
| 2"                                       | \$98.00  | 10,001 to 15,000                 | \$8.09  |
| 3"                                       | \$186.00 | 15,001 to 25,000                 | \$10.00 |
| 4"                                       | \$362.00 | Over 25,001                      | \$11.27 |
| 6"                                       | \$714.00 |                                  |         |

3 **Q. When were the appealed rates made effective by Bear Creek SUD?**

4 A. Yes. The appealed rates were effective from December 18, 2018 to February 17, 2020. The  
5 appealed rates are not the current rates.<sup>9</sup>

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<sup>7</sup> Ratepayers Appeal of the Decision by Bear Creek Special Utility District to Change Rates, (Exhibit 1, Notice of Rate Increase Dated November 19, 2018) at 5 (Mar. 18, 2019). (Ratepayer's Appeal).

<sup>8</sup> Ratepayer's Appeal, Exhibit 1, Notice of Rate Increase Dated November 19, 2018

<sup>9</sup> Joyce Direct at 8.



1 **Q. What should be noted about the appealed rates?**

2 A. Bear Creek SUD has increased the monthly base charges by \$10 for all meter sizes.<sup>10</sup> Bear  
3 Creek SUD has also increased each tier of the gallonage charge by 5%.<sup>11</sup> Bear Creek SUD  
4 mentioned that this 5% increase in gallonage rates is due to increase in wholesale water rates  
5 by North Texas Municipal Water District (NTMWD) from whom Bear Creek SUD purchases  
6 water<sup>12</sup>.

7 **Q. What connection count did you use for your rate design?**

8 A. I used the average projected connection count of 2,388, shown in Table 3, as suggested by  
9 Mr. Joyce in his testimony<sup>13</sup>.

Table 3: Average Projected Connections

| Meter Size   | Average Projected Connection Count in 2019 |
|--------------|--|
| ¾"           | 2,339                                      |
| 1"           | 29   |
| 2"           | 19   |
| 3"           | 1  |
| <b>Total</b> | <b>2,388</b>                               |

10 **Q. What volumetric usage data did you use in your rate design?**

11 A. I used the volumetric usage data, shown in Table 4, as detailed by Mr. Joyce in his

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<sup>10</sup> Ratepayer's Appeal, Exhibit 1, Notice of Rate Increase Dated November 19, 2018.

<sup>11</sup> *Id*

<sup>12</sup> *Id*

<sup>13</sup> Joyce Direct at 23, Exhibit JJJ-12 at 83.

1 testimony<sup>14</sup>.

Table 4: Volumetric Usage Data

| Tier (Gallons) | Annual Usage Volume (Gallons) |
|----------------|-------------------------------|
| 0-5,000        | 115,461,848                   |
| 5,001-10,000   | 38,866,934                    |
| 10,001-15,000  | 15,445,095                    |
| 15,001-25,000  | 13,430,795                    |
| Over 25,000    | 27,803,637                    |

2 **Q. What revenue requirement did you use in your rate design?**

3 A. I used Staff witness Debi Loockerman's recommended revenue requirement of  
4 \$2,449,184.00. The revenue requirement recommended by Mrs. Loockerman is different  
5 than that of the Bear Creek SUD and will be addressed in Ms. Loockerman's testimony.

6 **Q. What are your recommended rates?**

7 A. After using Ms. Loockerman's recommended revenue requirement for rate design, I  
8 recommend an adjustment to the rates that were appealed by the Ratepayers. The calculations  
9 for the recommended rates are attached in Attachment RP-3. The summary of the  
10 recommended rates is presented below in Table 5.

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<sup>14</sup> *Id.* at 24, Exhibit JJJ-13 at 86.

Table 5: Recommended Rates for Bear Creek SUD

| Monthly Base Charge (includes 0 gallons) |          | Gallorage Charge per 1,000 Gallons |         |
|--|----------|------------------------------------|---------|
| Meter Size                               | Rate     | Usage                              | Rate    |
| ¾"                                       | \$29.00  | 0 to 5,000                         | \$6.35  |
| 1"                                       | \$48.33  | 5,001 to 10,000                    | \$7.05  |
| 2"                                       | \$154.67 | 10,001 to 15,000                   | \$8.09  |
| 3"                                       | \$290.00 | 15,001 to 25,000                   | \$10.00 |
| 4"                                       | \$483.33 | Over 25,001                        | \$11.27 |
| 6"                                       | \$966.67 |                                    |         |

1 **Q. Why did you recommend monthly base charges that are different from the appealed**  
2 **rates?**

3 A. Staff does not support Bear Creek SUD's decision to increase the monthly base charge by  
4 \$10 for each meter size. I recommended different monthly base charges from the appealed  
5 rates because of the lower revenue requirement recommended by Ms. Lookerman. Also, I  
6 note that Bear Creek SUD did not use meter equivalency factors to determine the monthly  
7 base charge for each meter size. I recommend that the Bear Creek's monthly base charges  
8 be based on the American Water Works Association's (AWWA) recommended meter  
9 equivalency factors for each meter size.<sup>15</sup> AWWA's meter equivalency factor for each meter  
10 size is provided in attachment RP-2.

11 The above recommended monthly base charge of \$29.00 for ¾" meter is lower than the  
12 appealed rate of \$35.00, because of the lower revenue requirement calculated by Ms.  
13 Lookerman. The recommended monthly base charges for the remaining meter sizes are

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<sup>15</sup> Principles of Water Rates, Fees, and Charges, AWWA Manual M1, Sixth Edition at 78 & 323-325.

1 calculated using the AWWA's meter equivalency factors. Because of this, the monthly base  
2 charges of some meter sizes are higher (for meter sizes 2",3",4", and 6") and others are lower  
3 (for meter size 3/4" and 1") than that of appealed monthly base charges.

4 **Q. Did you adjust gallonage rates?**

5 **A.** No. I did not make any adjustments to the gallonage rates.

6 **Q. How did you calculate the total revenue generated by the proposed monthly base**  
7 **charges?**

8 **A.** I multiplied the total number of connections for each meter size by the Staff recommended  
9 monthly base charge for twelve months. For example, for a 3/4-inch meter, the monthly base  
10 charge of \$29.00, with 2,339 connections would generate revenue of \$813,972.00 over  
11 twelve months (2,339 times 29 times 12). Similarly, for 1-inch meters, the monthly base  
12 charge of \$48.33, with 29 connection would generate \$16,820.00 in revenue over twelve  
13 months. For 2-inch meters, the monthly base charge of \$154.67, with 19 connections would  
14 generate \$35,264.00 of revenue over twelve months. For a 3-inch meter, the monthly base  
15 charge of \$290.00, with 1 connection would generate \$3,480.00 of revenue over twelve  
16 months. Therefore, the total revenue generated by the proposed monthly base charges is  
17 \$869,536.00 which is the sum of the revenues generated by each meter size, as shown in  
18 Table 6.

Table 6: Revenue Generated by Base Rates

| <b>Meter Size</b> | <b>Revenue Generated by Base Charges</b> |
|-------------------|--|
| 3/4"              | \$813,972                                |
| 1"                | \$16,820                                 |
| 2"                | \$35,264                                 |
| 3"                | \$3,480                                  |
| <b>Total</b>      | <b>\$869,536</b>                         |

1 **Q. How did you calculate the total revenue generated by the proposed gallonage charges?**

2 A. I calculated the revenue generated by the gallonage charges for each tier by multiplying the  
3 gallonage rates of each tier by the annual gallons billed for the respective tier. For example,  
4 the annual gallonage billed for first tier (0-5,000 gallons) is 115,461,848. At \$6.35 per 1,000  
5 gallons, the first tier will generate \$733,183.00 (115,461,848 gallons times \$6.35 per 1,000  
6 gallons) of revenue. Similarly, I calculated the revenue generated by each tier and shown  
7 below in Table 7. The total revenue generated by gallonage rates is \$1,579,800.00 which is  
8 the sum of revenues generated by each tier.

Table 7: Revenue Generated by Gallonage Rates

| <b>Tier (Gallons)</b> | <b>Revenue by Gallonage Rates</b> |
|-----------------------|-----------------------------------|
| 0-5,000               | \$733,183                         |
| 5,001-10,000          | \$274,012                         |
| 10,001-15,000         | \$124,951                         |
| 15,001-25,000         | \$134,308                         |
| 25,001+               | \$313,347                         |
| <b>Total</b>          | <b>\$1,579,800</b>                |

- 1 **Q. What is the total revenue generated by the monthly base charges and the gallonage**  
2 **charges recommended by Staff?**
- 3 A. The total revenue generated by the monthly base charges and the gallonage charges is  
4 \$2,449,336.00.<sup>16</sup> The total revenue generated is approximately equal to Staff's recommended  
5 revenue requirement of \$2,449,184.00.

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<sup>16</sup> \$869,536.00 (revenue generated by monthly base charges) + \$1,579,800.00 (revenue generated gallonage charges) = \$ 2,449,336.00.

1 V. CONCLUSION

2 Q. Please summarize your recommendations.

3 A. I recommend that Bear Creek SUD's rates be adjusted consistent with Attachment RP-3.

4 Q. Does this conclude your direct, pre-filed testimony?

5 A. Yes, but I reserve the right to supplement this testimony during the course of the proceeding  
6 if new evidence is presented.

Attachment RP-1

Roshan Pokhrel Resume



**ROSHAN POKHREL, E.I.T**

**Professional Experience**

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**Engineering Specialist III**

Public Utility Commission of Texas (PUC)

December 2018- Present

A technical expert on a broad range of water and sewer utility issues. Work involves the analysis of applications and appeals received by the PUC and providing recommendations regarding the applicability and sufficiency of those filing to legal staff.

- Review water and sewer utility rate, Certificate of Convenience and Necessity (CCN), Sale Transfer Merger, and Streamline Expedited Release applications and petitions pursuant under the procedural schedules set forth by an Administrative Law Judge (ALJ).
- Perform water and sewer utility depreciation studies.
- Design water and sewer rates.
- Participate in utility rate settlement negotiation
- Collect and evaluate data sets through multiple database systems like Water Utility Database, TCEQ Central Registry, and Drinking Water Watch.
- Work harmoniously with industry stakeholders, TCEQ, and public.
- Provide technical assistance and rule interpretations to the public related to water and sewer utilities.
- Assist the commission in rulemaking and form revisions for water rates.
- Prepare written technical reports and memoranda supporting PUC staff conclusions regarding the merits of water and sewer filings that seek relief from the PUC.

**Academic Experience**

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**Master of Engineering:** University of New Mexico, Albuquerque

August 2016- May 2018

**Major:** CIVIL ENGINEERING

**Bachelor of Engineering:** Tribhuvan University, Nepal

November 2010- November 2014

**Major:** CIVIL ENGINEERING

**Relevant Course Work**

Physical-Chemical Water and Wastewater Treatment, Biological Wastewater Treatment, Water Quality Modeling, Water Chemistry, Water Supply Engineering, Sanitary Engineering, Engineering Economics, Data Driven Decision Making

**Teaching Assistant/Grader**

Department of Civil Engineering, University of New Mexico, Albuquerque

August 2016- May 2018

- Mentored courses like Environmental and Water Resource Engineering, Mechanics of Material, Timber Design, and Structural Analysis.
- Assisted professors by examining assignments, exams, quizzes, and updating student's grade.

Attachment RP-2

AWWA's RECOMMENDED METER EQUIVALENCY FACTORS<sup>17</sup>

| Meter Size      | Meter Equivalency Factor |
|-----------------|--------------------------|
| <b>5/8 inch</b> | <b>1 x</b>               |
| <b>3/4 inch</b> | <b>1.5 x</b>             |
| <b>1 inch</b>   | <b>2.5 x</b>             |
| <b>1.5 inch</b> | <b>5 x</b>               |
| <b>2 inch</b>   | <b>8 x</b>               |
| <b>3 inch</b>   | <b>15 x</b>              |
| <b>4 inch</b>   | <b>25 x</b>              |
| <b>6 inch</b>   | <b>50 x</b>              |
| <b>8 inch</b>   | <b>80 x</b>              |
| <b>10 inch</b>  | <b>100 x</b>             |

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<sup>17</sup> Principles of Water Rates, Fees, and Charges, AWWA Manual M1, Sixth Edition at 78 & 232-235.

Attachment RP-3  
Staff Adjusted Rate Workpaper

| Revenue Generated by Appealed Rates                |  | Revenue Generated by Staff's Recommended Rates     |  |         |   |
|--|--|--|--|---------|---|
| <b>RATES</b>                                       |  | <b>RATES</b>                                       |  |         |   |
| <b>Meter Size</b>                                  | <b>Base Rate</b>                           | <b>Meter Size</b>                                  | <b>Base Rate</b>                           |         |   |
| 3/4"   | \$ 35 00                                   | 5/8"   | N/A  | \$19.33 | This meter was not included in the notice |
| 1"   | \$ 60 00                                   | 3/4"   | \$20.00                                    |         |   |
| 1 1/2"   | N/A  | 1"   | \$48.33                                    |         |   |
| 2"   | \$ 98 00                                   | 1 1/2"   | N/A  | \$96.67 | This meter was not included in the notice |
| 3"   | \$ 186 00                                  | 2"   | \$151.67                                   |         |   |
| 4"   | \$ 362 00                                  | 3"   | \$290.00                                   |         |   |
| 6"   | \$ 714 00                                  | 4"   | \$483.33                                   |         |   |
|  |  | 6"   | \$966.67                                   |         |   |
| <b>Tier (Gallons)</b>                              | <b>Volumetric Charge per 1,000 Gallons</b> | <b>Tier (Gallons)</b>                              | <b>Volumetric Charge per 1,000 Gallons</b> |         |   |
| 0-5,000  | \$ 6.35                                    | 0-5,000  | \$ 6.35                                    |         |   |
| 5,001-10,000                                       | \$ 7.05                                    | 5,001-10,000                                       | \$ 7.05                                    |         |   |
| 10,001-15,000                                      | \$ 8.09                                    | 10,001-15,000                                      | \$ 8.09                                    |         |   |
| 15,001-25,000                                      | \$ 10.00                                   | 15,001-25,000                                      | \$ 10.00                                   |         |   |
| 25,001+  | \$ 11.27                                   | 25,001+  | \$ 11.27                                   |         |   |
|  |  |  |  |         |   |
| <b>No. of Meters</b>                               |  | <b>No. of Meters</b>                               |  |         |   |
| 3/4"   | 2,339                                      | 3/4"   | 2,339                                      |         |   |
| 1"   | 29   | 1"   | 29   |         |   |
| 2"   | 19   | 2"   | 19   |         |   |
| 3"   | 1  | 3"   | 1  |         |   |
| <b>Total</b>                                       | <b>2388</b>                                | <b>Total</b>                                       | <b>2388</b>                                |         |   |
|  |  |  |  |         |   |
| <b>Gallons Billed</b>                              |  | <b>Gallons Billed</b>                              |  |         |   |
| 0-5,000  | 115,461,848                                | 0-5,000  | 115,461,848                                |         |   |
| 5,001-10,000                                       | 38,866,934                                 | 5,001-10,000                                       | 38,866,934                                 |         |   |
| 10,001-15,000                                      | 15,445,095                                 | 10,001-15,000                                      | 15,445,095                                 |         |   |
| 15,001-25,000                                      | 13,430,795                                 | 15,001-25,000                                      | 13,430,795                                 |         |   |
| 25,001+  | 27,803,637                                 | 25,001+  | 27,803,637                                 |         |   |
| <b>Total</b>                                       | <b>211,008,309</b>                         | <b>Total</b>                                       | <b>211,008,309</b>                         |         |   |
|  |  |  |  |         |   |
| <b>REVENUE</b>                                     |  | <b>REVENUE</b>                                     |  |         |   |
| <b>Base Rate</b>                                   |  | <b>Base Rate</b>                                   |  |         |   |
| 3/4"   | \$ 982,380.00                              | 3/4"   | \$ 813,972.00                              |         |   |
| 1"   | \$ 20,880.00                               | 1"   | \$ 16,820.00                               |         |   |
| 2"   | \$ 22,344.00                               | 2"   | \$ 35,264.00                               |         |   |
| 3"   | \$ 2,232.00                                | 3"   | \$ 3,480.00                                |         |   |
| <b>Total revenue generated by base rates</b>       | <b>\$ 1,027,836.00</b>                     | <b>Total revenue generated by base rates</b>       | <b>\$ 869,536.00</b>                       |         |   |
|  |  |  |  |         |   |
| <b>Volumetric Revenue</b>                          |  | <b>Volumetric Revenue</b>                          |  |         |   |
| 0-5,000  | 733,183                                    | 0-5,000  | 733,183                                    |         |   |
| 5,001-10,000                                       | 274,012                                    | 5,001-10,000                                       | 274,012                                    |         |   |
| 10,001-15,000                                      | 124,951                                    | 10,001-15,000                                      | 124,951                                    |         |   |
| 15,001-25,000                                      | 134,308                                    | 15,001-25,000                                      | 134,308                                    |         |   |
| 25,001+  | 313,347                                    | 25,001+  | 313,347                                    |         |   |
| <b>Total revenue generated by Volumetric Usage</b> | <b>\$ 1,579,800</b>                        | <b>Total revenue generated by Volumetric Usage</b> | <b>\$ 1,579,800</b>                        |         |   |
|  |  |  |  |         |   |
| <b>Revenue Generated by Appealed Rates</b>         | <b>\$ 2,607,636</b>                        | <b>Revenue Generated by Staff's Proposed Rates</b> | <b>\$ 2,449,336</b>                        |         |   |
| Bear Creek SUD's Revenue Requirement               | \$ 2,544,259                               | Bear Creek SUD's Revenue Requirement               | \$ 2,544,259                               |         |   |
| Over / (Under) Recovery                            | \$ 63,377                                  | Over / (Under) Recovery                            | \$ (94,923)                                |         |   |
| Percentage of (Under) Recovery                     | 2%   | Percentage of (Under) Recovery                     | -4%  |         |   |
|  |  | Revenue Requirement by Financial Staff             | \$ 2,449,184.00                            |         |   |
|  |  | Staff Revenue - Staff Revenue Requirement          | \$ 152.38                                  |         |   |