

	Utility Solutions, LLC		WATER		Docket No. D2005.11.163		
	Summary Income Statement				Exhibit PRS-10		
	At Present Rates	At Proposed Rates	Proposed MCC Adj's	Proposed MCC Figures			
Operating Income	\$ 120,722	\$ 327,499	\$ (89,422)	\$ 238,077			
Other Income							
Total Income Requirement				\$ 238,077			
O&M Expenses	133,219	133,219	(1,132)	132,087			
Depreciation & Amort.	71,716	71,716	(17,260)	54,456			
Taxes Other Than Income	3,006	3,709	(542)	3,167			
Net Taxable Income	\$ (87,220)	\$ 118,854	\$ (70,488)	\$ 48,366			
Income Taxes	-	47,007	-	-			
Net Operating Income	\$ (87,220)	\$ 71,847		\$ 48,366			
Rate Base	\$ 885,908	\$ 885,908	\$ (52,009)	\$ 833,900			
Return on Rate Base	-9.85%	8.11%		5.800%			
Operating Revenue Increase		\$ 206,777		\$ 117,355			
Overall Percent Increase in Rates		171.28%		97.21%			

Utility Solutions, LLC		WATER		Docket No. D2005.11.163		
Operating & Maintenance Expenses				Exhibit PRS-11		
Company Proposed O&M Exp's		\$ 133,219				
MCC proposed adj's						
Loan Fees		(949)				
Avertising		(182)				
Adj. Total		\$ 132,087				

Utility Solutions, LLC WATER			Docket No. D2005.11.163
Depreciation & Amortization			Exhibit PRS-12
	Company's Proposed Balance	MCC Proposed Adj's	MCC Proposed Amts.
Adjusted 2007 Accumulated Depreciation	\$ 243,419.07		
Adjustment to total figure, \$223,625.17, in Utility's Exhibit MCC-071		(19,793.90)	
Remove accumulated depr. On Permits, Fees, & Licenses		(49,474.47)	
			\$ 174,150.70
Adjusted 2008 Accumulated Depreciation	\$ 302,433.35		
Adjustment to total figure, \$282,358.83, in Utility's Exhibit MCC-071		(20,074.52)	
Remove depreciation On Permits, Fees, & Licenses		(60,676.24)	
			\$ 221,682.59
Average 2007/2008 Accumulated Depreciation	\$ 272,926.21		
Adjustment to average of MCC Proposed Amounts		(75,009.57)	
			\$ 197,916.65
Adjusted Average 2007/2008 Accumulated Depreciation			
Annualize Amort. On 2008 License&Permit Additions			1.77
Averaged depreciation on third well placed in svc. 1/1/09			6,920.77
			<b>\$ 204,839.19</b>
2008 Depreciation Expense	\$ 59,014.29		
Adjustment to total figure, \$58,733.66, in Utility's Exhibit MCC-071		\$ (280.63)	
Remove depreciation On Permits, Fees, & Licenses		(11,201.77)	
			\$ 47,531.89
Adjusted 2008 Depreciation Expense	\$ 71,716.29		
Adjustments for 2008 listed above		(11,482.40)	
Annualize Amort. On 2008 License&Permit Additions			3.55
Adj. to depreciation on third well placed in service 1/1/09			(5,781.23)
			<b>\$ 54,456.22</b>

Utility Solutions, LLC			WATER	Docket No. D2005.11.163				
Taxes Other Than Income				Exhibit PRS-13				
	Tax at Current Rates	Tax at Utility Proposed Rates	MCC Adj's	MCC Proposed Amts				
MCC Tax	\$ 96.58	\$ 262.00	\$ (190.58)	\$ 71.42				
PSC Tax	313.88	851.50	(351.54)	499.96				
Property Tax	2,595.78	2,595.78	-	2,595.78				
Totals	\$ 3,006.24	\$ 3,709.28	\$ (542.12)	\$ 3,167.16				
<p>Note: To calculate the proposed MCC amounts for the MCC tax and the PSC tax the updated rates as of 10/1/09 were used. These new rates are .03% for the MCC tax and .21% for the PSC tax vs. .08% and .26% for the old rates.</p>								

Utility Solutions, LLC	WATER		Docket No. D2005.11.163	
Income Taxes			Exhibit PRS-14	
	At Present Rates	At Proposed Rates	Proposed MCC Adj's	Proposed MCC Figures
Total Revenues	\$ 120,721.91	\$ 327,498.82	\$ (89,421.82)	\$ 238,077.00
O&M Expenses	133,219.37	133,219.37	(1,131.88)	132,087.49
Depreciation & Amort.	71,716.29	71,716.29	(17,260.07)	54,456.22
Taxes Other Than Income	3,006.23	3,709.28	(542.12)	3,167.16
Net Taxable Income	\$ (87,219.98)	\$ 118,853.88	\$ (35,209.54)	\$ 48,366.13
Taxable Income State	(87,219.98)	118,853.88	(70,487.75)	48,366.13
State Tax @ 7.00%	-	8,319.77	(4,934.14)	3,385.63
Reduction because LLC				(3,385.63)
State Tax (\$50 minimum)N/A				\$ -
Taxable Income Federal	\$ (87,219.98)	\$ 110,534.11	\$ (65,553.61)	\$ 44,980.50
Federal Tax @ 35.00%	-	38,686.94	(22,943.76)	15,743.18
Reduction because LLC				(15,743.18)
Federal Tax				\$ -

	Utility Solutions, LLC	WATER		Docket No. D2005.11.163
	Rate Base			Exhibit PRS-15
		Company's Proposed Amts.	MCC Proposed Adj's	MCC Proposed Amts.
Utility Plant		\$ 1,412,083.87		
Adjustment to figures on Exhibit MCC-071			(58,020.55)	
Adj. for capital reduction due to exclusion of permits, fees, & licenses			(168,026.50)	
Adjustments shown at bottom of Exhibit MCC-071			(2,034.31)	
Avg. of \$496.25 in software incorrectly included in 2007&2008 should only be in 2008			(248.13)	
				\$ 1,183,754.38
Capital reduction per purchase agreement		(331,229.61)	168,026.19	(163,203.42)
Net Utility Plant		\$ 1,080,854.26		\$ 1,020,550.96
Materials & Supplies		1,554.05	-	1,554.05
Working Cash		17,361.91	(727.98)	16,633.93
Subtotal		\$ 1,099,770.22	\$ (61,031.28)	\$ 1,038,738.94
Less:				
Accumulated Depreciation		213,861.79	(9,022.60)	204,839.19
<b>Rate Base</b>		\$ 885,908.43	\$ (52,008.68)	\$ <b>833,899.75</b>



Calculation of Rate Base for Utility Solutions																		
Docket No. D2005.11.163		Exhibit PRS-16																
		8/9/06 Improvements	11/9/2006 Additions	2006 Depr.	12/31/06 A/D	12/31/06 Bal.	1/1/07 Improvements Additions	6/1/07 Improvement	8/9/07 Improvements	2007 Depr.	12/31/07 A/D	12/31/07 Bal.	1/1/08 Additions	7/1/08 Additions	7/15/08 Additions	2008 Depr.	12/31/08 A/D	12/31/08 Bal.
<b>Elk Grove Sewer Plant</b>		Depreciable Life (yrs)																
EG WW Treatment Plant																		
Purchase	25			\$ 15,861.21	\$ 54,192.45	\$ 342,337.70				\$ 15,861.21	\$ 70,053.66	\$ 326,476.49				\$ 15,861.21	\$ 85,914.87	\$ 310,615.28
Improvement	25							2,301.73		53.71	53.71	2,248.02				92.07	145.78	2,155.95
Disposal Beds	25			2,314.62	3,664.81	54,200.63				2,314.62	5,979.43	51,886.01				2,314.62	8,294.05	49,571.39
EG Sewer Trans. & Dist. Mains																		
Purchase	25			17,496.37	59,779.25	377,629.92				17,496.37	77,275.62	360,133.55				17,496.37	94,771.99	342,637.18
Land																		
Purchase				-		23,744.18				-	-	23,744.18				-	-	23,744.18
Permits, Fees, Licenses																		
Purchase & Additions	15			-	-	-				-	-	-		3,961.15		132.04	132.04	3,829.11
Property Improvements	10			973.96	1,388.79	13,069.97	200.00			1,465.88	2,854.67	11,804.09				1,465.88	4,320.54	10,338.22
Office Furniture & Equip.	5			19.37	29.05	67.78				19.37	48.42	48.42				19.37	67.78	29.05
Software	3			783.92	979.90	1,371.85	395.75			915.83	1,895.73	851.77		436.25		792.56	2,688.29	495.46
Pressure washer	7		3,475.00	82.74	82.74	3,392.26				496.43	579.17	2,895.83				496.43	1,075.60	2,399.40
Transportation Equipment	5			1,530.88	1,813.35	5,841.06				1,530.88	3,344.23	4,310.18				1,530.88	4,875.11	2,779.30
SEWER SUBTOTAL			\$ 3,475.00	\$ 39,063.05	\$ 121,930.34	\$ 821,655.35	\$ 595.75	\$ 2,301.73		\$ 40,154.28	\$ 162,084.62	\$ 784,398.55		\$ 3,961.15	\$ 436.25	\$ 40,201.41	\$ 202,286.04	\$ 748,594.53
<b>Elk Grove Water Plant</b>																		
EG Water Dist. Facility																		
Purchase	25	\$ 8,523.77		\$ 12,426.38	\$ 42,113.47	\$ 273,518.18			\$ 2,224.40	\$ 12,662.34	\$ 54,775.81	\$ 263,080.24				\$ 12,714.24	\$ 67,490.05	\$ 250,366.00
Water Trans. & Dist. Mains																		
Purchase	25			23,709.89	80,246.43	512,500.93				23,709.89	103,956.33	488,791.03				23,709.89	127,666.22	465,081.14
Land																		
Purchase				-		23,744.18				-	-	23,744.18				-	-	23,744.18
Permits, Fees, Licenses																		
Purchase & Additions	15			-	-	-				-	-	-		106.32		3.54	3.54	102.78
Meters	7						50928.64			7,275.52	7,275.52	43,653.12				7,275.52	14,551.04	36,377.60
Property Improvements	10			973.96	1,388.79	13,069.97	200.00			1,465.88	2,854.67	11,804.09				1,465.88	4,320.54	10,338.22
Office Furn. & Equipment	5			19.37	29.05	67.78				19.37	48.42	48.42				19.37	67.78	29.05
Software	3			783.92	979.90	1,371.85	395.75			915.83	1,895.73	851.77	60.00		436.25	812.56	2,708.29	535.46
Transportation Equipment	5			1,530.88	1,813.35	5,841.06				1,530.88	3,344.23	4,310.18				1,530.88	4,875.11	2,779.30
WATER SUBTOTAL		\$ 8,523.77		\$ 39,444.40	\$ 126,570.99	\$ 830,113.95	\$ 51,524.39		\$ 2,224.40	\$ 47,579.71	\$ 174,150.70	\$ 836,283.03	\$ 60.00	\$ 106.32	\$ 436.25	\$ 47,531.89	\$ 221,682.59	\$ 789,353.71
<b>COMBINED TOTAL</b>																		
Adjustment to \$1.5M agreed upon rate base		\$ 8,523.77	\$ 3,475.00	\$ 78,507.45	\$ 248,501.33	\$ 1,651,769.30	\$ 52,120.14	\$ 2,301.73	\$ 2,224.40	\$ 87,733.99	\$ 336,235.32	\$ 1,620,681.58	\$ 60.00	\$ 4,067.47	\$ 872.50	\$ 87,733.30	\$ 423,968.62	\$ 1,537,948.25
Rate Base per agreement from Covenants																		
Sewer rate base at purchase																		
Adjustment to reach agreed upon rate base																		
Sewer rate base per agreement																		
Water rate base at purchase																		
Adjustment to reach agreed upon rate base																		
Water rate base per agreement																		



Utiliy Solutions, LLC	WATER	Docket No. D2005.11.163					
Working Cash		Exhibit PRS-17					
O&M Expenses	\$ 132,087						
Materials & Supplies	-	already included in O&M expenses see response to MCC-024					
Other Taxes	3,167						
Total	\$ 135,255						
45/360	12.5%						
Gross Working Cash	\$ 16,907						
Less Prop. Tax Lag	273						
Net Working Cash	\$ 16,634						

Utility Solutions, LLC	WATER		Docket No. D2005.11.163
Capital Structure & Rate of Return			Exhibit PRS-18
Description	Ratio	Cost	Weighted Cost
Equity	0.00%	10.00%	0.00%
Debt	100.00%	5.80%	5.80%
Overall ROR			5.80%
MCC Proposed Rate Base			\$ 833,900
Required return on RB			\$ 48,366