

NHPUC No. 1 – WATER

AQUARION WATER COMPANY OF NEW HAMPSHIRE

TARIFF

for

WATER SERVICE

in

THE STATE OF NEW HAMPSHIRE

Authorized by NHPUC Order No. 23,924 in Docket No. DW 01-215, and  
NHPUC Order No. 25,539 in Docket No. DW12-085

Issued: June 28, 2013

Issued by: 

Donald J. Morrissey

Effective: July 1, 2013

Title: Chief Financial Officer

In the event that the meter so tested is found to have an error in registration in excess of three percent (3%) at any rate of flow within normal test flow limits, to the prejudice of the customer, the fee advanced for testing will be refunded and the current bill rendered, based on the last reading of such meter, shall be corrected accordingly. This correction shall apply to both over and under-registration.

- 22) The customer shall permit no one, not an agent of the Company, or person(s) authorized by the Company, to remove, inspect or tamper with the meter or other property of the Company on his premises. The customer shall notify the Company, as soon as it comes to his knowledge, of any injury to, or any cessation in registration of the meter.

PAYMENT FOR SERVICE:

- 23) Bills for service will be rendered periodically in accordance with "Term of Payment" noted on each specific Rate Schedule and are due and payable at the office of the Company upon presentation.
- 24) If payment in full of account is not made within thirty (30) days from the postmarked date of the bill, the Company reserves the right to institute proceedings to discontinue rendering service, in accordance with regulations of the New Hampshire Public Utilities Commission.
- 25) Whenever the customer desires to have his service contract terminated or his water service discontinued, he shall so notify the Company. Until such notice is received by the Company, the customer shall be responsible for the payment for all service rendered by the Company, including charges for emergency termination, meter repairs caused by damage, hot water or freezing, or other external causes. These charges will be shown on tariff schedule of Miscellaneous Charges. A reasonable time of no more than four (4) business days after the receipt of such notice shall be allowed the Company to take a final reading of the meter or meters and to discontinue service.
- 26) The presentation or non-presentation of a bill shall not be held to be a waiver of any of the above rules.

GENERAL:

- 27) Subject to regulations established by the Public Utilities Commission, water service may be discontinued for any one of the following reasons:
- a) Use of water for purposes other than described in the application.
  - b) Misrepresentation in application.
  - c) Willful waste of water.
  - d) Tampering with equipment furnished and owned by the Company.

Issued: June 28, 2013

Issued by: \_\_\_\_\_

  
Donald J. Morrissey

Effective: July 1, 2013

Title: Chief Financial Officer

**MISCELLANEOUS CHARGES**

**Missed Appointment Fee to Customers:**

A customer who schedules an appointment will be charged a “missed appointment” fee of \$44 if (a) the customer has scheduled an appointment at the customer’s premises; (b) the service person arrived during the appointment window given to the customer; (c) the customer is not home when the service person arrives or the service person is otherwise denied access; and (d) the customer did not contact the Company by telephone, in person, by email, or otherwise in writing in advance of the appointment window.

**Missed Appointment Credit to Customers:**

The Company will meet the agreed-upon appointment time set with our customer or automatically credit the customer’s account with a “missed appointment” fee when (a) the customer has scheduled the appointment at least 48 hours prior to the date of the appointment; (b) the service person does not arrive for the appointment within the prescribed 4-hour appointment window; and (c) the service person or other company delegate does not call in advance of the 4-hour appointment window to cancel or reschedule the appointment.

**Collect At The Door Fee:**

A “collect at the door” fee of \$44 will be assessed to any customer who makes payment to a company representative at their premises to avoid termination of service. The fee will be waived on the first applicable instance in any given calendar year.

Issued: June 28, 2013

Issued by: \_\_\_\_\_

  
Donald J. Morrissey

Effective: July 1, 2013

As authorized in order 25,539 in Case DW 12-085

Title: Chief Financial Officer

**SCHEDULE OF WATER RATES FOR METERED SERVICE**

**Available:**

To all customers except those using the Company's service for fire service and those who do not take metered water service for four (4) consecutive quarters.

**Rate:**

All general water service customers shall pay a service charge based on the size of the meter installed. Rate for consumption in addition to the service charge provided for herein: \$4.536 per 100 cubic feet.

**All Customers:**

**Service Charge:**

<b><u>Size of Meter</u></b>	<b><u>Per Month</u></b>	<b><u>Per Quarter</u></b>
5/8 inch	\$ 15.60	\$ 46.80
3/4 inch	\$ 23.40	\$ 70.20
1 inch	\$ 39.01	\$ 117.03
1 1/2 inch	\$ 78.05	\$ 234.15
2 inch	\$ 124.87	\$ 374.61
3 inch	\$ 234.00	\$ 702.00
4 inch	\$ 390.00	\$ 1,170.00
6 inch	\$ 780.00	\$ 2,340.00
8 inch	\$ 1,248.00	\$ 3,744.00
10 inch	\$ 1,794.00	\$ 5,382.00

**Terms of Payment:**

Bills for the service charge shall be rendered for three months in advance on the first day of each month following the quarterly meter readings. The billing for water consumed in the previous quarter shall be included with billing of the quarterly service charge.

**Penalty:**

A penalty of five percent (5%) will be added to bills which are unpaid after the due date printed on the bill as evidenced by the date of payment to the utility's authorized agent.

Issued: June 28, 2013

Issued by: \_\_\_\_\_

  
Donald J. Morrissey

Effective: July 1, 2013

As authorized in order 25,539 in Case DW 12-085

Title: Chief Financial Officer

**SCHEDULE OF WATER RATES FOR METERED SERVICE**

To all customers taking water service for a period less than four (4) consecutive quarters, except those using the Company's service for fire service.

**Rate:**

All general water service customers shall pay a service charge based on the size of the meter installed. Rate for consumption in addition to the service charge provided for herein: \$5.619 per 100 cubic feet.

**Service Charge:**

<b><u>Size of Meter</u></b>	<b><u>Per Season</u></b>
5/8 inch	\$ 234.00
3/4 inch	\$ 351.00
1 inch	\$ 585.15
1 1/2 inch	\$ 1,170.75
2 inch	\$ 1,873.05
3 inch	\$ 3,510.00
4 inch	\$ 5,850.00
6 inch	\$ 11,700.00
8 inch	\$ 18,720.00
10 inch	\$ 26,910.00


**Term of Payment:**

Bills for the service charge shall be rendered as of May 1<sup>st</sup> for all customers receiving seasonal service. Bills for water consumption will be rendered on a monthly basis or when the meter is removed.

**Penalty:**

A penalty of five percent (5%) will be added to bills which are unpaid after the due date printed on the bill as evidenced by the date of payment to the utility's authorized agent.

Issued: June 28, 2013

Issued by:   
Donald J. Morrissey

Effective: July 1, 2013  
As authorized in order 25,539 in Case DW 12-085

Title: Chief Financial Officer

**SCHEDULE OF WATER RATES FOR PRIVATE FIRE SERVICE**

**Available:**

To all customer using the Company's facilities for Private Fire Service.

**Rates:**

<b><u>Fire Service Connection</u></b>	<b><u>Per Year</u></b>
3 inch or less	\$ 441.14
4 inch	\$ 751.67
6 inch	\$ 1,793.24
8 inch	\$ 3,188.69
10 inch	\$ 4,983.70
12 inch	\$ 7,041.20

**Terms of Payment:**

Bills for Private Fire Service will be rendered three months in advance on the first days of January, April, July and October of each year. Bills are due and payable at the office of the Company when rendered.

Issued: June 28, 2013

Issued by: \_\_\_\_\_

  
Donald J. Morrissey

Effective: July 1, 2013

As authorized in order 25,539 in Case DW 12-085

Title: Chief Financial Officer

**SCHEDULE OF WATER RATES FOR PUBLIC FIRE SERVICE**

**Available:**

To all customers using the Company's facilities for Public Fire Service.

**Rates:**

The hydrant charge for each municipal hydrant shall be \$1,740.41 per annum.

**Terms of Payment:**

Bills for Public Fire Service will be rendered six (6) months in advance of January 1<sup>st</sup> and July 1<sup>st</sup> of each year. Bills are due and payable at the office of the Company on the above dates. The hydrant charge for each municipal hydrant shall be \$1,740.41 per annum.

Issued: June 28, 2013

Issued by: \_\_\_\_\_

  
Donald J. Morrissey

Effective: July 1, 2013

As authorized in order 25,539 in Case DW 12-085

Title: Chief Financial Officer

**WATER INFRASTRUCTURE AND CONSERVATION ADJUSTMENT**

In addition to the net charges provided for in this Tariff, a Water Infrastructure and Conservation Adjustment (“WICA”) surcharge of 0.0% will apply to all bills with services rendered on or after July 1, 2013.

I. General Description

Purpose: To recover the fixed costs (depreciation, property taxes and pre-tax return) of certain Commission-approved non-revenue producing system improvement projects completed and placed in service and to be recorded in the individual accounts, as noted below, between base rate cases. In addition, WICA provides the Company with the resources to accelerate asset replacement for infrastructure for the purpose of improving or protecting water quality and the reliability of service and to comply with evolving regulatory requirements imposed by the Safe Drinking Water Act.

Eligible Property: The WICA-eligible property will consist of the following:

Services\* (account 333) and hydrants\* (account 335) installed as in-kind (i.e., same size) replacements for customers;

mains and valves\* (account 331) installed as replacements for existing facilities that have either reached the end of their useful life, are worn out or are in deteriorated condition,

main cleaning and re-lining projects and relocations that are non-reimbursable (account 331);

replacement of production meters (account 304); and

replacement of pressure reducing valves (accounts 309, 331);

\* The first \$50,000 in costs related to the emergency / reactive replacement of services, valves, and hydrants in a given year’s WICA filing shall not be eligible for recovery through the WICA surcharge.

II. Computation of the WICA

Calculation: The initial charge, effective January 1, 2011, will be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Company’s rate base and will have been placed in service between January 1, 2010 and September 30, 2010. Thereafter, the WICA will be updated on an annual basis to reflect eligible plant additions placed in service during the twelve month

Issued: June 28, 2013

Issued by:   
Donald Morrissey

Effective: July 1, 2013  
As authorized in order 25,539 in Case DW 12-085

Title: Chief Financial Officer



period ending three months prior to the effective date of each WICA update. Thus, changes in the WICA rate will occur as follows:

<u>Effective Date Of WICA Change</u>	<u>Date To Which WICA Eligible Plant Additions Reflected</u>
January 1, 2XXX+1	September 30, 2XXX

The fixed costs of eligible infrastructure system improvement projects will consist of depreciation, property taxes and pre-tax return, calculated as follows:

**Depreciation:** The depreciation expense will be calculated by applying the depreciation rates employed in the Company's last base rate case for the plant accounts to the original cost of WICA-eligible property minus the corresponding retirement unit recorded.

**Property Taxes:** For the first year that a WICA for any particular project is in effect, the property tax expense will reflect an estimate of the tax expense for such projects based on the tax rate then in effect. If such property taxes will be due for only a portion of the calendar year, then the WICA for the first year shall reflect only the property taxes projected to be paid. For the second and subsequent years that a WICA for those projects is in effect, the WICA shall be determined using the taxes due and owing for such projects based on the tax bill for a full tax year. The WICA shall not be adjusted in subsequent years, regardless of any change in the taxes originally assessed.

**Pre-tax return:** The pre-tax return will be calculated using the state and federal income tax rates. The cost of equity and debt will be the rates approved in the Company's last base rate case, DW 08-098, or a subsequent docket.

**WICA Surcharge Amount:** The charge will be expressed as a percentage carried to four decimal places and will be applied to the effective portion of the total amount billed to each customer under the Company's otherwise applicable rates and charges.

**Formula:** The formula for calculation of the WICA surcharge is as follows:

$$\text{WICA} = \frac{(\text{ISI} \times \text{PTRR}) + \text{Dep} + \text{PT}}{\text{BRWR}}$$

Where:

Issued: June 28, 2013

Issued by:   
Donald Morrissey

Effective: July 1, 2013  
As authorized in order 25,539 in Case DW 12-085

Title: Chief Financial Officer

NHPUC No. 1 – WATER

AQUARION WATER COMPANY OF NEW HAMPSHIRE

TARIFF

for

WATER SERVICE

in

THE STATE OF NEW HAMPSHIRE

Authorized by NHPUC Order No. 23,924 in Docket No. DW 01-215, and  
NHPUC Order No. ~~25,019 in Docket No. DW 08-098~~ 25,539 in Docket No. DW12-085

Comment [ju1]: (C)

Issued: ~~September 25, 2009~~ June 28, 2013 Issued by: \_\_\_\_\_  
Donald J. Morrissey

Effective: ~~September 25, 2009~~ July 1, 2013 \_\_\_\_\_ Title: Vice President, Treasurer and Secretary

In the event that the meter so tested is found to have an error in registration in excess of three percent (3%) at any rate of flow within normal test flow limits, to the prejudice of the customer, the fee advanced for testing will be refunded and the current bill rendered, based on the last reading of such meter, shall be corrected accordingly. This correction shall apply to both over and under-registration.

- 22) The customer shall permit no one, not an agent of the Company, or person(s) authorized by the Company, to remove, inspect or tamper with the meter or other property of the Company on his premises. The customer shall notify the Company, as soon as it comes to his knowledge, of any injury to, or any cessation in registration of the meter.

PAYMENT FOR SERVICE:

- 23) Bills for service will be rendered periodically in accordance with "Term of Payment" noted on each specific Rate Schedule and are due and payable at the office of the Company upon presentation.
- 24) If payment in full of account is not made within thirty (30) days from the postmarked date of the bill, the Company reserves the right to institute proceedings to discontinue rendering service, in accordance with regulations of the New Hampshire Public Utilities Commission.
- 25) Whenever the customer desires to have his service contract terminated or his water service discontinued, he shall so notify the Company ~~in writing~~. Until such notice is received by the Company, the customer shall be responsible for the payment for all service rendered by the Company, including charges for emergency termination, meter repairs caused by damage, hot water or freezing, or other external causes. These charges will be shown on tariff schedule of Miscellaneous Charges. A reasonable time of no more than four (4) business days after the receipt of such notice shall be allowed the Company to take a final reading of the meter or meters and to discontinue service.
- 26) The presentation or non-presentation of a bill shall not be held to be a waiver of any of the above rules.

Comment [ju2]: (C)

GENERAL:

- 27) Subject to regulations established by the Public Utilities Commission, water service may be discontinued for any one of the following reasons:
- Use of water for purposes other than described in the application.
  - Misrepresentation in application.
  - Willful waste of water.
  - Tampering with equipment furnished and owned by the Company.

Issued: ~~April 29, 2002~~ June 28, 2013

Issued by: \_\_\_\_\_  
Donald J. Morrissey

Effective: ~~April 25, 2002~~ July 1, 2013

Title: Vice President, Treasurer and Secretary Chief Financial O

**MISCELLANEOUS CHARGES**

**Missed Appointment Fee to Customers:**

A customer who schedules an appointment will be charged a “missed appointment” fee of \$44 if (a) the customer has scheduled an appointment at the customer’s premises; (b) the service person arrived during the appointment window given to the customer; (c) the customer is not home when the service person arrives or the service person is otherwise denied access; and (d) the customer did not contact the Company by telephone, in person, by email, or otherwise in writing in advance of the appointment window.

Comment [ju3]: (N)

**Missed Appointment Credit to Customers:**

The Company will meet the agreed-upon appointment time set with our customer or automatically credit the customer’s account with a “missed appointment” fee when (a) the customer has scheduled the appointment at least 48 business hours prior to the date of the appointment; (b) the service person does not arrive for the appointment within the prescribed 4-hour appointment window; and (c) the service person or other company delegate does not call in advance of the 4-hour appointment window to cancel or reschedule the appointment.

Comment [TMD4]: (N)

**Collect At The Door Fee:**

A “collect at the door” fee of \$44 will be assessed to any customer who makes payment to a company representative at their premises to avoid termination of service. The fee will be waived on the first applicable instance in any given calendar year.

Comment [ju5]: (N)

Issued: ~~September 25, 2009~~ June 28, 2013

Issued by: \_\_\_\_\_  
Donald J. Morrissey

Effective: ~~September 25, 2009~~ July 1, 2013  
As authorized in order 25,539 in Case DW 12-085

Title: ~~Chief Financial Officer and Corporate Secretary~~ Chief Fin

**SCHEDULE OF WATER RATES FOR METERED SERVICE**

**Available:**

To all customers except those using the Company's service for fire service and those who do not take metered water service for four (4) consecutive quarters.

**Rate:**

All general water service customers shall pay a service charge based on the size of the meter installed. Rate for consumption in addition to the service charge provided for herein: ~~\$4,5824.536~~ per 100 cubic feet.

Comment [ju6]: (1)

**All Customers:**

**Service Charge:**

<b>Size of Meter</b>	<b><del>Per Month</del></b>	<b>Per Month</b>	<b><del>Per Quarter</del></b>	<b>Per Quarter</b>
5/8 inch	<del>\$ 12.80</del>	\$ 15.60	<del>\$ 38.40</del>	\$ 46.80
3/4 inch	<del>\$ 19.20</del>	\$ 23.40	<del>\$ 57.60</del>	\$ 70.20
1 inch	<del>\$ 32.00</del>	\$ 39.01	<del>\$ 96.00</del>	\$ 117.03
1 1/2 inch	<del>\$ 64.03</del>	\$ 78.05	<del>\$ 192.09</del>	\$ 234.15
2 inch	<del>\$ 102.44</del>	\$ 124.87	<del>\$ 307.32</del>	\$ 374.61
3 inch	<del>\$ 192.00</del>	\$ 234.00	<del>\$ 576.00</del>	\$ 702.00
4 inch	<del>\$ 299.00</del>	\$ 390.00	<del>\$ 897.00</del>	\$ 1,170.00
6 inch	<del>\$ 535.01</del>	\$ 780.00	<del>\$ 1,605.03</del>	\$ 2,340.00
8 inch	<del>\$ 981.99</del>	\$ 1,248.00	<del>\$ 2,945.97</del>	\$ 3,744.00
10 inch	<del>\$ 1,513.97</del>	\$ 1,794.00	<del>\$ 4,541.91</del>	\$ 5,382.00

Comment [ju7]: (1)

**Terms of Payment:**

Bills for the service charge shall be rendered for three months in advance on the first day of each month following the quarterly meter readings. The billing for water consumed in the previous quarter shall be included with billing of the quarterly service charge.

**Penalty:**

A penalty of five percent (5%) will be added to bills which are unpaid after the due date printed on the bill as evidenced by the date of payment to the utility's authorized agent.

Issued: ~~September 25, 2009~~ June 28, 2013 Issued by: \_\_\_\_\_  
Donald J. Morrissey

Effective: ~~September 25, 2009~~ July 1, 2013 Title: ~~Chief Financial Officer and Corporate Secretary~~ Chief Fin  
As authorized in order 25.539 in Case DW 12-085



**SCHEDULE OF WATER RATES FOR METERED SERVICE**

To all customers taking water service for a period less than four (4) consecutive quarters, except those using the Company's service for fire service.

**Rate:**

All general water service customers shall pay a service charge based on the size of the meter installed. Rate for consumption in addition to the service charge provided for herein: ~~\$4.610~~5.619 per 100 cubic feet.

Comment [ju8]: (I)

**Service Charge:**

<u>Size of Meter</u>	<u>Per Season</u>	<u>Per Season</u>
5/8 inch	<del>\$ 192.00</del>	\$ 234.00
3/4 inch	<del>\$ 288.00</del>	\$ 351.00
1 inch	<del>\$ 480.00</del>	\$ 585.15
1 1/2 inch	<del>\$ 960.45</del>	\$ 1,170.75
2 inch	<del>\$ 1,536.60</del>	\$ 1,873.05
3 inch	<del>\$ 2,880.00</del>	\$ 3,510.00
4 inch	<del>\$ 4,485.00</del>	\$ 5,850.00
6 inch	<del>\$ 8,025.15</del>	\$ 11,700.00
8 inch	<del>\$ 14,720.85</del>	\$ 18,720.00
10 inch	<del>\$ 22,709.55</del>	\$ 26,910.00

Comment [ju9]: (I)

**Term of Payment:**

Bills for the service charge shall be rendered as of May 1<sup>st</sup> for ~~each~~all customers receiving seasonal service season or any part thereof. Bills for water consumption will be rendered on a monthly basis of September 1<sup>st</sup> or when the meter is removed. ~~However, the Company reserves the right to bill for water consumed at more frequent intervals.~~

Comment [ju10]: (C)

**Penalty:**

A penalty of five percent (5%) will be added to bills which are unpaid after the due date printed on the bill as evidenced by the date of payment to the utility's authorized agent.

Issued: ~~September 25, 2009~~June 28, 2013 Issued by: \_\_\_\_\_  
Donald J. Morrissey

Effective: ~~September 25, 2009~~July 1, 2013 Title: ~~Chief Financial Officer and Corporate Secretary~~Chief Fin  
As authorized in order 25,539 in Case DW 12-085

**SCHEDULE OF WATER RATES FOR PRIVATE FIRE SERVICE**

**Available:**

To all customer using the Company's facilities for Private Fire Service.

**Rates:**

<b><u>Fire Service Connection</u></b>	<b><u>Per Year</u></b>	<b><u>Per Year</u></b>
3 inch or less	<del>\$ 361.91</del>	\$ 441.14
4 inch	<del>\$ 616.66</del>	\$ 751.67
6 inch	<del>\$ 1,471.18</del>	\$ 1,793.24
8 inch	<del>\$ 2,616.01</del>	\$ 3,188.69
10 inch	<del>\$ 4,088.64</del>	\$ 4,983.70
12 inch	<del>\$ 5,776.62</del>	\$ 7,041.20

Comment [ju11]: (l)

**Terms of Payment:**

Bills for Private Fire Service will be rendered three months in advance on the first days of January, April, July and October of each year. Bills are due and payable at the office of the Company when rendered.

Issued: ~~September 25, 2009~~ June 28, 2013 Issued by: \_\_\_\_\_  
Donald J. Morrissey

Effective: ~~September 25, 2009~~ July 1, 2013 Title: ~~Chief Financial Officer and Corporate Secretary~~ Chief Fin  
As authorized in order 25,539 in Case DW 12-085

**SCHEDULE OF WATER RATES FOR PUBLIC FIRE SERVICE**

**Available:**

To all customers using the Company's facilities for Public Fire Service.

**Rates:**

The hydrant charge for each municipal hydrant shall be ~~\$1,427.84~~1,740.41 per annum

Comment [ju12]: (l)

**Terms of Payment:**

Bills for Public Fire Service will be rendered six (6) months in advance of January 1<sup>st</sup> and July 1<sup>st</sup> of each year. Bills are due and payable at the office of the Company on the above dates. The hydrant charge for each municipal hydrant shall be ~~\$1,427.84~~1,740.41 per annum.

Comment [ju13]: (l)

Issued: ~~September 25, 2009~~June 28, 2013

Issued by: \_\_\_\_\_  
Donald J. Morrissey

Effective: ~~September 25, 2009~~July 1, 2013  
As authorized in order 25,539 in Case DW 12-085

Title: ~~Chief Financial Officer and Corporate Secretary~~Chief Fin



Formatted: Top: 0.81"

### WATER INFRASTRUCTURE AND CONSERVATION ADJUSTMENT

In addition to the net charges provided for in this Tariff, a Water Infrastructure and Conservation Adjustment (“WICA”) surcharge of ~~3.72690.0%~~ will apply to all bills with services rendered on or after ~~January-July 1, 2012~~2013.

#### I. General Description

Purpose: To recover the fixed costs (depreciation, property taxes and pre-tax return) of certain Commission-approved non-revenue producing system improvement projects completed and placed in service and to be recorded in the individual accounts, as noted below, between base rate cases. In addition, WICA provides the Company with the resources to accelerate asset replacement for infrastructure for the purpose of improving or protecting water quality and the reliability of service and to comply with evolving regulatory requirements imposed by the Safe Drinking Water Act.

Eligible Property: The WICA-eligible property will consist of the following:

Services\* (account 333), ~~meters (account 334)~~ and hydrants\* (account 335) installed as in-kind (i.e., same size) replacements for customers;

mains and valves\* (account 331) installed as replacements for existing facilities that have either reached the end of their useful life, are worn out or are in deteriorated condition,

main cleaning and re-lining projects and relocations that are non-reimbursable (account 331);

replacement of production meters (account 304 ); and

replacement of pressure reducing valves (accounts 309, 331);

\*\* The first \$50,000 in costs related to the emergency / reactive replacement of services, valves, and hydrants in a given year’s WICA filing shall not be eligible for recovery through the WICA surcharge.

#### II. Computation of the WICA

Calculation: The initial charge, effective January 1, 2011, will be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Company's rate base and will have been placed in service between January 1, 2010 and September 30, 2010. Thereafter, the WICA will be updated on an

Issued: ~~January-June 28, 2012~~

Issued by: \_\_\_\_\_  
Donald Morrissey

Effective: ~~January-July 1, 2012~~

Title: Chief Financial Officer  
As authorized in order ~~25,311-25,539~~ in Case DW ~~11-23812-085~~

<u>Effective Date Of WICA Change</u>	<u>Date To Which WICA Eligible Plant Additions Reflected</u>
January 1, 2XXX+1	September 30, 2XXX

The fixed costs of eligible infrastructure system improvement projects will consist of depreciation, property taxes and pre-tax return, calculated as follows:

**Depreciation:** The depreciation expense will be calculated by applying the depreciation rates employed in the Company's last base rate case for the plant accounts to the original cost of WICA-eligible property minus the corresponding retirement unit recorded.

**Property Taxes:** For the first year that a WICA for any particular project is in effect, the property tax expense will reflect an estimate of the tax expense for such projects based on the tax rate then in effect. If such property taxes will be due for only a portion of the calendar year, then the WICA for the first year shall reflect only the property taxes projected to be paid. For the second and subsequent years that a WICA for those projects is in effect, the WICA shall be determined using the taxes due and owing for such projects based on the tax bill for a full tax year. The WICA shall not be adjusted in subsequent years, regardless of any change in the taxes originally assessed.

**Pre-tax return:** The pre-tax return will be calculated using the state and federal income tax rates. The cost of equity and debt will be the rates approved in the Company's last base rate case, DW 08-098, or a subsequent docket.

**WICA Surcharge Amount:** The charge will be expressed as a percentage carried to four decimal places and will be applied to the effective portion of the total amount billed to each customer under the Company's otherwise applicable rates and charges.

**Formula:** The formula for calculation of the WICA surcharge is as follows:

$$\text{WICA} = \frac{(\text{ISI} \times \text{PTRR}) + \text{Dep} + \text{PT}}{\text{BRWR}}$$

Where:

Issued: September 25, 2009

Issued by: \_\_\_\_\_  
Donald Morrissey

Effective: September 25, 2009  
As authorized in order 25,019 in Case DW 08-098

Title: Chief Financial Officer

annual basis to reflect eligible plant additions placed in service during the twelve month period ending three months prior to the effective date of each WICA update. Thus, changes in the WICA rate will occur as follows:

Issued: ~~January~~ June 28, 2012~~3~~

Issued by: \_\_\_\_\_  
Donald Morrissey

Effective: ~~January~~ July 1, 2012~~3~~

As authorized in order ~~25,311-25,539~~ in Case DW ~~11-238~~ 12-085

Title: Chief Financial Officer \_\_\_\_\_