

RECEIVED

2020 SEP 30 PM 5:02

IDAHO PUBLIC
UTILITIES COMMISSION

Michael C. Creamer (ISB No. 4030)
Preston N. Carter (ISB No. 8462)
Givens Pursley LLP
601 W. Bannock St.
Boise, ID 83702
Telephone: (208) 388-1200
Facsimile: (208) 388-1300
mcc@givenspursley.com
prestoncarter@givenspursley.com

Attorneys for SUEZ Water Idaho Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION
OF SUEZ WATER IDAHO INC. FOR
AUTHORITY TO INCREASE ITS RATES
AND CHARGES FOR WATER SERVICE
IN THE STATE OF IDAHO

Case No. SUZ-W-20-02

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

DIRECT TESTIMONY OF GARY S. PRETTYMAN

SEPTEMBER 2020

1 **INTRODUCTION**

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

3 A. My name is Gary S. Prettyman and I am Senior Director Regulatory
4 Business at SUEZ Water Management & Services Company. I am
5 testifying on behalf of SUEZ Water Idaho, Inc. (SWID) in this case. My
6 business address is SUEZ Water Management & Services, 461 From
7 Road, Suite 400, Paramus, NJ 07652.

8 **Q. Please summarize your educational background and professional
9 experience.**

10 A. I have over 41 years' experience in water and wastewater utility
11 management and regulatory practice including all aspects of rate increase
12 applications. I have testified before regulatory commissions on accounting
13 issues, tariff design, and company policy in numerous proceedings. Since
14 2012, I have been employed by SUEZ Water to provide assistance and
15 supervision in the preparation and filing of various types of regulatory
16 applications, including base rate proceedings. The details of my
17 professional experience and educational background are shown in
18 Appendix A supplementing this testimony.

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

20 A. The purpose of my testimony is to support the Cost of Service Study
21 which I prepared for this proceeding.

22 **COST OF SERVICE STUDY & PROPOSED RATE DESIGN**

23 **Q. Please briefly address the purpose of a cost of service study.**

1 A. After a utility's overall revenue requirement is determined, the required
2 revenue should be recovered from the utility's various customer classes.
3 The cost of service study provides a basis for allocating revenues to the
4 various classes with the purpose of recovering these revenues from each
5 class. The cost of service study develops the cost of providing water
6 service as well as includes the overall return for each class. This is done
7 by apportioning a utility's expenses and investments to its various
8 customer classes. Customers use water in different amounts at different
9 times thus, a utility's cost to serve different customer classes will vary.
10 The premise of the cost of service study is that each customer class
11 should pay the appropriate costs of serving their class, and, therefore,
12 rates should be developed on equal rates of return, rather than equal
13 rates, for each class.

14 **Q. Please summarize the cost of service study you have completed in**
15 **this rate proceeding.**

16 A. The Company's cost of service study was conducted using a widely used
17 and accepted methodology known as the Base-Extra Capacity method.
18 The first step of this methodology assigns the components of the revenue
19 requirement to various cost functions. The second step allocates the cost
20 functions determined in the first step to the various customer classes,
21 such as residential, commercial, industrial, public authority, sales for
22 resale, and fire protection. If done properly, the resulting calculations
23 should yield a fairly accurate assessment of the cost of providing water

1 service to each class of customer. Once the cost basis has been
2 calculated, the revenue deficiency is determined for each class. Then,
3 monthly customer charges and volumetric rates within each customer
4 class are established by using unit costs.

5 **Q. Does the cost of service by customer class set forth in the study**
6 **reflect the actual Test Year and Test Period data presented in the**
7 **filing?**

8 A. Yes, the elements of the revenue requirement, namely, revenues, rate
9 base and expenses, from SWID's application in this case were utilized to
10 allocate to the various cost functions and class of customer. The customer
11 class factors used to assign maximum day and maximum hour ratios to
12 each class are a blend of standard industry factors plus a factor that
13 calculates maximum day usage by correlating SWID's highest annual
14 maximum water production day within the last ten years.

15 **Q. What is the revenue impact on each of class of customers the**
16 **Company is proposing?**

17 A. **Exhibit No. 14** provides the proposed revenue increases to each of the
18 classes. Present rate revenues were developed and supported by
19 Company Witness Michaelson. The revenue deficiency developed by
20 Company Witness Njuguna is \$10,160,213, which is an increase of 22.3%
21 over present rate revenues.

1 **Q. Please provide an overview of the Exhibit you are sponsoring in the**
2 **filing that support the cost of service study.**

3 A. Exhibit No. 14 supports class cost of service study and consists of six
4 schedules.

5 Schedule A – includes the summary of the study and shows what
6 the relative percentage of revenues by class of customer. The schedule
7 also shows what the relative percent of revenues at present and proposed
8 rates. It also shows by class of customer what the cost of service study
9 increase by class of customer.

10 Schedule B – summarizes revenue deficiency and rate base
11 distribution among customer classes. It also provides the detail on the
12 distribution and allocation of revenues, operating expenses, annual
13 depreciation expense, income taxes, and plant.

14 Schedule C – contains the allocation factors used, information
15 regarding the SWID system water demands, and class ratio factors used
16 to develop the functional allocations.

17 Schedule D – lists the average daily send out and maximum daily
18 usage.

19 Schedule E – allocates fire service.

20 Schedule F – develops what the 5/8" bi-monthly fixed service
21 charge should be of \$28.56.

1 **Q. Please discuss Schedule A, which summarizes the results of the**
2 **class cost of service calculations.**

3 **A. Schedule A** presents the cost of service calculated revenue deficiencies
4 by customer class. The total revenue deficiency represents a 22.3%
5 increase of the revenues required to cover costs associated with serving
6 SWID's customers. The results of the cost of service study suggest that
7 the overall average revenue increase by class should be:

8 Residential - an increase of 24.0%;

9 Commercial – an increase of 13.3%;

10 Public authority – an increase of 29.1%;

11 Private fire – an increase of 74.3%.

12 **Q. Are the proposed rates set forth in Company Witness Michaelson's**
13 **testimony precisely the same as those calculated in the Cost of**
14 **Service Study?**

15 **A.** No. The results of the Cost of Service study are a useful tool, but other
16 factors must be considered when designing rates such as impact on
17 average residential customers, large customers and fire protection.

18 Although the results of the cost of service study would produce
19 various percentage increases, the relative percent to total of each class
20 remains fairly consistent as current rates. Therefore, the Company's
21 proposed rate design maintains an average across the board increase of
22 22.3% to all existing rates. This is consistent with the percent increase
23 methodology from the 2011 and 2015 rate cases.

1 **Q. Please discuss why you believe this proposed revenue increase**
2 **allocation is equitable.**

3 A. I believe that although the overall increase in revenues is large due to the
4 increase in the cost of improvements to facilities, the proposed rates
5 distributes the revenues fairly to all customers.

6 **Q. Is the Company proposing a change to the rate structure reflected in**
7 **the existing tariffs?**

8 A. No.

9 **Q. Does that conclude your direct testimony?**

10 A. Yes, it does.

APPENDIX A

PROFESSIONAL QUALIFICATIONS

OF

GARY S. PRETTYMAN

SUEZ WATER

GARY S. PRETTYMAN
APPENDIX A

Has over forty-one years' experience in water and wastewater utility management and regulatory practices. This includes preparation of all aspects of rate increase application, review of testimony of all witnesses participating in the case, interface with regulatory commission staff and Public Advocate, budgeting, acquisition analysis, bill analysis, legislative review, and compliance with regulatory requirements. Has testified on accounting issues, tariff design, and company policy in numerous regulatory proceedings.

PROFESSIONAL EXPERIENCE

2012 to present

SUEZ Water (previously United Water), Harrington Park, New Jersey. Senior Director Regulatory Business. Responsible for preparation of rate increase application for the subsidiary companies and filing with state regulatory commissions. This includes 10 water and wastewater companies in 6 states. Also involved in other company issues including management planning, accounting, special tariff contracts, various petitions filed with Commissions and acquisitions.

2008 to July 2011

AUS Consultants, Mt. Laurel, New Jersey. Principal and Vice President. Has offered testimony as an expert witness on the subjects of revenue requirements, bill analysis, proof of revenues and tariff design, rate base, accounting, and lead/lag studies. Has also prepared original cost studies and acquisition analysis.

2004 to 2008

Prettyman Consulting, Mt Laurel, New Jersey. President and principal consultant providing rate case and other regulatory services to clients.

2001 to 2004

Elizabethtown Water Company, Westfield, New Jersey. Vice President – Rates and Regulation of Elizabethtown Water Company. Was responsible for all regulatory matters for the subsidiary companies. This includes preparation and filing of rate increase applications with the state regulatory commission, other matters filed with the commission and was liaison with regulatory organizations.

1996 to 2001

AUS Consultants, Mt. Laurel, New Jersey. Vice President responsible primarily for water and wastewater regulatory matters pertaining to rate cases. This includes: preparing all accounting exhibits and supporting testimony, preparing the petition for filing, conducting and/or assisting in settlement negotiations, bill analysis, proof of revenues and tariff design, lead/lag studies and various regulatory and financial matters.

1979 to 1996

American Water Works Company, Inc./New Jersey-American Water Company. Was employed as Director of Rates and Revenue responsible for the preparation of rate increase applications for the subsidiary water companies. Responsible for development of the company's budget function, participated in acquisition of water and/or sewer companies and prepared special projects as required. Was also Assistant Treasurer of subsidiary companies for six years.

Assistant Director of Rates and Revenue. In addition to preparing financial and economic aspects of the rate increase applications, assisted Director in the management, supervision, development, and daily operations of the department and related staff.

GARY S. PRETTYMAN
APPENDIX A

Business Manager for local operating office responsible for the supervision and management of all daily business-related operations of the company.

Revenue Requirement Specialist for American Water Works Service Company. Prepared and supported in testimony financial and economic aspects of the rate increase applications for operating water companies in several states.

Rate Analyst I and II. Prepared financial and economic aspects of rate increase applications for the appropriate witness in the case.

1977 to 1979

Computer Sciences Corporation. Was employed as a Staff Accountant in the Defense System Division. Developed and implemented controls for the division property system and conducted capital budget analysis, property system reconciliation, depreciation schedule, and participated in special projects.

TESTIMONY

I presented testimony to and have been cross-examined before the following regulatory authorities:

Connecticut Department of Public Utility Control
Delaware Public Service Commission
Florida Public Service Commission
Indiana Utility Regulatory Commission
New Jersey Board of Public Utilities
New York Public Service Commission
North Carolina Utilities Commission (submitted only)
State of Rhode Island and Providence Plantations Public Utilities
Commission
State Corporation Commission of Virginia
Public Service Commission of West Virginia (submitted only)

LIST OF CLIENTS SERVED

Adelphia Sewer Company	KH Beacon Hill Sewer, Inc.
Adelphia Water Company	Long Neck Water Company
American Anglian	Mount Holly Water Company
Andover Utility Company	Mountaineer Gas Company
Applied Wastewater Management, Inc.	New Jersey-American Water Company
Aqua Utilities Florida	Papetti Hygrade (Michael Foods, Inc)
Aqua New Jersey	Public Water Supply Company
Aqua North Carolina	Rolling Hills Sewer Company
Bridgeport Hydraulic Company	Borough of South River
Connecticut Natural Gas Company	Sussex Shores Water Company
Consumers New Jersey Water Company	Thames Water Holdings, Inc.
Delaware Assoc. of Alternative Energy Providers	Trenton Water Works
Elizabethtown Water Company	Tidewater Utilities, Inc.
Equitable Gas Company	United Water Arlington Hills Sewerage Co.
Gulf & Southern Resources, LLC	United Water Delaware
Borough of Hamburg	United Water Great George
Kansas City Power and Light	United Water Indiana
	United Water Mid-Atlantic Utilities
	United Water New Jersey

GARY S. PRETTYMAN
APPENDIX A

United Water New Rochelle
United Water Owego
United Water Pennsylvania
United Water Princeton Meadows
United Water Rhode Island
United Water Toms River

United Water Virginia
United Water West Chester
United Water West Milford
Wildwood Water Utility

While employed with American Water Works Company, I participated in over 75 rate proceedings in New Jersey, New York and Connecticut.

PERSONAL

Education:

1976 - Rowan University - B.A. Business Administration/Accounting

Professional Affiliations:

National Association of Water Companies –
Member National Regulatory Committee
Current Treasurer New Jersey Chapter
Past Chairman New Jersey Chapter
Past Chairman Scholarship Committee New Jersey Chapter
Past Member of Regulatory Committee New Jersey Chapter
Past Member of Small Water Companies Committee – National
New Jersey Utilities Association - Past Chairman Rates and Regulation Committee
Current Member Rates and Regulation Committee

Michael C. Creamer (ISB No. 4030)
Preston N. Carter (ISB No. 8462)
Givens Pursley LLP
601 W. Bannock St.
Boise, ID 83702
Telephone: (208) 388-1200
Facsimile: (208) 388-1300
mcc@givenspursley.com
prestoncarter@givenspursley.com

Attorneys for SUEZ Water Idaho Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION
OF SUEZ WATER IDAHO INC. FOR
AUTHORITY TO INCREASE ITS RATES
AND CHARGES FOR WATER SERVICE
IN THE STATE OF IDAHO

Case No. SUZ-W-20-02

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

EXHIBIT 14 TO ACCOMPANY THE
DIRECT TESTIMONY OF GARY PRETTYMAN

SUEZ WATER IDAHO INC.

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED MARCH 31, 2021

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase		Cost of Service	
	Amount (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)	Amount (10)	Percent Increase (10)
Residential	\$ 38,844,103	69.6%	\$ 31,317,536	68.6%	\$ 38,292,291	68.6%	\$ 6,974,755	22.3%	24.0%	24.0%
Commercial	14,721,575	26.4%	12,997,379	28.5%	15,892,036	28.5%	2,894,657	22.3%	13.3%	13.3%
Public Authority	180,989	0.3%	140,164	0.3%	171,383	0.3%	31,219	22.3%	29.1%	29.1%
Private Fire Service	2,031,989	3.6%	1,165,545	2.6%	1,425,127	2.6%	259,582	22.3%	74.3%	74.3%
Total Sales	55,778,655	99.9%	45,620,624	100.0%	55,780,837	100.0%	10,160,213	22.3%	22.3%	22.3%
Other Revenues	\$37,810		\$ 37,810		37,810		-	0.0%		
Total	\$ 55,816,465		\$ 45,658,434		\$ 55,818,647		\$ 10,160,213	22.3%	22.2%	22.2%
Total Revenue Requirement	\$ 55,818,647									
Variance	\$ 2,182									

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Public Authorities (6)	Fire Protection		Public (8)
						Private (7)	Public (8)	
OPERATION AND MAINTENANCE EXPENSES								
SOURCE OF SUPPLY EXPENSES								
Operation Supervision and Engineering - Labor	2	40,667	27,357	13,144	167	0	0	0
Operation Supervision and Engineering - Other	2	71,281	47,951	23,038	292	0	0	0
Operation Supervision and Engineering - Fringe Benefits	2	0	0	0	0	0	0	0
Operation Labor	2	1,681	1,131	543	7	0	0	0
Operation Expense	2	1,459	981	472	6	0	0	0
Operation Fringe Benefits	2	60,471	40,679	19,544	248	0	0	0
Purchased Water	1	198,234	129,605	67,935	694	0	0	0
Miscellaneous	2	620	417	200	3	0	0	0
Rents	2	664	447	215	3	0	0	0
TOTAL SOURCE OF SUPPLY EXPENSE - OPERATION		375,077	248,568	125,090	1,419	0	0	0
Maintenance of Structures and Engineering - Labor	2	22,614	15,212	7,309	93	0	0	0
Maintenance of Structures and Engineering - Other	2	31,214	20,998	10,088	128	0	0	0
Maintenance of Structures and Engineering - Fringe Benefits	2	20,325	13,673	6,589	83	0	0	0
Maintenance of Structures and Engineering - Rivers and Intake	2	0	0	0	0	0	0	0
Maintenance of Wells and Springs - Chemicals	1	11,993	7,841	4,110	42	0	0	0
Maintenance of Wells and Springs	2	50	34	16	0	0	0	0
TOTAL SOURCE OF SUPPLY EXPENSE - MAINTENANCE		86,196	57,757	28,092	346	0	0	0
TOTAL SOURCE OF SUPPLY EXPENSE		461,273	306,325	153,183	1,765	0	0	0
PUMPING EXPENSES								
Operation Supervision and Engineering - Labor	3	15,457	9,736	4,677	59	521	0	462
Operation Supervision and Engineering - Other	3	676	426	205	3	23	0	20
Operation Supervision and Engineering - Fringe Benefits	3	7,300	4,598	2,209	28	246	0	218
Fuel for Power Production - Labor	3	0	0	0	0	0	0	0
Purchased Power	1	0	0	0	0	0	0	0
Fuel for Power Production - Other	3	0	0	0	0	0	0	0
Fuel for Power Production - Fringe Benefits	3	0	0	0	0	0	0	0
Power Production - Labor	3	16,628	10,474	5,032	63	560	0	497
Power Production - Other	3	8,578	5,403	2,596	33	289	0	256
Power Production - Fringe Benefits	3	0	0	0	0	0	0	0
Fuel or Power Purchase for Pumping - Labor	3	0	0	0	0	0	0	0
Fuel or Power Purchase for Pumping - Other	3	0	0	0	0	0	0	0
Fuel or Power Purchase for Pumping - Fringe Benefits	3	0	0	0	0	0	0	0
Fuel or Power Purchase for Pumping - Power Costs	1	1,945,428	1,271,921	666,698	6,809	0	0	0
Fuel or Power Purchase for Pumping - Amort Power Costs	1	269,173	175,985	92,246	942	0	0	0
Fuel or Power Purchase for Pumping - Fringe Benefits	3	0	0	0	0	0	0	0
Pumping Expense - Labor	3	928,621	584,938	281,001	3,529	31,295	0	27,766
Pumping Expense - Other	3	21,917	13,806	6,632	83	739	0	655
Pumping Expense - Fringe Benefits	3	425,177	267,819	128,659	1,616	14,328	0	12,713
Miscellaneous Expenditures	3	36,012	22,684	10,897	137	1,214	0	1,077
TOTAL PUMPING EXPENSE - OPERATION		3,674,967	2,367,791	1,200,851	13,300	49,214	0	43,865
Maintenance Supervision and Engineering - Labor	3	5,848	3,684	1,770	22	197	0	175
Maintenance Supervision and Engineering - Other	3	70	44	21	0	2	0	2
Maintenance Supervision and Engineering - Fringe Benefits	3	6,279	3,955	1,900	24	212	0	188

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Public Authorities	Private	Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maintenance of Structures and Improvements - Labor	3	7,425	4,677	2,247	28	250	222
Maintenance of Structures and Improvements - Other	3	192,469	121,236	58,241	731	6,486	5,755
Maintenance of Structures and Improvements - Fringe Benefits	3	0	0	0	0	0	0
Maintenance of Power Production Equipment - Labor	3	120	76	36	0	4	4
Maintenance of Power Production Equipment - Other	3	66,895	43,397	20,848	262	2,322	2,060
Maintenance of Power Production Equipment - Fringe Benefits	3	64	40	19	0	2	2
Maintenance of Pumping Equipment - Labor	3	161,962	102,020	49,010	615	5,458	4,843
Maintenance of Pumping Equipment - Other	3	83,578	52,646	25,291	318	2,817	2,499
Maintenance of Pumping Equipment - Fringe Benefits	3	84,278	53,087	25,503	320	2,840	2,520
TOTAL PUMPING EXPENSE - MAINTENANCE		610,988	384,861	184,885	2,322	20,590	18,269
TOTAL PUMPING EXPENSES		4,285,955	2,752,652	1,385,735	15,622	69,805	61,933
WATER TREATMENT							
Operation Supervision and Engineering - Labor	2	10,605	7,134	3,428	43	0	0
Operation Supervision and Engineering - Other	2	2,623	1,764	848	11	0	0
Operation Supervision and Engineering - Fringe Benefits	2	313,824	211,109	101,428	1,287	0	0
Chemicals	1	388,763	254,173	133,229	1,361	0	0
Operation Labor and Expense - Labor	2	647,949	435,875	209,417	2,657	0	0
Operation Labor and Expense - Other	2	39,873	26,823	12,887	163	0	0
Operation Labor and Expense - Fringe Benefits	2	124,238	83,575	40,154	509	0	0
Amortization Miscellaneous	2	0	0	0	0	0	0
Miscellaneous Expenses - Labor	2	2,772	1,865	896	11	0	0
Miscellaneous Expenses - Other	2	35,186	23,670	11,372	144	0	0
Miscellaneous Expenses - Fringe Benefits	2	0	0	0	0	0	0
TOTAL WATER TREATMENT EXPENSE - OPERATION		1,565,833	1,045,988	513,658	6,187	0	0
Maintenance of Supervision and Engineering	2	1,116	751	361	5	0	0
Maintenance of Structures and Improvements - Labor	2	23,227	15,625	7,507	95	0	0
Maintenance of Structures and Improvements - Other	2	40,940	27,540	13,232	168	0	0
Maintenance of Structures and Improvements - Lab Testing	2	0	0	0	0	0	0
Maintenance of Structures and Improvements - Fringe Benefits	2	33,957	22,843	10,975	139	0	0
Maintenance of Water Treatment Equipment - Labor	2	41,024	27,597	13,259	168	0	0
Maintenance of Water Treatment Equipment - Other	2	56,081	37,726	18,125	230	0	0
Maintenance of Water Treatment Equipment - Fringe Benefits	2	196,345	132,081	63,459	805	0	0
TOTAL WATER TREATMENT EXPENSE - MAINTENANCE		1,762,178	1,178,070	577,117	6,992	0	0
TRANSMISSION AND DISTRIBUTION EXPENSES							
Operation Supervision and Engineering - Labor	10	31,463	19,724	9,609	120	1,063	947
Operation Supervision and Engineering - Other	10	5,652	3,543	1,726	21	191	170
Operation Supervision and Engineering - Fringe Benefits	10	266,170	166,862	81,288	1,011	8,997	8,012
Storage Facility Expense	5	24,248	13,686	6,465	85	2,124	1,866
Mains Expense - Labor	6	320,883	198,755	94,372	1,219	14,055	12,482
Mains Expense - Other	6	49,672	30,767	14,609	189	2,176	1,932
Mains Expense - Fringe Benefits	6	146,135	95,894	49,686	570	0	0

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Public Authorities	Private	Fire Protection	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
Meter Expense - Other	8	1,419	931	482	6	0	0	0
Meter Expense - Fringe Benefits	8	0	0	0	0	0	0	0
Miscellaneous Expense - Labor	10	11,897	7,458	3,633	45	402	358	0
Miscellaneous Expense - Purchased Power	1	433,559	283,461	148,581	1,517	0	0	0
Miscellaneous Expense - Other	10	34,690	21,747	10,594	132	1,173	1,044	0
Miscellaneous Expense - Fringe Benefits	10	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		1,325,788	842,828	421,045	4,915	30,180	26,832	
Maintenance of Supervision and Engineering	11	3,082	2,004	618	8	284	188	0
Maintenance of Structures and Improvements - Labor	11	1,281	833	257	3	110	78	0
Maintenance of Structures and Improvements - Other	11	1,342	872	269	3	115	82	0
Maintenance of Structures and Improvements - Fringe Benefits	11	430,298	279,737	86,318	1,076	36,920	26,205	0
Maintenance of Distribution Reservoirs and Standpipes	5	166,086	93,739	44,279	581	14,549	12,921	0
Maintenance of T&D Mains - Labor	6	234,137	145,024	68,860	890	10,255	9,108	0
Maintenance of T&D Mains - Other	6	31,538	19,535	9,275	120	1,381	1,227	0
Maintenance of T&D Mains - Fringe	6	0	0	0	0	0	0	0
Maintenance of Services - Labor	9	628,262	459,197	97,506	1,194	70,303	0	0
Maintenance of Services - Other	9	27,373	20,007	4,248	52	3,063	0	0
Maintenance of Services - Fringe Benefits and Other	9	0	0	0	0	0	0	0
Maintenance of Meters - Labor	8	25,821	16,944	8,779	101	0	0	0
Maintenance of Meters - Other	8	(465)	(305)	(158)	(2)	0	0	0
Maintenance of Meters - Fringe Benefits	8	0	0	0	0	0	0	0
Maintenance of Hydrants - Labor	7	35,120	0	0	0	0	0	35,120
Maintenance of Hydrants - Other	7	12,314	0	0	0	0	0	12,314
Maintenance of Hydrants - Fringe Benefits	7	0	0	0	0	0	0	0
Miscellaneous	11	1,596,189	1,037,566	320,251	4,025	136,960	97,243	0
TOTAL T & D EXPENSE - MAINTENANCE		2,921,977	1,880,414	741,296	8,941	167,140	124,075	
CUSTOMER ACCOUNTS								
Supervision - Labor	12	70,658	62,045	6,868	78	1,662	0	0
Transportation Costs - Other	12	0	0	0	0	0	0	0
Supervision - Fringe Benefits	12	683,658	600,496	66,471	752	16,276	0	0
Meter Reading - Labor	13	350,451	315,161	34,905	385	0	0	0
Meter Reading - Other	13	85,086	76,518	8,475	94	0	0	0
Meter Reading - Fringe Benefits	13	0	0	0	0	0	0	0
Customer Records and Collection - Labor	12	1,020,766	896,335	99,218	1,123	24,294	0	0
Customer Records and Collection - Other	12	714,617	627,505	69,461	786	17,008	0	0
Customer Records and Collection - Fringe Benefits	12	(583)	(512)	(57)	(1)	0	0	0
Uncollectible Accounts	12	77,181	67,773	7,502	85	1,837	0	0
Miscellaneous Other	12	0	0	0	0	0	0	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		3,002,034	2,645,319	292,843	3,302	61,083	0	
ADMINISTRATIVE AND GENERAL EXPENSES								
A&G Labor	14	1,384,073	996,193	310,724	3,875	43,875	27,405	0
Fringe Benefits Transferred	16	(3,711,372)	(2,677,013)	(829,863)	(10,392)	(122,475)	(71,629)	0

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Public Authorities (6)	Private (7)	Public (8)
Employee pension cost	16	2,968,509	2,141,186	663,759	8,312	97,961	57,292
Post Retire Health Care Accrue	16	(353,156)	(254,731)	(78,966)	(989)	(11,654)	(6,816)
Employee group health & life	16	1,894,427	1,366,450	423,594	5,304	62,516	36,562
Employee 401K	16	327,767	236,418	73,289	918	10,816	6,326
Other employee benefits	16	9,973	7,194	2,230	28	329	192
Other Awards	16	24,063	17,371	5,385	67	795	465
Materials and Supplis - A&G and Customer Cares	14	11,534	8,318	2,569	32	366	228
Management Fees- Other	14	3,741,646	2,698,475	840,000	10,477	118,610	74,085
Management Fees- Customer Related	12		0	0	0	0	0
Management Fees- Employee related	16		0	0	0	0	0
Contract Services	14	144,744	104,389	32,495	405	4,588	2,866
Rental of Equipment	14	11,473	8,274	2,576	32	364	227
Transportation Expense	14	673,085	485,429	151,108	1,885	21,337	13,327
Insurance - General Liability	14	404,160	291,480	90,734	1,132	12,812	8,002
Insurance -Workman's Compensation	16	94,545	68,195	21,140	265	3,120	1,825
Advertising	14	198,233	142,966	44,503	555	6,284	3,925
Reg. Commission Exp (Amortization)	14	144,639	104,314	32,471	405	4,585	2,864
Bad Debt Write Off	16	885,633	638,807	198,028	2,480	29,226	17,093
Miscellaneous Expenses	14	438,421	316,189	96,426	1,228	13,698	8,681
TOTAL A & G EXPENSE		9,292,417	6,701,905	2,084,221	26,019	297,352	182,920
Total Operation & Maintenance Expenses		21,725,834	15,464,685	5,234,395	62,641	595,380	368,928

Account	Factor Ref.	Cost of Service	Residential	Commercial	Public Authorities	Private	Public
DEPRECIATION EXPENSE							
Water Source Structures	2	171,733	115,525	55,504	704	0	0
Collection and Impounding Reservoirs	1	695	454	238	2	0	0
Lakes, River and Other Intakes	2	49,903	33,570	16,129	205	0	0
Wells & Springs	2	115,412	77,638	37,301	473	0	0
Infiltration Galleries and Tunnels	2		0	0	0	0	0
Supply Mains	2	38691	26,027	12,505	159	0	0
Purification Buildings	2	377,034	253,631	121,857	1,546	0	0
Power Generation Equip	3	149,514	94,179	45,243	568	0	0
Electric Pumping Equipment - Source of Supply	2	1,232,430	829,056	398,321	5,053	5,039	4,470
Power Pumping Equipment - Water Treatment	2		0	0	0	0	0
Power Pumping Equipment - Trans. & Distrib.	3		0	0	0	0	0
T&D Structures and Improvements	6	784,618	527,813	253,589	3,217	0	0
Purification System - Treatment Structures	2	88,174	54,615	25,932	335	3,862	3,430
Distribution Reservoirs and Standpipes	5	230,900	130,320	61,558	808	20,227	17,964
Distribution Mains	4	2,619,084	1,610,999	761,368	9,953	125,192	111,311
Transmission Mains	3		0	0	0	0	0
Services	9	2,006,773	1,466,750	311,451	3,813	224,558	0
Meters	8	920,930	604,314	313,116	3,592	0	0
Hydrants	7	195,160	0	0	0	0	0
Structures and Improvements - General Plant	14	140,867	101,593	31,625	394	4,465	195,160
Office Furniture and Equipment	14	396,657	286,069	89,049	1,111	12,574	2,789
CIS System	12	522,508	458,814	50,788	575	12,436	7,854
Transportation Equipment	14	14,869	10,724	3,338	42	471	0

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Public Authorities (6)	Fire Protection	
						Private (7)	Public (8)
Stores Equipment	14	212	153	48	1	7	4
Tools and work Equipment	14	85,183	61,434	19,124	239	2,700	1,687
Laboratory Equipment	2	6,909	4,648	2,233	28	0	0
Power Operated Equipment	14	15,573	11,231	3,496	44	494	308
Communication Equipment	14	253,004	182,466	56,799	708	8,020	5,009
Miscellaneous Equipment	14	377,328	272,129	84,710	1,057	11,961	7,471
Other Tangible Property	14	0	0	0	0	0	0
Total Depreciation Expense		10,794,161	7,214,151	2,755,322	34,625	432,006	357,753
Amortization of Utility Plant Acquisition	17	20,710	13,225	5,457	68	907	1,052
Amortization of Relocation Exp	16	0	0	0	0	0	0
Amortization-Miscellaneous	14	0	0	0	0	0	0
Amortization of OPEB Costs	16	0	0	0	0	0	0
Amortization of Legal Costs	14	0	0	0	0	0	0
Amort of AFUDC Equity GU	18	0	0	0	0	0	0
Total Amortizations		20,710	13,225	5,457	68	907	1,052

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Public Authorities (6)	Private (7)	Public Protection (8)
Taxes Other Than Income							
Real Estate	18	2,135,524	1,365,881	562,070	7,047	92,895	107,417
Payroll Taxes	16	716,038	516,478	160,106	2,005	23,629	13,820
Franchise Tax	19		0	0	0	0	0
PUC Assessment	19		0	0	0	0	0
Total Taxes, Other Than Income		2,851,562	1,882,359	722,176	9,052	116,525	121,235
Income Taxes							
	18	4,141,413	2,648,848	1,090,020	13,667	180,151	208,313
Utility Income Available for Return		16,284,963	10,415,862	4,286,202	53,740	708,366	819,134
Total Cost of Service		55,818,643	37,639,131	14,093,573	173,793	2,033,365	1,876,416
Less: Other Water Revenues							
Miscellaneous Service Revenue	19	37,810	25,499	9,547	117	1,376	1,270
Fire Hydrant Meter Rental Revenue	19		0	0	0	0	0
Temporary Meter Charge	8		0	0	0	0	0
Total Other Water Revenues		37,810	25,499	9,547	117	1,376	1,270
Total Cost of Service Related to Sales of Water		55,780,833	37,613,632	14,084,026	173,676	2,031,989	1,875,146
Reallocation of Public Fire	20		1,230,471	637,550	7,313	0	(1,875,146)
Total		\$ 55,780,833	\$ 38,844,103	\$ 14,721,575	\$ 180,989	\$ 2,031,989	\$ -

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Public Authorities (6)	Fire Protection		Public (8)
						Private (7)	Public (8)	
RATE BASE								
Organization	17	\$ 87,684	\$ 55,995	\$ 23,105	\$ 289	\$ 3,841	\$ 4,454	
Franchises and Consents	17	\$ 29,825	19,046	7,859	98	1,306	1,515	
Source of Supply - Land and Land Rights	2	9,803,550	6,594,848	3,168,507	40,195	-	-	
Water Source Structures	2	4,743,654	3,191,056	1,533,149	19,449	-	-	
Collection and Impounding Reservoirs	1	40,895	26,737	14,015	143	-	-	
Lakes, River and Other Intakes	2	1,005,728	676,553	325,051	4,123	-	-	
Wells & Springs	2	2,201,984	1,481,275	711,681	9,028	-	-	
Infiltration Galleries and Tunnels	2	(3,809)	(2,562)	(1,231)	(16)	-	-	
Source of Supply - Plant	2	2,087,786	1,404,454	674,772	8,560	-	-	
Water Treatment - Land and Land Rights	2	889,034	598,053	287,336	3,645	-	-	
Purification Buildings	2	9,819,385	6,605,500	3,173,625	40,259	-	-	
Power Generation Equip	3	1,989,934	1,253,459	602,154	7,562	67,061	59,499	
Electric Pumping Equipment - Source of Supply	2	(271,520)	(170,094)	(87,755)	(1,113)	-	-	
Electric Pumping Equipment - Water Treatment	2	2,533,215	1,704,094	818,735	10,386	-	-	
Electric Pumping Equipment - Transmission and Distribution	3	5,841,752	3,879,720	1,767,714	22,199	196,867	174,688	
Purification System - Treatment Structures	2	6,932,096	4,663,221	2,240,453	28,422	-	-	
T&D - Land and Land Rights	6	1,102,452	682,859	324,231	4,189	48,287	42,885	
T&D Structures and Improvements	6	2,472,886	1,531,706	727,276	9,397	108,312	96,195	
Distribution Reservoirs and Standpipes	5	7,086,262	3,999,486	1,889,197	24,802	620,757	551,311	
Distribution Mains	4	55,037,026	33,853,275	15,999,263	209,141	2,630,770	2,339,074	
Transmission Mains	3	-	-	-	-	-	-	
Services	9	34,440,102	25,172,271	5,345,104	65,436	3,853,847	-	
Meters	8	16,172,490	10,612,388	5,498,647	63,073	-	-	
Hydrants	7	5,624,954	0	0	0	0	5,624,954	
General Land and Land Rights	14	213,383	153,892	47,904	597	6,764	4,225	
Office Buildings	14	2,707,999	1,953,009	607,946	7,582	85,844	53,618	
Office Furniture and Equipment	14	710,028	512,072	159,401	1,988	22,508	14,059	
Computer Software	14	985,355	710,638	221,212	2,759	31,236	19,510	
Computer Software-CIS Implementation	14	569,551	410,760	127,864	1,595	18,055	11,277	
Transportation Equipment	14	59,553	42,950	13,370	167	1,888	1,179	
Stores Equipment	14	(378)	(273)	(65)	(1)	(12)	(7)	
Tools and work Equipment	14	742,281	535,333	166,842	2,078	23,530	14,697	
Laboratory Equipment	2	9,627	6,476	3,111	39	0	0	
Power Operated Equipment	14	52,851	38,116	11,865	148	1,675	1,046	
Communication Equipment	14	2,495,979	1,800,100	560,347	6,989	79,123	49,420	
Miscellaneous Equipment	14	78,664	56,732	17,660	220	2,484	1,558	
Other Tangible Property	17	1,576,192	1,006,556	415,327	5,201	69,037	80,071	
Total Utility Plant in Service		179,868,450	114,847,143	47,395,455	598,631	7,873,189	9,145,209	

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Public Authorities (6)	Private (7)	Public (8)
Other Rate Base Items							
Utility Plant Acquisition Adjustment	17	369,691	236,085	97,414	1,220	16,192	18,780
Other- CIAC in CWIP & Amortization, Retirements	17	39,624,750	25,304,365	10,441,122	130,762	1,735,564	2,012,937
Deferred Charges Included in Rate Base	17	4,809,940	3,071,628	1,267,419	15,873	210,875	244,345
Working Capital Allowance	15	3,205,725	2,281,835	772,259	9,287	87,837	54,497
Deferred Income Taxes	17	(9,519,724)	(6,079,296)	(2,508,447)	(31,415)	(416,964)	(483,602)
Total Other Rate Base Elements		38,490,382	24,814,617	10,069,766	125,736	1,633,305	1,846,958
Total Original Cost Measure of Value		\$ 218,358,832	\$ 139,661,760	\$ 57,465,221	\$ 724,367	\$ 9,506,494	\$ 10,992,167

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

Account	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES								
SOURCE OF SUPPLY EXPENSES								
2	40,667	18,569	22,098	0	0	0	0	0
2	71,281	32,547	38,734	0	0	0	0	0
2	0	0	0	0	0	0	0	0
2	1,681	768	913	0	0	0	0	0
2	1,459	666	793	0	0	0	0	0
2	60,471	27,611	32,860	0	0	0	0	0
1	196,234	196,234	0	0	0	0	0	0
2	620	283	337	0	0	0	0	0
2	664	303	361	0	0	0	0	0
	375,077	278,980	96,096	0	0	0	0	0
TOTAL SOURCE OF SUPPLY EXPENSE - OPERATION								
2	22,614	10,326	12,288	0	0	0	0	0
2	31,214	14,252	16,962	0	0	0	0	0
2	20,325	9,280	11,045	0	0	0	0	0
2	0	0	0	0	0	0	0	0
1	11,993	11,993	0	0	0	0	0	0
2	50	23	27	0	0	0	0	0
	86,196	45,874	40,322	0	0	0	0	0
TOTAL SOURCE OF SUPPLY EXPENSE - MAINTENANCE								
	461,273	324,855	136,418	0	0	0	0	0
PUMPING EXPENSES								
3	15,457	6,609	7,865	0	0	0	0	983
3	676	289	344	0	0	0	0	43
3	7,300	3,121	3,714	0	0	0	0	464
3	0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0
3	16,628	7,110	8,460	0	0	0	0	1,058
3	8,578	3,668	4,364	0	0	0	0	546
3	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0
1	1,945,428	1,945,428	0	0	0	0	0	0
1	269,173	269,173	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0
3	928,621	397,078	472,462	0	0	0	0	59,060
3	21,917	9,372	11,151	0	0	0	0	1,394
3	425,177	181,806	216,330	0	0	0	0	27,041
3	36,012	15,399	18,323	0	0	0	0	2,290
	3,674,967	2,839,054	743,034	0	0	0	0	92,879
TOTAL PUMPING EXPENSE - OPERATION								
3	5,848	2,501	2,975	0	0	0	0	372
3	70	30	36	0	0	0	0	4
3	6,279	2,685	3,195	0	0	0	0	399

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

Account	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Maintenance of Structures and Improvements - Labor	3	7,425	3,778	0	0	0	0	472
Maintenance of Structures and Improvements - Other	3	192,469	97,928	0	0	0	0	12,241
Maintenance of Structures and Improvements - Fringe Benefits	3	0	0	0	0	0	0	0
Maintenance of Power Production Equipment - Labor	3	120	61	0	0	0	0	8
Maintenance of Power Production Equipment - Other	3	68,895	35,054	0	0	0	0	4,382
Maintenance of Power Production Equipment - Fringe Benefits	3	64	33	0	0	0	0	4
Maintenance of Pumping Equipment - Labor	3	161,962	82,406	0	0	0	0	10,301
Maintenance of Pumping Equipment - Other	3	83,578	42,524	0	0	0	0	5,316
Maintenance of Pumping Equipment - Fringe Benefits	3	84,278	42,881	0	0	0	0	5,360
TOTAL PUMPING EXPENSE - MAINTENANCE		610,988	310,871	0	0	0	0	38,859
TOTAL PUMPING EXPENSES		4,285,955	1,053,905	0	0	0	0	131,738
WATER TREATMENT								
Operation Supervision and Engineering - Labor	2	10,605	5,763	0	0	0	0	0
Operation Supervision and Engineering - Other	2	2,623	1,425	0	0	0	0	0
Operation Supervision and Engineering - Fringe Benefits	2	313,824	170,532	0	0	0	0	0
Chemicals	1	388,763	0	0	0	0	0	0
Operation Labor and Expense - Labor	2	647,949	352,095	0	0	0	0	0
Operation Labor and Expense - Other	2	39,873	21,667	0	0	0	0	0
Operation Labor and Expense - Lab Testing	2	124,238	67,511	0	0	0	0	0
Operation Labor and Expense - Fringe Benefits	2	0	0	0	0	0	0	0
Amortization Miscellaneous	2	0	0	0	0	0	0	0
Miscellaneous Expenses - Labor	2	2,772	1,506	0	0	0	0	0
Miscellaneous Expenses - Other	2	35,186	19,120	0	0	0	0	0
Miscellaneous Expenses - Fringe Benefits	2	0	0	0	0	0	0	0
TOTAL WATER TREATMENT EXPENSE - OPERATION		1,565,833	639,620	0	0	0	0	0

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

Account	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Maintenance of Supervision and Engineering	2 1,116	510	606	0	0	0	0	0
Maintenance of Structures and Improvements - Labor	2 23,227	10,605	12,622	0	0	0	0	0
Maintenance of Structures and Improvements - Other	2 40,940	18,693	22,247	0	0	0	0	0
Maintenance of Structures and Improvements - Lab Testing	2 0	0	0	0	0	0	0	0
Maintenance of Structures and Improvements - Fringe Benefits	2 33,957	15,505	18,452	0	0	0	0	0
Maintenance of Water Treatment Equipment - Labor	2 41,024	18,732	22,292	0	0	0	0	0
Maintenance of Water Treatment Equipment - Other	2 56,081	25,607	30,474	0	0	0	0	0
Maintenance of Water Treatment Equipment - Fringe Benefits	2 0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - MAINTENANCE	196,345	89,651	106,694	0	0	0	0	0
TOTAL WT EXPENSE	1,762,178	1,015,864	746,314	0	0	0	0	0
TRANSMISSION AND DISTRIBUTION EXPENSES								
Operation Supervision and Engineering - Labor	10 31,463	6,834	3,137	10,921	8,561	0	0	2,010
Operation Supervision and Engineering - Other	10 5,652	1,228	564	1,962	1,538	0	0	361
Operation Supervision and Engineering - Fringe Benefits	10 266,170	57,812	26,537	92,388	72,425	0	0	17,008
Storage Facility Expense	5 24,248	5,621	0	14,617	0	0	0	4,011
Mains Expense - Labor	6 320,883	97,131	46,817	150,366	0	0	0	26,537
Mains Expense - Other	6 49,672	15,036	7,247	23,276	0	0	0	4,108
Mains Expense - Fringe Benefits	6 0	0	0	0	0	0	0	0
Meter Expense - Labor	8 146,135	0	0	0	146,135	0	0	0
Meter Expense - Other	8 1,419	0	0	0	1,419	0	0	0
Meter Expense - Fringe Benefits	8 0	0	0	0	0	0	0	0
Miscellaneous Expense - Labor	10 11,897	2,584	1,186	4,129	3,237	0	0	760
Miscellaneous Expense - Purchased Power	1 433,559	433,559	0	0	0	0	0	0
Miscellaneous Expense - Other	10 34,690	7,535	3,459	12,041	9,439	0	0	2,217
Miscellaneous Expense - Fringe Benefits	10 0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION	1,325,786	627,339	88,946	309,699	242,754	0	0	57,012
Maintenance of Supervision and Engineering	11 3,082	316	103	597	67	1,547	0	452
Maintenance of Structures and Improvements - Labor	11 1,281	131	43	248	28	643	0	188
Maintenance of Structures and Improvements - Other	11 1,342	138	45	260	29	674	0	197
Maintenance of Structures and Improvements - Fringe Benefits	11 430,298	44,149	14,372	83,306	9,424	215,967	0	63,125
Maintenance of Distribution Reservoirs and Standpipes	5 186,086	38,499	0	100,117	0	0	0	27,471
Maintenance of Transmission and Distribution Mains	6 234,137	70,873	34,161	109,717	0	0	0	19,363
Maintenance of Transmission and Distribution Mains	6 31,538	9,547	4,601	14,779	0	0	0	2,608
Maintenance of Services - Labor	9 628,262	0	0	0	0	557,959	0	70,303
Maintenance of Services - Other	9 27,373	0	0	0	0	24,310	0	3,063
Maintenance of Services - Fringe Benefits and Other	9 0	0	0	0	0	0	0	0
Maintenance of Meters - Labor	8 25,821	0	0	0	25,821	0	0	0
Maintenance of Meters - Other	8 (465)	0	0	0	(465)	0	0	0
Maintenance of Meters - Fringe Benefits	8 0	0	0	0	0	0	0	0
Maintenance of Hydrants - Labor	7 35,120	0	0	0	0	0	0	35,120
Maintenance of Hydrants - Other	7 12,314	0	0	0	0	0	0	12,314
Maintenance of Hydrants - Fringe Benefits	7 0	0	0	0	0	0	0	0
Miscellaneous	11 0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE	1,596,189	163,652	53,324	309,022	34,904	801,089	0	234,203

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

<u>Account</u>	<u>Cost of Service</u>	<u>Base</u>	<u>Max Day</u>	<u>Max Hour</u>	<u>Meters</u>	<u>Services</u>	<u>Billing & Collecting</u>	<u>Fire Service</u>
TOTAL T & D EXPENSE	2,921,977	790,991	142,271	618,721	277,659	801,099	0	291,215

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

Account	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
CUSTOMER ACCOUNTS								
Supervision - Labor	12 70,658	0	0	0	0	0	68,976	1,682
Supervision - Other	12 0	0	0	0	0	0	0	0
Supervision - Fringe Benefits	12 683,858	0	0	0	0	0	667,582	16,276
Meter Reading - Labor	13 350,451	0	0	0	0	0	350,451	0
Meter Reading - Other	13 85,086	0	0	0	0	0	85,086	0
Meter Reading - Fringe Benefits	13 0	0	0	0	0	0	0	0
Customer Records and Collection - Labor	12 1,020,766	0	0	0	0	0	996,472	24,294
Customer Records and Collection - Other	12 714,917	0	0	0	0	0	697,609	17,008
Customer Records and Collection - Fringe Benefits	12 0	0	0	0	0	0	0	0
Uncollectible Accounts	12 (583)	0	0	0	0	0	(569)	(14)
Miscellaneous Other	12 77,181	0	0	0	0	0	75,344	1,837
TOTAL CUSTOMER ACCOUNTING EXPENSE	3,002,034	0	0	0	0	0	2,940,951	61,083
ADMINISTRATIVE AND GENERAL EXPENSES								
A&G Labor	14 1,384,073	323,181	306,157	91,072	40,830	118,061	433,215	71,280
Fringe Benefits Transferred	16 (3,711,372)	(807,595)	(839,141)	(219,713)	(134,723)	(406,024)	(1,108,958)	(194,105)
Employee pension cost	16 2,968,509	645,948	671,180	175,736	107,757	324,755	886,980	155,253
Post Retire Health Care Accrue	16 (353,156)	(76,847)	(79,849)	(20,907)	(12,820)	(38,635)	(105,523)	(18,470)
Employee group health & life	16 1,894,427	412,227	428,330	112,150	68,768	207,250	566,055	99,079
Employee 401K	16 327,767	71,322	74,108	19,404	11,898	35,858	97,937	17,142
Other employee benefits	16 9,973	2,170	2,255	590	362	1,091	2,980	522
Other Awards	16 24,083	5,240	5,445	1,426	874	2,635	7,196	1,280
Materials and Supplies - A&G and Customer Cares	14 11,534	2,693	2,551	759	340	984	3,610	594
Management Fees- Other	14 3,741,646	873,674	827,652	246,200	110,379	319,162	1,171,135	192,895
Management Fees- Customer Related	12 0	0	0	0	0	0	0	0
Management Fees- Employee related	16 0	0	0	0	0	0	0	0
Contract Services	14 144,744	33,798	32,017	9,524	4,270	12,347	45,305	7,454
Rental of Equipment	14 11,473	2,679	2,538	755	338	979	3,591	591
Transportation Expense	14 673,085	157,165	148,886	44,289	19,856	57,414	210,676	34,664
Insurance - General Liability	14 404,160	94,371	89,400	26,594	11,923	34,475	126,502	20,814
Insurance-Workman's Compensation	16 94,545	20,573	21,377	5,597	3,432	10,343	28,250	4,945
Advertising	14 188,233	46,287	43,849	13,044	5,848	16,909	62,047	10,209
Reg. Commission Exp (Amortization)	14 144,639	33,773	31,994	9,517	4,267	12,338	45,272	7,449
Bad Debt Write Off	16 885,633	192,714	200,242	52,429	32,148	96,888	284,627	46,319

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

Account	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Miscellaneous Expenses	438,421	102,371	96,979	28,848	12,933	37,397	137,226	22,579
TOTAL A & G EXPENSE	9,292,417	2,135,747	2,065,971	597,314	288,681	844,227	2,878,133	480,272
Total Operation & Maintenance Expenses	21,725,834	7,367,769	4,144,878	1,216,036	586,340	1,645,326	5,819,084	964,308
DEPRECIATION EXPENSE								
Water Source Structures	171,733	76,413	93,320	0	0	0	0	0
Collection and Impounding Reservoirs	695	695	0	0	0	0	0	0
Lakes, River and Other Intakes	49,903	22,786	27,117	0	0	0	0	0
Wells & Springs	115,412	52,697	62,715	0	0	0	0	0
Infiltration Galleries and Tunnels	0	0	0	0	0	0	0	0
Supply Mains	38,691	17,666	21,025	0	0	0	0	0
Purification Buildings	377,034	172,154	204,880	0	0	0	0	0
Power Generation Equip	149,514	63,932	76,073	0	0	0	0	9,509
Electric Pumping Equipment - Source of Supply	1,232,430	562,728	669,702	0	0	0	0	0
Power Pumping Equipment - Water Treatment	0	0	0	0	0	0	0	0
Power Pumping Equipment - Trans. & Distrib.	0	0	0	0	0	0	0	0
Purification System - Treatment Structures	784,618	358,257	426,361	0	0	0	0	0
T&D Structures and Improvements	88,174	26,690	12,865	41,318	0	0	0	7,292
Distribution Reservoirs and Standpipes	230,900	53,523	0	139,187	0	0	0	38,191
Distribution Mains	2,619,084	0	661,843	1,720,738	0	0	0	236,503
Transmission Mains	0	0	0	0	0	0	0	0
Services	2,006,773	0	0	0	0	1,782,215	0	224,558
Meters	920,930	0	0	0	920,930	0	0	0
Hydrants	195,160	0	0	0	0	0	0	195,160
Structures and Improvements - General Plant	140,867	32,892	31,160	9,269	4,156	12,016	44,091	7,255
Office Furniture and Equipment	396,657	92,619	87,741	26,100	11,701	33,835	124,154	20,428
CIS System	522,508	0	0	0	0	0	510,072	12,436
Transportation Equipment	14,869	3,472	3,289	978	439	1,268	4,654	766
Stores Equipment	212	50	47	14	6	18	66	11
Tools and work Equipment	85,183	19,890	18,842	5,805	2,513	7,266	26,662	4,387
Laboratory Equipment	6,909	3,155	3,754	0	0	0	0	0
Power Operated Equipment	15,573	3,636	3,445	1,025	459	1,328	4,874	802
Communication Equipment	253,004	59,076	55,964	16,648	7,464	21,581	79,190	13,030
Miscellaneous Equipment	377,328	88,106	83,465	24,828	11,131	32,186	118,104	19,432
Other Tangible Property	0	0	0	0	0	0	0	0
Total Depreciation Expense	10,794,161	1,712,437	2,543,608	1,965,710	958,799	1,891,714	911,868	789,759

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

Account	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Amortization of Utility Plant Acquisition	20,710	3,059	4,873	4,960	1,909	3,641	313	1,959
Amortization of Relocation Exp	0	0	0	0	0	0	0	0
Amortization-Miscellaneous	0	0	0	0	0	0	0	0
Amortization of OPEB Costs	0	0	0	0	0	0	0	0
Amortization of Legal Costs	0	0	0	0	0	0	0	0
Amort of AFUDC Equity GU	0	0	0	0	0	0	0	0
	<u>20,710</u>	<u>3,059</u>	<u>4,873</u>	<u>4,960</u>	<u>1,909</u>	<u>3,641</u>	<u>313</u>	<u>1,959</u>
Taxes Other Than Income								
Real Estate	2,135,524	320,969	500,994	505,692	194,760	372,222	40,148	200,526
Payroll Taxes	716,038	155,810	161,896	42,389	25,992	78,335	213,952	37,449
Franchise Tax	0	0	0	0	0	0	0	0
PUC Assessment	0	0	0	0	0	0	0	0
	<u>2,851,562</u>	<u>476,779</u>	<u>662,890</u>	<u>548,082</u>	<u>220,752</u>	<u>450,556</u>	<u>254,100</u>	<u>237,974</u>
Income Taxes	4,141,413	622,454	971,575	980,687	377,697	721,848	77,859	388,879
Utility Income Available for Return	<u>16,284,963</u>	<u>2,447,630</u>	<u>3,820,452</u>	<u>3,856,279</u>	<u>1,485,189</u>	<u>2,838,469</u>	<u>306,157</u>	<u>1,529,158</u>
Total Cost of Service	<u>55,818,643</u>	<u>12,630,129</u>	<u>12,148,277</u>	<u>8,591,753</u>	<u>3,610,686</u>	<u>7,551,555</u>	<u>7,369,381</u>	<u>3,912,037</u>
Less: Other Water Revenues								
Miscellaneous Service Revenue	37,810	8,556	8,227	5,819	2,446	5,116	4,991	2,650
Fire Hydrant Meter Rental Revenue	0	0	0	0	0	0	0	0
Temporary Meter Charge	0	0	0	0	0	0	0	0
	<u>37,810</u>	<u>8,556</u>	<u>8,227</u>	<u>5,819</u>	<u>2,446</u>	<u>5,116</u>	<u>4,991</u>	<u>2,650</u>
Total Cost of Service Related to Sales of Water	<u>55,780,833</u>	<u>12,621,572</u>	<u>12,140,050</u>	<u>8,585,934</u>	<u>3,608,239</u>	<u>7,546,439</u>	<u>7,364,390</u>	<u>3,909,387</u>
Reallocation of Public Fire	0	0	0	0	1,875,146	0	0	(1,875,146)
Total	<u>\$ 55,780,833</u>	<u>\$ 12,621,572</u>	<u>\$ 12,140,050</u>	<u>\$ 8,585,934</u>	<u>\$ 5,483,385</u>	<u>\$ 7,546,439</u>	<u>\$ 7,364,390</u>	<u>\$ 2,034,241</u>

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

Account	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE								
Organization	87,684	12,951	20,632	21,000	8,084	15,415	1,324	8,295
Franchises and Consents	29,825	4,405	7,018	7,143	2,750	5,243	450	2,821
Source of Supply - Land and Land Rights	9,803,550	4,476,301	5,327,249	0	0	0	0	0
Water Source Structures	4,743,654	2,165,952	2,577,702	0	0	0	0	0
Collection and Impounding Reservoirs	40,895	40,895	0	0	0	0	0	0
Lakes, River and Other Intakes	1,005,728	459,215	546,513	0	0	0	0	0
Wells & Springs	2,201,984	1,005,426	1,196,558	0	0	0	0	0
Infiltration Galleries and Tunnels	(3,809)	(1,739)	(2,070)	0	0	0	0	0
Source of Supply - Plant	2,087,786	953,283	1,134,503	0	0	0	0	0
Water Treatment - Land and Land Rights	889,034	405,933	483,101	0	0	0	0	0
Purification Buildings	9,819,385	4,483,531	5,335,854	0	0	0	0	0
Power Generation Equip	1,989,934	850,896	1,012,478	0	0	0	0	0
Electric Pumping Equipment - Source of Supply	(271,520)	(123,976)	(147,544)	0	0	0	0	126,560
Electric Pumping Equipment - Water Treatment	5,841,752	2,497,933	2,972,284	0	0	0	0	0
Electric Pumping Equipment - Transmission and Distribution	1,156,666	1,376,549	1,376,549	0	0	0	0	0
Purification System - Treatment Structures	6,932,086	3,165,195	3,766,901	0	0	0	0	371,535
T&D - Land and Land Rights	1,102,452	333,712	160,848	516,609	0	0	0	0
T&D Structures and Improvements	2,472,886	748,543	360,794	1,158,784	0	0	0	91,173
Distribution Reservoirs and Standpipes	7,086,262	1,642,596	0	4,271,599	0	0	0	204,508
Distribution Mains	55,037,026	0	13,907,856	36,159,326	0	0	0	1,172,068
Transmission Mains	0	0	0	0	0	0	0	4,969,843
Services	34,440,102	0	0	0	0	30,566,255	0	3,853,847
Meters	16,172,490	0	0	0	16,172,490	0	0	0
Hydrants	5,624,954	0	0	0	0	0	0	5,624,954
General Land and Land Rights	213,383	49,825	47,200	14,041	6,295	18,202	66,789	10,989
Office Buildings	2,707,959	632,316	599,009	178,186	79,886	230,992	847,604	139,462
Office Furniture and Equipment	710,028	165,792	157,058	46,720	20,946	60,565	222,239	36,566
Computer Software	985,355	230,080	217,961	64,836	29,068	84,051	308,416	50,746
Computer Software-CIS Implementation	569,551	132,890	125,985	37,476	16,802	48,583	178,269	29,332
Transportation Equipment	59,553	13,906	13,173	3,919	1,757	5,080	18,640	3,067
Stores Equipment	(378)	(88)	(84)	(25)	(11)	(32)	(118)	(19)
Tools and work Equipment	742,281	173,323	164,193	48,842	21,897	63,317	232,334	38,227
Laboratory Equipment	9,627	4,396	5,231	0	0	0	0	0
Power Operated Equipment	52,851	12,341	11,691	3,478	1,559	4,508	16,542	2,722
Communication Equipment	2,495,979	582,811	552,111	194,235	73,631	212,907	781,241	128,543
Miscellaneous Equipment	78,664	18,368	17,400	5,176	2,321	6,710	24,622	4,051
Other Tangible Property	1,576,192	232,804	370,878	377,488	145,325	277,095	23,800	149,108
Total Utility Plant in Service	179,868,450	26,526,562	42,319,032	43,078,854	16,582,800	31,618,889	2,722,153	17,018,399

SUEZ WATER IDAHO INC.

COST OF SERVICE FOR THE TWELVE MONTHS ENDED MARCH 31, 2021, ALLOCATED TO COST FUNCTIONS

Account	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Other Rate Base Items								
Utility Plant Acquisition Adjustment	17 369,691	54,603	86,988	88,541	34,086	64,992	5,582	34,973
Pre-1971 Investment Tax Credits	17 39,624,750	5,852,576	9,323,704	9,490,128	3,653,402	6,966,031	598,334	3,748,501
Deferred Charges Included in Rate Base	17 4,809,940	710,428	1,131,779	1,151,981	443,476	845,587	72,630	455,020
Working Capital Allowance	15 3,205,725	1,087,382	611,652	179,521	83,669	242,673	858,493	142,334
Deferred Income Taxes	17 (9,519,724)	(1,406,063)	(2,239,991)	(2,279,974)	(877,719)	(1,673,567)	(143,748)	(900,566)
Total Other Rate Base Elements	38,490,382	6,298,926	8,914,132	8,630,196	3,336,915	6,445,716	1,391,291	3,480,263
Total Original Cost Measure of Value	\$218,358,832	\$ 32,825,508	\$ 51,233,164	#####	\$19,919,714	\$ 38,064,605	\$ 4,113,445	\$ 20,498,661

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification (1)	Average Daily Consumption, CCF (2)	Allocation Factor (3)
Residential	32,192	0.6538
Commercial	16,875	0.3427
Public Authority	171	0.0035
Private Fire Protection	0	0.0000
Public Fire Protection	0	0.0000
Total	49,238	1.0000

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor (6)=(3)+(5)
	Allocation Factor 1 (2)	Weighted Factor (3)=(2)x 0.4566	Allocation Factor (4)	Weighted Factor (5)=(4)x 0.5434	
Residential	0.6538	0.2985	0.6886	0.3742	0.6727
Commercial	0.3427	0.1565	0.3068	0.1667	0.3232
Public Authority	0.0035	0.0016	0.0046	0.0025	0.0041
Private Fire Protection	0.0000	0.0000			0.0000
Public Fire Protection	0.0000	0.0000			0.0000
Total	1.0000	0.4566	1.0000	0.5434	1.0000

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

Customer Classification	Average Daily Consumption, CCF	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, CCF Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	32,192	2.0	64,384	0.6886
Commercial	16,875	1.7	28,688	0.3068
Public Authority	171	2.5	428	0.0046
Total	49,238		93,500	1.0000

The weighting of the factors is based on the maximum day ratio of 2.19, based on a review of maximum day ratios experienced during the period 2010 through 2019 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4566
Maximum Day Extra Capacity	1.19	0.5434
Total	2.19	1.0000

* Ratio of maximum day to average day minus 1.0.

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 2.19 and the average daily system sendout for 2019 of 40.3 MGD. The system demand for fire protection is 10,000 Gallons per minute for 10 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	40,325,000	0.4276
Maximum Day Extra Capacity	<u>1.19</u>	<u>47,986,750</u>	<u>0.5088</u>
Subtotal	<u>2.19</u>	88,311,750	0.9364
Fire Protection		<u>6,000,000</u>	<u>0.0636</u>
Total		<u>94,311,750</u>	<u>1.0000</u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.4276	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.5088	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0636	
Residential	0.6538	0.2795	0.6886	0.3504			0.6299
Commercial	0.3427	0.1465	0.3068	0.1561			0.3026
Public Authority	0.0035	0.0015	0.0046	0.0023			0.0038
Private Fire Protection	0.0000	0.0000			0.5296	0.0337	0.0337
Public Fire Protection	0.0000	0.0000			0.4704	0.0299	0.0299
Total	1.0000	0.4275	1.0000	0.5088	1.0000	0.0636	0.9999

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.60 and the average daily system sendout for 2019 of 40.3 MGD. The system demand for fire protection is 10,000 gallons per minute

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	28,003	0.2526
Maximum Hour Extra Capacity	<u>2.60</u>	<u>72,808</u>	<u>0.6570</u>
Subtotal	<u><u>3.60</u></u>	100,811	0.9096
Fire Protection		<u>10,000</u>	<u>0.0903</u>
Total		<u><u>110,811</u></u>	<u><u>0.9999</u></u>

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	1,341.3	3.7	4,962.8	0.6850
Commercial	703.1	3.2	2,249.9	0.3106
Public Authority	<u>7.1</u>	4.5	<u>32.0</u>	<u>0.0044</u>
Total	<u><u>2,051.5</u></u>		<u><u>7,244.7</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Hourly Consumption		Maximum Hour Extra Capacity		Fire Protection		Allocation Factor (9)=(4)+(6)+(8)
	CCF (2)	Allocation Factor (3)	Allocation Factor (5)	Weighted Factor (4)=(3) X 0.2526	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.0903	
Residential	1,341.3	0.6538	0.6850	0.4500			0.6151
Commercial	703.1	0.3427	0.3106	0.2041			0.2907
Public Authority	7.1	0.0035	0.0044	0.0029			0.0038
Private Fire Protection	0.0	0.0000		0.0000		0.5296	0.0478
Public Fire Protection	0.0	0.0000		0.0000		0.4704	0.0425
Total	2,051.5	1.0000	1.0000	0.6570	1.0000	1.0000	0.9999

The maximum hour extra capacity factors in column 5 are determined on the following page.

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity.

Fire not updated.

$$\text{Fire Protection Weight} = \frac{10,000 \text{ GPM} \times 60 \text{ Min.} \times 10 \text{ Hrs}}{36,282,000 \text{ Gallons}} = 0.1654$$

$$\text{General Service Weight} = 1.0000 - 0.1654 = 0.8346$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	27.78	0.2318
Extra Capacity Maximum Hour	2.60	72.22	0.6028
Total	3.60	100.00	0.8346

Customer Classification	Average Hourly Consumption Thousand Gal.	Factor*	Maximum Hour Extra Capacity	
			1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	1,341.3	3.7	4,962.8	0.6850
Commercial	703.1	3.2	2,249.9	0.3106
Public Authority	7.1	4.5	32.0	0.0044
Total	2051.5		7244.7	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Hourly Consumption		Maximum Hour Extra Capacity		Fire Protection		Allocation Factor (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Allocation Factor (5)	Weighted Factor (4)=(3) X 0.2318	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.1654	
Residential	1,341.3	0.6538	0.6850	0.1515			0.5644
Commercial	703.1	0.3427	0.3106	0.0794			0.2666
Public Authority	7.1	0.0035	0.0044	0.0008			0.0035
Private Fire Protection	0.0	0.0000		0.0000	0.5296	0.0876	0.0876
Public Fire Protection	0.0	0.0000		0.0000	0.4704	0.0778	0.0778
Total	2,051.5	1.0000	1.0000	0.2317	1.0000	0.6028	0.9999

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.2868	(4)	(5)=(4)X 0.7132	(6)=(3)+(5)
Residential	0.6299	0.1807	0.6151	0.4387	0.6194
Commercial	0.3026	0.0868	0.2907	0.2073	0.2941
Public Authority	0.0038	0.0011	0.0038	0.0027	0.0038
Private Fire Protection	0.0337	0.0097	0.0478	0.0341	0.0438
Public Fire Protection	0.0299	0.0086	0.0425	0.0303	0.0389
Total	0.9999	0.2869	0.9999	0.7131	1.0000

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	2,018,904	0.2868
Distribution Mains	5,021,204	0.7132
Total	7,040,108	1.0000

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	123,246	0.6562
Commercial	63,854	0.3400
Public Authority	724	0.0039
Private Fire	0	0.0000
Total	187,824	1.0001

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	94,748	0.7309
Commercial	20,110	0.1552
Public Authority	243	0.0019
Private Fire Protection	<u>14,507</u>	<u>0.1119</u>
Total	<u><u>129,608</u></u>	<u><u>0.9999</u></u>

SUEZ WATER IDAHO INC.

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Equivalent (2)	Residential		Commercial		Public Authority		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (13)	Weighting (14)=(2)X(13)	Number of Meters (15)	Weighting (16)
5/8	1.0	24,216	24,216	627	627	5	5	24,848	24,848
3/4	1.5	53,256	79,884	2,009	3,014	10	15	55,275	82,913
1	1.9	8,586	16,313	2,432	4,621	27	51	11,045	20,985
1-1/2	6.0	252	1,512	2,013	12,078	21	126	2,286	13,716
2	11.9	111	1,321	2,181	25,954	40	476	2,332	27,751
3	51.1		0	265	13,542	1	51	266	13,593
4	94.1		0	37	3,482		0	37	3,482
6	134.0		0	4	536		0	4	536
8	180.0		0		0		0	0	0
Total		86,421	123,246	9,568	63,854	104	724	96,093	187,824

SUEZ WATER IDAHO INC.

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Residential		Commercial		Public Authority		Private Fire Protection		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(11)	Number of Services (15)	Weighting (16)
3/4	1.00	77,472	77,472	2,636	2,636	15	15	0	0	80,123	80,123
1	1.90	8,586	16,313	2,432	4,621	27	51	0	0	11,045	20,985
1-1/2	2.50	252	630	2,013	5,033	21	53	0	0	2,286	5,716
2	3.00	111	333	2,181	6,543	40	120	0	0	2,332	6,996
3	3.50	0	0	265	928	1	4	808	2,828	1,074	3,760
4-12 Inch	8.50	0	0	41	349	0	0	1,374	11,679	1,415	12,028
Total		86,421	94,748	9,568	20,110	104	243	2,182	14,507	98,275	129,608

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10. ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Operating Expenses</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$ 340,032	0.6269
Commercial	165,613	0.3054
Public Authority	2,068	0.0038
Private Fire Protection	18,354	0.0338
Public Fire Protection	16,301	0.0301
Total	<u>542,369</u>	<u>1.0000</u>

FACTOR 11. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Maintenance Expenses</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$ 754,140	0.6501
Commercial	232,789	0.2006
Public Authority	2,935	0.0025
Private Fire Protection	99,551	0.0858
Public Fire Protection	70,690	0.0609
Total	<u>\$1,160,106</u>	<u>0.9999</u>

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 12. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	86,421	0.8781
Commercial	9,568	0.0972
Public Authority	104	0.0011
Private Fire Protection	2,338	0.0238
Public Fire Protection	0	0.0000
 Total	 98,431	 1.0002

FACTOR 13. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	86,421	0.8993
Commercial	9,568	0.0996
Public Authority	104	0.0011
 Total	 96,093	 1.0000

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, and chemicals.

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$6,777,239	0.7212
Commercial	2,109,421	0.2245
Public Authority	25,993	0.0028
Private Fire Protection	298,028	0.0317
Public Fire Protection	<u>186,009</u>	<u>0.0198</u>
Total	<u>\$9,396,689</u>	<u>1.0000</u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL

Factors are based on the allocation of all operation and maintenance expenses including purchased water, power, and chemicals.

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$15,464,685	0.7118
Commercial	5,234,395	0.2409
Public Authority	62,641	0.0029
Private Fire Protection	595,380	0.0274
Public Fire Protection	<u>368,928</u>	<u>0.0170</u>
Total	<u>\$21,726,029</u>	<u>1.0000</u>

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification <u>(1)</u>	Direct Labor Expense <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$4,462,963	0.7213
Commercial	1,383,692	0.2236
Public Authority	17,161	0.0028
Private Fire Protection	204,324	0.0330
Public Fire Protection	119,466	0.0193
Total	<u>\$6,187,606</u>	<u>1.0000</u>

FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification <u>(1)</u>	Original Cost Less Depreciation <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$113,765,546	0.6386
Commercial	46,949,164	0.2635
Public Authority	593,042	0.0033
Private Fire Protection	7,799,005	0.0438
Public Fire Protection	9,059,169	0.0508
Total	<u>\$178,165,927</u>	<u>1.0000</u>

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification <u>(1)</u>	Original Cost Measure of Value <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$139,661,760	0.6396
Commercial	57,465,221	0.2632
Public Authority	724,367	0.0033
Private Fire Protection	9,506,494	0.0435
Public Fire Protection	<u>10,992,167</u>	<u>0.0503</u>
Total	<u>\$218,350,010</u>	<u>0.9999</u>

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification <u>(1)</u>	Total Cost of Service <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$37,639,131	0.6744
Commercial	14,093,573	0.2525
Public Authority	173,793	0.0031
Private Fire Protection	2,033,365	0.0364
Public Fire Protection	<u>1,876,416</u>	<u>0.0336</u>
Total	<u>\$55,816,278</u>	<u>1.0000</u>

SUEZ WATER IDAHO INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	123,246	0.6562
Commercial	63,854	0.3400
Public Authority	724	0.0039
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>187,824</u></u>	<u><u>1.0001</u></u>

SUEZ WATER IDAHO INC.

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 2010-2019

Year	Average Daily Send out (MGD)	Maximum Daily Use	
		MGD	Ratio to Average
(1)	(2)	(3)	(4)
2010	38.340	84.000	2.19
2011	37.082	80.000	2.16
2012	40.495	84.000	2.07
2013	42.126	82.000	1.95
2014	41.652	84.000	2.02
2015	42.411	88.000	2.07
2016	42.473	82.000	1.93
2017	40.855	84.000	2.06
2018	42.885	87.000	2.03
2019	40.325	81.958	2.03

SUEZ WATER IDAHO INC.

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
3 -inch	9.00	808	7,272	
4 -inch	16.00	624	9,984	
6 -inch	36.00	561	20,196	
8 -inch	64.00	174	11,136	
10 -inch	100.00	10	1,000	
12 -inch	144.00	5	720	
Sprinkler	9.00	0	0	
Private Hydrants	20.70	156	3,230	
Total Private Fire Protection		2,338	53,538	0.5296
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
4.5" Valve	2- 2-1/2" & 1-4.5"	2,297	47,554	
Total Public Fire Protection		2,297	47,554	0.4704
Total Fire Protection		4,635	101,092	1.0000

SUEZ WATER IDAHO INC.
CALCULATION OF BI-MONTHLY CUSTOMER COST FOR A 5/8-INCH METER

Cost Function (1)	Cost of Service (2)	Total Units (3)	Cost Per 5/8-inch Meter (4)	Cost Per 5/8-inch Meter Bi-Monthly Bill (5)
Meters	\$3,608,239	187,824 5/8-inch Equivalents	\$19.21	\$3.20
Services	7,546,439	115,101 3/4-inch Equivalents	65.56	\$10.93
Billing, Collecting and Meter Reading	7,364,390	96,093 Customers	76.64	\$12.77
Subtotal Customer Costs	<u>\$18,519,069</u>			<u>26.90</u>
Unrecovered Public Fire	<u>1,875,146</u>	187,824 5/8-inch Equivalents	9.98	<u>1.66</u>
Total Customer Costs and Public Fire	<u><u>\$20,394,214</u></u>			<u><u>\$28.56</u></u>