

Pluris Webb Creek, LLC

Final Accounting Regarding Provisional Rates Charged by Pluris Webb Creek Since Being Appointed as Emergency Operator of the Webb Creek System

Note: Pluris served as Emergency Operator of the Webb Creek system from August 8, 2016 through March 26, 2019.

Return on Rate Base

	2016	2017	2018	2019	Total
Operating Revenue	\$ 176,628	\$ 546,193	\$ 630,561	\$ 158,703	\$ 1,512,085
Operating Expenses:					
Operation & Maintenance	223,508	460,980	536,040	122,589	1,343,118
Depreciation	3,365	13,290	28,404	9,553	54,611
Amortization of CIAC	-	-	(128)	(90)	(218)
Taxes Other than Income	247	765	2,876	222	4,111
Income Taxes	-	-	-	-	-
	227,120	475,035	567,192	132,275	1,401,621
Operating Income (Loss)	\$ (50,492)	\$ 71,159	\$ 63,369	\$ 26,428	\$ 110,463
Rate Base	\$ 162,709	\$ 534,311	\$ 1,004,691	\$ 1,070,210	\$ 1,070,210
Rate of Return	-31.03%	13.32%	6.31%	2.47%	

Rate Base Calculation

	2016	2017	2018	2019
Utility plant in service	\$ 207,960	\$ 588,833	\$ 895,786	\$ 978,717
Land	15,750	15,750	196,756	240,488
Accumulated depreciation	(3,365)	(16,655)	(45,058)	(54,611)
Contributions in Aid of Construction (CIAC)	-	-	(9,000)	(16,200)
Accumulated amortization of CIAC	-	-	128	218
Prepaid tap-on fees	(79,200)	(79,200)	(70,200)	(63,000)
Customer deposits	(6,375)	(32,040)	(30,725)	(30,725)
	134,771	476,688	937,686	1,054,887
Allowance for working capital (1)	27,939	57,623	67,005	15,324
Rate Base	\$ 162,709	\$ 534,311	\$ 1,004,691	\$ 1,070,210

(1) Working capital is based on the formula approach of 1/8 O&M expense

Recovery Calculation

	2016	2017	2018	2019	Total
<i>*Public Staff recommended overall rate of return of 7.67% in Docket No. W-864, Sub 11</i>					
Rate Base	\$ 162,709	\$ 534,311	\$ 1,004,691	\$ 1,070,210	
Approved Rate of Return*	7.67%	7.67%	7.67%	7.67%	
Calculated Operating Income (A)	\$ 12,480	\$ 40,982	\$ 77,060	\$ 82,085	\$ 212,606
<i>**Public Staff recommended operating margin of 7.5% in Docket No. W-864, Sub 11</i>					
Operation & Maintenance	\$ 223,508	\$ 460,980	\$ 536,040	\$ 122,589	
Approved Operating Margin**	7.50%	7.50%	7.50%	7.50%	
Calculated Operating Margin (B)	\$ 16,763	\$ 34,574	\$ 40,203	\$ 9,194	\$ 100,734
Total Calculated Operating Income (A+B)	\$ 29,243	\$ 75,555	\$ 117,263	\$ 91,279	\$ 313,340
Actual Operating Income (C)	\$ (50,492)	\$ 71,159	\$ 63,369	\$ 26,428	\$ 110,463
Under-Recovered Costs (A+B) - (C)	\$ 79,735	\$ 4,396	\$ 53,894	\$ 64,851	\$ 202,877