

**Pennsylvania-American Water Company
Exeter Wastewater System
Wastewater System
Potential Purchaser: Investor-Owned Utility
As of January 1, 2018**

| Base | Periods: | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|---|---------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Begin Balance | | 99,589,818.55 | 100,759,775.55 | 101,945,613.55 | 103,147,563.55 | 104,365,868.55 | 105,600,769.55 | 106,852,509.55 | 108,365,572.55 | 109,905,904.55 | 111,474,029.55 | 113,070,493.55 |
| Additions | | 1,411,155.00 | 1,429,959.00 | 1,449,037.00 | 1,468,397.00 | 1,488,038.00 | 1,507,965.00 | 1,750,771.00 | 1,781,820.00 | 1,813,467.00 | 1,845,726.00 | 1,878,610.00 |
| Retirements | | (241,198.00) | (244,121.00) | (247,087.00) | (250,092.00) | (253,137.00) | (256,225.00) | (237,708.00) | (241,488.00) | (245,342.00) | (249,262.00) | (253,253.00) |
| End Balance | 99,589,818.55 | 100,759,775.55 | 101,945,613.55 | 103,147,563.55 | 104,365,868.55 | 105,600,769.55 | 106,852,509.55 | 108,365,572.55 | 109,905,904.55 | 111,474,029.55 | 113,070,493.55 | 114,695,850.55 |
| End Balance Check | | 100,759,775.55 | 101,945,613.55 | 103,147,563.55 | 104,365,868.55 | 105,600,769.55 | 106,852,509.55 | 108,365,572.55 | 109,905,904.55 | 111,474,029.55 | 113,070,493.55 | 114,695,850.55 |
| Book Depreciation of Property, Plant, & Equipment | | | | | | | | | | | | |
| Total Book Depreciation | | | | | | | | | | | | |
| Begin Balance | | - | (2,045,105.25) | (4,083,988.92) | (6,124,119.27) | (8,150,405.42) | (10,177,173.94) | (12,203,044.07) | (14,275,845.03) | (16,334,713.04) | (18,404,327.12) | (20,462,714.13) |
| Depreciation | | (2,286,303.25) | (2,283,004.67) | (2,287,217.35) | (2,276,378.15) | (2,279,905.52) | (2,282,095.13) | (2,302,730.96) | (2,292,559.01) | (2,307,139.08) | (2,299,813.01) | (2,308,944.53) |
| Retirements | | 241,198.00 | 244,121.00 | 247,087.00 | 250,092.00 | 253,137.00 | 256,225.00 | 237,708.00 | 241,488.00 | 245,342.00 | 249,262.00 | 253,253.00 |
| End Balance | | (2,045,105.25) | (4,083,988.92) | (6,124,119.27) | (8,150,405.42) | (10,177,173.94) | (12,203,044.07) | (14,275,845.03) | (16,334,713.04) | (18,404,327.12) | (20,462,714.13) | (22,526,261.66) |
| End Balance Check | | (2,045,105.25) | (4,083,988.92) | (6,124,119.27) | (8,150,405.42) | (10,177,173.94) | (12,203,044.07) | (14,275,845.03) | (16,334,713.04) | (18,404,327.12) | (20,462,714.13) | (22,526,261.66) |
| Net Plant | | | | | | | | | | | | |
| Begin Balance | | 99,589,818.55 | 98,714,670.30 | 97,861,624.63 | 97,023,444.28 | 96,215,463.13 | 95,423,595.61 | 94,649,465.48 | 94,089,727.52 | 93,571,191.51 | 93,069,702.43 | 92,607,779.42 |
| End Balance | | 98,714,670.30 | 97,861,624.63 | 97,023,444.28 | 96,215,463.13 | 95,423,595.61 | 94,649,465.48 | 94,089,727.52 | 93,571,191.51 | 93,069,702.43 | 92,607,779.42 | 92,169,588.89 |
| Total Asset | | | | | | | | | | | | |
| Tax Depreciation of Property, Plant, & Equipment | | 98,714,670.30 | 97,861,624.63 | 97,023,444.28 | 96,215,463.13 | 95,423,595.61 | 94,649,465.48 | 94,089,727.52 | 93,571,191.51 | 93,069,702.43 | 92,607,779.42 | 92,169,588.89 |
| Total MACRS Depreciation | | | | | | | | | | | | |
| Begin Balance | | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | | (3,912,894.72) | (3,961,115.37) | (4,010,755.01) | (4,061,846.25) | (4,114,421.12) | (4,168,512.82) | (4,283,301.64) | (4,353,323.76) | (4,425,888.72) | (4,501,071.52) | (4,578,948.52) |
| Retirements | | 241,198.00 | 244,121.00 | 247,087.00 | 250,092.00 | 253,137.00 | 256,225.00 | 237,708.00 | 241,488.00 | 245,342.00 | 249,262.00 | 253,253.00 |
| End Balance | | (3,671,696.72) | (3,716,994.37) | (3,763,668.01) | (3,811,754.25) | (3,861,284.12) | (3,912,287.82) | (4,045,593.64) | (4,111,835.76) | (4,180,546.72) | (4,251,809.52) | (4,325,695.52) |
| End Balance Check | | (3,671,696.72) | (3,716,994.37) | (3,763,668.01) | (3,811,754.25) | (3,861,284.12) | (3,912,287.82) | (4,045,593.64) | (4,111,835.76) | (4,180,546.72) | (4,251,809.52) | (4,325,695.52) |
| Net Plant | | | | | | | | | | | | |
| Begin Balance | | 99,589,818.55 | 100,759,775.55 | 101,945,613.55 | 103,147,563.55 | 104,365,868.55 | 105,600,769.55 | 106,852,509.55 | 108,365,572.55 | 109,905,904.55 | 111,474,029.55 | 113,070,493.55 |
| End Balance | | 97,088,078.83 | 98,228,619.18 | 99,383,895.54 | 100,554,114.30 | 101,739,485.43 | 102,940,221.73 | 104,199,778.91 | 105,794,068.79 | 107,293,482.83 | 108,818,684.03 | 110,370,155.03 |
| Tax | | | | | | | | | | | | |
| Book | | (3,912,894.72) | (3,961,115.37) | (4,010,755.01) | (4,061,846.25) | (4,114,421.12) | (4,168,512.82) | (4,283,301.64) | (4,353,323.76) | (4,425,888.72) | (4,501,071.52) | (4,578,948.52) |
| | | (2,286,303.25) | (2,283,004.67) | (2,287,217.35) | (2,276,378.15) | (2,279,905.52) | (2,282,095.13) | (2,302,730.96) | (2,292,559.01) | (2,307,139.08) | (2,299,813.01) | (2,308,944.53) |
| | | (1,626,591.47) | (1,678,110.70) | (1,723,537.66) | (1,785,468.10) | (1,834,515.60) | (1,886,417.69) | (1,980,570.68) | (2,060,764.75) | (2,118,749.64) | (2,201,258.51) | (2,270,003.99) |
| Balance Statement | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| CL as % of Revenues | 347,159.00 | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% |
| Noncurrent Liabilities | | | | | | | | | | | | |
| Long Term Debt, Notes payable, net of current portion | 27,885,149.55 | 27,885,149.55 | 26,955,644.55 | 26,057,123.55 | 25,188,552.55 | 24,348,934.55 | 23,537,303.55 | 22,752,726.55 | 21,994,302.55 | 21,261,159.55 | 20,552,454.55 | 19,867,372.55 |
| Additional Debt | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt Repayment | - | (929,505) | (898,521) | (868,571) | (839,618) | (811,631) | (784,577) | (758,424) | (733,143) | (708,705) | (685,082) | (662,246) |
| Debt Repayment years | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 |
| End Long Term Debt, Notes payable, net of current portion | 27,885,149.55 | 26,955,644.55 | 26,057,123.55 | 25,188,552.55 | 24,348,934.55 | 23,537,303.55 | 22,752,726.55 | 21,994,302.55 | 21,261,159.55 | 20,552,454.55 | 19,867,372.55 | 19,205,126.55 |
| Total noncurrent liabilities | | | | | | | | | | | | |
| Deferred Tax Liabilities | | | | | | | | | | | | |
| Begin Balance | | | 469,923 | 954,729 | 1,452,659 | 1,968,481 | 2,498,473 | 3,043,459 | 3,615,646 | 4,211,001 | 4,823,108 | 5,459,052 |
| Additions to Deferred Asset | | 469,923 | 484,806 | 497,930 | 515,822 | 529,992 | 544,986 | 572,187 | 595,355 | 612,107 | 635,944 | 655,804 |
| Total Deferred Tax Liability | | 469,923 | 954,729 | 1,452,659 | 1,968,481 | 2,498,473 | 3,043,459 | 3,615,646 | 4,211,001 | 4,823,108 | 5,459,052 | 6,114,856 |
| Total Liabilities | | 27,986,109.55 | 27,577,999.55 | 27,213,020.55 | 26,894,942.55 | 26,676,831.55 | 26,450,061.55 | 26,276,901.55 | 26,152,452.55 | 26,110,278.55 | 26,105,223.55 | 26,114,357.55 |
| Equity | | | | | | | | | | | | |
| Proportion of Capital | 72% | | | | | | | | | | | |
| Beginning Equity Capital | 71,704,669 | 71,704,669 | 73,479,093 | 75,322,031 | 77,225,137 | 79,196,117 | 81,929,824 | 84,801,816 | 87,798,396 | 90,940,933 | 94,711,767 | 98,995,905 |
| Additions to Equity (Retained Earnings) | | 1,774,424 | 1,842,938 | 1,903,106 | 1,970,980 | 2,733,707 | 2,871,992 | 2,996,580 | 3,142,537 | 3,770,834 | 4,284,138 | 4,432,407 |
| Deductions from Equity | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Pennsylvania-American Water Company
Exeter Wastewater System
Wastewater System
Potential Purchaser: Investor-Owned Utility
As of January 1, 2018**

| | Base | Periods: | | | | | | | | | | |
|--|------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Ending Equity Capital | | 73,479,093 | 75,322,031 | 77,225,137 | 79,196,117 | 81,929,824 | 84,801,816 | 87,798,396 | 90,940,933 | 94,711,767 | 98,995,905 | 103,428,312 |
| Operating Income | | 4,811,902 | 4,831,031 | 4,841,000 | 4,864,291 | 5,867,141 | 5,994,181 | 6,104,206 | 6,246,454 | 7,069,104 | 7,732,074 | 7,883,667 |
| Return On Equity | | 6.55% | 6.41% | 6.27% | 6.14% | 7.16% | 7.07% | 6.95% | 6.87% | 7.46% | 7.81% | 7.62% |
| Total Liabilities & Stockholders Equity | | 101,465,202 | 102,900,031 | 104,438,157 | 106,091,059 | 108,606,656 | 111,251,877 | 114,075,298 | 117,093,386 | 120,822,045 | 125,101,128 | 129,542,670 |
| Assets less Liabilities & Stockholders Equity | | (2,750,532) | (5,038,406) | (7,414,713) | (9,875,596) | (13,183,060) | (16,602,412) | (19,985,570) | (23,522,194) | (27,752,343) | (32,493,349) | (37,373,081) |
| Capital Expenditures and Changes in Working Capital | | | | | | | | | | | | |
| Capital Expenditures | | 1,411,155.00 | 1,429,959.00 | 1,449,037.00 | 1,468,397.00 | 1,488,038.00 | 1,507,965.00 | 1,750,771.00 | 1,781,820.00 | 1,813,467.00 | 1,845,726.00 | 1,878,610.00 |
| Changes to Working Capital | | | | | | | | | | | | |
| Current Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Current Liabilities | 347,159 | 560,542 | 566,147 | 571,809 | 577,527 | 641,055 | 653,876 | 666,953 | 680,292 | 734,716 | 778,799 | 794,375 |
| Working Capital | (347,159) | (560,542) | (566,147) | (571,809) | (577,527) | (641,055) | (653,876) | (666,953) | (680,292) | (734,716) | (778,799) | (794,375) |
| Changes to Working Capital | | (213,383) | (5,605) | (5,662) | (5,718) | (63,528) | (12,821) | (13,077) | (13,339) | (54,424) | (44,083) | (15,576) |
| CASH FLOW | | | | | | | | | | | | |
| Income from Operations | | 3,713,371 | 3,717,253 | 3,714,945 | 3,722,424 | 4,426,769 | 4,508,619 | 4,578,653 | 4,671,874 | 5,249,193 | 5,713,219 | 5,813,852 |
| Non Cash Expense (depreciation) | | 2,286,303 | 2,283,005 | 2,287,217 | 2,276,378 | 2,279,906 | 2,282,095 | 2,302,731 | 2,292,559 | 2,307,139 | 2,299,813 | 2,308,945 |
| Capital Expenditures | | 1,411,155 | 1,429,959 | 1,449,037 | 1,468,397 | 1,488,038 | 1,507,965 | 1,750,771 | 1,781,820 | 1,813,467 | 1,845,726 | 1,878,610 |
| Change in Working Capital | | (213,383) | (5,605) | (5,662) | (5,718) | (63,528) | (12,821) | (13,077) | (13,339) | (54,424) | (44,083) | (15,576) |
| Net Cash Flows | | 4,801,902 | 4,575,904 | 4,558,787 | 4,536,123 | 5,282,165 | 5,295,570 | 5,143,690 | 5,195,952 | 5,797,289 | 6,211,389 | 6,259,763 |
| Period | | 0.5 | 1.5 | 2.5 | 3.5 | 4.5 | 5.5 | 6.5 | 7.5 | 8.5 | 9.5 | 10.5 |
| PW Factor | | | | | | | | | | | | |
| Discount Rate with growth | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% |
| Discount Rate without growth | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% |
| Period Present Worth Factor (PW) | | 0.966 | 0.901 | 0.841 | 0.784 | 0.732 | 0.683 | 0.637 | 0.594 | 0.554 | 0.517 | 0.482 |
| PW of Cashflow | | 4,638,637 | 4,122,890 | 3,833,940 | 3,556,320 | 3,866,545 | 3,616,874 | 3,276,531 | 3,086,395 | 3,211,698 | 3,211,288 | 3,017,206 |
| Accumulated PW of Cashflows | 99,918,773 | 4,638,637 | 8,761,527 | 12,595,467 | 16,151,787 | 20,018,332 | 23,635,206 | 26,911,737 | 29,998,132 | 33,209,830 | 36,421,118 | 39,438,324 |
| CASH FLOW | | | | | | | | | | | | |
| Income from Operations | | 1,547,260 | 1,548,155 | 1,546,069 | 1,540,952 | 2,240,815 | 2,315,137 | 2,346,620 | 2,410,270 | 2,972,896 | 3,403,905 | 3,480,453 |
| Depreciation | | (3,912,895) | (3,961,115) | (4,010,755) | (4,061,846) | (4,114,421) | (4,168,513) | (4,283,302) | (4,353,324) | (4,425,889) | (4,501,072) | (4,578,949) |
| Capital Expenditures | | 1,411,155 | 1,429,959 | 1,449,037 | 1,468,397 | 1,488,038 | 1,507,965 | 1,750,771 | 1,781,820 | 1,813,467 | 1,845,726 | 1,878,610 |
| Change in Working Capital | | (213,383) | (5,605) | (5,662) | (5,718) | (63,528) | (12,821) | (13,077) | (13,339) | (54,424) | (44,083) | (15,576) |
| Net Cash Flows | | 4,262,383 | 4,084,916 | 4,113,449 | 4,140,119 | 4,930,726 | 4,988,506 | 4,892,228 | 4,995,113 | 5,639,742 | 6,103,334 | 6,196,368 |
| Period | | 0.5 | 1.5 | 2.5 | 3.5 | 4.5 | 5.5 | 6.5 | 7.5 | 8.5 | 9.5 | 10.5 |
| PW Factor | | | | | | | | | | | | |
| Discount Rate with growth | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% |
| Discount Rate without growth | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% |
| Period Present Worth Factor (PW) | | 0.966 | 0.901 | 0.841 | 0.784 | 0.732 | 0.683 | 0.637 | 0.594 | 0.554 | 0.517 | 0.482 |
| PW of Cashflow | | 4,117,462 | 3,680,509 | 3,459,411 | 3,245,853 | 3,609,291 | 3,407,150 | 3,116,349 | 2,967,097 | 3,124,417 | 3,155,424 | 2,986,649 |
| Accumulated PW of Cashflows | 98,579,985 | 4,117,462 | 7,797,971 | 11,257,382 | 14,503,235 | 18,112,526 | 21,519,676 | 24,636,025 | 27,603,122 | 30,727,539 | 33,882,963 | 36,869,612 |
| Rate Case Forecasts | | | | | | | | | | | | |
| Rate Base | | | | | | | | | | | | |
| Plant In Service | | 100,759,775.55 | 101,945,613.55 | 103,147,563.55 | 104,365,868.55 | 105,600,769.55 | 106,852,509.55 | 108,365,572.55 | 109,905,904.55 | 111,474,029.55 | 113,070,493.55 | 114,695,850.55 |
| Accumulated Book Depreciation | | (2,045,105.25) | (4,083,988.92) | (6,124,119.27) | (8,150,405.42) | (10,177,173.94) | (12,203,044.07) | (14,275,845.03) | (16,334,713.04) | (18,404,327.12) | (20,462,714.13) | (22,526,261.66) |
| Working Capital | | (560,542.00) | (566,147.00) | (571,809.00) | (577,527.00) | (641,055.00) | (653,876.00) | (666,953.00) | (680,292.00) | (734,716.00) | (778,799.00) | (794,375.00) |
| Accumulated Deferred Income Tax | | (469,923) | (954,729) | (1,452,659) | (1,968,481) | (2,498,473) | (3,043,459) | (3,615,646) | (4,211,001) | (4,823,108) | (5,459,052) | (6,114,856) |
| Rate Base | | 97,684,205.30 | 96,340,748.63 | 94,998,976.28 | 93,669,453.13 | 92,284,067.61 | 90,952,130.48 | 89,807,128.52 | 88,679,898.51 | 87,511,878.43 | 86,369,928.42 | 85,260,357.89 |
| Revenues | | 9,664,515.00 | 9,761,160.00 | 9,858,772.00 | 9,957,360.00 | 11,052,670.00 | 11,273,723.00 | 11,499,197.00 | 11,729,181.00 | 12,667,515.00 | 13,427,566.00 | 13,696,117.00 |
| O&M Expenses | | 2,566,310.00 | 2,647,124.00 | 2,730,555.00 | 2,816,691.00 | 2,905,623.00 | 2,997,447.00 | 3,092,260.00 | 3,190,168.00 | 3,291,272.00 | 3,395,679.00 | 3,503,505.00 |
| Book Depreciation | | 2,286,303.25 | 2,283,004.67 | 2,287,217.35 | 2,276,378.15 | 2,279,905.52 | 2,282,095.13 | 2,302,730.96 | 2,292,559.01 | 2,307,139.08 | 2,299,813.01 | 2,308,944.53 |
| Ratemaking Interest Expense | | 1,009,442.00 | 975,794.00 | 943,268.00 | 911,826.00 | 881,431.00 | 852,050.00 | 823,649.00 | 796,194.00 | 769,654.00 | 743,999.00 | 719,199.00 |
| Book Income (Current+Deferred) | | 3,802,459.75 | 3,855,237.33 | 3,897,731.65 | 3,952,464.85 | 4,985,710.48 | 5,142,130.87 | 5,280,449.92 | 5,450,259.99 | 6,299,449.92 | 6,988,074.99 | 7,164,468.47 |
| State & Federal Taxes @ 28.89% | | 1,098,531.00 | 1,113,778.00 | 1,126,055.00 | 1,141,867.00 | 1,440,372.00 | 1,485,562.00 | 1,525,553.00 | 1,574,580.00 | 1,819,911.00 | 2,018,855.00 | 2,069,815.00 |
| Net Operating Income | | 3,713,370.75 | 3,717,253.33 | 3,714,944.65 | 3,722,423.85 | 4,426,769.48 | 4,508,618.87 | 4,578,653.04 | 4,671,873.99 | 5,249,192.92 | 5,713,218.99 | 5,813,852.47 |

**Pennsylvania-American Water Company
Exeter Wastewater System
Wastewater System
Potential Purchaser: Investor-Owned Utility
As of January 1, 2018**

| Base | Periods: | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|------------------------|---|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Income from Operations | Income from Operations | 3,713,371 | 3,717,253 | 3,714,945 | 3,722,424 | 4,426,769 | 4,508,619 | 4,578,653 | 4,671,874 | 5,249,193 | 5,713,219 | 5,813,852 |
| Return on Rate Base | Return on Rate Base | 3.80% | 3.86% | 3.91% | 3.97% | 4.80% | 4.96% | 5.10% | 5.27% | 6.00% | 6.61% | 6.82% |
| Required Return | Required Return | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% |
| Authorized Return | Authorized Return | 6,749,979 | 6,657,146 | 6,564,429 | 6,472,559 | 6,376,829 | 6,284,792 | 6,205,673 | 6,127,781 | 6,047,071 | 5,968,162 | 5,891,491 |
| After-tax Net Income | After-tax Net Income | 2,703,929 | 2,741,459 | 2,771,677 | 2,810,598 | 3,545,338 | 3,656,569 | 3,755,004 | 3,875,680 | 4,479,539 | 4,969,220 | 5,094,653 |
| Taxes | Taxes | 1,098,531 | 1,113,778 | 1,126,055 | 1,141,867 | 1,440,372 | 1,485,562 | 1,525,553 | 1,574,580 | 1,819,911 | 2,018,855 | 2,069,815 |
| Pre-tax Net Income | Pre-tax Net Income | 3,802,460 | 3,855,237 | 3,897,732 | 3,952,465 | 4,985,710 | 5,142,131 | 5,280,557 | 5,450,260 | 6,299,450 | 6,988,075 | 7,164,468 |
| Interest Expense | Interest Expense | (1,009,442) | (975,794) | (943,268) | (911,826) | (881,431) | (852,050) | (823,649) | (796,194) | (769,654) | (743,999) | (719,199) |
| Operating Income | Operating Income | 4,811,902 | 4,831,031 | 4,841,000 | 4,864,291 | 5,867,141 | 5,994,181 | 6,104,206 | 6,246,454 | 7,069,104 | 7,732,074 | 7,883,667 |
| Operating Expenses | Operating Expenses | 4,852,613 | 4,930,129 | 5,017,772 | 5,093,069 | 5,185,529 | 5,279,542 | 5,394,991 | 5,482,727 | 5,598,411 | 5,695,492 | 5,812,450 |
| Revenue Requirement | Revenue Achieved | 9,664,515 | 9,761,160 | 9,858,772 | 9,957,360 | 11,052,670 | 11,273,723 | 11,499,197 | 11,729,181 | 12,667,515 | 13,427,566 | 13,696,117 |
| Required Return | Required Return | 6,749,979 | 6,657,146 | 6,564,429 | 6,472,559 | 6,376,829 | 6,284,792 | 6,205,673 | 6,127,781 | 6,047,071 | 5,968,162 | 5,891,491 |
| Operating Expenses | Operating Expenses | 4,852,613 | 4,930,129 | 5,017,772 | 5,093,069 | 5,185,529 | 5,279,542 | 5,394,991 | 5,482,727 | 5,598,411 | 5,695,492 | 5,812,450 |
| Revenue Requirement | Revenue Requirement | 11,602,592 | 11,587,275 | 11,582,201 | 11,565,628 | 11,562,358 | 11,564,334 | 11,600,664 | 11,610,508 | 11,645,482 | 11,663,654 | 11,703,941 |
| Required Rate Increase | Required Rate Increase | 20.05% | 18.71% | 17.48% | 16.15% | 4.61% | 2.58% | 0.88% | -1.01% | -8.07% | -13.14% | -14.55% |
| Proposed Rate Increase | Period | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| | Proposed Rate Increase | 29% | 0% | 0% | 0% | 6% | 0% | 0% | 0% | 6% | 0% | 0% |
| | Rate Increase Scenario | 4 | 29% | 0% | 0% | 6% | 0% | 0% | 0% | 6% | 0% | 0% |
| | No Rate Increase (Input 2) | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 106,363,321.00 | 29% period 0; No Modest Rate Increase (Input 4) | 3 | 29% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| | Modest Rate Increase (Input 4) | 4 | 29.0% | 0.0% | 0.0% | 0.0% | 6.0% | 0.0% | 0.0% | 6.0% | 0.0% | 0.0% |
| | Modest Rate Inc Required Rate Increase (Input 6) | 5 | 29.0% | 0.0% | 0.0% | 12.0% | 0.0% | 13.0% | 0.0% | 10.0% | 0.0% | 11.0% |
| | Required Rate Increases: 29% period 1; 12% period 4; 10% period 8; 9% period 12; 9% period 16; 9% period 20 (Input 6) | 6 | 29.0% | 0.0% | 0.0% | 12.0% | 0.0% | 13.0% | 0.0% | 10.0% | 0.0% | 11.0% |
| | | 4 | 0.0% | 0.0% | 0.0% | 7.5% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

**Pennsylvania-American Water Company
Exeter Wastewater System
Wastewater System
Potential Purchaser: Investor-Owned Utility
As of January 1, 2018**

| | Base | Periods: | | | | | | | | | | Average |
|---|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|---------|
| | | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | | |
| Begin Balance | | 114,695,850.55 | 116,350,664.55 | 118,035,513.55 | 119,750,986.55 | 121,497,682.55 | 122,910,311.55 | 124,343,188.55 | 125,796,624.55 | 127,270,932.55 | | |
| Additions | | 1,912,130.00 | 1,946,302.00 | 1,981,137.00 | 2,016,650.00 | 1,686,951.00 | 1,710,730.00 | 1,734,870.00 | 1,759,376.00 | 1,784,260.00 | | |
| Retirements | | (257,316.00) | (261,453.00) | (265,664.00) | (269,954.00) | (274,322.00) | (277,853.00) | (281,434.00) | (285,068.00) | (288,752.00) | | |
| End Balance | 99,589,818.55 | 116,350,664.55 | 118,035,513.55 | 119,750,986.55 | 121,497,682.55 | 122,910,311.55 | 124,343,188.55 | 125,796,624.55 | 127,270,932.55 | 128,766,440.55 | | |
| End Balance Check | | 116,350,664.55 | 118,035,513.55 | 119,750,986.55 | 121,497,682.55 | 122,910,311.55 | 124,343,188.55 | 125,796,624.55 | 127,270,932.55 | 128,766,440.55 | | |
| Book Depreciation of Property, Plant, & Equipment | | | | | | | | | | | | |
| Total Book Depreciation | | | | | | | | | | | | |
| Begin Balance | | (22,526,261.66) | (24,581,974.01) | (26,645,495.54) | (28,717,536.87) | (30,784,366.22) | (32,854,424.07) | (34,907,418.05) | (36,970,651.88) | (39,048,379.59) | | |
| Depreciation | | (2,305,153.35) | (2,317,079.53) | (2,329,790.33) | (2,328,849.35) | (2,336,425.85) | (2,322,872.98) | (2,336,673.83) | (2,354,781.71) | (2,338,566.38) | | |
| Retirements | | 249,441.00 | 253,558.00 | 257,749.00 | 262,020.00 | 266,368.00 | 269,879.00 | 273,440.00 | 277,054.00 | 280,718.00 | | |
| End Balance | | (24,581,974.01) | (26,645,495.54) | (28,717,536.87) | (30,784,366.22) | (32,854,424.07) | (34,907,418.05) | (36,970,651.88) | (39,048,379.59) | (41,106,227.97) | | |
| End Balance Check | | (24,581,974.01) | (26,645,495.54) | (28,717,536.87) | (30,784,366.22) | (32,854,424.07) | (34,907,418.05) | (36,970,651.88) | (39,048,379.59) | (41,106,227.97) | | |
| Net Plant | | | | | | | | | | | | |
| Begin Balance | | 92,169,588.89 | 91,768,690.54 | 91,390,018.01 | 91,033,449.68 | 90,713,316.33 | 90,055,887.48 | 89,435,770.50 | 88,825,972.67 | 88,222,552.96 | | |
| End Balance | | 91,768,690.54 | 91,390,018.01 | 91,033,449.68 | 90,713,316.33 | 90,055,887.48 | 89,435,770.50 | 88,825,972.67 | 88,222,552.96 | 87,660,212.58 | | |
| Total Asset | | 91,768,690.54 | 91,390,018.01 | 91,033,449.68 | 90,713,316.33 | 90,055,887.48 | 89,435,770.50 | 88,825,972.67 | 88,222,552.96 | 87,660,212.58 | | |
| Tax Depreciation of Property, Plant, & Equipment | | | | | | | | | | | | |
| Total MACRS Depreciation | | | | | | | | | | | | |
| Begin Balance | | - | - | - | - | - | - | - | - | - | | |
| Depreciation | | (4,659,596.58) | (4,730,149.03) | (4,816,514.15) | (4,905,898.35) | (4,764,209.95) | (4,836,367.31) | (4,841,728.81) | (4,847,193.39) | (4,923,552.27) | | |
| Retirements | | 257,316.00 | 261,453.00 | 265,664.00 | 269,954.00 | 274,322.00 | 277,853.00 | 281,434.00 | 285,068.00 | 288,752.00 | | |
| End Balance | | (4,402,280.58) | (4,468,696.03) | (4,550,850.15) | (4,635,944.35) | (4,489,887.95) | (4,558,514.31) | (4,560,294.81) | (4,562,125.39) | (4,634,800.27) | | |
| End Balance Check | | (4,402,280.58) | (4,468,696.03) | (4,550,850.15) | (4,635,944.35) | (4,489,887.95) | (4,558,514.31) | (4,560,294.81) | (4,562,125.39) | (4,634,800.27) | | |
| Net Plant | | | | | | | | | | | | |
| Begin Balance | | 114,695,850.55 | 116,350,664.55 | 118,035,513.55 | 119,750,986.55 | 121,497,682.55 | 122,910,311.55 | 124,343,188.55 | 125,796,624.55 | 127,270,932.55 | | |
| End Balance | | 111,948,383.97 | 113,566,817.52 | 115,200,136.40 | 116,861,738.20 | 118,420,423.60 | 119,784,674.24 | 121,236,329.74 | 122,708,807.16 | 124,131,640.28 | | |
| Tax | | | | | | | | | | | | |
| Book | | (4,659,596.58) | (4,730,149.03) | (4,816,514.15) | (4,905,898.35) | (4,764,209.95) | (4,836,367.31) | (4,841,728.81) | (4,847,193.39) | (4,923,552.27) | | |
| | | (2,305,153.35) | (2,317,079.53) | (2,329,790.33) | (2,328,849.35) | (2,336,425.85) | (2,322,872.98) | (2,336,673.83) | (2,354,781.71) | (2,338,566.38) | | |
| | | (2,354,443.23) | (2,413,069.50) | (2,486,723.82) | (2,577,049.00) | (2,427,784.10) | (2,513,494.33) | (2,505,054.98) | (2,492,411.68) | (2,584,985.89) | | |
| Balance Statement | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| CL as % of Revenues | 347,159.00 | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | 5.80% | | |
| Noncurrent Liabilities | | | | | | | | | | | | |
| Long Term Debt, Notes payable, net of current portion | 27,885,149.55 | 19,205,126.55 | 18,564,955.55 | 17,946,123.55 | 17,347,919.55 | 16,769,655.55 | 16,210,666.55 | 15,670,310.55 | 15,147,966.55 | 14,643,034.55 | | |
| Additional Debt | - | - | - | - | - | - | - | - | - | - | | |
| Debt Repayment | - | (640,171) | (618,832) | (598,204) | (578,264) | (558,989) | (540,356) | (522,344) | (504,932) | (488,101) | | |
| Debt Repayment years | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | | |
| End Long Term Debt, Notes payable, net of current portion | 27,885,149.55 | 18,564,955.55 | 17,946,123.55 | 17,347,919.55 | 16,769,655.55 | 16,210,666.55 | 15,670,310.55 | 15,147,966.55 | 14,643,034.55 | 14,154,933.55 | | |
| Total noncurrent liabilities | | | | | | | | | | | | |
| Deferred Tax Liabilities | | | | | | | | | | | | |
| Begin Balance | | 6,114,856 | 6,795,054 | 7,492,190 | 8,210,605 | 8,955,114 | 9,656,500 | 10,382,649 | 11,106,359 | 11,826,417 | | |
| Additions to Deferred Asset | | 680,198 | 697,136 | 718,415 | 744,509 | 701,386 | 726,149 | 723,710 | 720,058 | 746,803 | | |
| Total Deferred Tax Liability | | 6,795,054 | 7,492,190 | 8,210,605 | 8,955,114 | 9,656,500 | 10,382,649 | 11,106,359 | 11,826,417 | 12,573,220 | | |
| Total Liabilities | | 26,170,271.55 | 26,313,396.55 | 26,451,109.55 | 26,670,909.55 | 26,813,306.55 | 27,055,867.55 | 27,257,233.55 | 27,472,359.55 | 27,771,178.55 | | |
| Equity | | | | | | | | | | | | |
| Proportion of Capital | 72% | | | | | | | | | | | |
| Beginning Equity Capital | 71,704,669 | 103,428,312 | 108,018,136 | 113,350,238 | 118,839,962 | 124,935,044 | 130,968,768 | 137,648,051 | 144,253,262 | 150,777,090 | | |
| Additions to Equity (Retained Earnings) | | 4,589,824 | 5,332,102 | 5,489,724 | 6,095,082 | 6,033,724 | 6,679,283 | 6,605,211 | 6,523,828 | 6,954,369 | | |
| Deductions from Equity | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |

**Pennsylvania-American Water Company
Exeter Wastewater System
Wastewater System
Potential Purchaser: Investor-Owned Utility
As of January 1, 2018**

| | Base | Periods: | | | | | | | | | | Average |
|--|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--|---------|
| | | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | | |
| Ending Equity Capital | | 108,018,136 | 113,350,238 | 118,839,962 | 124,935,044 | 130,968,768 | 137,648,051 | 144,253,262 | 150,777,090 | 157,731,459 | | |
| Operating Income | | 8,050,021 | 9,040,683 | 9,210,933 | 10,012,534 | 9,878,209 | 10,739,602 | 10,590,546 | 10,432,705 | 10,996,215 | | |
| Return On Equity | | 7.45% | 7.98% | 7.75% | 8.01% | 7.54% | 7.80% | 7.34% | 6.92% | 6.97% | | |
| Total Liabilities & Stockholders Equity | | 134,188,408 | 139,663,635 | 145,291,072 | 151,605,953 | 157,782,074 | 164,703,919 | 171,510,496 | 178,249,450 | 185,502,638 | | |
| Assets less Liabilities & Stockholders Equity | | (42,419,717) | (48,273,617) | (54,257,622) | (60,892,637) | (67,726,187) | (75,268,148) | (82,684,523) | (90,026,897) | (97,842,425) | | |
| Capital Expenditures and Changes in Working Capital | | | | | | | | | | | | |
| Capital Expenditures | | 1,912,130.00 | 1,946,302.00 | 1,981,137.00 | 2,016,650.00 | 1,686,951.00 | 1,710,730.00 | 1,734,870.00 | 1,759,376.00 | 1,784,260.00 | | |
| Changes to Working Capital | | - | - | - | - | - | - | - | - | - | | |
| Current Assets | | - | - | - | - | - | - | - | - | - | | |
| Current Liabilities | 347,159 | 810,262 | 875,083 | 892,585 | 946,140 | 946,140 | 1,002,908 | 1,002,908 | 1,002,908 | 1,043,025 | | |
| Working Capital | (347,159) | (810,262) | (875,083) | (892,585) | (946,140) | (946,140) | (1,002,908) | (1,002,908) | (1,002,908) | (1,043,025) | | |
| Changes to Working Capital | | (15,887) | (64,821) | (17,502) | (53,555) | - | (56,768) | - | - | (40,117) | | |
| CASH FLOW | | | | | | | | | | | | |
| Income from Operations | | 5,925,221 | 6,622,985 | 6,737,578 | 7,301,341 | 7,199,775 | 7,806,465 | 7,694,820 | 7,577,116 | 7,972,548 | | |
| Non Cash Expense (depreciation) | | 2,305,153 | 2,317,080 | 2,329,790 | 2,328,849 | 2,336,426 | 2,322,873 | 2,336,674 | 2,354,782 | 2,338,566 | | |
| Capital Expenditures | | 1,912,130 | 1,946,302 | 1,981,137 | 2,016,650 | 1,686,951 | 1,710,730 | 1,734,870 | 1,759,376 | 1,784,260 | | |
| Change in Working Capital | | (15,887) | (64,821) | (17,502) | (53,555) | - | (56,768) | - | - | (40,117) | | |
| Net Cash Flows | | 6,334,131 | 7,058,584 | 7,103,733 | 7,667,095 | 7,849,250 | 8,475,376 | 8,296,624 | 8,172,522 | 8,566,971 | | |
| Period | | 11.5 | 12.5 | 13.5 | 14.5 | 15.5 | 16.5 | 17.5 | 18.5 | 19.5 | | |
| PW Factor | | | | | | | | | | | | |
| Discount Rate with growth | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | | |
| Discount Rate without growth | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | | |
| Period Present Worth Factor (PW) | | 0.45 | 0.42 | 0.392 | 0.365 | 0.341 | 0.318 | 0.297 | 0.277 | 0.258 | | |
| PW of Cashflow | | 2,850,359 | 2,964,605 | 2,784,663 | 2,798,490 | 2,676,594 | 2,695,170 | 2,464,097 | 2,263,789 | 38,982,682 | | |
| Accumulated PW of Cashflows | 99,918,773 | 42,288,683 | 45,253,288 | 48,037,951 | 50,836,441 | 53,513,035 | 56,208,205 | 58,672,302 | 60,936,091 | 99,918,773 | | |
| CASH FLOW | | | | | | | | | | | | |
| Income from Operations | | 3,555,749 | 4,235,001 | 4,319,619 | 4,840,806 | 4,866,315 | 5,432,294 | 5,346,210 | 5,256,407 | 5,604,287 | | |
| Depreciation | | (4,659,597) | (4,730,149) | (4,816,514) | (4,905,898) | (4,764,210) | (4,836,367) | (4,841,729) | (4,847,193) | (4,923,552) | | |
| Capital Expenditures | | 1,912,130 | 1,946,302 | 1,981,137 | 2,016,650 | 1,686,951 | 1,710,730 | 1,734,870 | 1,759,376 | 1,784,260 | | |
| Change in Working Capital | | (15,887) | (64,821) | (17,502) | (53,555) | - | (56,768) | - | - | (40,117) | | |
| Net Cash Flows | | 6,319,103 | 7,083,669 | 7,172,498 | 7,783,609 | 7,943,574 | 8,614,699 | 8,453,069 | 8,344,224 | 8,783,696 | | |
| Period | | 11.5 | 12.5 | 13.5 | 14.5 | 15.5 | 16.5 | 17.5 | 18.5 | 19.5 | | |
| PW Factor | | | | | | | | | | | | |
| Discount Rate with growth | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | 7.19% | | |
| Discount Rate without growth | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | 5.67% | | |
| Period Present Worth Factor (PW) | | 0.45 | 0.42 | 0.392 | 0.365 | 0.341 | 0.318 | 0.297 | 0.277 | 0.258 | | |
| PW of Cashflow | | 2,843,596 | 2,975,141 | 2,811,619 | 2,841,017 | 2,708,759 | 2,739,474 | 2,510,561 | 2,311,350 | 39,968,856 | | |
| Accumulated PW of Cashflows | 98,579,985 | 39,713,208 | 42,688,349 | 45,499,968 | 48,340,985 | 51,049,744 | 53,789,218 | 56,299,779 | 58,611,129 | 98,579,985 | | |

| Rate Case Forecasts | Rate Case Forecasts | | | | | | | | | | |
|---------------------------------|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| Rate Base | Rate Base | | | | | | | | | | |
| Plant In Service | Plant In Service | 116,350,664.55 | 118,035,513.55 | 119,750,986.55 | 121,497,682.55 | 122,910,311.55 | 124,343,188.55 | 125,796,624.55 | 127,270,932.55 | 128,766,440.55 | |
| Accumulated Book Depreciation | Accumulated Book Depreciation | (24,581,974.01) | (26,645,495.54) | (28,717,536.87) | (30,784,366.22) | (32,854,424.07) | (34,907,418.05) | (36,970,651.88) | (39,048,379.59) | (41,106,227.97) | |
| Working Capital | Working Capital | (810,262.00) | (875,083.00) | (892,585.00) | (946,140.00) | (946,140.00) | (1,002,908.00) | (1,002,908.00) | (1,002,908.00) | (1,043,025.00) | |
| Accumulated Deferred Income Tax | Accumulated Deferred Income Tax | (6,795,054) | (7,492,190) | (8,210,605) | (8,955,114) | (9,656,500) | (10,382,649) | (11,106,359) | (11,826,417) | (12,573,220) | |
| Rate Base | Rate Base | 84,163,374.54 | 83,022,745.01 | 81,930,259.68 | 80,812,062.33 | 79,453,247.48 | 78,050,213.50 | 76,716,705.67 | 75,393,227.96 | 74,043,967.58 | |
| Revenues | Revenues | 13,970,039.00 | 15,087,642.00 | 15,389,395.00 | 16,312,759.00 | 16,312,759.00 | 17,291,525.00 | 17,291,525.00 | 17,291,525.00 | 17,983,186.00 | |
| O&M Expenses | O&M Expenses | 3,614,865.00 | 3,729,879.00 | 3,846,672.00 | 3,971,376.00 | 4,098,124.00 | 4,229,050.00 | 4,364,305.00 | 4,504,038.00 | 4,648,405.00 | |
| Book Depreciation | Book Depreciation | 2,305,153.35 | 2,317,079.53 | 2,329,790.33 | 2,328,849.35 | 2,336,425.85 | 2,322,872.98 | 2,336,673.83 | 2,354,781.71 | 2,338,566.38 | |
| Ratemaking Interest Expense | Ratemaking Interest Expense | 695,226.00 | 672,051.00 | 649,650.00 | 627,995.00 | 607,062.00 | 586,826.00 | 567,365.00 | 548,356.00 | 530,078.00 | |
| Book Income (Current+Deferred) | Book Income (Current+Deferred) | 7,354,794.65 | 8,368,632.47 | 8,561,282.67 | 9,384,538.65 | 9,271,147.15 | 10,152,776.02 | 10,023,281.17 | 9,884,349.29 | 10,466,136.62 | |
| State & Federal Taxes @ 28.89% | State & Federal Taxes @ 28.89% | 2,124,800.00 | 2,417,698.00 | 2,473,355.00 | 2,711,193.00 | 2,678,434.00 | 2,933,137.00 | 2,895,726.00 | 2,855,589.00 | 3,023,667.00 | |
| Net Operating Income | Net Operating Income | 5,925,220.65 | 6,622,985.47 | 6,737,577.67 | 7,301,340.65 | 7,199,775.15 | 7,806,465.02 | 7,694,820.17 | 7,577,116.29 | 7,972,547.62 | |

**Pennsylvania-American Water Company
Exeter Wastewater System
Wastewater System
Potential Purchaser: Investor-Owned Utility
As of January 1, 2018**

| Base | Periods: | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Average |
|--|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------|
| Income from Operations | Income from Operations | 5,925,221 | 6,622,985 | 6,737,578 | 7,301,341 | 7,199,775 | 7,806,465 | 7,694,820 | 7,577,116 | 7,972,548 | |
| Return on Rate Base | Return on Rate Base | 7.04% | 7.98% | 8.22% | 9.03% | 9.06% | 10.00% | 10.03% | 10.05% | 10.77% | |
| Required Return | Required Return | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | 6.91% | |
| Authorized Return | Authorized Return | 5,815,689 | 5,736,872 | 5,661,381 | 5,584,114 | 5,490,219 | 5,393,270 | 5,301,124 | 5,209,672 | 5,116,438 | |
| After-tax Net Income | After-tax Net Income | 5,229,995 | 5,950,934 | 6,087,928 | 6,673,346 | 6,592,713 | 7,219,639 | 7,127,555 | 7,028,760 | 7,442,470 | |
| Taxes | Taxes | 2,124,800 | 2,417,698 | 2,473,355 | 2,711,193 | 2,678,434 | 2,933,137 | 2,895,726 | 2,855,589 | 3,023,667 | |
| Pre-tax Net Income | Pre-tax Net Income | 7,354,795 | 8,368,632 | 8,561,283 | 9,384,539 | 9,271,147 | 10,152,776 | 10,023,281 | 9,884,349 | 10,466,137 | |
| Interest Expense | Interest Expense | 695,226 | 672,051 | 649,650 | 627,995 | 607,062 | 586,826 | 567,265 | 548,356 | 530,078 | |
| Operating Income | Operating Income | 8,050,021 | 9,040,683 | 9,210,933 | 10,012,534 | 9,878,209 | 10,739,602 | 10,590,546 | 10,432,705 | 10,996,215 | |
| Operating Expenses | Operating Expenses | 5,920,018 | 6,046,959 | 6,178,462 | 6,300,225 | 6,434,550 | 6,551,923 | 6,700,979 | 6,858,820 | 6,986,971 | |
| Revenue Requirement | Revenue Requirement | 13,970,039 | 15,087,642 | 15,389,395 | 16,312,759 | 16,312,759 | 17,291,525 | 17,291,525 | 17,291,525 | 17,983,186 | |
| Required Return | Required Return | 5,815,689 | 5,736,872 | 5,661,381 | 5,584,114 | 5,490,219 | 5,393,270 | 5,301,124 | 5,209,672 | 5,116,438 | |
| Operating Expenses | Operating Expenses | 5,920,018 | 6,046,959 | 6,178,462 | 6,300,225 | 6,434,550 | 6,551,923 | 6,700,979 | 6,858,820 | 6,986,971 | |
| Revenue Requirement | Revenue Requirement | 11,735,707 | 11,783,831 | 11,839,843 | 11,884,339 | 11,924,769 | 11,945,193 | 12,002,103 | 12,068,492 | 12,103,409 | |
| Required Rate Increase | Required Rate Increase | -15.99% | -21.90% | -23.06% | -27.15% | -26.90% | -30.92% | -30.59% | -30.21% | -32.70% | |
| Proposed Rate Increase | Proposed Rate Increase | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
| Rate Increase | Rate Increase | 0% | 6% | 0% | 0% | 0% | 6% | 0% | 0% | 0% | |
| Scenario | Scenario | 4 | 0% | 6% | 0% | 0% | 6% | 0% | 0% | 0% | |
| No Rate Increase (Input 2) | No Rate Increase (Input 2) | 0 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 29% period 0; No Modest Rate Increase (Input 4) | 29% period 0; No Modest Rate Increase (Input 4) | 2 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Modest Rate Increase (Input 4) | Modest Rate Increase (Input 4) | 3 | | | | | | | | | |
| Modest Rate Inc Required Rate Increase (Input 6) | Modest Rate Inc Required Rate Increase (Input 6) | 4 | 0.0% | 6.0% | 0.0% | 0.0% | 0.0% | 6.0% | 0.0% | 0.0% | 0.0% |
| Required Rate Increases: 29% period | Required Rate Increases: 29% period | 5 | | | | | | | | | |
| | | 6 | 9.0% | 0.0% | 0.0% | 0.0% | 10.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | | 4 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

106,363,321.00